

**CHFP025**

## Declaration in relation to assistance for the acquisition of shares

# 155(6)a

Pursuant to section 155(6) of the Companies Act 1985

**To the Registrar of Companies  
(Address overleaf - Note 5)**

Company number

— — — — —

4210086

Name of company

\* Kidsunlimited Limited (Company)

~~X~~We Please see Appendix 1

~~The said~~ [all the directors] † of the above company do solemnly and sincerely declare that

The business of the company is

[illegible][illegible]

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the

[company] ~~XXXXXXXXXXXXXXXXXXXX~~

The assistance is for the purpose of [that acquisition] XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX

XXXXXXXXXXXXXXXXXXXXX †

The number and class of the shares acquired or to be acquired is

Please see Appendix 2

Presenter's name address and  
reference (if any)  
Addleshaw Goddard LLP  
100 Barbirolli Square  
Manchester  
M2 3AB  
2-2070883-1

14301 Manchester

For official Use  
General Section

TUESDAY



\*A2QIFYPM\*

A12

08/04/2008

143

COMPANIES HOUSE

The assistance is to be given to (note 2) Inhoco 3446 Limited (Company No 6481383)  
whose registered address is 100 Barbirolli Square, Manchester, M2 3AB  
(Purchaser)

Please do not  
write in this  
margin

Please complete  
legibly, preferably  
in black type, or  
bold block  
lettering

The assistance will take the form of

Please see Appendix 3

The person who ~~XXXXXX0000~~ [will acquire] † the shares is

† delete as  
appropriate

The Purchaser

The principal terms on which the assistance will be given are

Please see Appendix 4

The amount of cash to be transferred to the person assisted is £ Please see Appendix 5

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is within 8 weeks of the date hereof

\* delete either (a) or b) as appropriate

[illegible]

Declarants to sign below


AG, 100 Borbicolli; Sg.

Day Month Year  
on 03 04 2008

before me

John Mills

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths



- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given, if a recipient is a company the registered office address should be shown
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form
- 5 The address for companies registered in England and Wales or Wales is -

The Registrar of Companies  
Companies House  
Crown Way  
Cardiff  
CF14 3UZ

or, for companies registered in Scotland -

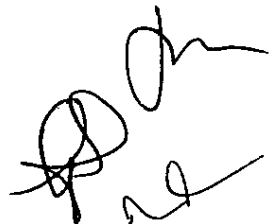
The Registrar of Companies  
37 Castle Terrace  
Edinburgh  
EH1 2EB

**Appendix 1 to Form 155(6)a given by Kidsunlimited Limited (registered number 4210086)**

**Directors**

Name	Lee Pearson
Address	278 Northwich Road Hartford Cheshire CW8 3AL

Name	Graham Smith
Address	Briarfield Moor Lane Burley-in-Wharfedale West Yorkshire LS29 7AF

A handwritten signature in black ink, appearing to be 'P. Smith', located in the bottom right corner of the page.

**Appendix 2 to Form 155(6)a given by Kidsunlimited Limited (registered number 4210086)**

**Number and class of shares**

4,823,649 Ordinary Shares of £0.01 each in the capital of the Company

114,374 Deferred A Ordinary Shares of £0.01 each in the capital of the Company

6,413,976 A Ordinary Shares of £0.01 each in the capital of the Company

1,487,500 Preference Shares of £0.01 each in the capital of the Company

A handwritten signature in black ink, consisting of a stylized 'P' followed by a cursive 'n' and a horizontal line.

**Appendix 3 to Form 155(6)a given by Kidsunlimited Limited (registered number 4210086)**

**Form of Assistance**

The execution by the Company of the following documents (as the same may be amended, varied, supplemented or substituted from time to time)

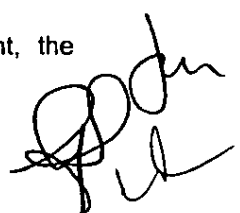
- 1 a facilities agreement (**Facilities Agreement**) to be made between (1) the Purchaser, (2) the Company, (3) Kids of Wilmslow Limited (Company Number 2102771), (4) Kids (Warrington and Luton) Limited (Company Number 2745667), (5) Kids Properties Limited (Company Number 2961549), (6) Nursery Education for Employment Development Limited (Company Number 2667954), (7) Tadpoles Nurseries Limited (Company Number 2794867), (8) Clairmont House Limited (Company Number 6458671) (together the **Group**), Barclays Leveraged Finance as mandated lead arranger and Barclays Bank PLC (**Barclays**) as original lender, agent and security agent,
- 2 a debenture (**Debenture**) to be given by the Company and each other member of the Group in favour of Barclays as security agent (**Security Agent**) for Barclays in its various capacities and each lender, hedge counterparty and ancillary lender from time to time (as each such term is defined in the facilities agreement) (each a **Finance Party** and together the **Finance Parties**) and any receiver or delegate appointed by a Finance Party,
- 3 an intra-group loan agreement (**Intra-Group Loan Agreement**) for the provision of loan facilities to be made available between the Group,
- 4 an intercreditor agreement (**Intercreditor Agreement**) to be entered into between the Company, each other member of the Group, Lloyds TSB Development Capital Limited and OSB 2008, FIS Nominee Limited, Baronsmead VCT plc, Baronsmead VCT 2 plc and Baronsmead VCT 3 plc as the Initial Investors and Barclays (in various capacities),
- 5 a composite accounting system 2000 Master Agreement (**CAS 2000 Master Agreement**) to be entered into between the Company, each other member of the Group and Barclays, and
- 6 a cross guarantee (**Guarantee**) to be entered into between the Company, each other member of the Group and Barclays



### Principal Terms

Each defined term in this appendix 4 shall have the same meaning as set out in the document to which it relates unless otherwise defined in this Form 155(6)a

- 1 Under the terms of the Facilities Agreement, the Company will, amongst other things
  - (a) irrevocably and unconditionally jointly and severally (with each other member of the Group)
    - (i) guarantee to each Finance Party the punctual performance by all other members of the Group of their respective obligations under the Finance Documents,
    - (ii) undertake with each Finance Party that whenever another member of the Group does not pay any amount when due under or in connection with any Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor, and
    - (iii) indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover, and
  - (b) give various representations, warranties, undertakings and indemnities to the Finance Parties and agree to pay certain costs fees and expenses to the Finance Parties
- 2 Under the terms of the Debenture, the Company will, amongst other things,
  - (a) covenant in favour of Barclays that it will pay and discharge all present and future obligations and liabilities (whether actual or contingent and whether owned jointly or severally or alone or in any other capacity whatsoever) of the Company to the Security Agent under or pursuant to the Facilities Agreement or any other finance document (as defined in the Facilities Agreement) (**Secured Obligations**) from time to time when they are due,
  - (b) charge and assign all of its undertaking, property and assets (both present and future) by way of fixed and floating charges as security for payment of the Secured Obligations, and
  - (c) give various representations, warranties, undertakings and indemnities to the Security Agent for itself and the Finance Parties
- 3 Under the terms of the Intra-Group Loan Agreement, the Company will, amongst other things, make available to the Purchaser and certain other members of the Group loan facilities for the purposes of
  - (a) making payments when due under the Facilities Agreement,
  - (b) making payments when due under the Guaranteed Loan Note Instrument, the Investor Loan Note Instrument or the Vendor Loan Note Instrument,



- (c) paying Acquisition Costs,
- (d) making a Permitted Payment, or
- (e) any other purpose agreed by the Lenders in writing,

in each case to the extent permitted by the Facilities Agreement and the Intercreditor Agreement

4 By executing the Intercreditor Agreement, the Company will, amongst other things

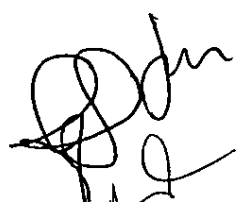
- (a) acknowledge the arrangements made between the Finance Parties and the Investors which regulate the ability of the Company to make payments to those parties and the priorities between those parties,
- (b) agree that debts owed to it by other members of the Group are postponed and subordinated to the liabilities owed by the Group to the Finance Parties, and
- (c) give various representations, warranties, undertakings, covenants and indemnities to Barclays as agent and security agent for itself and the Finance Parties and agree to pay certain costs, fees and expenses to Barclays as agent and security agent for itself and the Finance Parties

5 By executing the CAS 2000 Master Agreement, the Company will, amongst other things

- (a) agree that Barclays shall calculate interest on a net basis on certain specified bank accounts (**Accounts**) of the members of the Group,
- (b) authorise Barclays to apply all or a part of any credit balances in the Accounts towards discharging debit balances in other Accounts without any need to call for payment, and
- (c) give various representations, warranties, undertakings and indemnities to Barclays

6 By executing the Guarantee the Company, will amongst other things

- (a) guarantee to Barclays the payment of any indebtedness owed to Barclays nor in the future by any member of the Group, and
- (b) give various representations, warranties, undertakings and indemnities to Barclays

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**Appendix 5 to Form 155(6)a given by Kidsunlimited Limited (registered number 4210086)**

**Amount of Cash to be Transferred**

Such sums (if any) due under the Intra-Group Loan Agreement, such amount not to exceed £150,000,000

A handwritten signature in black ink, appearing to be 'John W.', located in the bottom right corner of the page.

# Deloitte.

## REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF KIDSUNLIMITED LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We report on the attached statutory declaration of the directors dated 3 April 2008, prepared pursuant to the Companies Act 1985, in connection with the proposal that the Company should give financial assistance in connection with the purchase of the entire issued share capital of the Company

This report is made solely to the directors of the Company for the purpose of section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors of the Company those matters that we are required to state to them in an auditors' report under that section and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the opinions that we have formed

### Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration

### Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their statutory declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

*Deloitte & Touche LLP*

Deloitte & Touche LLP  
Manchester  
Chartered Accountants and Registered Auditors  
3 April 2008