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COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

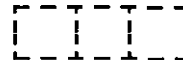
Pursuant to section 155(6) of the Companies Act 1985

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

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

For official use

Company number



4236932

Note

Please read the notes
on page 3 before
completing this form.

* insert full name
of company

§ insert name(s) and
address(es) of all
the directors

Name of company

* Praisedevice Limited

x/We § Christopher Borlase Adams, Belmont House, East Hoathly, Lewes, East

Sussex BN8 6QJ;

Christopher William Little, 7 Hoewood, Mill Glade, Small Dole,

Henfield, West Sussex BN5 9YR; and

Graham Scott McPherson, "Kingston Barn", Kingston Lane, East Preston,

West Sussex BN16 1RP.

† delete as
appropriate

§ delete whichever
is inappropriate

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

The business of the company is:

~~(a) that of a (recognised bank) (licensed institution) within the meaning of the Banking Act 1979;~~

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom;~~

(c) something other than the above§

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

[company] ~~[company's holding company]~~ _____

limited†

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the purpose of that acquisition]~~†

The number and class of the shares acquired or to be acquired is: up to 58,707,980 'A' preference shares, 4,918,400 'A1' preference shares and 42,947,807 'B' preference shares of £0.00001.

Presentor's name address and
reference (if any) :

Ashurst Morris Crisp
Broadwalk House
5 Appold Street
LONDON
EC2A 2HA
639 London / City
Ref: GYB (2487330)

For official Use
General Section



The assistance is to be given to: (note 2) Buildtrue Limited ("Putco") (company number
4237586) .

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

The assistance will take the form of:

See attachment 1.

The person who ~~has acquired~~ [will acquire]† the shares is:

† delete as
appropriate

Putco.

The principal terms on which the assistance will be given are:

See attachment 2.

The amount of cash to be transferred to the person assisted is £ nil

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 today's date

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

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

~~1/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ~~1/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

(b) ~~[It is intended to commence the winding-up of the company within 12 months of that date, and 1/we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.]~~* (note 3)

And ~~1/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at P & H House, Davigdor Road,
Hove, East Sussex BN3 1RE

Declarants to sign below

Day Month Year
on

0	9	0	1	2	0	0	2
---	---	---	---	---	---	---	---

before me

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

[Signature]
[Signature]

NOTES

- 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

FORM 155(6)a

PRAISEDEVICE LIMITED
Company Number 4236932
Attachment 1 to Form 155(6)a

- 1.1 **Guarantees:** guarantees, indemnities and rights of set-off to be granted by the Company (by it becoming a party to and performing its obligations under a master agreement dated 17 December 2001 between Firstvenus plc as Parent and Original Guarantor, Barclays Bank PLC and Burdale Financial Limited as Arrangers, Barclays Bank PLC as Agent, Barclays Bank PLC as Security Trustee, Barclays Bank PLC as Purchaser and Others (the "**Master Agreement**") in favour of the persons (the "**Finance Parties**") who will be arranging and/or providing services to Palmer & Harvey McLane (Holdings) Limited and others in connection with:-
- (a) an invoice discounting facility comprising a receivables agreement (the "**Receivables Agreement**"), a sales ledger financing agreement (the "**Sales Ledger Financing Agreement**") and the Master Agreement;
 - (b) a committed overnight overdraft facility pursuant to an excess facility letter (the "**Excess Facility Letter**"),

(the Receivables Agreement, the Sales Ledger Financing Agreement and the Excess Facility Letter being made available for an amount up to an aggregate of £160,000,000);
 - (c) an ancillary facilities letter (the "**Ancillary Facilities Letter**") comprising of:
 - (i) a banker's automated clearing services ("**BACS**") facility up to £5,000,000 to be provided to Palmer & Harvey McLane Limited;
 - (ii) a BACS facility up to £5,000,000 to P & H Snacksdirect Limited;
 - (iii) a BACS facility up to £5,015,000 to Winerite Limited;
 - (iv) a spot forward exchange transactions facility up to £5,000,000;
 - (v) a company Barclaycard facility up to £10,000; and
 - (vi) a business master settlement agreement facility of £3,140,000.
- 1.2 **Security:** fixed and floating charges to be granted by the Company over all its property and assets from time to time by way of security for (inter alia) its obligations under the guarantees and indemnities referred to in paragraph 1.1.
- 1.3 **Further Security:** second ranking floating charge over all its property and assets from time to time in respect of a 'B' Put Option Deed and 'B' Loan Note Instrument (as defined in the floating charge referred to in paragraph 1.3 of Attachment 2).




- 1.4 **Further Security and Indemnities:** security and indemnities in favour of Barclays Bank PLC who will be providing the Company and Putco with a guarantee facility in respect of an 'A' Put Option Deed and 'A' Loan Note Instrument (as defined in the Master Agreement) in a principal amount of up to an aggregate of £73,000,000.

1.5 See Rider attached



RIDER


Further Guarantees: guarantees to be granted by the Company in relation to composite accounting arrangements entered into by the Company and other members of the group of companies of which the company is a member.

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PRAISEDEVICE LIMITED
Company Number 4236932
Attachment 2 to Form 155(6)a

The principal terms on which the assistance will be given are:-

- 1.1 **Guarantees:** The Company will become a party to the Master Agreement pursuant to a guarantor accession memorandum ("**Guarantor Accession Memorandum**"). The guarantees, indemnities and rights of set-off referred to in paragraph 1.1 of Attachment 1 are recorded in clauses 16 and 23 of the Master Agreement and pursuant to which the Company irrevocably and unconditionally, jointly and severally with certain other members of the group of companies of which it is a member:-
- (a) as principal obligor guarantees the due and punctual observance and performance of all the terms, conditions and covenants (including the payment of monies owing) to the Finance Parties under the Master Agreement, each Guarantor Accession Memorandum, the Receivables Agreement, the Sales Ledger Financing Agreement, the Excess Facility Letter and the Ancillary Facilities Letter (together the "**Finance Documents**");
 - (b) agrees to indemnify the Finance Parties for any loss or liability suffered by any of them as a result of (amongst other things) any obligation owed to them under the Finance Documents being or becoming void, voidable, unenforceable or ineffective for any reason whatsoever;
 - (c) agrees that its guarantee and indemnity obligations will not be affected by (amongst other things) any act, circumstance, omission, matter or thing which might otherwise reduce, release or prejudice any of such obligations or prejudice or diminish such obligations; and
 - (d) agrees that any Finance Party may set off any obligation owed by the Company to the Finance Party against any obligation (whether or not due and payable) owed by that Finance Party to the Company.
- 1.2 **Security:** the security referred to in paragraph 1.2 of Attachment 1 is to be created by the Company executing a debenture (the "**Debenture**") in favour of Barclays Bank PLC as security trustee (the "**Security Trustee**") for the Finance Parties. By entering into the Debenture, the Company will, amongst other things (each term as defined therein):-
- (a) as primary obligor, covenant with the Security Trustee that it will pay or discharge all outstandings under the Finance Documents;
 - (b) charge with full title guarantee (and in respect of assets governed by Scots law with absolute warrandice) in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge and legal mortgage all its right, title and interest from time to time in and to each of the following assets:



- (i) the Real Property other than the Scottish Property and the Northern Irish Property;
 - (ii) the Tangible Moveable Property;
 - (iii) the Intellectual Property;
 - (iv) any goodwill and rights in relation to the uncalled capital of the Company;
 - (v) all Monetary Claims (other than any claims which are otherwise subject to an assignment (at law or in equity) pursuant to the Debenture) and all Related Rights;
 - (vi) all Accounts and all rights and claims in relation to any Account;
 - (vii) the Investments; and
 - (viii) the Shares, all dividends, interest and other monies payable in respect of shares and all other Related Rights (whether derived by way of redemption, bonus, preference option, substitution, conversion or otherwise);
- (c) in the case of heritable or leasehold property situated in Scotland acquired by or on behalf of the Company after the execution of the Debenture, promptly execute and deliver to the Security Trustee, a Standard Security over such property and deliver the said Standard Security to the Security Trustee promptly;
- (d) in the case of Real Property situated in Northern Ireland acquired by or on behalf of the Company after the execution of the Debenture, promptly execute and deliver to the Security Trustee a Northern Irish Mortgage over such Real Property;
- (e) assign by way of security with full title guarantee to the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations its right, title and interest from time to time in and to each of the following assets:
- (i) the proceeds of any Insurance Policy and all Related Rights; and
 - (ii) all rights and claims in relation to any Assigned Account;
- (f) charge with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations by way of first floating charge (i) the whole of its undertaking and assets, present and future, other than any assets validly and effectively charged or assigned (whether at law or in equity) by way of fixed security under the laws of England and Wales, or of the jurisdiction in which that asset is situated, and (ii) the whole of its undertaking and assets, present and future situated in or otherwise governed by Scots law, in each case in favour of the Security Trustee as security for the Secured Obligations;



- (g) undertake to, at its own expense, execute and do all such assurances, acts and things as the Security Agent may reasonably require for perfecting, protecting or realising the security intended to be created by the Debenture over the assets secured thereby;
- (h) permit the Security Trustee and each Finance Party to set off any obligation due and payable by the Company to the Security Agent or the Finance Party against any obligation (whether or not due and payable) owed by the Security Agent or such Finance Party (as the case may be) to the Company; and
- (i) undertake that it shall not, at any time during the subsistence of the Debenture, create or permit to subsist any Encumbrance over all or any part of the Charged Property other than a Permitted Encumbrance.

1.3 **Further Security:** the security referred to in paragraph 1.3 of Attachment 1 is to be created by the Company executing a floating charge (the "**Floating Charge**") in favour of Soufirst Limited as security agent (the "**Security Agent**"). By entering into the Floating Charge the Company will (amongst other things):-

- (a) as primary obligor, covenant with the Security Agent that it will pay or discharge all outstandings under the 'B' Loan Note Instrument and the 'B' Put Option Deed (as defined in the Floating Charge) when they fall due for payment;
- (b) as beneficial owner and with full title guarantee, charge in favour of the Security Agent all its present and future assets and undertakings by way of floating charge by way of security for the payment, discharge and performance of such outstandings; and
- (c) undertake to, at its own expense, execute and do all such assurances, acts and things as the Security Agent may reasonably require to:
 - (i) perfect and/or protect the security created (or intended to be created) by the Floating Charge;
 - (ii) facilitate the realisation or enforcement of such security; and
 - (iii) facilitate the exercise of any of the Security Agent's rights, powers or discretions under the Floating Charge.

1.4 **Further Security and Indemnities:** the indemnities referred to in paragraph 1.4 of Attachment 1 are to be granted by the Company and Putco entering into a bank guarantee facility letter (the "**Bank Guarantee Facility Letter**") with Barclays Bank PLC (the "**Bank**"). The security is to be created by the Company entering into a security over cash agreement (the "**Security Over Cash Agreement**") with the Bank. The Company and Putco shall hereafter be referred to as the "**Obligors**".

Pursuant to the Bank Guarantee Facility Letter:

- (a) each Obligor shall irrevocably and unconditionally as a primary obligation indemnify the Bank at its request against:



- (i) any sum paid or due and payable by the Bank under and in accordance with the terms of any such Guarantee (as defined therein); and
- (ii) all liabilities, costs (including, without limitation, any costs incurred in funding any amount which falls due from the Bank under or in connection with any such Guarantee), claims, losses and expenses which the Bank may at any time incur or sustain in connection with or arising out of any such Guarantee,

other than arising, in each case, as a result of the Bank's gross negligence or wilful default;

- (b) each Obligor shall irrevocably and unconditionally as a primary obligation indemnify the Bank against any cost or loss it may suffer or shall as a result of it issuing or making arrangements to issue a Guarantee but not issued by reason of the operations of any one or more of the provisions hereof other than arising as a result of the Bank's gross negligence or wilful default;
- (c) each Obligor shall, in respect of each Guarantee, pay to the Bank a bank guarantee commission in sterling at the rate of 0.25% per annum on the relevant Guarantee Amount (as defined therein).

Pursuant to the Security Over Cash Agreement:

- (a) the Company will charge its cash collateral account and deposits, with full title guarantee and by way of first fixed charge, in favour of the Bank for the payment and discharge of all the obligations owing to the Bank by the Company under or pursuant to the Bank Guarantee Facility Letter, whether present or future, actual or contingent (and whether incurred by the Company alone or jointly with Putco, and whether as principal or surety or in some other capacity (the "**Secured Obligations**"));
- (b) the Bank shall be entitled without prior notice to the Company to set-off or transfer all or part of the deposits in or towards satisfaction of all or any part of the Secured Obligations when those Secured Obligations are due and payable but unpaid.

1.5 **Amendments:** The Company's obligations as described above continue in relation to the Finance Documents, the Debenture, the Floating Charge, the Bank Guarantee Facility Letter and the Security Over Cash Agreement as they may be amended, modified, varied or restated from time to time.

1.6 See Rider attached



RIDER

Further Guarantees: by executing the guarantees in relation to the composite accounting arrangements the Company will provide an unlimited guarantee in relation to each of the other members of the group which are party to the composite accounting arrangements.

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1 Forest Gate
Brighton Road
Crawley
West Sussex RH11 9PT
United Kingdom

Tel +44 (0) 1293 652000
Fax +44 (0) 1293 652100
DX 89505 Crawley 4

Private & confidential

The Directors
Praisedevice Limited
P&H House
Davigdor Road
Hove
East Sussex BN3 1RE

Our ref sm/jp/088/L24SCM10

9 January 2002

Dear Sirs

Auditors' report to the directors of Praisedevice Limited (the "Company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 9 January 2002 in connection with the proposal that the company should give financial assistance for the potential acquisition of up to a maximum of 58,707,980 'A' preference shares, 4,918,400 'A1' preference shares and 42,947,807 'B' preference shares, each of £0.00001 in the share capital of the Company. We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

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.

Yours faithfully

KPMG

KPMG
Registered Auditors



KPMG, a partnership established under English law, is a member of KPMG International, a Swiss association

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KPMG is registered to carry on audit work and authorised to carry on investment business

by the Institute of Chartered Accountants in England and Wales. The principal place of

business is 8 Salisbury Square, London EC4Y 8BB where a list of partners' names is open to inspection