

**Company No: 04372726**

**The Companies Act 1985**  
**COMPANY LIMITED BY SHARES**  
**SPECIAL RESOLUTIONS**  
**passed as**  
**WRITTEN RESOLUTIONS**  
**of**  
**KCS CONNECT LIMITED**  
**(the "Company")**

(Passed pursuant to section 381A of and Schedule 15A to the Companies Act 1985)

WE, the undersigned, being or representing all the members of the Company, HEREBY RESOLVE as follows:

**RESOLUTIONS**

1. THAT, subject to compliance with sections 155-158 of the Companies Act 1985, it is in the best interests of and to the direct benefit of the Company to enter into the documents listed in the Appendix set out below (the "Company Finance Documents").
2. THAT the giving of financial assistance by the execution, delivery and performance by the Company of the Company Finance Documents is approved.



## APPENDIX

### *(the "Company Finance Documents")*

1. A senior secured sterling Facility comprising a term loan in the maximum aggregate principal amount of £2,500,000 (the "**Senior Facility**") to be made available by HSBC Bank plc (the "**Lender**") to KCS Global Holdings Limited (the "**Buyer**") and security for which is to be given inter alia by the Buyer, the Company and by the following companies, namely:

	Company Number
JCS Management Services Limited	02816149
KCS Management Systems Limited	01019844

being together called the "Subsidiaries" and individually a "subsidiary" and KCS Global Limited (the "**Target**") (the Buyer, the Company, the Target and the Subsidiaries and any other subsidiaries of the Buyer who accede to the facility agreement defined below being together referred to as the "Group"), pursuant to a facility agreement (the "**Facility Agreement**") to be entered into between the Buyer, the Company, the Subsidiaries, the Target and the Lender and to be used in part in financing directly part of the purchase price payable to Christine Rogers, Paula Watson, Alan Douglas Snell and West Register (Investments) Limited and Lee Colliss, Paul Tooth, Michael Präg, Jennifer Oakley, Michael Bull (together the "**Seller**") for the acquisition by the Buyer of all the shares of Target (the "**Acquisition**").

2. An overdraft facility letter ("**Working Capital Facility Letter**") to the maximum principal amount of £500,000 to be made available by the Lender to the Buyer, the Company and the Subsidiaries to be used by the Company and the Subsidiaries towards general working capital requirements of the Buyer, the Company and the Subsidiaries ("**Working Capital Facility**") (the Senior Facility together with the Working Capital Facility together known as the "**Facilities**").
3. A separate debenture (the "**Debenture**") to be made by each of the Buyer, the Company, the Target and each of the Subsidiaries in favour of the Lender granting fixed and floating charges over substantially all the assets and undertaking of each member of the Group securing all money and liabilities whatever, whenever and however incurred whether now or in future due, or become due to the Lender, from each of the Buyer, the Target and the Subsidiaries (the "**Secured Liabilities**").
4. An intra-group funding agreement (the "**Intra-Group Funding Agreement**") to be made between the Buyer and the Company and each other member of the Group pursuant to which monies may be loaned to or borrowed by the Buyer from the other members of the Group in connection with repayment of the Facilities and the Loan Notes and payment of any costs incurred in the Acquisition, payment to Lee Colliss pursuant to clause 7.4 of the service contract to be made between the Buyer and Lee Colliss ("Golden Hello"), and to make

payments when due to, amongst others, the Lender and the Noteholders as defined in paragraph 7 below.

5. A subordination deed (the "**Subordination Deed**") to be made between the Lender, the Company, the Buyer, the Target and the Subsidiaries and others containing terms and conditions regulating certain rights between the parties thereto including in respect of the payment of monies by the Buyer to the Lender.
6. A composite guarantee (the "**Guarantee**") to be made between the Buyer, the Company and the Subsidiaries contained in the Facility Agreement pursuant to which the Buyer and each member of the Group will guarantee to the Lender all monies, liabilities and obligations of the Buyer and any other member of the Group (from time to time) arising under the Facility Agreement or any other finance or security documents entered into in relation to the Facilities. The Guarantee constitutes a guarantee of all the obligations of the Buyer and its subsidiaries (from time to time) to the Lender, including, but not limited to, all such obligations under the Facilities.
7. A Loan Note Instrument (the "**Loan Note Instrument**") to be entered into between the Buyer, the Company and the Subsidiaries pursuant to which certain Noteholders (the "**Noteholders**") are to subscribe for and the Buyer is to issue variable rate subordinated guaranteed secured loan notes (the "**Loan Notes**") whereby the Company and the Subsidiaries will each guarantee in their capacity as guarantor payment to each of the Noteholders of all amounts of principal and interest payable by the Buyer in respect of the Notes.
8. A Debenture ("the **Security Trustee Debenture**") to be made between the Buyer, the Company and each of the Subsidiaries and Northern Venture Managers Limited (the "**Security Trustee**") granting fixed and floating charges over substantially all the assets and undertaking of each member of the Group securing all indebtedness and liability whatsoever now or hereafter due, owing or incurred to certain Noteholders (or any of them) by inter alia the Buyer, the Target and each of the Subsidiaries under inter alia the Loan Note Instrument and the Loan Notes.

*Dated:*

**Name of Shareholder**

**Signature**

**Date of Signature**

KCS Global Limited

  
.....

18 May 2005  
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**KCS CONNECT LIMITED (the Company)**

**BOARD MEMORANDUM**

Memorandum in connection with the proposed arrangement whereby the Company will give financial assistance for the acquisition of shares in KCS Global Limited, the holding company of the Company, particulars of which are given in the statutory declaration made by the directors this day pursuant to Section 155(6) of the Companies Act 1985 (the Act).

1. As at the close of business on 31 March 2005 the aggregate of the Company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated.
2. From our knowledge of events since that date and of the likely course of the Company's business, the directors have formed the opinion that the aggregate of the Company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is given and that the giving of such financial assistance will not reduce the net assets of the Company.

SIGNED ON BEHALF OF THE BOARD: .....



Date: 18/5/5