

## Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

**155(6)b**

~~XXXXXXXXXXXXXXXXXXXX~~ † (note 1)

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

The assistance is to be given to (note 2) Mocom Holding Company Limited  
(Company Number 06586996) whose registered office is Millennium House Fox  
Covert Lane Misterton Doncaster DN10 4ER and The Co-operative Bank plc of PO  
Box 101 1 Balloon Street Manchester M60 4EP

See attached schedule 1

† delete as appropriate

See attached Schedule 2

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

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

~~X~~We have formed the opinion, as regards this 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)

delete either (a) or (b) as appropriate

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

(b) XXXXXXXXXX XXXXXXXXXX the winding up of the company, with XXXXXXXXXX XXXXXXXXXX have formed the opinion that this company will be able to pay its debts in full within XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX\* (note 3)

And ~~X~~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 12A DEANS GATE  
MANCHESTER

Declarants to sign below

on 

| Day | Month | Year |
|-----|-------|------|
| 29  | 05    | 2008 |

before me \_\_\_\_\_

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

## 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  
Companies House  
37 Castle Terrace  
Edinburgh  
EH1 2EB

Company No: 04792242

**SCHEDULES 1, 2 AND 3 – FORM G155(6)b**

**MOCOM LIMITED (the "Company")**

**(in respect of Mocom Property Limited)**

**Preliminaries**

In these Schedules the following expressions shall have the following meanings unless inconsistent with the context

|   |   |
|---|---|
| <b>"Acquisition"</b>                    | means the acquisition by Newco of the entire issued share capital of the Company as further set out in the share purchase agreement between RR and Newco dated on or about the date hereof,   |
| <b>"Bank"</b>                           | means The Co-operative Bank plc,  |
| <b>"CBL"</b>                            | means Compare Broadband Limited (company number 06522334),  |
| <b>"Cross Guarantee"</b>                | means the cross guarantee to be dated within 8 weeks of the date hereof between (1) Newco (2) the Whitewash Companies (3) VCL (4) CBL and (5) the Bank,   |
| <b>"Debenture"</b>                      | means a debenture to be dated within 8 weeks of the date hereof and made between (1) Mocom Property and (2) the Bank,   |
| <b>"Facility Agreement"</b>             | the facility agreement dated on or about the date hereof between, (1) Newco and (2) the Bank,   |
| <b>"Financial Assistance Documents"</b> | means the Debenture, Cross Guarantee, Property Transfer, Lease, Legal Charge, Intra Group Loan Agreement and Negative Pledge,   |
| <b>"Finance Documents"</b>              | means together the Facility Agreement, the Overdraft Facility Agreement and the Financial Assistance Documents,   |
| <b>"Group"</b>                          | means Newco, the Whitewash Companies, VCL and CBL,  |
| <b>"Intra Group Loan Agreement"</b>     | means the intra group loan agreement to be entered into within 8 weeks of the date hereof between (1) each of the Whitewash Companies and (2) Newco relating to the loan of monies, from time to time, by the Whitewash Companies to Newco, |
| <b>"Lease"</b>                          | means the lease of the Property from Mocom Property to Mobileshop for a term of 8 years in consideration for the annual rental sum of £166,249 20,  |

|                                       |  |
|---------------------------------------|--|
| <b>"Legal Charge"</b>                 | means a legal charge to be dated within 8 weeks of the date hereof and made between (1) Mocom Property and (2) the Bank,   |
| <b>"Mobileshop"</b>                   | means Mobileshop com Limited (company number 03625597),  |
| <b>"Mocom Property"</b>               | means Mocom Property Limited (company number 06521156),  |
| <b>"Mocom (Trading)"</b>              | means Mocom (Trading) Limited (company number 05012627),   |
| <b>"Negative Pledge"</b>              | means a deed dated on or about the date hereof between (1) the Bank (2) Newco (3) CBL and (4) VCL providing certain covenants and undertakings in favour of the Bank in relation to Talking Shop and in certain circumstances in relation to any dormant companies within the Group, |
| <b>"Newco"</b>                        | means Mocom Holding Company Limited (company number 06586996),   |
| <b>"Overdraft Facility Agreement"</b> | the overdraft facility agreement dated on or about the date hereof between (1) VCL (2) CBL (3) Mobileshop and (4) the Bank,  |
| <b>"Property"</b>                     | means Millennium House, Fox Covert Lane, Misterton, Doncaster DN10 4ER (registered at the Land Registry with Title Number NT346278),   |
| <b>"Property Transfer"</b>            | means the transfer of the Property from Mobileshop to Mocom Property in consideration for the sum of £1,330,000,   |
| <b>"RR"</b>                           | means Robert Rawlinson,  |
| <b>"Talking Shop"</b>                 | means Talking Shop (UK) Limited (company number 05761893),   |
| <b>"VCL"</b>                          | means Value Comparison Limited (company number 06517710),  |
| <b>"Whitewash Companies"</b>          | means together the following companies <ul style="list-style-type: none"> <li>(i) the Company,</li> <li>(ii) Mobileshop,</li> <li>(iii) Mocom Property, and</li> <li>(iv) Mocom (Trading)</li> </ul>   |

### **Schedule 1**

The assistance will take the form of the execution, delivery and compliance with, the satisfaction of and performance by Mocom Property of its obligations under (as the case may be) -

1 the Debenture,

- 2 the Cross Guarantee,
- 3 the Property Transfer,
- 4 the Lease,
- 5 the Legal Charge,
- 6 the Intra Group Loan Agreement, and
- 7 the Negative Pledge

## Schedule 2

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

- 1 Pursuant to the Debenture, Mocom Property will, amongst other things -
  - 1 1 grant to the Bank fixed and floating charges over all the property, assets and undertaking of Mocom Property as continuing security and with full title guarantee as security for all the liabilities and obligations of Mocom Property to the Bank on the terms and conditions thereof,
  - 1 2 give various covenants and undertakings to the Bank in respect of the payment and discharge of the Secured Obligations (as defined therein), and
  - 1 3 will at any time when requested by the Bank execute and deliver in the Bank's favour or as it may direct any legal or other assignments, mortgages, charges, transfers or other documents in respect of the Charged Assets (as defined therein),
- 2 Pursuant to the Cross Guarantee, Mocom Property will, amongst other things guarantee the liabilities and obligations from time to time of Newco, VCL, CBL and Mobileshop to the Bank on the terms and conditions therein The Cross Guarantee is unlimited
- 3 Pursuant to the Property Transfer, the consideration payable by Mocom Property, being £1,330,000, represents the current open market value of the Property as evidenced by a recent valuation carried out by Lambert Smith Hampton on behalf of The Co-operative Bank Plc The current open market value of the Property is more than the current book value of the Property as recorded in the books of Mobileshop
- 4 Pursuant to the Lease, the annual rent payable by Mobileshop is £166,249 20 which had been calculated by applying a discount of 21% to the agreed gross annual open market rental of £210,000 (calculated on the basis of the Property's open market value of £1,330,000 to be spread over the life of the Lease) to reflect the fact that Mobileshop had agreed to pay the total rental under the Lease upfront in one lump sum The consideration payable by Mocom Property to Mobileshop under the Property Transfer is equal to the upfront rental payment due to Mocom Property from Mobileshop under the Lease The two payments would be off-set against each other
- 5 Pursuant to the Legal Charge, Mocom Property will, amongst other things, grant to the Bank a charge over the Property as continuing security for all the liabilities and obligations of Mocom Property to the Bank (including its obligations under the Cross Guarantee) on the terms and conditions thereof

- 6 Pursuant to the Intra Group Loan Agreement the Whitewash Companies will agree to lend monies to Newco on the terms and conditions thereof from time to time (and up to a maximum aggregate principal amount equal to £300,000 and, amongst other things, to enable Newco to discharge amounts outstanding under the Facility Agreement and liabilities incurred in connection with the Acquisition
- 7 Pursuant to the Negative Pledge Newco (on behalf of itself, the Company, Mocom (Trading) Limited, Mobileshop com Limited and Mocom Property Limited), CBL and VCL would provide certain covenants and undertakings in favour of the Bank in relation to Talking Shop and, in certain circumstances, in relation to any dormant companies within the Group, including -
- (a) not to make disposals of assets except in the circumstances set out in the Negative Pledge,
  - (b) not to make loans, give credit or guarantees to Talking Shop,
  - (c) not to transfer assets to Talking Shop or a dormant company within the Group or repay indebtedness owing by a Group company to a dormant company or Talking Shop,
  - (d) to grant such security as the Bank may require in relation to any dormant company within the Group which ceases to be dormant,
  - (e) to procure that neither Talking Shop nor any dormant Group company acquires any asset from any other person


### **Schedule 3**

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

Such amount from time to time borrowed by Newco pursuant to the Intra Group Loan Agreement and not exceeding £300,000

These are Schedules 1, 2 and 3 referred to in Form 155(6)b declared by the Directors of the Company on 2008

Signed

  
Solicitor/ Notary Public

Our Ref GK/NM/MO17/GC

29 May 2008

The Directors  
Mocom Limited  
Millennium House  
Fox Covert Lane  
Misterton  
Doncaster  
South Yorkshire  
DN10 4ER

17 St Ann's Square  
Manchester M2 7PW

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Dear Sirs

**MOCOM LIMITED (REGISTERED NUMBER 04792242) (COMPANY)**

We have examined the attached statutory declaration of the directors of the Company dated 29 May 2008 in connection with the proposal that the Company should give financial assistance in connection with the purchase of the Company's own shares

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

We are not aware of anything to indicate that the opinion expressed by the directors in their 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



Alexander & Co

Adrian H Berg | Stephen Verber | Stephen Jolley  
Gary S Kramisch | Frank Atkinson | John I Evans  
Simon Topperman

Incorporating J Morris & Co

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