

WEDNESDAY



A5W96X6T

A15

13/02/2008

308

COMPANIES HOUSE

The assistance is for the purpose of ~~reducing or discharging a liability incurred for the purpose of that acquisition~~ † (note 1)

Please do not
write in this
margin

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

The number and class of the shares acquired or to be acquired is 2,000,000 ordinary shares of £0.01 each
and 4,399,415 preference shares of £0.01 each

The assistance is to be given to (note 2) The John David Group plc (Company Number 1888425)
("Parent") whose registered office is at Hollinsbrook Way, Pilsworth, Bury, Lancashire BL9 8RR

The assistance will take the form of

See Annexure 2

The person who [has acquired] ~~the shares~~ † the shares is
The Parent

† delete as
appropriate

The principal terms on which the assistance will be given are

See Annexure 3

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced
by giving it is Nil

The amount of cash to be transferred to the person assisted is £ See Annexure 4

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

Please do not
write in this
margin

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

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

☒ 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) ☒ 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) ~~XXXXXX 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)~~

And ☒ 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

Declarants to sign below

Hollinsbrook Way, Bury in the
County of Greater Manchester
Day Month Year
on

2	9	0	1	2	0	0	8
---	---	---	---	---	---	---	---

before me [Signature]

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

[Signatures]

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

BANK STORES HOLDINGS LIMITED

ANNEXURES TO FORM 155(6)b

ANNEXURE 1

These annexures in from 155(6)b are made by all the directors of the Company as a holding company of Bank Fashion Limited (company number 2585072) ("Subsidiary")

Name Peter Jon Alecock

Address 4 The Uplands
Bishopton Drive
Macclesfield
Cheshire
SK11 8WG

Name Barry Colin Bown

Address 26 Cockey Moor Road
Bury
Lancashire
BL8 2HB

Name Peter Alan Cowgill

Address 14 The Hamlet
High Bank Lane
Bolton
Lancashire
BL6 4QT

Name Andrew Scott

Address Hollies Cottage
Hollies Lane
Deanrow
Wilmslow
Cheshire
SK9 2BW

Name Brian Michael Small

Address Salwarpe House
Salwarpe
Droitwich
Worcestershire
WR9 0AH

BANK STORES HOLDINGS LIMITED

ANNEXURES TO FORM 155(6)b

ANNEXURE 2

Terms defined herein appear in Annexure 5

The execution, delivery and performance by the Subsidiary of its obligations under the following documents

- 1 A accession letter to be made between (1) The John David Group plc ("**Parent**") and (2) the Subsidiary ("**Accession Letter**") to enable the Subsidiary to accede as a guarantor to the facility agreement dated 19 October 2006 between (among others) (1) the Parent, (2) the companies listed therein as original guarantors (including the Parent), (3) Barclays Capital, Lloyds TSB Bank plc and The Royal Bank of Scotland plc as the mandated lead arrangers, (4) the financial institutions listed therein as lenders and (5) Barclays Bank PLC as agent for and on behalf of the Finance Parties (as defined therein) ("**Facility Agreement**")
- 2 A deed of accession to be made between (1) the companies listed therein as Additional Parties (including the Subsidiary), (2) the Parent as borrower and (3) the companies listed therein as Lenders ("**Intra-Group Loan Accession Deed**") to enable the Subsidiary to accede as a lender to the intra-group loan agreement dated 19 October 2006 between, inter alia, (1) the Parent as borrower and (2) the companies listed therein as lenders ("**Intra-Group Loan Agreement**")

BANK STORES HOLDINGS LIMITED

ANNEXURES TO FORM 155(6)b

ANNEXURE 3

Terms defined herein appear in Annexure 5

The principal terms on which the assistance is given are as follows

1. The Facility Agreement

By entering into the Accession Letter, the Subsidiary agrees to become a Guarantor under and pursuant to the terms of the Facility Agreement

Under the terms of the guarantee the Subsidiary irrevocably and unconditionally jointly and severally

- (a) guarantees to each Finance Party punctual performance by each Borrower of all that Borrower's obligations under the Finance Documents,
- (b) undertakes with each Finance Party that whenever a Borrower does not pay any amount when due under or in connection with any Finance Document, the Subsidiary shall immediately on demand pay that amount as it was the principal obligor, and
- (c) indemnifies 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

2. The Intra-Group Loan Agreement

By entering into the Intra-Group Loan Accession Deed the Subsidiary agrees to become a lender under and pursuant to the terms of the Intra-Group Loan Agreement and could be required to provide funds to enable the Parent to meet its obligations to the Lenders under or in connection with, inter alia, the Facility Agreement

Provided that nothing in the Intra-Group Loan Agreement shall oblige the Subsidiary to make a loan to the Parent as the case may be if

- 2.1 the making of the loan gives rise to any offence by any person under the Companies Act 1985 or the Insolvency Act 1986 (as amended by the Enterprise Act 2002 and from time to time, as the case may be) or any analogous legislation, or
- 2.2 the making of the loan will render the Subsidiary unable to meet its obligations to, or will otherwise prejudice the recourse position of, its own creditors, or

23 the Subsidiary is on the date on which a loan is proposed to be made, in liquidation or administration or the subject of a creditor's voluntary agreement

In entering into the various documents referred to above the Subsidiary is entering into obligations and assuming liabilities in connection with the acquisition of shares in the Company and may in the future be called upon pursuant to any of the documents referred to in this declaration to discharge obligations and/or liabilities arising in connection with the acquisition of shares in the Company

Company Number: 5418053

BANK STORES HOLDINGS LIMITED

ANNEXURES TO FORM 155(6)b

ANNEXURE 4

The amount of any advances made from time to time by the Subsidiary to the Parent under, and subject to, the terms of the Intra-Group Loan Agreement up to a maximum of £84,000,000

BANK STORES HOLDINGS LIMITED

ANNEXURES TO FORM 155(6)b

ANNEXURE 5

In this Form 155(6)b, and all its annexures, the following terms shall have the following meanings

"Accession Letter" means a document substantially in the form set out in schedule 6 (*Form of Accession Letter*) of the Facility Agreement,

"Additional Borrower" means a company which becomes an Additional Borrower in accordance with clause 26 (*Changes to the Obligors*) of the Facility Agreement,

"Additional Guarantor" means a company which becomes an Additional Guarantor in accordance with clause 26 (*Changes to the Obligors*) of the Facility Agreement,

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company,

"Agent" means Barclays Bank PLC as agent for and on behalf of the Finance Parties,

"Ancillary Document" means each document relating to or evidencing the terms of an Ancillary Facility,

"Ancillary Facility" means any Ancillary Facility made available by the Ancillary Lender in accordance with clause 7 (*Ancillary Facility*) of the Facility Agreement,

"Ancillary Lender" means Barclays Bank PLC (or an Affiliate of Barclays Bank PLC) which makes available an Ancillary Facility in accordance with clause 7 (*Ancillary Facility*) of the Facility Agreement,

"Arrangers" means Barclays Capital, Lloyds TSB Bank plc and The Royal Bank of Scotland plc as mandated lead arrangers,

"Borrower" means the Parent or an Additional Borrower unless it has ceased to be a Borrower in accordance with clause 26 (*Changes to the Obligors*) of the Facility Agreement,

"Fee Letter" means any letter or letters dated on or about the date of the Facility Agreement between the Arrangers and the Parent (or the Agent and the Parent) setting out any of the fees referred to in clause 13 (*Fees*) of the Facility Agreement,

"Finance Document" means the Facility Agreement, any Fee Letter, the Mandate Letter, any Accession Letter, any Ancillary Document, any Resignation Letter and any other document designated as such by the Agent and the Parent,

"Finance Party" means the Agent, the Arrangers, a Lender or any Ancillary Lender,

"Guarantor" means the Original Guarantors or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with clause 26 (*Changes to the Obligors*) of the Facility Agreement,

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary,

"Lender" means

- (a) any Original Lender, and
- (b) any bank or financial institution which has become a Party in accordance with clause 25 (*Changes to the Lenders*) of the Facility Agreement,

which in each case has not ceased to be a Party in accordance with the terms of the Facility Agreement,

"Mandate Letter" means the letter dated 28 July 2006 between the Arrangers and the Parent, as amended by the mandate extension letter dated 19 September 2006,

"Original Guarantor" means the Parent, Athleisure Limited, First Sport Limited and R D Scott Limited,

"Original Lender" means Barclays Bank PLC, Lloyds TSB Bank plc and The Royal Bank of Scotland plc,

"Party" means a party to the Facility Agreement,

"Resignation Letter" means a letter substantially in the form set out in schedule 8 (*Form of Resignation Letter*) of the Facility Agreement,

"Subsidiary" means a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985,

The term **"Finance Documents"** includes all amendments and supplements providing for further advances



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Private & confidential
Bank Stores Holdings Limited
Hollinsbrook Way
Pilsworth
BURY
BL9 8RR

29 January 2008

Dear Sirs

Auditor's report to the Directors of Bank Stores Holdings Limited (Company No 5418053) ("the Company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the Directors dated 29 January 2008 in connection with the proposal that the Company's indirect subsidiary Bank Fashion Limited (Company No 2585072) should give financial assistance for the purpose of reducing or discharging liabilities incurred in connection with the purchase of the entire issued share capital of the Company (the Statutory Declaration)

This report is made solely to the Company's directors as a body in accordance with Section 156(4) of the Companies Act 1985. Our work has been undertaken so that we, as the Company's auditor, might state to the Company's directors those matters we are required to state to them in a report under Section 156(4) of that Act 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 and the Company's directors as a body for our work under Section 156(4) of that Act or for this report.

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 Audit Plc

KPMG Audit Plc
Registered Auditor