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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

For official use

Company number

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1157888

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

Name of company

* CHAMPION PUBLICATIONS (HARROGATE) LIMITED

PO BOX 168 YORKSHIRE POST BUILDING WELLINGTON STREET, LEEDS LS1 1RF

*Insert full name
of company

~~/We†~~ STEPHEN ANDREW AUCKLAND of The Croft, 12 Town End Lane, Lepton,
Huddersfield, W. Yorks HD8 0WA

†Insert name(s) and
address(es) of all
the directors

SUSAN CHRISTINE LAVERICK of 15 Abbey Road, Shepley, Huddersfield

W. Yorks HD8 8EP

§Delete as
appropriate

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

The business of the company is:

†Delete whichever
is inappropriate

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

~~(b) that of a person authorised under section 8 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 UPN HOLDINGS

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: 10,000 Ordinary shares
of £1 each

Presenter's name, address and
reference (if any):

Macfarlanes
10 Norwich Street
London
EC4A 1BD
Ref. KW/548171
DX 138 Chancery Lane
0660037.01

For official use

General Section

Post room



KLO *KU6NG47Y* 1201
COMPANIES HOUSE 04/03/98

The assistance is to be given to: (note 2) YPG GROUP LIMITED

whose registered office is at 10 Norwich Street, London, EC4A 1BD

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legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of:

SEE ANNEX 1

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

YPG GROUP LIMITED

*Delete as
appropriate

The principal terms on which assistance will be given are:

SEE ANNEX 2

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

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 SEE ANNEX 3

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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 5 NORWICH STREET
LONDON EC4 2 BD

the 27 day of February

One thousand nine hundred and NINETY EIGHT

before me Robert A. J. [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.

Declarants to sign below

[Signature]
John Leach

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.

ANNEX 1 - FORM 155(6)(a)

Form of the Financial Assistance

Unless otherwise stated, words and expressions used in Annex 1, Annex 4 and Annex 2 shall have the meanings given to them in Annex 2.

- 1 The execution and delivery by the Company of a debenture (the “Debenture”) in favour of Goldman Sachs International as security agent for itself and the other Secured Parties (the “Security Agent”) pursuant to which the Company will create fixed and floating charges over substantially all its assets and undertaking by way of security for repayment of the Indebtedness;

- 2 The execution and delivery by the Company of the Senior Credit Agreement, pursuant to which the Company will, inter alia, guarantee to each Senior Finance Party the due and punctual payment by each other Obligor of all indebtedness owed or arising by each such Obligor under or in connection with the Senior Finance Documents as and when it becomes due;

- 3 The execution and delivery by the Company of the Mezzanine Credit Agreement, pursuant to which the Company will, inter alia, guarantee to each Mezzanine Finance Party the due and punctual payment by each other Obligor of all indebtedness owed or owing by each such Obligor under or in connection with the Mezzanine Finance Documents as and when it becomes due;

- 4 The execution and delivery by the Company of the Intercreditor Deed regarding the priority arrangements between the Company’s creditors pursuant to which the Company will covenant to pay the Senior Debt in priority to its other payment obligations, subject to the terms thereof; and

- 5 The execution and delivery by the Company of the Inter Company Loan Agreement pursuant to which, inter alia, the Company will lend money to the Purchaser to enable it to service interest and repay advances and make other payments due under the Facilities Agreements.

ANNEX 2

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

1 The Facilities Agreements

Under the terms of the Facilities Agreements:

- 1.1 the Company irrevocably and unconditionally:
 - 1.1.1 guarantees to the Senior Finance Parties and the Mezzanine Finance Parties as principal obligor the due and punctual payment by each other Obligor of all indebtedness under or in connection with the Senior Finance Documents or the Mezzanine Finance Documents (as the case may be) as and when they become due;
 - 1.1.2 guarantees to each Senior Finance Party and each Mezzanine Finance Party as principal obligor the due and punctual performance by each other Obligor of all such Obligors' obligations under the terms of the Senior Finance Documents, and the Mezzanine Finance Documents;
 - 1.1.3 undertakes with each Senior Finance Party and each Mezzanine Finance Party that if any other Obligor fails to pay any of the indebtedness referred to in the Facilities Agreements on its due date it will pay such sums to the Agent or the Paying Agent (as the case may be) on demand; and
 - 1.1.4 agrees to indemnify each Senior Finance Party and each Mezzanine Finance Party on demand against all losses, damages, costs and expenses incurred by such Senior Finance Party or Mezzanine Finance Party arising from any failure by any Obligor to comply with any of its obligations under the Senior Finance Documents or the Mezzanine Finance Documents (as the case may be).

(All money and liabilities covenanted and/or guaranteed to be paid or discharged by the Company to the Senior Finance Parties and the Mezzanine Finance Parties as described in Sub-Clauses 1.1.1 to 1.1.4 above, the "Guarantee Obligations").

1.2

No Discharge: The obligations of the Company in relation to the Guarantee Obligations shall not be discharged, diminished or in any way affected as a result of:-

- (a) any time or indulgence or waiver given to, or composition made with, any Obligor or any other person;
- (b) any amendment, variation or modification to, or replacement of, the Senior Finance Documents or the Mezzanine Finance Documents or any increase in the amount of the Facilities or the Mezzanine Facility;
- (c) the taking, variation, compromise, renewal or release or refusal or neglect to perfect or enforce any right, remedies or securities against any Obligor or any other person;
- (d) any other guarantee, indemnity, charge or other security or right or remedy held by or available to the Senior Finance Parties or the Mezzanine Finance Parties being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by any Senior Finance Party or any Mezzanine Finance Party from time to time dealing with, exchanging varying, realising, releasing or failing to perfect or enforce any of the same;
- (e) any obligor becoming insolvent, going into receivership or liquidation or having an administrator appointed;
- (f) any change in the constitution of any Senior Finance Party or any Mezzanine Finance Party (or any Senior Finance Party's or any Mezzanine Finance Party's successors or assigns) or as a result of the amalgamation or consolidation by a Senior Finance Party or any Mezzanine Finance Party with any other company or entity; or
- (g) any other act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate the Company

from its obligations under the guarantees contained in the Facilities Agreements whether in whole or in part.

- 1.3 **Continuing Obligations:** The Guarantee Obligations shall continue in full force and effect notwithstanding:-
- (a) the fact that any purported obligation of any Obligor or any other person to any Senior Finance Party or any Mezzanine Finance Party (or any security therefor) becomes wholly or partly void, invalid or unenforceable for any reason whether or not known to the Senior Finance Party or the Mezzanine Finance Party or the Company; or
 - (b) any incapacity or any change in the constitution of, or any amalgamation or reconstruction of, the Company or any Obligor or any other matter whatsoever.
- 1.4 **New Accounts:** If the Guarantee Obligations shall for whatever reason cease to be continuing obligations, each Senior Finance Party and/or each Mezzanine Finance Party may continue any account or open one or more new accounts with the Borrowers (or any of them) and the liability of the Company shall not be reduced or affected in any way by any subsequent transactions or receipts or payments into or out of any such account or accounts.
- 1.5 **Liability for Indebtedness:** If the Guarantee Obligations are determined for any reason (other than the full and final settlement thereof), the Company will remain liable in respect of all indebtedness as at the date of determination (whether demanded or not) and whether or not any other Obligor is then in default under the Senior Finance Documents or the Mezzanine Finance Documents.
- 1.6 **Primary Obligations:** The Guarantee Obligations shall constitute the primary obligations of the Company and no Senior Finance Party or Mezzanine Finance Party shall be obliged to make any demand on any other Obligor before enforcing its rights against the Company.

1.7

No Subrogation: until all the indebtedness under the Senior Finance Documents or the Mezzanine Finance Documents (as the case may be) has been irrevocably paid and discharged in full and the Senior Finance Parties or the Mezzanine Finance Parties (as the case may be) have no further commitment to provide facilities or accommodation to any Borrower, the Company will not:-

- (a) be subrogated to or otherwise entitled to share in, any security or monies held, received or receivable by any Senior Finance Party or any Mezzanine Finance Party or be entitled to any right of contribution in respect of any payment made by the Company;
- (b) exercise or enforce any of its rights of subrogation and indemnity against any Borrower or any co-surety;
- (c) following a claim being made on the Company demand or accept repayment of any monies due from any other Obligor to the Company or claim any set-off or counterclaim against any other Obligor; or
- (d) claim or prove in a liquidation or other insolvency proceeding of any Borrower or any co-surety in competition with any Senior Finance Party or any Mezzanine Finance Party.

1.8

Exercise of Subrogation: Following the making of a demand on the Company the Company will (at its own cost) promptly take such of the steps or action as are referred to in paragraph 1.7 above as the Agent or the Mezzanine Agent (as the case may be) may from time to time stipulate.

1.9

Turnover: The Company shall promptly pay to the Agent or the Paying Agent (as the case may be) an amount equal to any set-off, proof or counterclaim in fact exercised by it against a Borrower or any co-surety and shall hold in trust for and promptly pay or transfer to the Agent or the Paying Agent (as the case may be) any payment or distribution or benefit of security in fact received by it whether arising as a result of a breach of paragraph 1.6, or compliance with directions given by the Agent or the Mezzanine Agent under paragraph 1.7, above.

- 1.10 **Suspense Account:** The Agent and/or the Paying Agent may place and keep (for such time as it shall think prudent) any money received, recovered or realised in respect of the Guarantee Obligations in or at a separate account (without liability to pay interest on the accounts standing to the credit of such account). The Agent and/or the Paying Agent may retain such monies in the suspense account until it receives irrevocable payment in full of the Guarantee Obligations without having any obligation to apply the same or any part thereof in or towards discharge of the Guarantee Obligations.

2 **The Debenture**

- 2.1 As a continuing security for the payment of the Indebtedness, the Company with full title guarantee charges to the Security Agent (for the benefit of itself and the other Secured Parties) the following assets both present and future, from time to time owned by the Company or in which the Company is from time to time interested:
- 2.1.1 by way of first legal mortgage all the freehold and leasehold property specified in Schedule 1 to the Debenture together with all buildings and fixtures (including trade fixtures) at any time thereon;
- 2.1.2 by way of first legal mortgage all other freehold and leasehold property (if any) wherever situated together with all buildings and fixtures (including trade fixtures) at any time thereon;
- 2.1.3 by way of first fixed charge all other interests in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) at any time thereon, all proceeds of sale derived therefrom and the benefit of all covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
- 2.1.4, by way of first fixed charge all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating to the same;

- 2.1.5 by way of first fixed charge all the Subsidiary Shares (including those listed in Schedule 3 of the Debenture) together with all Distribution Rights from time to time accruing thereto;
- 2.1.6 by way of first fixed charge all Investments together with all Distribution Rights from time to time accruing thereto;
- 2.1.7 by way of first fixed charge all rights and interests in and claims under all policies of insurance and all proceeds thereof either now or in the future held by, or written in favour of, or in which it is otherwise interested;
- 2.1.8 by way of first fixed charge all book and other debts, revenues and monetary claims of the Company and all rights and claims of the Company against third parties and against any security in respect of such debts, revenues or claims;
- 2.1.9 by way of first fixed charge all monies from time to time standing to the credit of any and all accounts (including the Cash Collateral Accounts) with any bank, financial institution, or other person;
- 2.1.10 by way of first fixed charge all Intellectual Property;
- 2.1.11 by way of first fixed charge the benefit of all licences, consents, agreements and authorisations held or utilised by the Company in connection with its business or the use of any of its assets;
- 2.1.12 by way of first fixed charge all the goodwill and uncalled capital of the Company;
- 2.1.13 by way of first fixed charge all its rights and interests in (and claims under) the Assigned Agreements (to the extent not charged by Clause 3.3 of the Debenture).
- 2.2 As further continuing security for the payment of the Indebtedness, the Company with full title guarantee will charge in favour of the Security Agent (for the benefit of itself and the other Secured Parties) by way of first floating charge all its assets and undertaking whatsoever and wheresoever both present and future not

effectively charged by way of first fixed charge pursuant to the provisions of Clause 3.1 of the Debenture or assigned by way of security pursuant to Clause 3.3 of the Debenture including (without prejudice to the generality of the foregoing Clause 3.2 of the Debenture) heritable property and all other property and assets in Scotland.

- 2.3 As further continuing security for the payment of the Indebtedness the Company assigned (to the fullest extent capable of assignment) in favour of the Security Agent (for the benefit of itself and the other Secured Parties) all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Indebtedness the Security Agent will at the request and cost of the Company re-assign the Assigned Agreements to the Company (or as it shall direct).
- 2.4 By executing the Debenture the Company will at its own expense promptly execute such deeds, assurances, agreements, instruments and otherwise do such acts and things as the Security Agent may reasonably require for perfecting and protecting the security created (or intended to be created) by the Debenture or facilitating the realisation thereof or otherwise for enforcing the same or exercising any of the Security Agent's rights thereunder.
- 2.5 By executing the Debenture the Company will at any time after an Event of Default set off or otherwise apply sums standing to the credit of the Company's accounts with the Security Agent and set off any other obligations (whether or not then due for performance) owed by the Security Agent to the Company in or towards satisfaction of the Indebtedness.

3 The Intercreditor Deed

- 3.1 By executing the Intercreditor Deed, the Company will covenant with the Security Agent to pay the Senior Debt in priority to its other payment obligations, subject to the terms thereof.

4 **The Inter Company Loan Agreement**

- 4.1 The Company undertakes with the Borrower that it and the other subsidiaries of the Borrower will provide to the Borrower a revolving credit facility in a maximum aggregate amount detailed therein;
- 4.2 Sums drawn down by the Borrower under the Inter Company Loan Agreement may be used (inter alia) to make payments due under the Facilities Agreements;

Definitions:

“Accession Documents”	has the meaning given to it in the Senior Credit Agreement or the Mezzanine Credit Agreement (as the case may be);
"Agent"	means Goldman Sachs International;
“Agency Fees Letter”	means the letters dated the same date as the Senior Credit Agreement or the Mezzanine Credit Agreement (as the case may be) from the Agent and the Mezzanine Agent addressed to the Purchaser setting out the agency fees payable in connection with the Facilities and the Mezzanine Facility;
“Ancillary Lender”	has the meaning given to it in the Senior Credit Agreement;
“Ancillary Documents”	has the meaning given to it in the Senior Credit Agreement;
“Assigned Agreements”	has the meaning given to it in the Debenture;
“Borrowers”	means for the purposes of the Senior Credit Agreement, each Group Company designated as

	such in the Senior Credit Agreement, and in relation to the Mezzanine Credit Agreement means the Purchaser;
"Cash Collateral Accounts"	has the meaning given to it in the Debenture;
"Distribution Rights"	means all dividends, distributions and other income paid or payable on the relevant Investment or Subsidiary Share (as the case may be) together with all shares or other property derived from the relevant Investment or Subsidiary Share (as the case may be) together also with all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to the relevant Investment or Subsidiary Share (whether by way of conversion, redemption, bonus preference, option or otherwise);
"Engagement Letter"	means the letter to be dated on or around the date of the Senior Credit Agreement from Goldman Sachs International Limited to YPG Funding 2 Limited and YPG Holdings Limited;
"Event of Default"	means an Event of Default as defined in the Senior Credit Agreement, or an Event of Default as defined in the Mezzanine Credit Agreement;
"Facilities"	means the credit facilities provided pursuant to the terms of the Senior Credit Agreement;
"Facilities Agreements"	means the Senior Credit Agreement, and the Mezzanine Credit Agreement;
"Fees Letters"	means:

(i) the letter dated the same date as the Senior Credit Agreement from the Agent to the Purchaser setting out the fees payable in connection with the Facilities; and

(ii) the letter dated the same date as the Mezzanine Credit Agreement from the Mezzanine Agent to the Purchaser setting out the fees payable in connection with the Mezzanine Facility;

"Finance Documents"

means the Senior Finance Documents and the Mezzanine Finance Documents;

"Finance Parties"

means the Senior Finance Parties and the Mezzanine Finance Parties;

"Group"

means YPG Holdings Limited and its Subsidiaries from time to time, and "Group Company" means any one of them;

"Guarantor"

means any Group Company designated as such in the Senior Credit Agreement or the Mezzanine Credit Agreement, or any Group Company which subsequently becomes a Guarantor pursuant to the terms of either of the Facilities Agreements;

"Hedging Agreements"

means agreements entered into with the Hedging Lenders for the purpose of managing or hedging currency or interest rate risk;

"Hedging Lenders"

has the meaning given to it in the Senior Credit Agreement;

"Hedging Documents"	has the meaning given to it in the Mezzanine Credit Agreement;
"Indebtedness"	means all money and liabilities now or hereafter due, owing or incurred to the Secured Parties (or any of them) by the Obligors under the Finance Documents (or any of them) and under the Debenture in whatsoever manner in any currency or currencies whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon (as calculated in accordance with the Finance Documents) and all costs, charges and expenses incurred in connection therewith;
"Intellectual Property"	has the meaning given to it in the Debenture;
"Intellectual Property Rights"	has the meaning given to it in the Debenture;
"Intercreditor Deed"	means the agreement dated on or around the date hereof and made between inter alia each of the Obligors (as defined therein), the Senior Finance Parties, the Mezzanine Finance Parties and the Original Investors (as defined therein);
"Inter Company Loan Agreement"	means the agreement dated on or around the date hereof between (inter alia) the Purchaser (as borrower) and certain of the Obligors (as lenders);
"Investments"	means any negotiable instrument, certificate of deposit, debenture, share or other investment (as defined in Part I of Schedule I to the Financial Services Act 1986 as at the date hereof including

(without limitation and save where the context otherwise requires, the Subsidiary Shares));

"Issuing Lender"	has the meaning given to it in the Senior Credit Agreement;
"Mezzanine Agent"	means Goldman Sachs International;
"Mezzanine Arranger"	means Goldman Sachs International;
"Mezzanine Credit Agreement"	means the £115,000,000 facility agreement dated on or around the date hereof and made between, inter alia, the Purchaser, the Mezzanine Arranger, the Mezzanine Lender, the Mezzanine Agent and the Security Agent;
"Mezzanine Facility"	means the credit facilities provided pursuant to the terms of the Mezzanine Credit Agreement;
"Mezzanine Finance Parties"	means the Mezzanine Arranger, the Mezzanine Syndication Agent, the Mezzanine Agent, the Paying Agent, the Security Agent and each Mezzanine Lender and "Mezzanine Finance Party" means any one of them;
"Mezzanine Finance Documents"	means the Mezzanine Credit Agreement, the Security Documents, the Intercreditor Deed, the Warrant Documents, each Accession Document, the Hedging Documents, the Fees Letter, the Agency Fees Letter, the Engagement Letter and any other document designated as such pursuant to the terms of the Mezzanine Credit Agreement;
"Mezzanine Lender"	means the Original Lender (as defined in the Mezzanine Credit Agreement) and any assignee

or transferee to whom rights and/or obligations are assigned or transferred in accordance with the terms of the Mezzanine Credit Agreement;

“Mezzanine Syndication Agent”

means Goldman Sachs International;

“Obligors”

in relation to the Senior Credit Agreement means the Purchaser, each other Borrower, and each other Guarantor and each other Group Company which has undertaken (or in the future undertakes) obligations to a Senior Finance party or Senior Finance Parties pursuant to one or more of the Senior Finance Documents, and in relation to the Mezzanine Credit Agreement means the Borrower, each Guarantor and each other Group Company which has undertaken (or in the future undertakes) obligations to a Mezzanine Finance Party or Mezzanine Finance Parties pursuant to one or more of the Mezzanine Finance Documents, and “Obligor” means any one of them;

“Paying Agent”

means Goldman Sachs International;

“Purchaser”

means YPG Group Limited (Registered No. 3356612);

“Secured Parties”

means the Senior Finance Parties and the Mezzanine Finance Parties;

“Security Agent”

means Goldman Sachs International;

“Security Documents”

means all documents designated as such in the Senior Credit Agreement and the Mezzanine Credit Agreement;

"Senior Arranger"	means Goldman Sachs International;
"Senior Credit Agreement"	means the £150,000,000 acquisition term loan facility and the £25,000,000 revolving credit facility dated on or around the date hereof and made between (inter alia) the Borrowers, the Senior Arranger, the Senior Lenders, the Senior Agent and the Security Agent;
"Senior Debt"	has the meaning given to it in the Intercreditor Deed;
"Senior Finance Documents"	means the Senior Credit Agreement, the Ancillary Documents, the Security Documents, the Hedging Agreements, the Intercreditor Deed, each Accession Document, each Transfer Certificate, the Fees Letter, the Agency Fees Letter, the Engagement Letter and any other document designated as such pursuant to the terms of the Senior Credit Agreement;
"Senior Finance Parties"	means the Senior Arranger, the Senior Syndication Agent, the Agent, the Security Agent, each Senior Lender, each Issuing Lender, each Ancillary Lender and each Hedging Lender and "Senior Finance Party" means any one of them;
"Senior Lenders"	has the meaning given to the expression "Lenders" in the Senior Credit Agreement;
"Senior Syndication Agent"	means Goldman Sachs International;
"Subsidiaries"	has the meaning given to it in the Senior Credit Agreement;

"Subsidiary Shares"

means all shares owned by each Obligor in its subsidiaries;

"Transfer Certificate"

has the meaning given to it in the Senior Credit Agreement;

"Warrant Documents"

has the meaning given to it in the Mezzanine Credit Agreement;

ANNEX 3

Subject (to the extent applicable) to the provisions of Section 158(2) and (3) of the Companies Act 1985, on any date within 8 weeks after the date of this Statutory Declaration.

ANNEX 4

Pursuant to the terms of the Inter Company Loan Agreement, the amount of cash to be transferred by the Company, and the other companies party to the Inter Company Loan Agreement to the person assisted is the aggregate amount of the Indebtedness, or such lesser amount as may be lawfully permitted.

your reference

our reference

Private & Confidential

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The Directors
Champion Publications (Harrogate) Limited

27 February 1998

Dear Sirs

**Auditors' report to the directors of Champion Publications (Harrogate) Limited
pursuant to section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors of Champion Publications (Harrogate) Limited ('the Company') dated 27 February 1998 in connection with the proposal that the Company should give financial assistance for the purchase of the entire issued share capital of the Company's holding company, UPN Holdings Limited.

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 declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

