

# G

CHFP025

Please do not  
write in this  
margin

**COMPANIES FORM No. 155(6)a****Declaration in relation to  
assistance for the acquisition  
of shares**

# 155(6)a

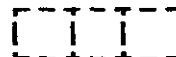
Pursuant to section 155(6) of the Companies Act 1985

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



3116584

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

Name of company

\* Croydex Limited

\* insert full name  
of company

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

**X**We **§** STEPHEN JOHN BROWN of Wharferise, 111 Weston Lane, Otley, West Yorkshire LS21 2DF,  
CHARLES BURROWS of Kents Cottage, High Street, Broughton, Hampshire SO20 8AD, SPENCER  
MARRIOTT DODINGTON of 44 Combe Park, Bath, Avon BA1 3NS and NICHOLAS WILLIAM  
NICKSON of 13 Wolage Drive, Grove, Wantage, Oxfordshire GU51 1BU, being

† delete as  
appropriate

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

The business of the company is:

§ delete whichever  
is inappropriate

~~XX~~ §  
~~XX~~  
~~XX~~ §

(c) something other than the above §

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

~~XXXXXXXX~~ [company's holding company] Croydex Holdings

Limited] †

The assistance is for the purpose of [that acquisition] ~~XX~~  
~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~ †

The number and class of the shares acquired or to be acquired is: 194,290 ordinary shares of £0.01 each  
and 584,185 ordinary A shares of £0.01 each

Presentor's name address and  
reference (if any):  
Burgess Salmon  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4AH

7829 Bristol

For official Use  
General Section

Post room

A46  
COMPANIES HOUSE338  
29/04/2006

4060521

The assistance is to be given to: (note 2) Croydex Group Limited (Company Number: 5738322)  
whose registered office is at Central Way, Andover, Hampshire SP10 5AW

Please do not  
write in this  
margin

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

The assistance will take the form of:

Please see Appendix A

The person who ~~XXXXXX~~ (will acquire) † the shares is:

† delete as  
appropriate

Croydex Group Limited

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

Please see Appendix B

The amount of cash to be transferred to the person assisted is £ 2,400,000 or such other sum as may be agreed

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



**CROYDEX LIMITED**  
**Company No. 3116584**  
**(the "Company")**

**Appendix A - Form 155(6)a**

The assistance will take the form of the Company entering into:

1. the HSBC Composite Cross Guarantee and Indemnity
2. the Legal Charge
3. the Intra-Group Loan Agreement
4. the Intercreditor Deed
5. the 3i Composite Guarantee and Debenture

and the payment of the Transaction Fees

**Definitions**

In this Statutory Declaration (including Appendices A & B) the following expressions shall have the following meanings:

**"3i"** means 3i Group Plc, 3i Smaller MBO Plan and 3i NPM Smaller MBO Plan and their successors, assigns and transferees from time to time.

**"3i Composite Guarantee and Debenture"** means the unlimited 3i composite guarantee and debenture to be granted in favour of 3i whereby the Company guarantees all of the obligations of the Debtors (as defined therein) owing to 3i from time to time and charges by way of fixed and floating charge all the Company's assets undertaking by way of security for the Company's liabilities under the guarantee provisions contained therein in respect of the Parent's liabilities and obligations under the Loan Note Instrument or otherwise, and containing a further assurance that the Company will enter into such further security as 3i shall from time to time require.

**"3i Loan Notes"** means the £1,000,000 worth of loan notes to be issued to 3i in the Parent as constituted by the Loan Note Instrument

**"Bank"** means HSBC Bank plc and its successors, assigns and transferees from time to time.

**"Borrower"** means the Parent.

<b>"CHL"</b>	means the Company's holding company, Croydex Holdings Limited with company number 3803130 whose registered office is at Central Way, Andover, Hampshire SP10 5AW
<b>"First Property"</b>	leasehold property owned by the Company at Plot 41, Walworth Industrial estate, Central way, Andover, Test Valley, Hampshire, SP10 5AW, Title No. HP650202
<b>"Group"</b>	means the Parent and its subsidiary undertakings from time to time.
<b>"HSBC Composite Cross Guarantee and Indemnity"</b>	means the unlimited inter-company composite guarantee to be granted in favour of the Bank whereby the Company guarantees all Debts (as defined therein) monies and liabilities whether present, future, actual or contingent owing to the Bank from time to time by the Company and any of the Parent and/or CHL.
<b>"Intercreditor Deed"</b>	means a deed to be entered into between (1) Bank (2) Croydex Holdings Limited (3) Croydex Limited (4) Croydex Group Limited (5) 3i Group Plc (6) 3i NPM Smaller MBO and (7) 3i Smaller MBO Plan whereby (inter alia) it is agreed to: <ul style="list-style-type: none"> <li>(a) subordinate the payment of certain sums; and</li> <li>(b) regulate the enforcement of certain guarantees and security.</li> </ul>
<b>"Intra-Group Loan Agreement"</b>	means the intra-group loan agreement to be entered into, inter alia, by the Company to enable monies to be transferred both upstream and downstream between the Parent, the Company and CHL for the purpose of, inter alia, enabling the Parent to meet its obligations due to the Bank under the Term Loan and 3i under the 3i Loan.
<b>"Legal Charge"</b>	means a legal charge in favour of the Bank over the First Property and the Second Property.
<b>"Loan Note Instrument"</b>	means the loan note instrument providing for £1,000,000 of variable rate secured loan notes due 2008 of the Parent
<b>"Parent"</b>	means Croydex Group Limited with company number 5738322 whose registered office is at Central Way, Andover, Hampshire SP10 5AW
<b>"Properties"</b>	means the First Property and the Second Property.

**"Second Property"**

means the leasehold property owned by the Company at Plot 41, Walworth Industrial estate, Central way, Andover, Test Valley, Hampshire, SP10 5AW, Title No. HP650197.

**"Term Loan"**

means a credit agreement to be entered into between the Bank (1) and the Borrower (2) under which the Bank has agreed to make available to the Borrower facilities of £500,000.

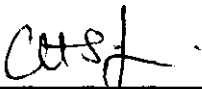
**"Transaction Fees"**

means such legal and other fees as shall be incurred by each of 3i and/or the Bank, in connection with the acquisition of CHL by the Parent.

Reference to a document or an agreement means that document or agreement as amended from time to time.

This is Appendix A referred to in Form 155(6) declared by the directors of the Company on 19 April 2006.

Signed



Independent Solicitor

**PARKER BULLEN**  
**SOLICITORS**  
**8 NEWBURY STREET**  
**ANDOVER**  
**SP10 2JQ**

**CROYDEX LIMITED**  
**Company No. 3116584**  
**(the "Company")**

Appendix B - Form 155(6)a

All capitalised terms in this Appendix B shall have the meanings given to them in Appendix A.

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

- 1 under the HSBC Composite Cross Guarantee and Indemnity the Company will, amongst other things:
  - 1.1 jointly and severally with CHL and the Parent (together the "**Debtors**") guarantee to discharge on demand and indemnify the Bank in respect of all the monies and liabilities of the Debtors, to the Bank of any kind (whether present or future, actual or contingent) together with the Bank's charges and commission, interest at the rate(s) charged to each Debtor by the Bank from time to time in respect of that Debtor's obligations and all expenses (on a full indemnity basis) incurred by the Bank at any time in connection with the obligations of each Debtor or in preserving, defending or enforcing the HSBC Composite Cross Guarantee and Indemnity or in exercising any power under the HSBC Composite Cross Guarantee and Indemnity or otherwise with interest from the date they are incurred (the "**Obligations**");
  - 1.2 agree that the Bank can set off credit balances of the Company in satisfaction of any liability owed by any of CHL, the Company or the Parent including liabilities incurred to help fund the acquisition of CHL by the Parent;
  - 1.3 unless the Obligations have been paid in full, and until the Bank releases the HSBC Composite Cross Guarantee and Indemnity (i) the Company will not benefit (by subrogation or otherwise) from any rights the Bank may have, or any security (whether by way of mortgage, guarantee or otherwise) the Bank may hold, on account of the Obligations, (ii) without the Bank's written consent, the Company will not exercise or enforce (or seek to enforce) any rights which the Company may have against CHL or the Parent, or any other person, which arise by reason of discharge of the Obligations, (iii) any money or asset which the Company receives by reason of the rights mentioned above will be held by the Company on trust to be applied as if the money or asset were received by the Bank under the HSBC Composite Cross Guarantee and Indemnity, (iv) the Company holds security given to it (now or in the future) for giving the HSBC Composite Cross Guarantee and Indemnity on trust for the Bank and will immediately deposit, transfer or assign it as the Bank reasonably requires, and (v) the Company waives any right of set-off it may have now, or at anytime in the future, in respect of the Obligations; and
  - 1.4 agree that all money received by the Bank under the HSBC Composite Cross Guarantee and Indemnity may, in the Bank's reasonable discretion, be credited to, and held in, a separate suspense account for so long as the Bank may reasonably think fit until the money, and any interest on it, is used by the Bank in or towards discharge of the Obligations.
- 2 under the Legal Charge the Company will amongst other things, in respect of the Properties:
  - 2.1 covenant to discharge all money and liabilities whatever, whenever and however incurred whether now or in the future due, or becoming due, from the Company to the Bank (the **Charge Obligations**);
  - 2.2 charge by way of legal mortgage the Properties;

- 2.3 charge (as appropriate) assign and transfer to the Bank:
- 2.3.1 the benefit of all rights, licences, guarantees, rent deposits, contracts, deeds, undertakings and warranties relating to the Properties;
  - 2.3.2 any shares or membership rights mentioned in paragraph 3 of the HSBC Bank Plc Mortgage Deed Conditions (1999 edition);
  - 2.3.3 any goodwill of any business from time to time carried on at the Properties;
  - 2.3.4 any rental or other money payable under any lease, licence, or other interest created in respect of the Properties;
  - 2.3.5 any other payments whatever in respect of the Properties, for example, payments from any insurance policy or any compensation money.
- 2.4 undertake to keep the Property in good condition and comprehensively insured to the Bank's satisfaction; and
- 2.5 undertake not to deal with, dispose of or create or permit to arise any mortgage, charge or lien on, the Property.
- 3 the terms of the Intra-Group Loan Agreement provide that, subject to the Inter Creditor Deed:
- 3.1 the Company shall provide each of CHL and the Parent a revolving credit facility of up to £2,400,000 (or such other sum as any party may agree in writing);
  - 3.2 the Company shall itself be entitled to borrow from CHL and the Parent (the "Lenders") a revolving credit facility of up to £2,400,000 (or such other sum as the Company and the Lenders may agree in writing)
  - 3.3 any advance that is repaid under the Intra-Group Loan Agreement may, subject to the terms of the Intra-Group Loan Agreement, be re-borrowed;
  - 3.4 the relevant borrowers (being the Company, CHL and the Parent, as the context permits) may only use advances made under the Intra-Group Loan Agreement for the following purposes:
    - 3.4.1 to make payments when due under the:
      - (a) the £500,000 term loan facility made available to the Parent by the Bank;
      - (b) the £1,900,000 commercial mortgage term loan facility made available to the Company by the Bank;
      - (c) the working capital facilities made available to the Company by the Bank, together with any other facilities made available from time to time by the Bank to the Parent's group companies; and
      - (d) the £1,000,000 loan made available to the Parent by, amongst others, 3i Group Plc,or any one of them, as the case may be;
    - 3.4.2 to pay the costs associated with the acquisition of the entire issued share capital of the CHL by the Parent;
    - 3.4.3 to pay any liability incurred directly or indirectly for the purpose of or otherwise in connection with the acquisition referred to at 3.4.2 above; or
    - 3.4.4 for any other purpose agreed by the Company, CHL and the Parent;

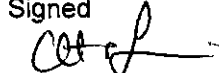


- 3.5 the Company, CHL and the Parent (in their capacity as lenders) will only be obliged to make an advance under the Intra-Group Loan Agreement if:
- 3.5.1 the aggregate of all monies standing to the credit of the relevant lender's bank accounts in England and/or available for drawing by it under facilities available to it exceeds the aggregate of the amount of that advance;
  - 3.5.2 the relevant borrower has insufficient funds available to it (except for funds available to it under the Intra-Group Loan Agreement) to make the requisite payment;
  - 3.5.3 the payment to be made by the relevant borrower from the proceeds of that advance falls due for payment no more than 3 Business Days (as defined in the Intra-Group Loan Agreement) after the date that advance is proposed to be made;
  - 3.5.4 it is not unlawful in any applicable jurisdiction for the relevant lender to fund or maintain its participation in the advance;
  - 3.5.5 the Termination Date (as defined in the Intra-Group Loan Agreement) has not occurred; and
  - 3.5.6 the relevant lender is not insolvent and would not be rendered insolvent, or unable to pay other obligations which the relevant lender has committed to pay, by funding or maintaining its participation in the advance;
- 3.6 interest on each advance made under the Intra-Group Loan Agreement during each Interest Period (as defined in the Intra-Group Loan Agreement) will be calculated on the a 365 day year and on the actual number of days elapsed, at the rate of 2% per annum above the Bank's base rate or such other rate as may be agreed from time to time between the Company, CHL and the Parent.
- 4 under the Intercreditor Deed whereby: Croydex Holdings Limited, Croydex Limited and Croydex Group Limited (the "**Obligors**"); and 3i Group Plc, 3i NPM Smaller MBO and 3i Smaller MBO Plan (the "**Investors**"); and the Bank agree as follows:
- 4.1 until all amounts due and owing to the Bank pursuant to the Term Loan have been repaid in full (the "**Term Loan Discharge Date**"), no Obligor shall:
- 4.1.1 pay or prepay or repay any principal of, or pay any interest or accrued interest in respect of or make any distribution in respect of, or redeem purchase or acquire, in cash or in kind any monies, obligations and liabilities due, owing or incurred by any Obligor to the Investors under the terms of the Loan Note Instrument and/or any amounts payable to the Investors in respect of shares in Croydex Group Limited whether by way of dividend or redemption or under the articles of association of Croydex Group Limited (the "**Investor Debt**");
  - 4.1.2 permit Croydex Group Limited or any of its subsidiaries to purchase or acquire any of the Investor Debt; or
  - 4.1.3 discharge any of the Investor Debt by set-off; or
  - 4.1.4 create or permit to subsist over any of its assets for the Investor Debt, other than the Investor Security (as defined in the Intercreditor Deed) any mortgage, charge, assignment by way of security, hypothecation, pledge, lien, security interest, title retention, preferential right or trust arrangement or any other security agreement or arrangement having the effect of security; or

- 4.1.5 materially amend, vary, waive or release or consent to the amendment, variation, waiver or release of the any material term of any of: the Loan Note Instrument; and/or the share option agreement between (1) Croydex Group Limited (2) the Investors and (3) Spencer Dodington and Simon Brown; and/or the Investor Debt, unless such amendments do not increase or accelerate (prior to the Term Loan Discharge Date) any payments which are to be made by the Obligors under the relevant agreement or instrument; or
- 4.1.6 take any action whereby the subordinations contemplated by the Intercreditor Deed may be impaired.
- 4.2 Until all amounts due and owing to the Bank pursuant to the Term Loan have been repaid in full, the Investors shall not:
- 4.2.1 be entitled to demand or receive or recover by any means whatsoever and whether in cash or in kind or by set-off or otherwise or sue for repayment or redemption of the Investor Debt or interest or commission thereon nor to sue for unpaid dividends or repayment of capital on any issued shares of Croydex Group Limited or enforce the Investor Security (as defined in the Intercreditor Deed);
- 4.2.2 exercise any right which they may have to enforce the Investor Security (as defined in the Intercreditor Deed) or appoint a receiver, administrative receiver or manager in respect of the assets of any Obligor unless they have first notified the Bank of their intention to do so and the Bank has not (within 10 working days of such notice) appointed a receiver, administrative receiver or manager pursuant to the Bank's security.
- 4.2.3 Security granted by the Obligors to the Bank shall rank in priority to security granted by the Obligors to the Investors until such time that all outstanding debt and liabilities from time to time owed by the Obligors to the Bank (including but not limited to debt and liabilities arising in relation to the Term Loan) have been fully and irrevocably paid or discharged to the satisfaction of the Bank,
- 5 Under the 3i Composite Guarantee and Debenture the Company will amongst things:
- 5.1 grant a fixed charge over the assets identified in it and a floating charge over the remainder of the Company's undertaking by way of security for the Company's liabilities under the guarantee provisions contained therein in respect of the Parent's liabilities and obligations under the Loan Note Instrument or otherwise, and containing a further assurance that the Company will enter into such further security as 3i shall from time to time require;
- 5.2 guarantees to discharge all of the liabilities of the Company and the Parent to 3i of any kind and in any currency (whether present or future actual or contingent and whether incurred alone or jointly with another) including all Interest, costs and expenses; and
- 5.3 agrees that any item or amount claimed by 3i to be included in the Secured Liabilities (as defined in the 3i Composite Guarantee and Debenture) which is not recoverable from the Parent for any reason shall nevertheless be recoverable from the Company as principal debtor by way of indemnity.
- 6 The payment of the Transaction Fees by the Company.

This is Appendix B referred to in Form 155(6)a declared by the Directors of the Company on 19 April 2006.

Signed



Independent Solicitor

PARKER MULLEN  
SOLICITORS  
8 NEWBURY STREET  
ANDOVER  
SP10 1DW

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF CROYDEX  
LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors dated 19 April 2006 prepared in accordance with applicable United Kingdom law, in connection with the proposed financial assistance to be given by Croydex Limited ("the Company") relating to the purchase of the entire issued ordinary share capital of Croydex Holdings Limited, the Company's parent undertaking.

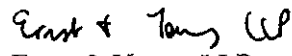
This report is made solely to the directors in accordance with Section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditors' report under section 156(4) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, for our audit work, for this report, or for the opinions we have formed.

**Basis of opinion**

We have enquired into the state of affairs of the Company so far as necessary 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.

  
Ernst & Young LLP  
Registered Auditor  
Southampton

 19<sup>th</sup> April 2006