



## Declaration in relation to assistance for the acquisition of shares

**155(6)a**

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

To the Registrar of Companies  
(Address overleaf - Note 5)

For official use

Company number

T	-	T	-	T	-
I		I		I	
L	-	L	-	L	-

03386793

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

Name of company

\* BANNER LIMITED

\* insert full name  
of company

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

XWe o GEOFFREY HOCKING of 43 Western Way, Ryton, Tyne & Wear, NE40 3LR, IAN THOMAS PARROTT of Hillhaven, 28 Langham Road, Bowdon, Altrincham, Cheshire, WA14 3NU, GORDON RAMSAY PARTON of 21 Ramsden Close, Glossop, Derbyshire, SK13 9BB, NIGEL PLENDERLEITH of Saddlers Cottage, Crabtree Lane, High Legh, Cheshire, WA16 6PE, HOWARD GEOFFREY WILDER of 93 Little Bushey Lane, Bushey, Watford, Hertfordshire, WD23 4SD and IAN DONALD POWELL of Fernbank, Woodend Lane, Hyde, Cheshire, SK14 1DU

† delete as appropriate

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

The business of the company is

§ delete whichever  
is inappropriate

[illegible]

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the [company] ~~XXXXXXXXXXXXXXXXXXXX~~ BANNER

Limited) †

The assistance is for the purpose of [that acquisition] XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXX †

The number and class of the shares acquired or to be acquired is 500,000 ordinary shares of £1 each

Presenter's name address and  
reference (if any)  
Wollastons LLP  
Brierly Place, New London Road,  
Chelmsford, Essex, CM2 0AP

89703 Chelmsford 2

For official Use  
General Section

FRIDAY



A52

\*AC63ZZRK\*  
16/05/2008  
COMPANIES HOUSE

351

The assistance is to be given to (note 2) IDP (HOLDINGS) LIMITED (Company No 6478309)  
whose registered office is c/o Wollastons LLP, Brierly Place, New London Road, Chelmsford, Essex CM2  
0AP

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 Rider 1 attached

The person who ~~will acquire~~ [will acquire] † the shares is

† delete as  
appropriate

IDP (HOLDINGS) LIMITED

The principal terms on which the assistance will be given are

Please see Rider 2 attached

The amount of cash to be transferred to the person assisted is £ up to £ 5,000,000

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 the date hereof

lease do not  
rite in this  
argin

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gibly, preferably  
black type, or  
old block lettering

delete either (a) or  
(b) as appropriate

~~X~~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) ~~X~~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) ~~XXXXXX~~ (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 Grabners Chaffe Street  
Brook House, Spring Gardens

Declarants to sign below

on 

Day	Month	Year
13	05	2008

before me [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

[Signature]  
[Signature]  
[Signature]  
[Signature]

## 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  
37 Castle Terrace  
Edinburgh  
EH1 2EB

Company No 03386793

**BANNER LIMITED ("Company")**

**RIDERS TO  
DIRECTORS STATUTORY DECLARATION FORM 155(6)a**

Dated 13 May 2008

**RIDER 1**

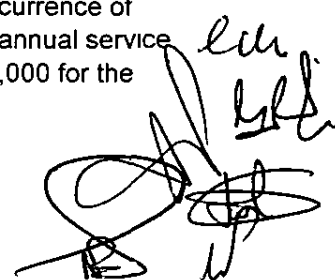
- 1 The Company using monies available under a commercial finance agreement incorporating an invoice discounting facility ("**Invoice Facility**") with the Governor and Company of the Bank of Ireland trading as Enterprise Finance Europe ("**Bank**")
- 2 The Company entering into a loan facility agreement with the Bank ("**Bank Loan Agreement**")
- 3 The Company entering into a mortgage debenture ("**Debenture**") in favour of the Bank
- 4 The Company entering into a first legal charge ("**Charge**") in favour of the Bank over the land and buildings known as Castlereagh, Tempest Road, Seaham, registered at HM Land Registry with title number DU125343 ("**Property**")
- 5 The Company entering into an intercreditor agreement ("**Intercreditor Agreement**") with IDP (Holdings) Limited, the Bank, Cosalt plc and Ian Powell
- 6 The Company entering into a loan agreement ("**Company Loan Agreement**") with IDP (Holdings) Limited ("**IDP**")

**RIDER 2**

- 1 Under the Invoice Facility the Company has agreed to sell and the Bank has agreed to acquire certain of the Company's debts ("**Debts**") in return for early cash payments ("**Early Payments**") calculated by reference to the value of the Debts sold to the Bank. The Bank will, subject to the terms of the Invoice Facility and Bank Loan Agreement, make available to the Company up to £4,750,000

The Early Payments will help enable the Company to make a loan to IDP under the Company Loan Agreement. IDP will use the funds to pay part of the consideration and associated costs payable in connection with the acquisition ("**Acquisition**") of the entire issued share capital of the Company from Cosalt plc ("**Cosalt**") pursuant to the terms of a share purchase agreement of even date made between IDP and Cosalt.

The Invoice Facility will run for a minimum period of 12 months ("**Minimum Period**") and will be terminable upon 3 months notice from either party to expire at the end of any month following the Minimum Period. The Bank may immediately terminate on the occurrence of certain events of default by the Company. The Company is responsible for an annual service charge of 0.05% of the value of assigned debts (with a minimum charge of £10,000 for the



Minimum Period and any subsequent 12 month period) A discounting charge is payable monthly at 1.8% per annum above the base rate of the Bank from time to time

- 2 Under the terms of the Bank Loan Agreement the Bank will make available to the Company by way of loan an amount equal to the lesser of (i) £750,000 and (ii) 50% of the value of certain eligible finished goods of the Company capable of resale. The loan will help enable the Company to make a loan to IDP under the Company Loan Agreement, providing IDP with funds for payment of part of the consideration to Cosalt under the Acquisition and associated costs of the Acquisition. The Bank Loan Agreement provides for interest at the rate of 2.25% per annum above base rate of the Bank from time to time. The Bank Loan Agreement will continue until termination of the Invoice Facility or earlier in the case of certain events of default arising.
- 3 Under the terms of the Debenture, the Company will charge to the Bank all of its assets by way of legal mortgage, fixed charge and floating charges (as appropriate) as security for all monies due and owing or to become due and owing by the Company to the Bank.
- 4 Under the Charge, the Company will grant a first legal charge in favour of the Bank over the Property as security for all sums due or to become due and owing by the Company to the Bank.
- 5 Under the Intercreditor Agreement, payment of sums due and owing by IDP and/or the Company to the Bank, Cosalt and Ian Powell will be regulated such that payments to Cosalt and Ian Powell may only be made provided that the Company is not at the time of payment, or likely to be as a result of the payment, in default of any obligation to any creditor of the Company.
- 6 Under the Company Loan Agreement, the Company will advance to IDP up to £5,000,000 to enable IDP to make payment of part of the consideration payable to Cosalt under the Acquisition and other payments and liabilities incurred or connected with the Acquisition. No interest will be payable on the outstanding sums under the Company Loan Agreement and all such monies outstanding will be repayable on demand by the Company.



IAN DONALD POWELL



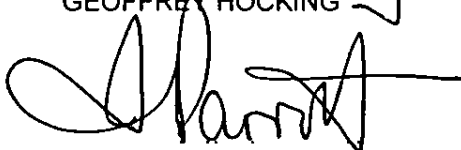
GORDON RAMSAY PARTON



GEOFFREY HOCKING



NIGEL PLENDERLEITH



IAN THOMAS PARROTT



HOWARD GEOFFREY WILDER





**BDO Stoy Hayward LLP**  
Chartered Accountants

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Leeds LS11 5RU  
Telephone +44 (0)113 244 3839  
Facsimile +44 (0)113 204 1200  
Web site [www.bdo.co.uk](http://www.bdo.co.uk)

**Private and Confidential**

The Directors  
Banner Limited  
Banner House  
Greg Street  
Reddish, Stockport  
Cheshire, SK5 7BT

13 May 2008

Our ref MH/APJ/s156

Direct line 0113 204 1241  
E-mail [adam.jones@bdo.co.uk](mailto:adam.jones@bdo.co.uk)

Dear Sirs

**Independent auditors' report to the directors of Banner Limited (the "Company") pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors of the Company dated 13 May 2008 in connection with the proposal that the Company should give financial assistance for the purchase of the entire share capital of the Company

Our report has been prepared pursuant to the requirements of section 156(4) of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of section 156(4) of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

**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.

Yours faithfully

*BDO Stoy Hayward LLP*

**BDO Stoy Hayward LLP**  
*Chartered Accountants and Registered Auditors*

