

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

155(6)b

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WEDNESDAY



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21/03/2007
COMPANIES HOUSE

44

The assistance is for the purpose of ~~XXXXXXX~~ [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: 100,000 Ordinary A Shares

The assistance is to be given to: (note 2) XUK Holdco (No2) Limited
(Company Number: 04219982) whose registered office is at 34 Leadenhall Street, London EC3A 1AX

The assistance will take the form of:

See Schedule 1

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

† delete as appropriate

XUK Holdco (No2) Limited (Company Number: 04219982) whose registered office is at 34 Leadenhall Street, London EC3A 1AX

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

See Schedule 2

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 £ Nil

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 8 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)

(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)

* delete either (a) or
(b) as appropriate

(b) ~~XXXXXX We have formed the opinion that this company will be unable 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 13 Hanover Square
London W1S 1HN

Declarants to sign below

Day Month Year
on

2	0	0	3	2	0	0	7
---	---	---	---	---	---	---	---

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.

[Handwritten signatures of declarants and commissioner]

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

Schedule 1 to the Statutory Declaration dated 20 March 2007

1. The execution, delivery and performance by the Subsidiary of its obligations under:

- 1.1 an accession letter to be dated no later than 8 weeks from the date hereof between the Subsidiary, Xchanging UK Limited and Lloyds TSB Bank plc (the "**Loan Accession Letter**") pursuant to which the Subsidiary agrees to accede as a guarantor under a loan agreement dated 1 March 2007 between, among others, Xchanging UK Limited and Lloyds TSB Bank plc (the "**Loan Agreement**"); and
- 1.2 an admission deed to be dated no later than 8 weeks from the date hereof between, among others, the Subsidiary and Lloyds TSB Bank plc (the "**Debenture Admission Deed**") pursuant to which the Subsidiary agrees to accede to, and grant security over its assets in accordance with the terms of, a debenture dated 1 March 2007 (the "**Debenture**") between, among others, Xchanging UK Limited and Lloyds TSB Bank plc as security trustee (the "**Security Trustee**"),

(each of those documents being in such form as may be amended, supplemented, novated and/or replaced from time to time) together with the performance by the Subsidiary of other acts in connection with the acquisition of the shares in the Company and the financing of that acquisition.

Schedule 2 to the Statutory Declaration dated 20 March 2007

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

1. By executing the Loan Accession Letter the Subsidiary will (among other things):

1.1 irrevocably and unconditionally:

- 1.1.1 guarantee to each Finance Party punctual performance by each Borrower of all that Borrower's obligations under the Finance Documents;
- 1.1.2 undertake 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 if it was the principal obligor; and
- 1.1.3 indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by the Subsidiary 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;

1.2 waive any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming against the Subsidiary;

1.3 covenant that it will not be affected by an act, omission, matter or thing which, but for clause 20 of the Loan Agreement, would reduce, release or prejudice any of its obligations under clause 20 of the Loan Agreement (without limitation and whether or not known to it or any Finance Party) including:

- 1.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 1.3.2 the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- 1.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 1.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

- 1.3.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- 1.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- 1.3.7 any insolvency or similar proceedings;
- 1.4 covenant to promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s)):
 - 1.4.1 to perfect the security created or intended to be created under or evidenced by the Transaction Security Documents or for the exercise of any rights, powers and remedies of the Security Trustee or the Finance Parties provided by or pursuant to the Finance Documents or by law;
 - 1.4.2 to confer on the Security Trustee or confer on the Finance Parties Security over any property and assets of the Subsidiary located in any jurisdiction equivalent or similar to the security intended to be conferred by or pursuant to the Transaction Security Documents; and/or
 - 1.4.3 to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security;
- 1.5 covenant to take all such action as is available to it as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Trustee or the Finance Parties by or pursuant to the Finance Documents; and
- 1.6 give various representations and warranties, undertakings covenants and indemnities and agrees to pay certain costs, fees and expenses to the Finance Parties.
- 2. **By executing the Debenture Admission Deed the Subsidiary will (among other things):**
 - 2.1 covenant with the Security Trustee (as trustee for the Finance Parties) that it will pay, perform and discharge the Secured Liabilities as and when the same fall due for payment, performance or discharge in accordance with the terms of the Finance Documents or, in the absence of any such express terms, on demand;
 - 2.2 covenant with the Security Trustee to pay interest on any unpaid amounts from day to day until full discharge at the rate and in the manner specified in the Loan Agreement;

- 2.3 as security for the payment, performance and discharge of all the Secured Liabilities, charge in favour of the Security Trustee (as trustee for the Finance Parties) by way of a first legal mortgage all of the Subsidiary's right, title and interest in and to the freehold, commonhold and leasehold property now vested in it;
- 2.4 as security for the payment, performance and discharge of all the Secured Liabilities, charge in favour of the Security Trustee (as trustee for the Finance Parties) by way of first fixed charge all of the Subsidiary's right, title and interest in and to the following assets, both present and future:
- 2.4.1 all estates or interests in any freehold, commonhold or leasehold property (other than such property effectively mortgaged as set out at paragraph 2.3 above);
 - 2.4.2 all licences held by it to enter upon or use land and/or to carry on the business carried on upon that land and all agreements relating to land to which it is a party or otherwise entitled;
 - 2.4.3 where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;
 - 2.4.4 all fixed and other plant and machinery, computers, vehicles, office equipment and other chattels in its ownership (but excluding any of those items to the extent that they are part of its stock in trade);
 - 2.4.5 all insurances, including all claims, the proceeds of all claims and all returns of premium in connection with insurances;
 - 2.4.6 all book debts and all other debts or monetary claims, all proceeds thereof and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same;
 - 2.4.7 all moneys from time to time deposited in or standing to the credit of any bank account with the Security Trustee or any other bank or financial institution;
 - 2.4.8 all Securities and their Related Rights;
 - 2.4.9 all of its goodwill and uncalled capital;
 - 2.4.10 all Intellectual Property;
 - 2.4.11 all licences, consents and authorisations (statutory or otherwise) held in connection with its business or the use of any Security Asset and the right to recover and receive all compensation which may be payable in respect of them;

2.4.12 each of the following:

- (a) all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises;
- (b) all agreements entered into by it or of which it has the benefit under which credit of any amount is provided to any person;
- (c) all contracts for the supply of goods and/or services by or to it or of which it has the benefit (including, without limitation, any contracts of hire or lease of chattels); and
- (d) any currency or interest swap or any other interest or currency protection, hedging or financial futures transaction or arrangement entered into by it or of which it has the benefit (whether entered into with any of the Finance Parties or any other person),

(other than any contracts subject to an Exclusion unless and until the same is satisfied) including, in each case, but without limitation, the right to demand and receive all moneys whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them.

- 2.5 as security for the payment, performance and discharge of all the Secured Liabilities, charge in favour of the Security Trustee (as trustee for the Finance Parties) by way of a first floating charge all of the Subsidiary's undertaking and all its other property, assets and rights whatsoever, all the stock in trade of the Subsidiary and the property, assets and rights not otherwise validly and effectively mortgaged, charged or assigned (whether at law or in equity) by way of fixed security under paragraph 2.4 above;
- 2.6 covenant that the provisions of paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to the Debenture Admission Deed as set out in paragraph 2.5 above;
- 2.7 covenant to (at its own expense) take whatever action the Security Trustee or any receiver may reasonably require for:
 - 2.7.1 preserving, perfecting or protecting any Security Asset or the security constituted or intended to be constituted by the Debenture;
 - 2.7.2 facilitating the realisation of any Security Asset; and/or
 - 2.7.3 facilitating the exercise of all rights, powers and remedies of the Security Trustee or any receiver or delegate provided by or pursuant to the Debenture or by law in respect of any Security Asset;

2.8 covenant with the Security Trustee that the Security Trustee and each other Finance Party shall have the following rights exercisable at any time without notice to the Subsidiary:

2.8.1 the right to set off any matured obligation whatsoever due from the Subsidiary under the Finance Documents (to the extent beneficially owned by the Security Trustee or, as the case may be, such Finance Party) against any obligation whatsoever (whether matured or not) owed by the Security Trustee or, as the case may be, such Finance Party to the Subsidiary, regardless of the place of payment, booking branch or currency of either obligation;

2.8.2 the right, where the obligations referred to in paragraph 2.8.1 above are in different currencies, to convert either obligation at such market rate of exchange as the Security Trustee or, as the case may be, such Finance Party shall reasonably select for the purpose of that set-off; and

2.8.3 the right, where any obligation referred to in paragraph 2.8.1 is unliquidated or unascertained, to set off in an amount estimated by it in good faith to be the amount of such obligation; and

2.9 give various undertakings, covenants, indemnities and agrees to pay certain costs, fees and expenses to the Finance Parties.

3. **Definitions**

3.1 "**Finance Parties**", "**Borrower**", "**Obligor**", "**Group**", "**Transaction Security**", "**Transaction Security Documents**" and "**Finance Documents**" have the meaning given to them in the Loan Agreement.

3.2 "**Secured Liabilities**", "**Related Rights**", "**Intellectual Property**", "**Exclusion**" and "**Premises**" have the meaning given to them in the Debenture.

3.3 "**Mortgaged Property**", "**Securities**" and "**Security Assets**" have the meaning given to them in the Debenture Deed of Admission.

The Directors
Xchanging Procurement Services (Holdco) Limited
13 Hanover Square
London
W1S 1HN

20 March 2007

Dear Sirs

Report of the Independent Auditor to the directors of Xchanging Procurement Services (Holdco) Limited pursuant to Section 156(4) of the Companies Act 1985

We report on the attached statutory declaration dated 20 March 2007, prepared pursuant to the Companies Act 1985, in connection with the proposal that the company's subsidiary undertaking, *Xchanging Procurement Services (Europe) Limited*, should give financial assistance for the purchase of 100,000 of the A ordinary shares of the company. This report, including the opinion, has been prepared for and only for the company and the company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors