Oyez

CHFP041

# COMPANIES FORM No. 155(6)(a)

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

# 155(6)a

Please do not write in this margin

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: 04519524

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

*Insert full name of company

Name of company

* M Communications (London) Limited

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

~~I~~/We ø

Hugh McLeod Morrision of Efford Park, Lymington, Hampshire SO41 0DJ, Nicholas Charles James Miles of 17 Routh Road, London SW18 3SP, Oliver Niedermaier of 330 Spring Street, Apt. 7D, New York, NY 10013 USA and Thomas Seiling of Schlichtegrollstrasse 3, D-81927 Muenchen.

† 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 3 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~~

~~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:

2,000 ordinary 1p shares

Presentor's name address and reference (if any):

Jones Day
21 Tudor Street
London
EC4Y 0DJ
DX 67 - London/Chancery

For official Use (10/03)
General Section

MONDAY

*LR4ZMXIG*
LD2 25/02/2008 216
COMPANIES HOUSE

The assistance is to be given to (note 2)

Please do not write in this margin

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

P1 M Holdings Limited (company number 6489018) having its registered office c/o The Riverside Company, 45 Rockefeller Center, 630 Fifth Avenue, Suite 2400, New York NY 10111.

**The assistance will take the form of:**

| |
|---|
| Please see Schedule 1 attached |

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

† Delete as appropriate

P1 M Holdings Limited (company number 6489018) having its registered office c/o The Riverside Company, 45 Rockefeller Center, 630 Fifth Avenue, Suite 2400, New York NY 10111.

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

| |
|---|
| Please see Schedule 2 attached |

The amount of cash to be transferred to the person assisted is £ Schedule 3

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 this declaration

Please do not write in this margin

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

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

~~I~~/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) [~~I~~/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 I/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 ~~I~~/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 Battersea, London.

Declarants to sign below

on

| Day | Month | Year |
|---|---|---|
| 06 | 02 | 2008 |

before me N McCamey (nicola mccamie) Ashurst

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

## 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 auditor's 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

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

**Schedule 1 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

The assistance will take the form of the execution, delivery and performance by the Company, in connection with the purchase of the entire issued share capital of the Company by PI M Holdings Limited (the "**UK Borrower**") (the "**Acquisition**"), of its obligations under the following documents as amended, novated, supplemented or substituted from time to time:

1. a $51,000,000 and £11,699,312.20 credit agreement (the "**Credit Agreement**") between, among others, (1) PI Holdings, LLC (the "**Parent**"), (2) PI King Holdings, Inc. (the "**US Borrower**"), (3) the UK Borrower, (4) the U K. Guarantors (as defined therein), (5) Babson Capital Management LLC as administrative agent (the "**Administrative Agent**") and security trustee (the "**Security Trustee**") and (6) Massachusetts Mutual Life Insurance Company and Landesbank Rheinland-Pfalz as lenders (the "**Lenders**") to be dated on or about the date hereof pursuant to which the Company, amongst other things, will guarantee all the obligations of the UK Borrower to the Lenders under the Credit Agreement which are outstanding from time to time (the "**Guarantee**"),

2 a debenture (the "**Debenture**") between, amongst others, (1) the Company and (2) the Security Trustee dated on or about the date hereof,

3. a note purchase agreement (the "**Note Purchase Agreement**") to be entered into between, among others, (1) the Parent, (2) the UK Borrower, (3) the US Borrower, (4) D.F. King (Europe) Limited and the Company as UK guarantors (the "**UK Guarantors**"), (5) the US Guarantors (as defined therein) and (6) Tower Square Capital Partners II, L.P , Tower Square Capital Partners II-A, L P and Tower Square Capital Partners II-B, L.P as noteholders (the "**Noteholders**") dated on or about the date hereof,

4. a guaranty agreement (the "**UK Guaranty**") entered into by the UK Initial Guarantors (as defined therein) in favour of the Noteholders, to be dated on or about the date hereof, pursuant to which the Company, amongst other things, will guarantee all the obligations of the UK Borrower to the Noteholders under the Note Purchase Agreement,

5. an intercreditor agreement (the "**Intercreditor Agreement**") between, among others, (1) the Noteholders, (2) the UK Borrower, (3) the US Borrowers, (4) the Parent, (5) the Company, (6) the Administrative Agent and (7) the Subsidiary Guarantors (as defined therein);

6. an upstream loan agreement (the "**Upstream Loan Agreement**") between (1) the Company as lender and (2) the UK Borrower as borrower;

7. a subordination deed (the "**Subordination Deed**") between, among others, (1) the UK Borrower, (2) the Security Trustee and Administrative Agent, (3) the Noteholders as mezzanine finance parties (the "**Mezzanine Finance Parties**") and (4) the Company,

8. an inter-company loan agreement (the "**Consideration Loan Agreement**") between (1) the Company as lender and (2) the UK Borrower as borrower,

9. a sale and purchase agreement (the "**SPA**") to be entered into, on or about the date hereof, between (1) the Vendors (as defined therein) and (2) the UK Borrower;

10 fees payable to Manches in respect of corporate finance advice in connection with the Acquisition (the "**Manches Invoice**"), and

10 fees payable to Thorne Lancaster Parker ("**TLP**") in respect of financial due diligence in connection with the Acquisition (the "**TLP Invoice**"),

together with performance by the Company of other acts in connection with the Acquisition which reduce or discharge the liability incurred for the purpose of the Acquisition

**Schedule 2 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

Terms not otherwise defined in Schedule 2 shall have the same meaning as in the Debenture

The form of assistance will be as follows

1 Pursuant to the Guarantee, the Company will guarantee all the obligations of the UK Borrower to the Lenders under the Credit Agreement which are outstanding from time to time

2 By executing the Debenture the Company as security for the payment and discharge of all of the obligations (including principal, interest, fees, reimbursements, indemnification obligations and other amounts) of the U K Credit Parties to the Lenders and the Administrative Agent whenever arising, under the Credit Agreement, the U.K. Term Notes, or any of the other Credit Documents (including, but not limited to, any interest accruing after the occurrence of a filing of a petition of bankruptcy under the Bankruptcy Code with respect to any Credit Party, regardless of whether such interest is an allowed claim under the Bankruptcy Code), and all liabilities and such obligations, whenever arising, owing from any U K. Credit Party or any of its Subsidiaries to any U.K Hedging Agreement Provider arising under any U.K. Secured Hedging Agreement, together in each case with interest, commission and bank fees and charges (the "**Secured Liabilities**"), amongst other things:

2 1 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Company as at the date of the Debenture will be a charge by way of first legal mortgage and so far as it relates to other assets shall take effect as an equitable mortgage):

(a) all of its rights in any land (together the "**Mortgaged Properties**") in each case together with all of its rights in all buildings, structures, erections, fixtures and fittings (including trade fixtures and fittings) from time to time on any of the Mortgaged Properties and any proceeds of disposal of any of the Mortgaged Properties;

(b) all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock in trade or work in progress),

(c) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital;

(d) all of its rights in any credit balance on the Specified Accounts and the indebtedness represented by them,

(e) all of its rights in its Debts;

(f) all of its rights in its Intellectual Property,

(g) all licences, consents and other Authorisations held in connection with its business or the use of any Secured Assets and all of its rights in connection with them; and

(h) all of its rights in any agreements, including the Assigned Documents, reports and other documents from time to time relating to all or any part of the Secured Assets, other than those assigned by Clause 3 3 (*Assignments*) of the Debenture

2 2 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first fixed charge (which shall take effect as an equitable mortgage) all of its rights in its Investments

2 3 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee assigns absolutely to the Security Trustee

(a) all of its rights in its U K Insurances, including those relating to the Mortgaged Properties, and in any Insurance Proceeds, and

(b) all of its rights under the Assigned Documents

2 4 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first floating charge:

(a) all of its rights in any credit balances on the U K. Trading Account or any other bank account and the indebtedness represented by them; and

(b) the whole of its undertaking and other assets (other than assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3 1 to 3 3 of the Debenture by way of fixed security).

2.5 Pursuant to Clause 5.3 (*Further Assurance*) of the Debenture, the Company will at the request of the Security Trustee and at its own expense promptly execute (in such form as the Security Trustee may reasonably require) any document and do any act which the Security Trustee may require to improve, protect, preserve or perfect the security created or intended to be created by the Debenture

3 Pursuant to the Note Purchase Agreement and the UK Guaranty, the Company will guarantee all the obligations of the UK Borrower to the Noteholders under the Note Purchase Agreement

4 Pursuant to the Intercreditor Agreement, the Company agrees to pay any costs and expenses related to acts requested by any party to the Intercreditor Agreement which are required to give effect to the purpose of the Intercreditor Agreement

5 Pursuant to the Upstream Loan Agreement, the Company agrees to make Advances (as defined therein) available to the UK Borrower to, inter alia, enable the UK Borrower to meet its repayment obligations under the Credit Agreement.

6 Pursuant to the Subordination Deed, the Company agrees to: (a) not receive payment, nor accelerate any inter-company debt, nor demand nor discharge nor secure any inter-company debt without the prior consent of the Administrative Agent prior to the Senior Discharge Date (as defined therein) or without the prior consent of the Mezzanine Finance Parties following the Senior Discharge Date but prior to the Mezzanine Discharge Date (as defined therein), (b) to indemnify the Security Trustee for certain costs, expenses, claims and liabilities under the Subordination Deed and (c) after the Senior Discharge Date but prior to the Mezzanine Discharge Date, indemnify the Mezzanine Finance Parties for certain costs, expenses, claims and liabilities under the Subordination Deed.

7 Pursuant to the Consideration Loan Agreement, the Company agrees to make a facility of £1,156,100 available to the UK Borrower to enable the UK Borrower to pay costs and expenses incurred in connection with the Acquisition.

8 Pursuant to the Manches Invoice, the Company agrees to pay a fee of £97,739.50 to Manches in respect of corporate finance advice provided by it in connection with the Acquisition.

9. Pursuant to the TLP Invoice, the Company agrees to pay a fee of £21,750.00 to TLP in respect of financial due diligence provided by it in connection with the Acquisition.

10 Pursuant to Clause 2.1 of the SPA, the UK Borrower is entitled to the sum of £400,000 from the Company (the "**Monies**") and the UK Borrower will apply the Monies to pay costs and expenses incurred in connection with the Acquisition.

**Schedule 3 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

The amount of the cash to be transferred to the persons assisted will be.

1 nil at the date hereof but subject to any amounts up to a maximum of £11,699,312 20 to be transferred under the Upstream Loan Agreement,

2. the fees due and payable to TLP pursuant to the TLP Invoice;

3 the fees due and payable to Manches pursuant to the Manches Invoice;

4 the sum of £1,156,100 to be made available to the UK Borrower pursuant to the Consideration Loan Agreement; and

5 the sum of £400,000 to be made available to the UK Borrowers pursuant to the SPA

**M COMMUNICATIONS (LONDON) LIMITED**

**BOARD MEMORANDUM**

Memorandum in connection with the proposed arrangement whereby the company will give financial assistance for the acquisition of its own shares, particulars of which are given in the statutory declaration made by the directors this day pursuant to section 155(6) of the Companies Act 1985 (the Act)

1 As at close of business on 31 December 2007 the aggregate of the company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated

2 From our knowledge of events since that date and of the likely course of the company's business (as described in the accompanying paper), the directors have formed the opinion that the aggregate of the company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is give and

that the amount by which the giving of such financial assistance will reduce the net assets of the company will not exceed the distributable profits of the company as determined on the basis of its accounts made up to 31 December 2007 (and after taking account of distributions made since that date)

SIGNED ON BEHALF OF THE BOARD

DATED 6 February 2008

**M COMMUNICATIONS (LONDON) LIMITED**

We confirm that we have reviewed the profit and loss and balance sheet of the company as at 31 December 2007 We confirm that we have also reviewed projections for the business to 31 December 2008 and are of the opinion that there should be no changes to these projections We also confirm we have as far as possible reviewed the situation post 31 December 2008 and are not of the opinion that any amendments should be made to our projections

We further confirm that since 31 December 2007 no dividends have been declared from the company and no adjustments have taken place to the director's loan accounts and no material events have elapsed since 31 December 2007 that would cause adjustment

Mr HM Morrison
for and behalf of M Communications (London) Limited

6 February 2008

*Partners*
Keith A Okines
Murray E M Knight
Christopher D Kay
Zal Sethna
Stephen R Parker
Paul C Schonberger
Robert Cameron-Clarke
Neil R Usher

*Consultants*
Stephen J Sloat
Andy Y Tse

**Thorne Lancaster Parker**
*Chartered Accountants*

**8th floor**
**Aldwych House**
**81 Aldwych**
**London WC2B 4HN**

**tel 020 7404 2161**
**fax 020 7831 2261**
**www.tlpaccountants.co uk**

**REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF M COMMUNICATIONS (LONDON) LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We report on the attached statutory declaration of the directors dated 6 February 2008, prepared pursuant to the Companies Act 1985, in connection with the proposal that the company should give financial assistance for the purchase of all of the company's issued ordinary shares

**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

Thorne Lancaster Parker
8th Floor
Aldwych House
81 Aldwych
London WC2B 4HN

6 February 2008

Oyez

CHFP041

# COMPANIES FORM No. 155(6)(a)

# 155(6)a

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

Please do not write in this margin

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

04519524

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

*Insert full name of company

Name of company

* M Communications (London) Limited

~~I~~/We ø

øinsert name(s) and address(es) of all the directors

Hugh McLeod Morrision of Efford Park, Lymington, Hampshire SO41 0DJ, Nicholas Charles James Miles of 17 Routh Road, London SW18 3SP, Oliver Niedermaier of 330 Spring Street, Apt. 7D, New York, NY 10013 USA and Thomas Seiling of Schlichtegrollstrasse 3, D-81927 Muenchen.

† 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 3 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~~

~~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:
2,000 ordinary 1p shares

Presentor's name address and reference (if any):

Jones Day
21 Tudor Street
London
EC4Y 0DJ
DX 67 - London/Chancery

For official Use (10/03)
General Section | Post room

*LR4ZPXIJ*
LD2 25/02/2008 213
COMPANIES HOUSE

The assistance is to be given to: (note 2)

Please do not write in this margin

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

P1 M Holdings Limited (company number 6489018) having its registered office c/o The Riverside Company, 45 Rockefeller Center, 630 Fifth Avenue, Suite 2400, New York NY 10111.

The assistance will take the form of:

| |
|---|
| Please see Schedule 1 attached |

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

† Delete as appropriate

P1 M Holdings Limited (company number 6489018) having its registered office c/o The Riverside Company, 45 Rockefeller Center, 630 Fifth Avenue, Suite 2400, New York NY 10111.

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

| |
|---|
| Please see Schedule 2 attached |

The amount of cash to be transferred to the person assisted is £ Schedule 3

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 this declaration

Please do not write in this margin

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

~~I~~/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)

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

(a) [~~I~~/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 I/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 ~~I~~/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 845 Third Avenue, New York, N.Y.

Declarants to sign below

Oliver Niedermaier

| Day | Month | Year |
|---|---|---|
| 06 | 02 | 2008 |

on 06 02 2008

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.

PETER MASSA
Notary Public, State of New York
No 01MA6102579
Qualified in New York County
Commission Expires 12/08/2009

## 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 auditor's 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

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

**Schedule 1 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

The assistance will take the form of the execution, delivery and performance by the Company, in connection with the purchase of the entire issued share capital of the Company by P1 M Holdings Limited (the "**UK Borrower**") (the "**Acquisition**"), of its obligations under the following documents as amended, novated, supplemented or substituted from time to time.

1 a $51,000,000 and £11,699,312.20 credit agreement (the "**Credit Agreement**") between, among others, (1) P1 Holdings, LLC (the "**Parent**"), (2) P1 King Holdings, Inc. (the "**US Borrower**"), (3) the UK Borrower, (4) the U.K. Guarantors (as defined therein), (5) Babson Capital Management LLC as administrative agent (the "**Administrative Agent**") and security trustee (the "**Security Trustee**") and (6) Massachusetts Mutual Life Insurance Company and Landesbank Rheinland-Pfalz as lenders (the "**Lenders**") to be dated on or about the date hereof pursuant to which the Company, amongst other things, will guarantee all the obligations of the UK Borrower to the Lenders under the Credit Agreement which are outstanding from time to time (the "**Guarantee**");

2. a debenture (the "**Debenture**") between, amongst others, (1) the Company and (2) the Security Trustee dated on or about the date hereof,

3 a note purchase agreement (the "**Note Purchase Agreement**") to be entered into between, among others, (1) the Parent, (2) the UK Borrower, (3) the US Borrower, (4) D.F. King (Europe) Limited and the Company as UK guarantors (the "**UK Guarantors**"), (5) the US Guarantors (as defined therein) and (6) Tower Square Capital Partners II, L.P., Tower Square Capital Partners II-A, L.P and Tower Square Capital Partners II-B, L.P as noteholders (the "**Noteholders**") dated on or about the date hereof;

4. a guaranty agreement (the "**UK Guaranty**") entered into by the UK Initial Guarantors (as defined therein) in favour of the Noteholders, to be dated on or about the date hereof, pursuant to which the Company, amongst other things, will guarantee all the obligations of the UK Borrower to the Noteholders under the Note Purchase Agreement;

5. an intercreditor agreement (the "**Intercreditor Agreement**") between, among others, (1) the Noteholders, (2) the UK Borrower, (3) the US Borrowers, (4) the Parent, (5) the Company, (6) the Administrative Agent and (7) the Subsidiary Guarantors (as defined therein);

6 an upstream loan agreement (the "**Upstream Loan Agreement**") between (1) the Company as lender and (2) the UK Borrower as borrower;

7 a subordination deed (the "**Subordination Deed**") between, among others, (1) the UK Borrower, (2) the Security Trustee and Administrative Agent, (3) the Noteholders as mezzanine finance parties (the "**Mezzanine Finance Parties**") and (4) the Company;

8 an inter-company loan agreement (the "**Consideration Loan Agreement**") between (1) the Company as lender and (2) the UK Borrower as borrower;

9 a sale and purchase agreement (the "**SPA**") to be entered into, on or about the date hereof, between (1) the Vendors (as defined therein) and (2) the UK Borrower;

10. fees payable to Manches in respect of corporate finance advice in connection with the Acquisition (the "**Manches Invoice**"); and

10 fees payable to Thorne Lancaster Parker ("**TLP**") in respect of financial due diligence in connection with the Acquisition (the "**TLP Invoice**").

together with performance by the Company of other acts in connection with the Acquisition which reduce or discharge the liability incurred for the purpose of the Acquisition

**Schedule 2 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

Terms not otherwise defined in Schedule 2 shall have the same meaning as in the Debenture

The form of assistance will be as follows.

1 Pursuant to the Guarantee, the Company will guarantee all the obligations of the UK Borrower to the Lenders under the Credit Agreement which are outstanding from time to time.

2 By executing the Debenture the Company as security for the payment and discharge of all of the obligations (including principal, interest, fees, reimbursements, indemnification obligations and other amounts) of the U.K Credit Parties to the Lenders and the Administrative Agent whenever arising, under the Credit Agreement, the U.K. Term Notes, or any of the other Credit Documents (including, but not limited to, any interest accruing after the occurrence of a filing of a petition of bankruptcy under the Bankruptcy Code with respect to any Credit Party, regardless of whether such interest is an allowed claim under the Bankruptcy Code); and all liabilities and such obligations, whenever arising, owing from any U.K. Credit Party or any of its Subsidiaries to any U.K Hedging Agreement Provider arising under any U.K. Secured Hedging Agreement, together in each case with interest, commission and bank fees and charges (the "**Secured Liabilities**"), amongst other things:

2 1 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Company as at the date of the Debenture will be a charge by way of first legal mortgage and so far as it relates to other assets shall take effect as an equitable mortgage):

(a) all of its rights in any land (together the "**Mortgaged Properties**") in each case together with all of its rights in all buildings, structures, erections, fixtures and fittings (including trade fixtures and fittings) from time to time on any of the Mortgaged Properties and any proceeds of disposal of any of the Mortgaged Properties;

(b) all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock in trade or work in progress);

(c) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital;

(d) all of its rights in any credit balance on the Specified Accounts and the indebtedness represented by them;

(e) all of its rights in its Debts,

(f) all of its rights in its Intellectual Property;

(g) all licences, consents and other Authorisations held in connection with its business or the use of any Secured Assets and all of its rights in connection with them, and

(h) all of its rights in any agreements, including the Assigned Documents, reports and other documents from time to time relating to all or any part of the Secured Assets, other than those assigned by Clause 3.3 (*Assignments*) of the Debenture

2.2 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first fixed charge (which shall take effect as an equitable mortgage) all of its rights in its Investments

2.3 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee assigns absolutely to the Security Trustee·

(a) all of its rights in its U.K. Insurances, including those relating to the Mortgaged Properties, and in any Insurance Proceeds; and

(b) all of its rights under the Assigned Documents.

2 4 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first floating charge:

(a) all of its rights in any credit balances on the U.K. Trading Account or any other bank account and the indebtedness represented by them; and

(b) the whole of its undertaking and other assets (other than assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3 1 to 3.3 of the Debenture by way of fixed security).

2.5 Pursuant to Clause 5.3 (*Further Assurance*) of the Debenture, the Company will at the request of the Security Trustee and at its own expense promptly execute (in such form as the Security Trustee may reasonably require) any document and do any act which the Security Trustee may require to improve, protect, preserve or perfect the security created or intended to be created by the Debenture.

3 Pursuant to the Note Purchase Agreement and the UK Guaranty, the Company will guarantee all the obligations of the UK Borrower to the Noteholders under the Note Purchase Agreement.

4 Pursuant to the Intercreditor Agreement, the Company agrees to pay any costs and expenses related to acts requested by any party to the Intercreditor Agreement which are required to give effect to the purpose of the Intercreditor Agreement.

5 Pursuant to the Upstream Loan Agreement, the Company agrees to make Advances (as defined therein) available to the UK Borrower to, inter alia, enable the UK Borrower to meet its repayment obligations under the Credit Agreement.

6 Pursuant to the Subordination Deed, the Company agrees to: (a) not receive payment, nor accelerate any inter-company debt, nor demand nor discharge nor secure any inter-company debt without the prior consent of the Administrative Agent prior to the Senior Discharge Date (as defined therein) or without the prior consent of the Mezzanine Finance Parties following the Senior Discharge Date but prior to the Mezzanine Discharge Date (as defined therein); (b) to indemnify the Security Trustee for certain costs, expenses, claims and liabilities under the Subordination Deed and (c) after the Senior Discharge Date but prior to the Mezzanine Discharge Date, indemnify the Mezzanine Finance Parties for certain costs, expenses, claims and liabilities under the Subordination Deed.

7 Pursuant to the Consideration Loan Agreement, the Company agrees to make a facility of £1,156,100 available to the UK Borrower to enable the UK Borrower to pay costs and expenses incurred in connection with the Acquisition

8 Pursuant to the Manches Invoice, the Company agrees to pay a fee of £97,739.50 to Manches in respect of corporate finance advice provided by it in connection with the Acquisition.

9. Pursuant to the TLP Invoice, the Company agrees to pay a fee of £21,750 00 to TLP in respect of financial due diligence provided by it in connection with the Acquisition.

10. Pursuant to Clause 2.1 of the SPA, the UK Borrower is entitled to the sum of £400,000 from the Company (the "**Monies**") and the UK Borrower will apply the Monies to pay costs and expenses incurred in connection with the Acquisition.

**Schedule 3 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

The amount of the cash to be transferred to the persons assisted will be:

1. nil at the date hereof but subject to any amounts up to a maximum of £11,699,312 20 to be transferred under the Upstream Loan Agreement,

2. the fees due and payable to TLP pursuant to the TLP Invoice;

3. the fees due and payable to Manches pursuant to the Manches Invoice,

4. the sum of £1,156,100 to be made available to the UK Borrower pursuant to the Consideration Loan Agreement; and

5. the sum of £400,000 to be made available to the UK Borrowers pursuant to the SPA

**M COMMUNICATIONS (LONDON) LIMITED**

**BOARD MEMORANDUM**

Memorandum in connection with the proposed arrangement whereby the company will give financial assistance for the acquisition of its own shares, particulars of which are given in the statutory declaration made by the directors this day pursuant to section 155(6) of the Companies Act 1985 (the Act)

1. As at close of business on 31 December 2007 the aggregate of the company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated

2. From our knowledge of events since that date and of the likely course of the company's business (as described in the accompanying paper), the directors have formed the opinion that the aggregate of the company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is give and

   that the amount by which the giving of such financial assistance will reduce the net assets of the company will not exceed the distributable profits of the company as determined on the basis of its accounts made up to 31 December 2007 (and after taking account of distributions made since that date)

SIGNED ON BEHALF OF THE BOARD

DATED 6 February 2008

**M COMMUNICATIONS (LONDON) LIMITED**

We confirm that we have reviewed the profit and loss and balance sheet of the company as at 31 December 2007 We confirm that we have also reviewed projections for the business to 31 December 2008 and are of the opinion that there should be no changes to these projections We also confirm we have as far as possible reviewed the situation post 31 December 2008 and are not of the opinion that any amendments should be made to our projections

We further confirm that since 31 December 2007 no dividends have been declared from the company and no adjustments have taken place to the director's loan accounts and no material events have elapsed since 31 December 2007 that would cause adjustment

Mr HM Morrison
for and behalf of M Communications (London) Limited

6 February 2008

*Partners*
Keith A Okines
Murray E M Knight
Christopher D Kay
Zal Sethna
Stephen R Parker
Paul C Schonberger
Robert Cameron-Clarke
Neil R Usher

*Consultants*
Stephen J Sloat
Andy Y Tse

**Thorne Lancaster Parker**

*Chartered Accountants*

**8th floor**
**Aldwych House**
**81 Aldwych**
**London WC2B 4HN**

**tel 020 7404 2161**
**fax 020 7831 2261**
**www tlpaccountants co.uk**

**REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF M COMMUNICATIONS (LONDON) LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We report on the attached statutory declaration of the directors dated 6 February 2008, prepared pursuant to the Companies Act 1985, in connection with the proposal that the company should give financial assistance for the purchase of all of the company's issued ordinary shares

**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

Thorne Lancaster Parker
8th Floor
Aldwych House
81 Aldwych
London WC2B 4HN

6 February 2008

Oyez

CHFP041

# COMPANIES FORM No. 155(6)(a)

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

# 155(6)a

Please do not write in this margin

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: 04519524

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

*Insert full name of company

Name of company

* M Communications (London) Limited

~~I~~/We ø

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

Hugh McLeod Morrision of Efford Park, Lymington, Hampshire SO41 0DJ, Nicholas Charles James Miles of 17 Routh Road, London SW18 3SP, Oliver Niedermaier of 330 Spring Street, Apt. 7D, New York, NY 10013 USA and Thomas Seiling of Schlichtegrollstrasse 3, D-81927 Muenchen.

† 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 3 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~~

~~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

2,000 ordinary 1p shares

Presentor's name address and reference (if any).

Jones Day
21 Tudor Street
London
EC4Y 0DJ
DX 67 - London/Chancery

For official Use (10/03)
General Sect [redacted]

LD2 *LR4ZNXIH* 25/02/2008 COMPANIES HOUSE 215

The assistance is to be given to (note 2)

PI M Holdings Limited (company number 6489018) having its registered office c/o The Riverside Company, 45 Rockefeller Center, 630 Fifth Avenue, Suite 2400, New York NY 10111.

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 Schedule 1 attached |

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

PI M Holdings Limited (company number 6489018) having its registered office c/o The Riverside Company, 45 Rockefeller Center, 630 Fifth Avenue, Suite 2400, New York NY 10111.

† Delete as appropriate

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

| |
|---|
| Please see Schedule 2 attached |

The amount of cash to be transferred to the person assisted is £ Schedule 3

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 this declaration

CO155(6)(a)/2

D \NrPortbl\LO\JP009720\7564039_1 OLF

Please do not write in this margin

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

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

~~I~~/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) [~~I~~/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 I/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 ~~I~~/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

17 Routh Road
SW18 3SP

Declarants to sign below

| | Day | Month | Year |
|---|---|---|---|
| on | 06 | 02 | 2008 |

before me (niam mckenzie) Ashurst

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

## 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 auditor's 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

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

**Schedule 1 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

The assistance will take the form of the execution, delivery and performance by the Company, in connection with the purchase of the entire issued share capital of the Company by P1 M Holdings Limited (the "**UK Borrower**") (the "**Acquisition**"), of its obligations under the following documents as amended, novated, supplemented or substituted from time to time

1 a $51,000,000 and £11,699,312 20 credit agreement (the "**Credit Agreement**") between, among others, (1) P1 Holdings, LLC (the "**Parent**"), (2) P1 King Holdings, Inc (the "**US Borrower**"), (3) the UK Borrower, (4) the U K Guarantors (as defined therein), (5) Babson Capital Management LLC as administrative agent (the "**Administrative Agent**") and security trustee (the "**Security Trustee**") and (6) Massachusetts Mutual Life Insurance Company and Landesbank Rheinland-Pfalz as lenders (the "**Lenders**") to be dated on or about the date hereof pursuant to which the Company, amongst other things, will guarantee all the obligations of the UK Borrower to the Lenders under the Credit Agreement which are outstanding from time to time (the "**Guarantee**"),

2 a debenture (the "**Debenture**") between, amongst others, (1) the Company and (2) the Security Trustee dated on or about the date hereof,

3 a note purchase agreement (the "**Note Purchase Agreement**") to be entered into between, among others, (1) the Parent, (2) the UK Borrower, (3) the US Borrower, (4) D.F. King (Europe) Limited and the Company as UK guarantors (the "**UK Guarantors**"), (5) the US Guarantors (as defined therein) and (6) Tower Square Capital Partners II, L.P., Tower Square Capital Partners II-A, L P and Tower Square Capital Partners II-B, L.P as noteholders (the "**Noteholders**") dated on or about the date hereof,

4. a guaranty agreement (the "**UK Guaranty**") entered into by the UK Initial Guarantors (as defined therein) in favour of the Noteholders, to be dated on or about the date hereof, pursuant to which the Company, amongst other things, will guarantee all the obligations of the UK Borrower to the Noteholders under the Note Purchase Agreement;

5 an intercreditor agreement (the "**Intercreditor Agreement**") between, among others, (1) the Noteholders, (2) the UK Borrower, (3) the US Borrowers, (4) the Parent, (5) the Company, (6) the Administrative Agent and (7) the Subsidiary Guarantors (as defined therein);

6 an upstream loan agreement (the "**Upstream Loan Agreement**") between (1) the Company as lender and (2) the UK Borrower as borrower;

7 a subordination deed (the "**Subordination Deed**") between, among others, (1) the UK Borrower, (2) the Security Trustee and Administrative Agent, (3) the Noteholders as mezzanine finance parties (the "**Mezzanine Finance Parties**") and (4) the Company;

8. an inter-company loan agreement (the "**Consideration Loan Agreement**") between (1) the Company as lender and (2) the UK Borrower as borrower,

9 a sale and purchase agreement (the "**SPA**") to be entered into, on or about the date hereof, between (1) the Vendors (as defined therein) and (2) the UK Borrower,

10 fees payable to Manches in respect of corporate finance advice in connection with the Acquisition (the "**Manches Invoice**"); and

10 fees payable to Thorne Lancaster Parker ("**TLP**") in respect of financial due diligence in connection with the Acquisition (the "**TLP Invoice**"),

together with performance by the Company of other acts in connection with the Acquisition which reduce or discharge the liability incurred for the purpose of the Acquisition

**Schedule 2 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

Terms not otherwise defined in Schedule 2 shall have the same meaning as in the Debenture

The form of assistance will be as follows

1 Pursuant to the Guarantee, the Company will guarantee all the obligations of the UK Borrower to the Lenders under the Credit Agreement which are outstanding from time to time

2 By executing the Debenture the Company as security for the payment and discharge of all of the obligations (including principal, interest, fees, reimbursements, indemnification obligations and other amounts) of the U K Credit Parties to the Lenders and the Administrative Agent whenever arising, under the Credit Agreement, the U K. Term Notes, or any of the other Credit Documents (including, but not limited to, any interest accruing after the occurrence of a filing of a petition of bankruptcy under the Bankruptcy Code with respect to any Credit Party, regardless of whether such interest is an allowed claim under the Bankruptcy Code); and all liabilities and such obligations, whenever arising, owing from any U K Credit Party or any of its Subsidiaries to any U K Hedging Agreement Provider arising under any U K Secured Hedging Agreement, together in each case with interest, commission and bank fees and charges (the "**Secured Liabilities**"), amongst other things

2.1 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Company as at the date of the Debenture will be a charge by way of first legal mortgage and so far as it relates to other assets shall take effect as an equitable mortgage)·

(a) all of its rights in any land (together the "**Mortgaged Properties**") in each case together with all of its rights in all buildings, structures, erections, fixtures and fittings (including trade fixtures and fittings) from time to time on any of the Mortgaged Properties and any proceeds of disposal of any of the Mortgaged Properties;

(b) all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock in trade or work in progress);

(c) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital,

(d) all of its rights in any credit balance on the Specified Accounts and the indebtedness represented by them,

(e) all of its rights in its Debts,

(f) all of its rights in its Intellectual Property,

(g) all licences, consents and other Authorisations held in connection with its business or the use of any Secured Assets and all of its rights in connection with them; and

(h) all of its rights in any agreements including the Assigned Documents, reports and other documents from time to time relating to all or any part of the Secured Assets, other than those assigned by Clause 3 3 (*Assignments*) of the Debenture

2 2 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first fixed charge (which shall take effect as an equitable mortgage) all of its rights in its Investments

2 3 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee assigns absolutely to the Security Trustee·

(a) all of its rights in its U K Insurances, including those relating to the Mortgaged Properties, and in any Insurance Proceeds, and

(b) all of its rights under the Assigned Documents

2 4 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first floating charge

(a) all of its rights in any credit balances on the U K Trading Account or any other bank account and the indebtedness represented by them, and

(b) the whole of its undertaking and other assets (other than assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3 1 to 3 3 of the Debenture by way of fixed security).

2 5 Pursuant to Clause 5 3 (*Further Assurance*) of the Debenture the Company will at the request of the Security Trustee and at its own expense promptly execute (in such form as the Security Trustee may reasonably require) any document and do any act which the Security Trustee may require to improve, protect, preserve or perfect the security created or intended to be created by the Debenture

3 Pursuant to the Note Purchase Agreement and the UK Guaranty, the Company will guarantee all the obligations of the UK Borrower to the Noteholders under the Note Purchase Agreement

4 Pursuant to the Intercreditor Agreement, the Company agrees to pay any costs and expenses related to acts requested by any party to the Intercreditor Agreement which are required to give effect to the purpose of the Intercreditor Agreement

5 Pursuant to the Upstream Loan Agreement, the Company agrees to make Advances (as defined therein) available to the UK Borrower to, inter alia, enable the UK Borrower to meet its repayment obligations under the Credit Agreement

6. Pursuant to the Subordination Deed, the Company agrees to (a) not receive payment, nor accelerate any inter-company debt, nor demand nor discharge nor secure any inter-company debt without the prior consent of the Administrative Agent prior to the Senior Discharge Date (as defined therein) or without the prior consent of the Mezzanine Finance Parties following the Senior Discharge Date but prior to the Mezzanine Discharge Date (as defined therein), (b) to indemnify the Security Trustee for certain costs, expenses, claims and liabilities under the Subordination Deed and (c) after the Senior Discharge Date but prior to the Mezzanine Discharge Date, indemnify the Mezzanine Finance Parties for certain costs, expenses, claims and liabilities under the Subordination Deed.

7 Pursuant to the Consideration Loan Agreement, the Company agrees to make a facility of £1,156,100 available to the UK Borrower to enable the UK Borrower to pay costs and expenses incurred in connection with the Acquisition

8 Pursuant to the Manches Invoice, the Company agrees to pay a fee of £97,739 50 to Manches in respect of corporate finance advice provided by it in connection with the Acquisition

9. Pursuant to the TLP Invoice, the Company agrees to pay a fee of £21,750.00 to TLP in respect of financial due diligence provided by it in connection with the Acquisition

10 Pursuant to Clause 2 1 of the SPA, the UK Borrower is entitled to the sum of £400,000 from the Company (the "**Monies**") and the UK Borrower will apply the Monies to pay costs and expenses incurred in connection with the Acquisition.

**Schedule 3 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

The amount of the cash to be transferred to the persons assisted will be

1 nil at the date hereof but subject to any amounts up to a maximum of £11,699,312.20 to be transferred under the Upstream Loan Agreement,

2 the fees due and payable to TLP pursuant to the TLP Invoice,

3 the fees due and payable to Manches pursuant to the Manches Invoice,

4 the sum of £1,156,100 to be made available to the UK Borrower pursuant to the Consideration Loan Agreement, and

5 the sum of £400,000 to be made available to the UK Borrowers pursuant to the SPA.

M COMMUNICATIONS (LONDON) LIMITED

BOARD MEMORANDUM

Memorandum in connection with the proposed arrangement whereby the company will give financial assistance for the acquisition of its own shares, particulars of which are given in the statutory declaration made by the directors this day *pursuant to section 155(6)* of the Companies Act 1985 (the Act)

1 As at close of business on 31 December 2007 the aggregate of the company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated

2 From our knowledge of events since that date and of the likely course of the company's business (as described in the accompanying paper), the directors have formed the opinion that the aggregate of the company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is give and

that the amount by which the giving of such financial assistance will reduce the net assets of the company will not exceed the distributable profits of the company as determined on the basis of its accounts made up to 31 December 2007 (and after taking account of distributions made since that date)

SIGNED ON BEHALF OF THE BOARD

DATED. 6 February 2008

**M COMMUNICATIONS (LONDON) LIMITED**

We confirm that we have reviewed the profit and loss and balance sheet of the company as at 31 December 2007 We confirm that we have also reviewed projections for the business to 31 December 2008 and are of the opinion that there should be no changes to these projections We also confirm we have as far as possible reviewed the situation post 31 December 2008 and are not of the opinion that any amendments should be made to our projections

We further confirm that since 31 December 2007 no dividends have been declared from the company and no adjustments have taken place to the director's loan accounts and no material events have elapsed since 31 December 2007 that would cause adjustment

Mr HM Morrison
for and behalf of M Communications (London) Limited

6 February 2008

*Partners*
Keith A Okines
Murray E M Knight
Christopher D Kay
Zal Sethna
Stephen R Parker
Paul C Schonberger
Robert Cameron-Clarke
Neil R Usher

*Consultants*
Stephen J Sloat
Andy Y Tse

**Thorne Lancaster Parker**
*Chartered Accountants*

**8th floor**
**Aldwych House**
**81 Aldwych**
**London WC2B 4HN**

**tel 020 7404 2161**
**fax 020 7831 2261**
**www.tlpaccountants co uk**

**REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF M COMMUNICATIONS (LONDON) LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We report on the attached statutory declaration of the directors dated 6 February 2008, prepared pursuant to the Companies Act 1985, in connection with the proposal that the company should give financial assistance for the purchase of all of the company's issued ordinary shares

**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

Thorne Lancaster Parker
8th Floor
Aldwych House
81 Aldwych
London WC2B 4HN

6 February 2008

Oyez

CHFP041

# COMPANIES FORM No. 155(6)(a)

# 155(6)a

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

Please do not write in this margin

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: 04519524

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

*Insert full name of company

Name of company

* M Communications (London) Limited

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

~~I~~/We ø

Hugh McLeod Morrision of Efford Park, Lymington, Hampshire SO41 0DJ, Nicholas Charles James Miles of 17 Routh Road, London SW18 3SP, Oliver Niedermaier of 330 Spring Street, Apt. 7D, New York, NY 10013 USA and Thomas Seiling of Schlichtegrollstrasse 3, D-81927 Muenchen.

† 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 3 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~~

~~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:

2,000 ordinary 1p shares

Presentor's name address and reference (if any).

Jones Day
21 Tudor Street
London
EC4Y 0DJ
DX 67 - London/Chancery

For official Use (10/03)
General Section

Post room

MONDAY

*LR4ZRXIL*
LD2 25/02/2008 211
COMPANIES HOUSE

The assistance is to be given to: (note 2)

Please do not write in this margin

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

PI M Holdings Limited (company number 6489018) having its registered office c/o The Riverside Company, 45 Rockefeller Center, 630 Fifth Avenue, Suite 2400, New York NY 10111.

The assistance will take the form of

| |
|---|
| Please see Schedule 1 attached |

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

† Delete as appropriate

PI M Holdings Limited (company number 6489018) having its registered office c/o The Riverside Company, 45 Rockefeller Center, 630 Fifth Avenue, Suite 2400, New York NY 10111.

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

| |
|---|
| Please see Schedule 2 attached |

The amount of cash to be transferred to the person assisted is £ Schedule 3

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 this declaration

Please do not write in this margin

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

~~I~~/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)

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

(a) [~~I~~/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 I/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 ~~I~~/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

MUNICH

Declarants to sign below

| Day | Month | Year |
|---|---|---|
| 06 | 02 | 2008 |

on 06 02 2008

before me MEIKO ZEPPENFELD

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

## 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 auditor's 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

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

**Schedule 1 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

The assistance will take the form of the execution, delivery and performance by the Company, in connection with the purchase of the entire issued share capital of the Company by P1 M Holdings Limited (the "**UK Borrower**") (the "**Acquisition**"), of its obligations under the following documents as amended, novated, supplemented or substituted from time to time.

1 a $51,000,000 and £11,699,312 20 credit agreement (the "**Credit Agreement**") between, among others, (1) P1 Holdings, LLC (the "**Parent**"), (2) P1 King Holdings, Inc (the "**US Borrower**"), (3) the UK Borrower, (4) the U K Guarantors (as defined therein), (5) Babson Capital Management LLC as administrative agent (the "**Administrative Agent**") and security trustee (the "**Security Trustee**") and (6) Massachusetts Mutual Life Insurance Company and Landesbank Rheinland-Pfalz as lenders (the "**Lenders**") to be dated on or about the date hereof pursuant to which the Company, amongst other things, will guarantee all the obligations of the UK Borrower to the Lenders under the Credit Agreement which are outstanding from time to time (the "**Guarantee**"),

2 a debenture (the "**Debenture**") between, amongst others, (1) the Company and (2) the Security Trustee dated on or about the date hereof,

3 a note purchase agreement (the "**Note Purchase Agreement**") to be entered into between, among others, (1) the Parent, (2) the UK Borrower, (3) the US Borrower, (4) D F King (Europe) Limited and the Company as UK guarantors (the "**UK Guarantors**"), (5) the US Guarantors (as defined therein) and (6) Tower Square Capital Partners II, L P., Tower Square Capital Partners II-A, L P and Tower Square Capital Partners II-B, L.P as noteholders (the "**Noteholders**") dated on or about the date hereof;

4 a guaranty agreement (the "**UK Guaranty**") entered into by the UK Initial Guarantors (as defined therein) in favour of the Noteholders, to be dated on or about the date hereof, pursuant to which the Company, amongst other things, will guarantee all the obligations of the UK Borrower to the Noteholders under the Note Purchase Agreement,

5 an intercreditor agreement (the "**Intercreditor Agreement**") between, among others, (1) the Noteholders, (2) the UK Borrower, (3) the US Borrowers, (4) the Parent, (5) the Company, (6) the Administrative Agent and (7) the Subsidiary Guarantors (as defined therein),

6 an upstream loan agreement (the "**Upstream Loan Agreement**") between (1) the Company as lender and (2) the UK Borrower as borrower;

7 a subordination deed (the "**Subordination Deed**") between, among others, (1) the UK Borrower, (2) the Security Trustee and Administrative Agent, (3) the Noteholders as mezzanine finance parties (the "**Mezzanine Finance Parties**") and (4) the Company,

8 an inter-company loan agreement (the "**Consideration Loan Agreement**") between (1) the Company as lender and (2) the UK Borrower as borrower;

9 a sale and purchase agreement (the "**SPA**") to be entered into, on or about the date hereof, between (1) the Vendors (as defined therein) and (2) the UK Borrower,

10 fees payable to Manches in respect of corporate finance advice in connection with the Acquisition (the "**Manches Invoice**"), and

10 fees payable to Thorne Lancaster Parker ("**TLP**") in respect of financial due diligence in connection with the Acquisition (the "**TLP Invoice**"),

together with performance by the Company of other acts in connection with the Acquisition which reduce or discharge the liability incurred for the purpose of the Acquisition

**Schedule 2 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

Terms not otherwise defined in Schedule 2 shall have the same meaning as in the Debenture

The form of assistance will be as follows.

1 Pursuant to the Guarantee, the Company will guarantee all the obligations of the UK Borrower to the Lenders under the Credit Agreement which are outstanding from time to time

2 By executing the Debenture the Company as security for the payment and discharge of all of the obligations (including principal, interest, fees, reimbursements, indemnification obligations and other amounts) of the U.K Credit Parties to the Lenders and the Administrative Agent whenever arising, under the Credit Agreement, the U K. Term Notes, or any of the other Credit Documents (including, but not limited to, any interest accruing after the occurrence of a filing of a petition of bankruptcy under the Bankruptcy Code with respect to any Credit Party, regardless of whether such interest is an allowed claim under the Bankruptcy Code), and all liabilities and such obligations, whenever arising, owing from any U K Credit Party or any of its Subsidiaries to any U K Hedging Agreement Provider arising under any U K Secured Hedging Agreement, together in each case with interest, commission and bank fees and charges (the "**Secured Liabilities**"), amongst other things·

2 1 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Company as at the date of the Debenture will be a charge by way of first legal mortgage and so far as it relates to other assets shall take effect as an equitable mortgage)

(a) all of its rights in any land (together the "**Mortgaged Properties**") in each case together with all of its rights in all buildings, structures, erections, fixtures and fittings (including trade fixtures and fittings) from time to time on any of the Mortgaged Properties and any proceeds of disposal of any of the Mortgaged Properties,

(b) all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock in trade or work in progress),

(c) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital,

(d) all of its rights in any credit balance on the Specified Accounts and the indebtedness represented by them,

(e) all of its rights in its Debts,

(f) all of its rights in its Intellectual Property;

(g) all licences, consents and other Authorisations held in connection with its business or the use of any Secured Assets and all of its rights in connection with them, and

(h) all of its rights in any agreements, including the Assigned Documents, reports and other documents from time to time relating to all or any part of the Secured Assets, other than those assigned by Clause 3 3 (*Assignments*) of the Debenture

2 2 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first fixed charge (which shall take effect as an equitable mortgage) all of its rights in its Investments

2 3 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee assigns absolutely to the Security Trustee

(a) all of its rights in its U K Insurances, including those relating to the Mortgaged Properties, and in any Insurance Proceeds, and

(b) all of its rights under the Assigned Documents

2 4 As security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Security Trustee by way of first floating charge

(a) all of its rights in any credit balances on the U K. Trading Account or any other bank account and the indebtedness represented by them, and

(b) the whole of its undertaking and other assets (other than assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3 1 to 3.3 of the Debenture by way of fixed security)

2 5 Pursuant to Clause 5 3 (*Further Assurance*) of the Debenture, the Company will at the request of the Security Trustee and at its own expense promptly execute (in such form as the Security Trustee may reasonably require) any document and do any act which the Security Trustee may require to improve, protect, preserve or perfect the security created or intended to be created by the Debenture

3 Pursuant to the Note Purchase Agreement and the UK Guaranty, the Company will guarantee all the obligations of the UK Borrower to the Noteholders under the Note Purchase Agreement

4 Pursuant to the Intercreditor Agreement, the Company agrees to pay any costs and expenses related to acts requested by any party to the Intercreditor Agreement which are required to give effect to the purpose of the Intercreditor Agreement

5 Pursuant to the Upstream Loan Agreement, the Company agrees to make Advances (as defined therein) available to the UK Borrower to, inter alia, enable the UK Borrower to meet its repayment obligations under the Credit Agreement

6 Pursuant to the Subordination Deed, the Company agrees to. (a) not receive payment, nor accelerate any inter-company debt, nor demand nor discharge nor secure any inter-company debt without the prior consent of the Administrative Agent prior to the Senior Discharge Date (as defined therein) or without the prior consent of the Mezzanine Finance Parties following the Senior Discharge Date but prior to the Mezzanine Discharge Date (as defined therein), (b) to indemnify the Security Trustee for certain costs, expenses, claims and liabilities under the Subordination Deed and (c) after the Senior Discharge Date but prior to the Mezzanine Discharge Date, indemnify the Mezzanine Finance Parties for certain costs, expenses, claims and liabilities under the Subordination Deed

7 Pursuant to the Consideration Loan Agreement, the Company agrees to make a facility of £1,156,100 available to the UK Borrower to enable the UK Borrower to pay costs and expenses incurred in connection with the Acquisition

8. Pursuant to the Manches Invoice, the Company agrees to pay a fee of £97,739 50 to Manches in respect of corporate finance advice provided by it in connection with the Acquisition.

9 Pursuant to the TLP Invoice, the Company agrees to pay a fee of £21,750.00 to TLP in respect of financial due diligence provided by it in connection with the Acquisition.

10 Pursuant to Clause 2 1 of the SPA, the UK Borrower is entitled to the sum of £400,000 from the Company (the "**Monies**") and the UK Borrower will apply the Monies to pay costs and expenses incurred in connection with the Acquisition

**Schedule 3 to the Statutory Declaration dated 6 February 2008 for M Communications (London) Limited (the "Company")**

The amount of the cash to be transferred to the persons assisted will be

1 nil at the date hereof but subject to any amounts up to a maximum of £11,699,312 20 to be transferred under the Upstream Loan Agreement,

2 the fees due and payable to TLP pursuant to the TLP Invoice,

3 the fees due and payable to Manches pursuant to the Manches Invoice;

4 the sum of £1,156,100 to be made available to the UK Borrower pursuant to the Consideration Loan Agreement; and

5 the sum of £400,000 to be made available to the UK Borrowers pursuant to the SPA

**M COMMUNICATIONS (LONDON) LIMITED**

**BOARD MEMORANDUM**

Memorandum in connection with the proposed arrangement whereby the company will give financial assistance for the acquisition of its own shares, particulars of which are given in the statutory declaration made by the directors this day pursuant to section 155(6) of the Companies Act 1985 (the Act)

1 As at close of business on 31 December 2007 the aggregate of the company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated

2 From our knowledge of events since that date and of the likely course of the company's business (as described in the accompanying paper), the directors have formed the opinion that the aggregate of the company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is give and

EITHER that the giving of such financial assistance will not reduce the net assets of the company

OR that the amount by which the giving of such financial assistance will reduce the net assets of the company will not exceed the distributable profits of the company as determined on the basis of its last annual accounts made up to 31 December 2007 and after taking account of distributions made since that date

SIGNED ON BEHALF OF THE BOARD

Nicholas Miles

DATED

6 February 2008

**M COMMUNICATIONS (LONDON) LIMITED**

We confirm that we have reviewed the profit and loss and balance sheet of the company as at 31 December 2007 We confirm that we have also reviewed projections for the business to 31 December 2008 and are of the opinion that there should be no changes to these projections We also confirm we have as far as possible reviewed the situation post 31 December 2008 and are not of the opinion that any amendments should be made to our projections

We further confirm that since 31 December 2007 no dividends have been declared from the company and no adjustments have taken place to the director's loan accounts and no material events have elapsed since 31 December 2007 that would cause adjustment

Nicholas Miles
for and behalf of M Communications (London) Limited

6 February 2008

*Partners*
Keith A Okines
Murray E M Knight
Christopher D Kay
Zal Sethna
Stephen R Parker
Paul C Schonberger
Robert Cameron-Clarke
Neil R Usher

*Consultants*
Stephen J Sloat
Andy Y Tse

**Thorne Lancaster Parker**

*Chartered Accountants*

**8th floor**
**Aldwych House**
**81 Aldwych**
**London WC2B 4HN**

**tel 020 7404 2161**
**fax 020 7831 2261**
**www tlpaccountants co.uk**

**REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF M COMMUNICATIONS (LONDON) LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We report on the attached statutory declaration of the directors dated 6 February 2008, prepared pursuant to the Companies Act 1985, in connection with the proposal that the company should give financial assistance for the purchase of all of the company's issued ordinary shares

**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

Thorne Lancaster Parker
8th Floor
Aldwych House
81 Aldwych
London WC2B 4HN

6 February 2008