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CHFP025

COMPANIES FORM No. 155(6)b

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

155(6)b

Please do not
write in this
margin

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

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

* insert full name
of company

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

† delete as
appropriate

§ delete whichever
is inappropriate

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

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

For official use

Company number

00300534

Name of company

* WARD HOLDINGS LIMITED

I/We § Please see Rider 1

~~the sole director~~ [all the directors]† of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that:

The business of this company is:

- ~~(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§

This company is [the] [x] holding company of* WARDS CONSTRUCTION (INDUSTRIAL) LIMITED
(Company No 02313000) _____ which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] [_____

~~the holding company of this company.]†~~

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

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London
EC1A 4DD 51650623.01
135316 BARBICAN 2
Ref:AMN/104212.00001

For official Use
General Section

Post room



The assistance is for the purpose of ~~that acquisition~~ [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: 70, 000,000 ordinary shares of £0.10 each

The assistance is to be given to: (note 2) Kealoha Limited (No 03932770) whose registered office is at 2 Ash Tree Lane, Chatham, Kent ME5 7BZ

The assistance will take the form of:

Please see Rider 2

The person who [has acquired] ~~will acquire~~† the shares is:
KEALOHA LIMITED (NO 03932770)

† delete as appropriate

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

Please see Rider 3

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

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

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

The date on which the assistance is to be given is within 8 weeks of the date her eof

I/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) [I/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)

(b) ~~It is intended to commence the winding up of this company within 12 months of that date and I/we have formed the opinion that this 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 2 Ash Tree Lane
Chatham Kent

Declarants to sign below

Day Month Year
on 05 10 2000

before me, N. Kingsley Smith
A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.
KINGSLEY SMITH & Co
81, 87, 89 High Street
Chatham Kent ME4 4EE

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

RIDER 1 to Form 155(6)b

WARD HOLDINGS LIMITED

Company No. 00300534

1. Peter David Holliday
Dundry
Water End Road
Potten End
Berkhamsted
Hertfordshire HP4 2SG
2. Michael Richard Lethaby
Shepherds Cottage
Heaverham Road
Heaverham
Sevenoaks
Kent TN15 6NG

RIDER 2 to Form 155(6)b

WARD HOLDINGS LIMITED

Company No. 00300534

**DECLARATION BY THE DIRECTORS OF A HOLDING COMPANY IN
RELATION TO ASSISTANCE FOR THE ACQUISITION OF SHARES**

Unless otherwise provided terms and expressions referred to below in Rider 2 and Rider 3 are to have the same meanings given to them in a common terms agreement dated 20 June 2000 and made between Kealoha Limited, The Royal Bank of Scotland plc in various capacities and RBS Mezzanine Limited (the "**Common Terms Agreement**"), the Senior Facilities Agreement and the Mezzanine Facility Agreement.

The assistance will take the form of the execution, delivery and performance by the Company of:

1. The Target Supplemental Debenture under which the Company, inter alia:
 - 1.1 guarantees to the Security Trustee for and on behalf of the Finance Parties and indemnifies the Finance Parties in respect of the payment of all monies and discharge of all obligations and liabilities due owing or incurred to the Finance Parties by each Guaranteed Obligor under or pursuant to the Secured Documents (which monies, obligations and liabilities include monies, obligations and liabilities incurred by the Guaranteed Obligors for the purpose of the acquisition to which this Form relates); and
 - 1.2 creates first fixed and floating charges and other security over all its assets in favour of the Security Trustee as security for the payment and discharge of its obligations under the Secured Documents including, without limitation, its guarantee of the each Guaranteed Obligor's obligations under the Secured Documents.
2. An Intra Group Loan Agreement to be entered into between the Parent as borrower (1) and the Company and certain other subsidiaries of the Parent as lenders (the "Lenders") (2) pursuant to which the Lenders agree, on the terms and conditions set out in the Intra Group Loan Agreement to lend money to the Parent to enable it to discharge amounts outstanding by way of principal or interest under the Secured Documents or any agreement securing borrowings under Secured Documents.
3. The Supplemental Agreement under which the Company, inter alia, confirms to the Finance Parties that it is an Obligor and thereby acknowledges and agrees to the regulating of priorities, ranking, subordination and payment in relation to the Senior Finance Documents and the Mezzanine Finance Documents.

RIDER 3 to Form 155(6)b

WARD HOLDINGS LIMITED

Company No. 00300534

1. By entering into the Target Supplemental Debenture, the Company agrees to make certain amendments to the Target Group Debenture including, amongst other things, an amendment which means that the Company's obligations under the Target Group Debenture are extended so that the Company guarantees and creates security over its assets for all obligations under the Finance Documents and not, as is the case with the Target Group Debenture without amendment, only in connection with the Refinancing Advances, the Working Capital Facility and the Ancillary Facilities.
- 1.1 By entering into the Target Group Debenture (as amended), the Company, inter alia:
 - (a) covenants that it will pay to the Security Trustee all moneys and discharge all obligations and liabilities now or hereafter due, owing or incurred by it to the Finance Parties or any of them including, without limitation, all moneys, obligations and liabilities due, owing or incurred under or pursuant to the Secured Documents; and
 - (b) irrevocably and unconditionally guarantees:
 - (i) the due performance by each other Guaranteed Obligor of all its obligations under or pursuant to the Secured Documents to which it is a party; and
 - (ii) the payment of all moneys and discharge of all liabilities now or hereafter due, owing or incurred to the Finance Parties or any of them including, without limitation, all moneys, obligations and liabilities due, owing or incurred under or pursuant to the Secured Documents by each other Guaranteed Obligor and by any other present or future subsidiary of the Parent or of any Obligor (except any obligations or liabilities of such other Obligor or subsidiary as guarantor for the Obligor or subsidiary concerned),

in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such moneys, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Finance Parties or any of them or purchased or otherwise acquired by any of them; denominated in sterling or in any other currency, or incurred on any banking account or in any other manner whatsoever.

- 1.2 as a separate and independent stipulation, the Company irrevocably and unconditionally agrees that if any purported obligation or liability of any Obligor which would have been the subject of its Guarantee had it been valid and enforceable is not or ceases to be valid or enforceable against such Guaranteed Obligor on any ground whatsoever whether or not known to the Finance Parties or any of them it shall nevertheless be liable in respect of that purported obligation or liability as if the same were fully valid and enforceable and it were a principal debtor in respect thereof and the Company irrevocably and unconditionally agrees with the Security Trustee (as trustee for the other Finance Parties) to indemnify and keep indemnified the Finance Parties against any loss or liability arising from any failure of a Guaranteed Obligor to perform or discharge any such purported obligation or liability or from any invalidity or unenforceability of any of the same against a Guaranteed Obligor.
- 1.3 charges with full title guarantee, inter alia, as a continuing and further security for the discharge and payment of the Secured Obligations (including, without limitation, the increased amount thereof) by way of legal mortgage, fixed charge, floating charge and assignment (as the Target Supplemental Debenture so states) all of the property, assets, undertaking and rights whatsoever and wheresoever both present and future of the Company.
- 1.4 agrees that each of the Finance Parties may at any time without notice, notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any of its then existing accounts wheresoever situate (including accounts in the name of such Finance Party or of such Company jointly with others), whether such accounts are current, deposit, loan or of any other nature whatsoever, whether they are subject to notice or not and whether they are denominated in Sterling or in any other currency and set-off or transfer any sum standing to the credit of any one of more such accounts in or towards satisfaction of the Secured Obligations which such Company has agreed to pay, or for which such Company is liable to such Finance Party whether such Secured Obligations are express or implied, present, future or contingent, joint or several, incurred as principal or surety, originally owing to such Finance Party or purchased or otherwise acquired by it, denominated in sterling or any other currency, or incurred on any banking account or in any other manner whatsoever and which, to the extent not then payable, shall automatically become payable to the extent necessary to effect such set-off.
2. By entering into the Intra Group Loan Agreement the Company undertakes to provide the Parent with a loan facility up to the Facilities Limit (as defined therein) in aggregate to enable the Parent to discharge amounts outstanding by way of principal or interest under the Secured Documents or any agreement securing borrowings under Secured Documents.
3. By entering into the terms of the Supplemental Agreement, the Company (inter alia):
- (a) agrees that all obligations of the Parent and each Borrower under the Supplemental Agreement, the Finance Documents and the Security Documents are joint and several; and

- (b) agrees, in the Common Terms Agreement, that each Finance Party may at any time, whilst an Event of Default has occurred and whilst it is continuing, set-off or transfer any sum standing to the credit of any account in its name or jointly with others in or towards satisfaction of any indebtedness of any Obligor to such Finance Party; and
- (c) confirms to the Finance Parties that it is an Obligor and thereby acknowledges and agrees to the regulating of priorities, ranking, subordination and payment in relation to the Senior Finance Documents and the Mezzanine Finance Documents.

4. In this Statutory Declaration the following terms shall have the meanings set out below:

“Acceding Borrower” has the meaning ascribed to that term in an Accession Certificate;

“Accession Certificate” means an accession certificate (by way of deed) in the form of Schedule 6 of the Senior Facilities Agreement and entered into or to be entered into by the relevant Acceding Borrower and the Senior Agent;

“Ancillary Facilities Bank” means National Westminster Bank PLC of 1 Princes Street, London EC2R 9PB or any replacement thereof in accordance with the Finance Documents;

“Ancillary Facilities Letter” means the letter dated 21st July 2000 entered into between the Ancillary Facilities Bank and the Ancillary Facilities Borrowers setting out the terms and conditions on and subject to which the Ancillary Facilities are made available (as the same may from time to time be amended, supplemented, novated, refinanced, replaced or otherwise varied howsoever);

“Borrowers” means the Senior Refinancing Borrower, the Senior Acquisition Borrower, the WCF Borrowers, the Land Facility Borrower and the Mezzanine Borrower;

“Chargors” means:

- (a) Ward Holdings Limited;
- (b) Ward Homes Limited;
- (c) Castle Village Investments Limited;
- (d) Castle Village Limited;
- (e) Wards Construction (Investments) Limited;
- (f) Ward Homes (South Eastern) Limited;
- (g) Ward Homes (London) Limited;

- (h) Anvil Plant Hire Limited;
- (i) Ward Homes (Anglia) Limited;
- (j) Wards Construction (Industrial) Limited,

and **"Chargor"** shall be construed accordingly.

"Company" means Ward Construction (Industrial) Limited (Company Number 02313000);

"Control" in relation to a body corporate, means the right, by virtue of holding shares in such body corporate, or by virtue of any contract or other arrangement with any holder of shares in such body corporate, to exercise or control the exercise of more than 50 per cent of the total voting rights conferred upon the holders of the entire share capital for the time being of that body corporate and **"controlled"** shall be construed accordingly;

"Finance Documents" means the Mezzanine Finance Documents and the Senior Finance Documents;

"Finance Parties" means the Senior Finance Parties and the Mezzanine Finance Parties and **"Finance Party"** means any or a specific one of them;

"Guarantee" means the obligations of the Company pursuant to Clause 2.1.2 of the Target Group Debenture and includes the obligations of the Company arising by virtue of 2.3 and 12 of the Target Group Debenture;

"Guaranteed Obligor" means any one of more of the Obligors (as the context requires);

"Hedge Documents" means the documents evidencing:

- (a) the interest rate swap, foreign exchange and/or other hedging arrangements entered, or to be entered, into between any Borrower and the Hedge Counterparty pursuant to clause 7.9.1 of the Common Terms Agreement; and
- (b) any interest rate hedging transactions from time to time entered into by the Borrowers with the Further Hedging Counterparties;

"Indebtedness" means any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;

"Intra Group Loan Agreement" means the loan agreement to be entered into between the Parent as borrower and certain of its Subsidiaries (including the Company) as lenders (as the same may from time to time be amended, supplemented, novated, refinanced, replaced or otherwise varied howsoever);

"Mezzanine Borrower" means the Parent;

“Mezzanine Facility Agreement”: means the facility agreement dated 20th June 2000 between the Parent and RBS Mezzanine Limited (as the same may from time to time be amended, supplemented, refinanced, replaced or otherwise varied howsoever);

“Mezzanine Finance Documents” means

- (i) the Common Terms Agreement (insofar as it comprises the Mezzanine Provisions (as defined in the Common Terms Agreement));
- (ii) the Mezzanine Facility Agreement;
- (iii) the Mezzanine Fee Letter; and
- (iv) the Security Documents;

“Mezzanine Finance Parties” means RBS Mezzanine Limited in its various capacities as the Mezzanine Agent, the Mezzanine Arranger, the Mezzanine Lenders (including successors in title and substitutes) together with the Security Trustee and (as the context requires) **“Mezzanine Finance Party”** means any one of them;

“Obligors” means the Parent, each Borrower and each member of the Group which is a party to a Finance Document and **“Obligor”** means any or a specific one of them;

“Parent” means Kealoha Limited (company number 3932770) whose registered office is at 2 Ash Tree Lane, Chatham, Kent ME5 7BZ;

“Parent Debenture” means the guarantee and debenture dated 20 June 2000 and entered into by the Parent in favour of the Security Trustee (as the same may from time to time be amended, supplemented, novated, refinanced, replaced or otherwise varied howsoever);

“Refinancing Facility” means the facility granted by clause 2.1.1(a) of the Senior Facilities Agreement or as the case may be the amount of that facility as determined in accordance with that clause;

“Secured Documents” means the Finance Documents;

“Secured Obligations” means all monies, obligations and liabilities covenanted to be paid or discharged by the Company under or pursuant to Clause 2 of the Target Group Debenture;

“Security Documents” means (i) the Parent Debenture, (ii) the Target Group Debenture, (iii) the Target Supplemental Debenture, (iv) each Supplemental Legal Mortgage, (v) the Subordination Deed, (vi) the provisions of Part 7 of the Common Terms Agreement and (vii) any and all other mortgages, charges, pledges and guarantees and other instruments from time to time entered into by any member of the Group by way of guarantee, other assurance and/or security in respect of amounts owed to the Finance Parties under the Finance Documents

(whether or not also in respect of any other Indebtedness) including, without limitation, any document entered into by a Subsidiary pursuant to clause 7.2.5 of the Common Terms Agreement;

“Security Trustee” means The Royal Bank of Scotland plc, Waterhouse Square, 138-142 Holborn, London EC1N 2TH or such other person as may be appointed security trustee pursuant to clause 29.12 of the Common Terms Agreement.

“Senior Acquisition Borrower” means the Parent;

“Senior Agent” means The Royal Bank of Scotland plc, Waterhouse Square, 138-142 Holborn, London EC1N 2TH or such other person as may be appointed agent for the Senior Lenders pursuant to clause 27 of the Common Terms Agreement;

“Senior Facilities Agreement” means the facilities agreement dated 20 June 2000 between amongst others, the Parent and the Senior Finance Parties (as the same may from time to time be amended, supplemented, refinanced, replaced or otherwise varied howsoever);

“Senior Finance Documents” means:

- (i) the Common Terms Agreement (insofar as it comprises the Senior Provisions (as defined in the Common Terms Agreement));
- (ii) the Senior Facilities Agreement;
- (iii) the Ancillary Facilities Letter;
- (iv) the Hedge Documents;
- (v) the Senior Fee Letter; and
- (vi) the Security Documents.

“Senior Finance Parties” means the Senior Agent, the Senior Lenders, the Ancillary Facilities Bank, the Compulsory Hedge Counterparty, the Further Hedge Counterparty and the Security Trustee and (as the context requires)

“Senior Finance Party” means any one of them;

“Senior Lenders” means the banks and financial institutions listed in schedule 1 of the Senior Facilities Agreement and includes their successors in title and substitutes;

“Senior Refinancing Borrower” means the person designated as such in accordance with clause 10 of the Senior Facilities Agreement in its capacity as borrower of the Refinancing Facility;

“Subordination Deed” means the agreed form subordination deed dated 20 June 2000 between (amongst others) the Parent and the Security Trustee (as the same may from time to time be amended, supplemented, refinanced, replaced or otherwise varied howsoever);

“Subsidiary” of a person means any company or entity directly or indirectly Controlled by such person;

“Supplemental Agreement” means the agreement supplemental to the Common Terms Agreement to be entered into between, amongst others, the Company and the parties to the Common Terms Agreement (as the same may from time to time be amended, supplemented, refinanced, replaced or otherwise varied howsoever);

“Target” means Ward Holdings Limited (Company number 300534) previously Ward Holdings Plc;

“Target Group Debenture” means a composite guarantee and debenture dated 24th July 2000 and between the Target and the Chargors in favour of the Security Trustee (as the same may from time to time be amended, supplemented, refinanced, replaced or otherwise varied howsoever);

“Target Supplemental Debenture” means a deed supplemental to the Target Group Debenture to be entered into by each of the Chargors in favour of the Security Trustee in accordance with clause 7.8 of the Common Terms Agreement (as the same may from time to time be amended, supplemented, refinanced, replaced or otherwise varied howsoever);

“WCF Borrowers” means the Senior Acquisition Borrower, the Senior Refinancing Borrower and any Acceding Borrower as borrowers of the Working Capital Facility and **“WCF Borrower”** means any or a specific one of them;

“Working Capital Facility” or **“WCF”** means the facility granted by the Senior Lenders to the WCF Borrowers in accordance with clause 2.1.3 of the Senior Facilities Agreement.

Deloitte & Touche
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1 Little New Street
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**Deloitte
& Touche**

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

We have examined the attached statutory declaration of the directors of Ward Holdings Limited dated 5 October 2000 in connection with the proposal that Wards Construction (Industrial) Limited should give financial assistance for the purchase of all of the ordinary share capital of Ward Holdings Limited.

Basis of opinion

We have enquired into the state of Ward Holdings Limited's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in section 156(2) of the Companies Act is unreasonable in all the circumstances.

Deloitte & Touche

Deloitte & Touche
Registered Auditors
5 October 2000

**Deloitte
Touche
Tohmatsu**

Aberdeen, Belfast, Birmingham, Bracknell, Bristol, Cambridge, Cardiff, Crawley, Edinburgh, Glasgow, Leeds, Leicester, Liverpool, London, Manchester, Milton Keynes, Newcastle upon Tyne, Nottingham, St Albans and Southampton.
Principal place of business at which a list of partners' names is available: Stonecutter Court, 1 Stonecutter Street, London EC4A 4TR.
Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.