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CHFP025

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COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

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

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

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

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

For official use

Company number

[] [] [] []

00669923

Name of company

* Caledonian Property Investments Limited (the "Company")

~~We~~ § Nicholas Friedlos of 13 Alwyne Road, London N1 2HH, Martin Pexton of Little
Kensham Farm, Sandhurst Lane, Rolvendon, Cranbrook, Kent TN17 4PH and Robert
Rayne of 37 Brunswick Gardens, London W8 4AW

† delete as
appropriate

§ delete whichever
is inappropriate

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

The business of the company is:

~~(a) that of a recognised bank, licensed institution, within the meaning of the Banking Act 1985~~

~~(b) that of a person authorised under section 32A of the Insurance Act 2004 to carry on a business~~

~~in the insurance business, or the business of a reinsurer~~

(c) something other than the above§

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

~~XXXXXX~~ [company's holding company] British Commercial Property Investment Trust

Limited†

The assistance is for the purpose of [that acquisition] ~~XXXXXX~~

~~XXXXXX~~

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

£1 each

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

Clifford Chance LLP
10 Upper Bank Street
London
E14 5JJ

For official Use
General Section



LD2
COMPANIES HOUSE

18
31/03/2006

The assistance is to be given to: (note 2) LMS Finance Limited whose registered office is
Carlton House, 33 Robert Adam Street, London W1U 3HR (Company number:
5622669) and LMS Finance (II) Limited whose registered office is Carlton House,
33 Robert Adam Street, London W1U 3HR (Company number: 5622597)

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legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of:

See Schedule 1

The person who ~~XXXXXXXXXX~~ will acquire† the shares is:

† delete as
appropriate

LMS Finance Limited whose registered office is Carlton House, 33 Robert
Adam Street, London W1U 3HR (Company number: 5622669)

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

See Schedule 2

The amount of cash to be transferred to the person assisted is £ See 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 the date hereof

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

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

☒ 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) ☒ 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 the~~
~~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 ☒ 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

Declarants to sign below

CLIFFORD CHANCE LLP, LONDON

Day Month Year
on

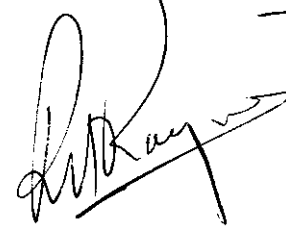
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before me THOMAS JB YOUNG 

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



Mark Hertz



NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Schedule 1 - Form of Assistance

CALEDONIAN PROPERTY INVESTMENTS LIMITED

1. The execution, delivery and performance by the Company of its obligations under:
 - 1.1 a debenture (the "**Debenture**") (to be dated on or about the date hereof), made in favour of The Royal Bank of Scotland plc as security agent (the "**Security Agent**") for the Secured Parties (as defined in the Debenture) pursuant to which the Company will grant fixed and floating charges over all its assets and undertaking present and future by way of security for the obligations of the Obligors under and as defined in a loan agreement (the "**Loan Agreement**") (to be dated on or about the date hereof) made between LMS Finance (II) Limited as original borrower, the Company and certain subsidiaries of London Merchant Securities plc listed therein as original guarantors, The Royal Bank of Scotland plc and Barclays Capital as arrangers and bookrunners, The Royal Bank of Scotland plc as the facility agent and as the security agent and Barclays Bank plc and The Royal Bank of Scotland plc as original lenders;
 - 1.2 a Scottish law standard security document (the "**Standard Security**") (to be dated on or about the date hereof) to be given by the Company in favour of the Security Agent over certain of its real estate situate in Scotland;
 - 1.3 an accession letter (the "**Accession Letter**") (to be dated on or about the date hereof) to the Loan Agreement to be entered into by the Company pursuant to which the Company will guarantee all the liabilities of the Obligors under the Finance Documents (the "**Guarantee**") and pursuant to which the Company will indemnify each Finance Party (as defined in the Loan Agreement) if any obligation guaranteed by it becomes unenforceable, invalid or illegal (the "**Indemnity**");
 - 1.4 an inter-company loan agreement (the "**Inter-Company Loan Agreement**") (to be dated on or about the date hereof) between, amongst others, the Company, LMS Finance (II) Limited and London Merchant Securities plc as borrowers and lenders;

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

Schedule 2
Principal Terms of Assistance

1. By executing the Accession Letter (and thereby granting the Guarantee and Indemnity), the Company:
 - 1.1 guarantees to each Finance Party the due and punctual performance of all the obligations of the Obligors under the Finance Documents;
 - 1.2 agrees to pay on demand, each amount due by the Obligors which is due but unpaid;
 - 1.3 agrees to indemnify each Finance Party immediately upon demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal;
 - 1.4 agrees that its guarantee and indemnity obligations will not be affected by (amongst other things) any act, circumstance, omission, matter or thing which would otherwise reduce, release or prejudice any of such obligations or prejudice or diminish such obligations;
 - 1.5 agrees that following an Event of Default (as defined in the Loan Agreement) which is continuing, a Finance Party may set off any obligation due from the Company under the Finance Documents against any obligation owed by that Finance Party to the Company.
2. By executing the Debenture the Company:
 - 2.1 grants an indemnity to the Security Agent in respect of certain costs, expenses, liabilities and losses incurred;
 - 2.2 covenants to pay and discharge all monies and liabilities (whether actual or contingent) which are at the date of the Debenture or may at any time thereafter be due and payable under or in connection with the obligations of the Obligors under the Finance Documents;
 - 2.3 with full title guarantee as continuing security for the payment of the Indebtedness charges in favour of the Security Agent the following assets, both present and future, from time to time owned by it:
 - 2.3.1 by way of first legal mortgage all freehold and leasehold property (including the property specified in schedule 1 of the Debenture) together with all buildings and fixtures (including trade fixtures) on that property;
 - 2.3.2 by way of first fixed charge:
 - (a) all other interests (not charged under clause 2.3.1) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived therefrom and the benefit of all warranties and covenants given in respect thereof and all licences



to enter upon or use land and the benefit of all other agreements relating to land;

- (b) all the Subsidiary Shares and Investments and all corresponding Distribution Rights;
 - (c) all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating thereto;
 - (d) all Book Debts and all rights and claims against third parties and against any security in respect of Book Debts;
 - (e) all debts and monetary claims (other than Book Debts) and all rights against third parties in respect of such debts and claims;
 - (f) all monies standing to the credit of its accounts (including the Cash Collateral Accounts, Excess Cash Accounts and the Nominated Accounts (as defined in clause 8.3 (*Collection of Book Debts and Other Debts*) of the Debenture) with any bank, financial institution or other person and all rights related to those accounts;
 - (g) all its Intellectual Property Rights;
 - (h) the benefit of all consents and agreements held by it in connection with the use of any of its assets to the extent that such consents and agreements are capable of being charged;
 - (i) its goodwill and uncalled capital;
 - (j) all its rights and interests in (and claims under) the Premises Documents; and
 - (k) if not effectively assigned by clause 3.3 (*Security Assignment*) of the Debenture all its rights and interest in (and claims under) the Assigned Agreements.
- 2.3.3 assigns absolutely with full title guarantee to the Security Agent all the Company's rights, title and interest in the Assigned Agreements;
- 2.3.4 charges by way of first floating charge the whole of the Company's undertaking and assets, present and future not otherwise effectively charged or assigned to the Security Agent;
- 2.3.5 appoints the Security Agent as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed following a Declared Default to execute, seal and deliver and otherwise perfect and do any deed, assurance, instrument, act or thing which it ought to execute and do under the Debenture,



(Terms not otherwise defined in this clause 2 shall have the meaning given to them in the Debenture.)

- 2.4 covenants that, without prior consent of the Security Agent, it shall not create or permit to subsist any Security (other than as permitted under the Loan Agreement) or sell, discount, factor, transfer, lease, lend or otherwise dispose of, the whole or any part of its undertaking or assets.
3. The Debenture contains a covenant for further assurances and shall remain in full force and effect notwithstanding any amendments, variations or novations from time to time of the Finance Documents or any assignment, transfer or novation of the rights and obligations of any Lender or the Security Agent.
4. By executing the Standard Security, the Company with full title guarantee as continuing security for the payment of the Indebtedness grants in favour of the Security Agent a standard security over certain of its real estate situate in Scotland.
5. By executing the Inter-Company Loan Agreement the Company will make a loan available to LMS Finance (II) Limited to enable LMS Finance (II) Limited to, amongst other things, repay borrowings by it under the Loan Agreement and to reduce liabilities incurred by it for the purpose of the acquisition of the holding company of the Company.



Schedule 3

Cash to be transferred at the time of giving the financial assistance is nil. However, cash may become payable under the Inter-Company Loan Agreement (as defined in Schedule 1) and/or under the other documents detailed in Schedules 1 and 2.

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line.



KPMG Audit Plc
Canary Wharf (38th Floor)
1 Canada Square
London E14 5AG
United Kingdom

Tel +44 (0) 20 7311 6371
Fax +44 (0) 20 7311 4122
DX 38050 Blackfriars
William.Holland@kpmg.co.uk

The Directors
Caledonian Property Investments Limited
33 Robert Adam Street
London
W1U 3HR

Our ref bh

Contact Bill Holland
020 7311 6371

28 March 2006

Dear Sirs

Auditors' report to the directors of Caledonian Property Investments Limited (the "Company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 28/3/2006 in connection with the proposal that the Company should give financial assistance for the purchase of the entire share capital of British Commercial Property Investment Trust Limited.

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

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

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully


KPMG Audit Plc

Registered Auditor