

CHFP025

Declaration in relation to assistance for the acquisition of shares

155(6)a

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

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

For official use

Company number

$\begin{bmatrix} - & - & - & - \\ | & | & | & | \\ - & + & + & - \end{bmatrix}$

01199129

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

Name of company

* HEATH LAMBERT LIMITED

* insert full name
of company

XWea SEE ANNEX A

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

† delete as appropriate

~~XXXXXXXXXXXX~~ [the Board of Directors] 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 (as such) within the meaning of the Banking Act 1968;
(b) that of a person authorised under section 30X of the Insurance Companies Act 1962 to carry on
in the business of the undertaking.

(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] HEATH LAMBERT GROUP

The assistance is for the purpose of [that acquisition] ^{reducing or} [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: 196,005,000

ORDINARY SHARES

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

Slaughter and May Ref: PCS/AJXG
One Bunhill Row
London
EC1Y 8YY

heathlambertltd.155(6)a

For official Use
General Section

Post room



A26
COMPANIES HOUSE

0122
24/12/03

The assistance is to be given to: (note 2) HEATH LAMBERT HOLDINGS LIMITED

FRIARY COURT, CRUTCHED FRIARS, LONDON EC3N 2NP

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:

SEE ANNEX B

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

† delete as
appropriate

HEATH LAMBERT HOLDINGS LIMITED

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

SEE ANNEX C

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

The date on which the assistance is to be given is 17 December 2003

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

☒ 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 ☒ 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 ☒ 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

ONE BUNHILL ROW LONDON
EC1Y 8Y4



Day Month Year
on

17	12	2003
----	----	------

before me John Robert FIDELITY CAMPBELL

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 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

Heath Lambert Limited
Company Number 0119129
(the "Company")

Annex A - Form 155(6)a

William David Bloomer	214 Barry Road East Dulwich London SE22 0JS
Michael Andrew Bruce	Phoenix House Thackhams Lane Hartley Wintney Hook Hampshire RG27 8HP
Richard James Sansom	12 Birchmead Oprington Kent BR6 8LT
Michael John Caley	23A Bladindon Drive Bexley Kent DA5 3BS
Alan Gordon Roffey Jones	The Barn Elcott Park Elcott Berkshire RG20 8NJ
Christopher Julian Sturgess	Larges House Lower Village Blunsdon Swindon Wiltshire SN26 7BJ
Robert Nigel Thomas	South West House Weston Road Bath Avon BA1 2XU

Derek Thornton

Black Ditches House
Little Horemead
Buntingford
Hertfordshire
SG9 0LT

Surinder Kumar
Beerh

Meadow View
Rhymers Gate Wyton
Huntington
Cambridgeshire
PE17 2JR

Adrian Colosso

Hillside Farm
Burnham Road
Woodham Mortimer
Maldon
Essex
CM9 6SP

Heath Lambert Limited
Company Number 0119129
(the "Company")

Annex B

The financial assistance will take the form of:

- (i) execution, delivery and performance by the Company of a guarantee and debenture (the "**HLL Guarantee and Debenture**") pursuant to which the Company will guarantee the obligations of Heath Lambert Holdings Limited and certain other group companies referred to in the HLL Guarantee and Debenture under the Bank Credit Agreement (as defined below) and the ICG Loan Agreement (as defined below) and certain related documents and grant security in favour of the National Westminster Bank plc (the "**Security Trustee**"); and
- (ii) a loan of £8,569,756 from Heath Lambert Holdings Limited (a "**Loan**") and the repayment by Heath Lambert Limited of a loan in an equivalent amount to HLF Group plc.

Definitions

"Bank Credit Agreement" means the senior credit agreement dated on or about 17 December, 2003 and made between, amongst others, Heath Lambert Holdings Limited, the Company, The Royal Bank of Scotland plc acting as agent for National Westminster Bank plc as Facility Agent (as defined therein) and the Banks (referred to therein).

"ICG Loan Agreement" means the loan agreement dated on or about 17 December 2003 and made between, amongst others, Heath Lambert Holdings Limited, the Company, Intermediate Capital Group PLC as Facility Agent (as defined therein) and the Banks (referred to therein).

Heath Lambert Limited
Company Number 0119129
(the "**Company**")

Annex C

1. By entering into the Loans, the Company will be required to pay the interest that accrues and may be required to repay the amount of the Loans on demand.
2. By entering into the HLL Guarantee and Debenture, the Company irrevocably and unconditionally:
 - (A) guarantees to the Security Trustee as agent and trustee for the Secured Parties and each a "**Secured Party**", that it shall on demand pay to the Security Trustee, all monies which are or become due or owing by Heath Lambert Holdings Limited or any other obligor under the Financing Documents (as defined below) (the "**Group Companies**" and each a "**Group Company**") (other than itself) from time to time to any or all of the Secured Parties pursuant to the terms of all or any of the Financing Documents;
 - (B) covenants with each Secured Party that it will on demand pay and discharge the Secured Obligations when due;
 - (C) agrees that the security constituted by the HLL Guarantee and Debenture shall be continuing and shall not be considered as satisfied or discharged by any intermediate payment or settlement of the whole or any part of the Secured Obligations and shall be binding until all the Secured Obligations have been discharged in full to the satisfaction of the Security Trustee and all of the Secured Parties have ceased to have any obligation whether actual or contingent to make any credit or accommodation available to the Company; and
 - (D) provides various other undertakings, indemnities and representations as required by the Financing Documents.

"Financing Documents" means the Bank Credit Agreement, the ICG Loan Agreement and the HLL Guarantee and Debenture.

"Secured Obligations" means the actual, contingent, present and/or future obligations and liabilities of the Group Companies to any of the Secured Parties under or pursuant to all or any of the Financing Documents, the Fees Letter, the Interest Rate Protection Agreement, the Security Documents (as each of these is defined in the Credit Agreement);

"Secured Parties" means all of the Finance Parties as defined in the Bank Credit Agreement and the Finance Parties as defined in the ICG Loan Agreement.

3. Fixed and floating charges

(A) By entering into the HLL Guarantee and Debenture, as a continuing security for the payment or discharge of the Secured Obligations, the Company, with full title guarantee, charges, and agrees to charge, in favour of the Security Trustee the following assets which are at any time owned by the Company, or in which the Company is from time to time interested in the manner specified. In particular, the Company will be granting the following charges in favour of the Security Trustee:

- (i) by way of legal mortgage all estates or interests in the freehold, leasehold and other immovable property described in Schedule 2 (of the HLL Guarantee and Debenture) and the proceeds of sale thereof and all buildings and trade and other fixtures on any such property belonging to or charged to the Company (the "**Legally Mortgaged Property**");
- (ii) by way of a fixed charge all estates or interests in any freehold, leasehold and other immovable property now or at any time during the continuance of the security constituted by the HLL Guarantee and Debenture belonging to the Company (other than the Legally Mortgaged Property) and the proceeds of sale thereof and all buildings and trade and other fixtures from time to time on any such property belonging to or charged to the Company;
- (iii) by way of fixed charge all plant, machinery, vehicles, computers and office and other equipment owned by the Company both present and future;
- (iv) by way of fixed charge all stocks, shares, debentures, bonds, notes and loan capital of:
 - (1) any Subsidiary of the Company (as defined in the HLL Guarantee and Debenture); and
 - (2) any other body corporate;

and all rights to subscribe for, redeem, convert other securities into or otherwise acquire any of the same which may now or hereafter belong to the Company, together with all dividends, interest and other income and all other rights of whatsoever kind deriving from or incidental to any of the foregoing;

- (v) by way of fixed charge the goodwill of the Company and its uncalled capital now or at any time hereafter in existence;
- (vi) by way of fixed charge all copyrights, patents, patent applications, licences, trade marks, tradenames, know-how and inventions or other rights of every kind deriving therefrom now or at any time hereafter belonging to the Company and all fees, royalties and other rights of every kind deriving from such copyrights, patents, trade marks, tradenames, know-how and inventions;
- (vii) by way of floating charge the whole of the Company's undertaking and all its property, assets and rights, whatsoever and wheresoever, present and future, other than any property or assets from time to time or for the time being

effectively mortgaged or charged to the Security Trustee by way of fixed charge and excluding any Approved Assets (as defined in the HLL Guarantee and Debenture) and the IBA Accounts (as defined in the HLL Guarantee and Debenture) opened in the name of the Company (and any balances standing to the credit of such IBA Accounts);

- (B) the security constituted by or pursuant to the HLL Guarantee and Debenture shall be in addition to and shall be independent of every bill, note, guarantee, mortgage, pledge or other security which the Security Trustee may at any time hold and no prior security held by the Security Trustee over the charged property or any part thereof shall merge in the security created by or under the HLL Guarantee and Debenture;
- (C) the guarantee to be provided is a continuing security and shall remain in full force and effect until all moneys, obligations and liabilities of the HLL Guarantee and Debenture have been paid, discharged or satisfied in full notwithstanding the liquidation, administration or other incapacity or any change in the constitution of the Company or any Group Company (as defined in the HLL Guarantee and Debenture) or in the name and style of either of them or any settlement of account or other matter whatsoever.

The Directors
Heath Lambert Limited
Friary Court
Crutched Friars
London EC3N 2NP

**Certified to be a true copy
SLAUGHTER AND MAY**

Slaughter and May
One Bunhill Row, EC1Y 8YY

17 December 2003

Dear Sirs

Auditors' report to the directors of Heath Lambert Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Heath Lambert Limited ("the Company") dated 17 December 2003 in connection with the proposal that the Company should give financial assistance for the purchase of 196,005,000 of the ordinary shares of the Company's holding company, Heath Lambert Group Limited. This report, including the opinion, has been prepared for and only for the Company and the Company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

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

Opinion

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

Yours faithfully

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

PRICEWATERHOUSE

24/12/03

YAM CHA PETHOUAJE

YAM CHA PETHOUAJE