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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

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

For official use

Company number

[] [] [] []

02492037

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

Name of company

* The Cliveden Town House Limited (the "Company")

* Insert full name
of company

*/We Colin Xavier Casteliono of 92 Murray Road, South Ealing, London W5
4DA

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

John Carl Sebastian Tham of 33 Fentiman Road, London SW8 1LD;

† 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 or with the meaning of the Banking Act 1979~~

(b) ~~that of a person authorised under section 6 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 Cliveden

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: 45,054,088 ordinary
shares of 40p each

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

Lovell White Durrant
65 Holborn Viaduct
London
EC1A 2DY

57 London Chancery Lane

For official Use
General Section

Post room



The assistance is to be given to: (note 2) Destination Europe Limited (company no: 3569266)
whose registered office is at 21 Holborn Viaduct, London EC1A 2DY

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

The assistance will take the form of:

See Schedule I attached.

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

† delete as
appropriate

Destination Europe Limited (company no: 3569266)

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

See Schedule II attached.

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 Within 8 weeks 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 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 65 Holborn Viaduct
London

Declarants to sign below

the 14 day of April
one thousand nine hundred and ninety nine

before me J. J. O'S.

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
CF4 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Cliveden Town House Limited

This is the document "Schedule 1", "Schedule 2" and "Schedule 3" referred to in the attached statutory declaration.

SCHEDULE I

Form of financial assistance

The assistance will take the form of:

1. the entry by the Company into a guarantee and indemnity (the "Senior Guarantee") to be entered into by the Company, Destination Europe Limited (the "Parent"), Destination Europe USA LLC and the other subsidiaries of the Parent named therein and a debenture (the "Senior Debenture") to be entered into by the Company in favour of BHF-Bank AG, (the "Senior Agent") (as agent for the Senior Beneficiaries) to secure all present and future obligations and liabilities (whether actual or contingent and whether jointly or severally or in any other capacity) of the Parent to each Senior Beneficiary under the Senior Finance Documents together with all costs, charges and expenses incurred by the Senior Agent, and the Senior Beneficiaries in connection with the protection, preservation or enforcement of their respective rights under the Senior Finance Documents for which the Parent is liable on a full indemnity basis except for any obligation which, if included, would result in the Senior Guarantee and the Senior Debenture causing a contravention of Section 151 of the Companies Act 1985 or any analogous provision of any law in any other jurisdiction (the "Senior Secured Liabilities").
2. the entry by the Company into a guarantee and indemnity (the "Mezzanine Guarantee") to be entered into by the Company, Destination Europe Limited (the "Parent"), Destination Europe USA LLC and the other subsidiaries of the Parent named therein and a debenture (the "Mezzanine Debenture") to be entered into by the Company in favour of Prometheus Hospitality USA LLC, (the "Mezzanine Agent") (as agent for the Mezzanine Beneficiaries) to secure all present and future obligations and liabilities (whether actual or contingent and whether jointly or severally or in any other capacity) of the Parent to each Mezzanine Beneficiary under the Mezzanine Finance Documents together with all costs, charges and expenses incurred by the Mezzanine Agent, and the Mezzanine Beneficiaries in connection with the protection, preservation or enforcement of their respective rights under the Mezzanine Finance Documents for which the Parent is liable on a full indemnity basis except for any obligation which, if included, would result in the Mezzanine Guarantee and the Mezzanine Debenture causing a contravention of Section 151 of the Companies Act 1985 or any analogous provision of any law in any other jurisdiction (the "Mezzanine Secured Liabilities").
3. the entry by the Company into an intercreditor deed (the "Intercreditor Deed") between the Parent, Destination Europe USA LLC, the Company and certain other subsidiaries of the Parent, the Senior Agent and the Mezzanine Agent (the "Intercreditor Deed") governing the priorities of the claims of the creditors referred to therein.
4. Definitions:

- (a) "Mezzanine Beneficiaries" means the Mezzanine Agent, the Noteholder and any Hedging Bank (both as defined in the Note Purchase Agreement);
- (b) "Mezzanine Finance Documents" means together:
 - (i) a \$50,750,000 note purchase agreement dated 17th June 1998 entered into by, inter alia, the Parent, the Noteholders and the Mezzanine Agent (the "Note Purchase Agreement");
 - (ii) any hedging agreements entered into between the Parent and the Hedging Banks (as defined in the Note Purchase Agreement);
 - (iii) the Intercreditor Deed;
 - (iv) the Mezzanine Guarantee;
 - (v) the Mezzanine Debenture; and
 - (vi) such other documents as the Parent agrees with the Mezzanine Agent;
- (c) "Senior Beneficiaries" means the Senior Agent, the Banks and any Hedging Counterparties (each as defined in the Loan Agreement);
- (d) "Senior Finance Documents" means together:
 - (i) a £35,000,000 term loan agreement to be entered into by the Parent, the Banks and the Senior Agent (the "Loan Agreement");
 - (ii) any hedging agreements entered into between the Parent and the Hedging Counterparties (as defined in the Loan Agreement);
 - (iii) the Intercreditor Deed;
 - (iv) the Senior Guarantee;
 - (v) the Senior Debenture; and
 - (vi) such other documents as the Parent agrees with the Senior Agent;

SCHEDULE II

The principal terms on which the financial assistance will be given

1. The Company undertakes under the Senior Guarantee to pay and discharge the Senior Secured Liabilities and under the Senior Debenture to secure such obligations by way of first fixed and floating charges over all its undertaking, property and assets both present and future.
2. The Company by entering into the Senior Guarantee irrevocably, unconditionally, jointly and severally with each other Guarantor (as defined therein):
 - (a) guarantees to each of the Senior Beneficiaries as principal, the prompt performance by the Parent and each of its other subsidiaries of all their respective obligations under the Senior Finance Documents; and
 - (b) undertakes to each of the Senior Beneficiaries that, if the Parent defaults in the payment of an amount due under any of the Senior Finance Documents, it will pay the relevant amount on demand by the Agent as if it were expressed to be the principal rather than the defaulting Parent.
3. Pursuant to the Senior Guarantee the Company also agrees to indemnify each Senior Beneficiary on demand against any loss or liability suffered by such Senior Beneficiary if any obligation which it has guaranteed becomes unenforceable, invalid or illegal.
4. The Company undertakes under the Mezzanine Guarantee to pay and discharge the Mezzanine Secured Liabilities and under the Mezzanine Debenture to secure such obligations by way of second fixed and floating charges over all its undertaking, property and assets both present and future.
5. The Company by entering into the Mezzanine Guarantee irrevocably, unconditionally, jointly and severally with each other Guarantor (as defined therein):
 - (a) guarantees to each of the Mezzanine Beneficiaries as principal, the prompt performance by the Parent and each of its other subsidiaries of all their respective obligations under the Mezzanine Finance Documents; and
 - (b) undertakes to each of the Mezzanine Beneficiaries that, if the Parent defaults in the payment of an amount due under any of the Mezzanine Finance Documents, it will pay the relevant amount on demand by the Agent as if it were expressed to be the principal rather than the defaulting Parent.
6. Pursuant to the Mezzanine Guarantee the Company also agrees to indemnify each Mezzanine Beneficiary on demand against any loss or liability suffered by such Mezzanine Beneficiary if any obligation which it has guaranteed becomes unenforceable, invalid or illegal.
7. The Company, by entering into the Intercreditor Deed, agrees to subordinate any claim it may have against the Parent or any other subsidiary of the Parent to the claims of the Senior Beneficiaries and the Mezzanine Beneficiaries.

SCHEDULE III

The principal terms on which the financial assistance will be given

1. The Company undertakes under the Senior Guarantee to pay and discharge the Senior Secured Liabilities and under the Senior Debenture to secure such obligations by way of first fixed and floating charges over all its undertaking, property and assets both present and future.
2. The Company by entering into the Senior Guarantee irrevocably, unconditionally, jointly and severally with each other Guarantor (as defined therein):
 - (a) guarantees to each of the Senior Beneficiaries as principal, the prompt performance by the Parent and each of its other subsidiaries of all their respective obligations under the Senior Finance Documents; and
 - (b) undertakes to each of the Senior Beneficiaries that, if the Parent defaults in the payment of an amount due under any of the Senior Finance Documents, it will pay the relevant amount on demand by the Agent as if it were expressed to be the principal rather than the defaulting Parent.
3. Pursuant to the Senior Guarantee the Company also agrees to indemnify each Senior Beneficiary on demand against any loss or liability suffered by such Senior Beneficiary if any obligation which it has guaranteed becomes unenforceable, invalid or illegal.
4. The Company undertakes under the Mezzanine Guarantee to pay and discharge the Mezzanine Secured Liabilities and under the Mezzanine Debenture to secure such obligations by way of second fixed and floating charges over all its undertaking, property and assets both present and future.
5. The Company by entering into the Mezzanine Guarantee irrevocably, unconditionally, jointly and severally with each other Guarantor (as defined therein):
 - (a) guarantees to each of the Mezzanine Beneficiaries as principal, the prompt performance by the Parent and each of its other subsidiaries of all their respective obligations under the Mezzanine Finance Documents; and
 - (b) undertakes to each of the Mezzanine Beneficiaries that, if the Parent defaults in the payment of an amount due under any of the Mezzanine Finance Documents, it will pay the relevant amount on demand by the Agent as if it were expressed to be the principal rather than the defaulting Parent.
6. Pursuant to the Mezzanine Guarantee the Company also agrees to indemnify each Mezzanine Beneficiary on demand against any loss or liability suffered by such Mezzanine Beneficiary if any obligation which it has guaranteed becomes unenforceable, invalid or illegal.
7. The Company, by entering into the Intercreditor Deed, agrees to subordinate any claim it may have against the Parent or any other subsidiary of the Parent to the claims of the Senior Beneficiaries and the Mezzanine Beneficiaries.

ARTHUR ANDERSEN

London

The Board of Directors
The Cliveden Town House Limited
Hill House
1 Little New Street
London
EC4A 3TR

Dear Sirs

AUDITORS' REPORT TO THE DIRECTORS OF THE CLIVEDEN TOWN HOUSE LIMITED (THE COMPANY) PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declaration of the directors dated 14 April 1999 in connection with the proposal that the Company should give financial assistance for the purchase of 45,054,088 ordinary shares of 40p each of Cliveden Limited.

Respective responsibilities of directors and auditors

The Company's directors are responsible for the statutory declaration. It is our responsibility to review the bases for the declaration, based on our inquiries into the state of the Company's affairs, and to provide a report to the directors.

Basis of opinion

We have enquired into the state of the Company's affairs so far as necessary for us 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



Arthur Andersen
Chartered Accountants

14 April 1999