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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

To the Registrar of Companies

For official use

Company number 02582268

Name of company

* FERGUSON CARE LIMITED (the "Company")

*Insert full name of company

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

I/~~We~~† EDWARD JOSEPH MCKINLEY of 3a Seymour Walk, Fulham, London, SW10

§Delete as appropriate

[~~the sole director~~] [~~all~~ one of 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: 100 ordinary shares at £1 each

Presentor's name, address and reference (if any):
Clifford Chance
200 Aldersgate Street
London
EC1A 4JJ

mrd3b.lfd

For official use
General Section

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COMPANIES HOUSE 10/12/96

The assistance is to be given to: (note 2) CRAEGMOOR HEALTHCARE COMPANY LIMITED ("Craegmoor") whose registered office is at Hillcairnie, St. Andrew's Road, Droitwich, Worcestershire, WR9 8DJ

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 Rider A

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

Craegmoor

*Delete as appropriate

The principal terms on which assistance will be given are:

See Rider B

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 a date not later than 28 January 19 97

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 Minneapolis
Minnesota

the 4th day of December
One thousand nine hundred and Ninety Six

before me Karen S Lundberg

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

Declarants to sign below

KAREN S. LUNDBERG
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2000

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.

Laserform International Limited 10/92

RIDER A

1. The execution and delivery by the Company of a loan agreement (the "**Parkcare/Issuer Loan Agreement**") to be dated not later than 8 weeks after the date of this statutory declaration and made between, inter alia, Parkcare Homes Limited ("**Parkcare**"), Craegmoor Finance PLC (the "**Issuer**"), Craegmoor Healthcare Company Limited ("**Craegmoor**") and the Company pursuant to which

   (a) the Issuer will make available to Parkcare (subject to satisfaction of the conditions precedent and the other conditions contained in the Parkcare/Issuer Loan Agreement) a term facility (the "**Parkcare/Issuer**") subject to certain limits as set out in the Parkcare/Issuer Loan Agreement;

   (b) the Company will provide the Issuer with indemnities, a guarantee and a subordination in favour of the Issuer relating to the Parkcare/Issuer Loan Agreement and the Parkcare/Issuer Loan.

2. The execution and delivery by the Company of a debenture (the "**Craegmoor Group Debenture**") to be dated not later than 8 weeks after the date of this statutory declaration and made between, inter alia, Parkcare, the Issuer, Craegmoor and the Company which contains, inter alia, a covenant to pay its obligations under the Parkcare/Issuer Loan Agreement and fixed and floating charges over all the assets of the Company.

3. Parkcare will advance a part of the proceeds of the Parkcare/Issuer Loan to Craegmoor and Craegmoor will apply such amounts to repay and discharge its obligations and liabilities to National Westminster Bank PLC, which obligations and liabilities were incurred, in part, by Craegmoor to acquire the shares of the Company.

RIDER B

1. By executing the Parkcare/Issuer Loan Agreement:

   (a) the Company agrees, pursuant to clause 12.1, to indemnify, inter alios, the Issuer from and against any expense, loss, damage or liability which it incurs as a consequence of the occurrence of any Event of Default (as defined in the Parkcare/Issuer Loan Agreement);

   (b) the Company agrees, pursuant to clause 13.1 thereto, to guarantee to the Issuer, inter alia, punctual payment by Parkcare of the Guaranteed Amounts (as defined in the Parkcare/Issuer Loan Agreement) in accordance with the Parkcare/Issuer Loan Agreement and the Craegmoor Group Debenture and undertakes, inter alia, to the Issuer that if and each time Parkcare does not make payment of any of the Guaranteed Amounts in accordance with the Parkcare/Issuer Loan Agreement and the Craegmoor Group Debenture, the Company shall pay, in accordance with the Parkcare/Issuer Loan Agreement, the amounts not so paid;

   (c) the Company undertakes, pursuant to clause 13.2, with the Issuer, inter alios, that if the Guaranteed Amounts are not recoverable in accordance with Clause 13.1 of the Parkcare/Issuer Loan Agreement, to make payment of the Guaranteed Amounts by way of a full indemnity in such manner as is provided for in the Parkcare/Issuer Loan Agreement and/or the Craegmoor Group Debenture and shall indemnify the Issuer, inter alios, against all losses, claims, costs, charges and expenses to which it may be subject or which it may incur under or in connection with the Parkcare/Issuer Loan Agreement or the Craegmoor Group Debenture;

   (d) the Company undertakes, pursuant to clause 13.8 thereto, that so long as the Company has any liability under the Parkcare/Issuer Loan Agreement: (i) the Guarantor shall not take or accept any Security Interest (as defined in the Parkcare/Issuer Loan Agreement) from Parkcare or from any third party and otherwise in accordance with the Parkcare/Issuer Loan Agreement, (ii) after the occurrence of an Event of Default, the Company shall not, inter alia, seek to recover, whether directly or by set-off, lien, counterclaim or otherwise, nor accept any moneys or other property, nor exercise any rights, in respect of any sum which may be or become due to the Company on any account by Parkcare or, in relation to the Guaranteed Amounts, from any third party, nor claim, prove for or accept any payment in any composition by, or any winding up of, Parkcare or, in relation to the Guaranteed Amounts, any third party; and

   (e) the Company makes representations and gives warranties to the Issuer and covenants with the Issuer in respect of certain obligations and information to be provided to the Issuer.

2. By executing the Craegmoor Group Debenture:

   (a) the Company covenants, pursuant to clause 2.3 thereto, with the Issuer that it will pay and discharge all moneys and liabilities whatsoever which now are or at any time hereafter may (whether before or after demand) become due, owing or payable to the

Issuer by the Company, actually or contingently, under or in respect of the Parkcare/Issuer Loan Agreement and the Craegmoor Group Debenture; and

(b) the Company, pursuant to clause 3.3, charges, assigns and mortgages its assets to the Issuer as continuing security for the payment or discharge of its liabilities to the Issuer (and otherwise in accordance with the Parkcare/Issuer Loan Agreement and the Craegmoor Group Debenture).

Coopers & Lybrand

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STRICTLY PRIVATE & CONFIDENTIAL

The Directors
Ferguson Care Limited
Hillcarnie
St Andrews Road
Droitwich
Worcestershire
WR9 8DJ

4 December 1996

Dear Sirs

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

We have examined the attached statutory declaration of the directors of Ferguson Care Limited ("the Company") dated today in connection with the proposal that the Company should give financial assistance for the purchase of all of the ordinary shares of the Company.

Basis of opinion

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

Coopers & Lybrand.

Chartered Accountants
Birmingham
4 December 1996

Lists of the names of the partners in the United Kingdom firms of Coopers & Lybrand and its associate partnerships are open to inspection at the above address and at 1 Embankment Place, London WC2N 6NN, which is the principal place of business.

All partners in the associate partnerships are authorised to conduct business as agents of, and all contracts for services to clients are with, Coopers & Lybrand. Coopers & Lybrand is authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

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