

CHFP025

COMPANIES FORM No. 155(6)a

**Declaration in relation to
assistance for the acquisition
of shares**

155(6)a

[T T]



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12/06/2007

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COMPANIES HOUSE

Page 1

The assistance is to be given to (note 2) Honeycombe Leisure Plc (No 03517207)
whose registered office is at Derby House, Lytham Road, Fulwood, Preston,
Lancashire PR2 8JE (the "**Purchaser**")

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

Please see attached Schedule 3

The person who [has acquired] ~~100,000,000~~ † the shares is

† delete as
appropriate

the Purchaser

The principal terms on which the assistance will be given are

Please see attached Schedule 4.

The amount of cash to be transferred to the person assisted is £ please see attached Schedule 5

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

delete either (a) or
(b) as appropriate

(a) ~~X~~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)

[illegible]

Declared at

CityPoint, One Ropemaker Street
London EC2Y 9AH

Declarants to sign below

Day Month Year
on 07 06 2007

before me Matthew Mc

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

T. Or
Balet

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

The Devonshire Pub Company Limited – Company Number: 02588480

(the "Company")

Form 155(6)a

These are the Schedules to the declaration in Form 155(6)a made by the directors of the Company

Schedule 1

James Edward Baer
7 Sunningdale Close
Kirkham
Lancashire
PR4 2TG

Tracey Crawford Alston
Glenroyd
Goosnargh Lane
Goosnargh
Lancashire
PR3 2BP

Schedule 2

52,800 'A' Ordinary Shares of £1 00 each

146,666 'B' Ordinary Shares of £1 00 each

430 'C' Ordinary Shares of £0 01 each

550 'D' Ordinary Shares of £0 01 each

475 'E' Ordinary Shares of £0 01 each

500 'F' Ordinary Shares of £0 01 each

Schedule 3

- 1 The assistance will take the form of the execution and delivery by the Company of the documents referred to in paragraph 2 below in favour of The Governor and Company of The Bank of Scotland (the "**Bank**") as lender pursuant to a facility letter dated 11 May 2007 entered into between (1) Honeycombe Leisure Plc (the "**Purchaser**") and (2) the Bank, pursuant to which the Bank will make available to the Purchaser term loan and revolving credit facilities of up to in aggregate £31,500,000 (the "**Facility Letter**")
 - 2 The relevant documents are -
 - 2 1 a guarantee to be entered into in favour of the Bank between (1) the Purchaser (2) Robert Cain & Company Limited, Honeycombe Leisure Management Services Limited, The Devonshire Leisure Group Limited ("**Devonshire Leisure**"), DPC Holdings Limited ("**DPC**"), the Company, Pimco 2621 Limited, Pimco 2622 Limited and Pimco 2623 Limited and (3) the Bank (the "**Guarantee**"),
 - 2 2 an intra group loan agreement to be made between the Company and the other intra group lenders named therein as lenders and the Purchaser as the borrower pursuant to which, inter alia, the Company will be obliged to lend monies to the (the "**Intra Group Loan Agreement**"), and
 - 2 3 an intercreditor deed to be made between (1) the Bank (2) the junior creditors being Sudarghara Singh Dusanj, Ajmail Singh Dusanj and Stanhill Investments Limited and (3) the Purchaser, Honeycombe Leisure Management Services Limited, Robert Cain & Company Limited, DPC, Devonshire Leisure, the Company, Pimco 2621 Limited, Pimco 2622 Limited and Pimco 2623 Limited (the "**Intercreditor Deed**"),
- (as each document may be amended, restated, substituted, novated or transferred from time to time, and the parties to such documents shall include their successors in title, permitted assigns and permitted transferees, together the "**Banking Documents**")

Schedule 4

The Principal Terms on which the assistance will be given are as follows -

- 1 By executing the Guarantee, the Company agrees to -
 - 1 1 guarantee the payment or discharge of the Secured Liabilities and shall on demand in writing pay or discharge them to the Bank, and
 - 1 2 indemnify and keep indemnified the Bank against all costs, losses or liabilities resulting from the failure by any of the Principal including the Company to make due and punctual payment of the Secured Liabilities (or any part of them) or resulting from any of the Secured Liabilities being or becoming void, voidable, unenforceable or ineffective against any Principal, and
 - 1 3 pay on demand all sums of money which may not be recoverable on the footing of a guarantee as if it were sole or principal debtor
 - 1 4 The Company shall not create or attempt to create or permit to subsist any mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or encumbrance, trust agreement, declaration of trust, or trust arising by operation of law over or in respect of any asset or right of the Company
 - 1 5 At all times prior to the unconditional and irrevocable payment or discharge in full of the Secured Liabilities, the Bank shall have a lien on all securities, property deeds and other documents of the Company which it holds from time to time
 - 1 6 The Company shall, on demand by the Bank, execute whatever documents the Bank may require to perfect its obligations under the Guarantee
- 2 By executing the Intra Group Loan Agreement, the Company agrees that on request by the Purchaser it will be obliged to send such sums to the purchaser in the maximum aggregate amount of £42,000,000 The proceeds of each Advance may be used, inter alia, to assist the Purchaser to -
 - 2 1 comply with its obligations under the Facility Letter (including, without limitation, repayment of principal and payment of interest),
 - 2 2 make loans to such persons as the Purchaser may designate (to the extent not prohibited by the Facility Letter),
 - 2 3 pay the fees and expenses incurred in connection with the negotiation, preparation and execution of the Facility Letter, and
 - 2 4 make any dividend payments (to the extent not prohibited by the Facility Letter)
- 3 Pursuant to the terms of the Intercreditor Deed there are regulated certain rights and obligations of the parties thereto in respect of payments due and the enforcement of security granted in connection with the Acquisition By executing the Intercreditor Deed the Company, inter alia, agrees to make various undertakings as detailed therein

In entering into the various documents referred to above the Company is entering into obligations, assuming liabilities and giving security in connection with the Acquisition and may in the future be called upon pursuant to any of the documents referred to in this declaration to discharge obligations and/or liabilities arising in connection with the Acquisition

Schedule 5

The amount of cash to be transferred to the person assisted is -

- (a) Nil at today's date, but subject to
- (b) Any amounts (up to a maximum of £42,000,000) to be transferred under the Intra Group Loan Agreement

Definitions

In these Schedules the following terms shall have the following meaning -

"Acquisition"	means the acquisition of the entire issued share capital of DPC Holdings Limited by the Purchaser,
"Advance"	means the principal amount of each advance made or to be made under the Intra Group Loan Agreement by the Company to the Purchaser or, in each case, the principal amount of such advance outstanding from time to time to the Purchaser,
"Principal"	has the meaning ascribed thereto in the Guarantee,
"Secured Liabilities"	means all or any money and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Bank by the Company, whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor or cautioner), including any money and liabilities of the Company to a third party which have been assigned or novated to or otherwise vested in the Bank and including interest, discount, commission and other lawful charges or expenses which the Bank may in the course of its business charge or incur in respect of any of those matters or for keeping the Company's account, and so that interest shall be computed and compounded according to the usual the Bank rates and practice (or otherwise agreed in writing) after as well as before any demand made or judgment,

Tenon audit

Private and Confidential
The Board of Directors
Devonshire Pub Company Limited
Derby House
Lytham Road
Fulwood
Preston
PR2 8JE

Email david.spencer@tenongroup.com
Our ref 3014370/DES/RP/JLH
Date 7 June 2007

Dear Sirs

Auditors' Report to the Directors of Devonshire Pub Company Limited ("the Company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 7 June 2007 in connection with the proposal that the Company should give financial assistance in relation to the discharge of liabilities incurred by Honeycombe Leisure plc on the purchase of the entire issued share capital of the Company's parent company DPC Holdings Limited

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

Tenon Audit Limited

Tenon Audit Limited
Registered Auditor

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