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CHFP025

COMPANIES FORM No. 155(6)b

**Declaration by the directors
of a holding company in
relation to assistance for the
acquisition of shares**

155(6)b

Please do not
write in this
margin

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

[] [] [] [] [] [] [] []

3141385

Name of company

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

* Malmaison Limited

* insert full name
of company

☒ We ☐ See continuation sheet page 1,

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

† delete as
appropriate

~~XXXXXXXXXXXX~~ [all the directors]† of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that:

§ delete whichever
is inappropriate

The business of this company is:

- (a) ~~the business of a person authorised under section 1 of the Insurance Companies Act 1982 to carry
insurance business in the United Kingdom~~
- (b) ~~that of a person authorised under section 1 of the Insurance Companies Act 1982 to carry
insurance business in the United Kingdom~~
- (c) something other than the above§

This company is [the] ☒ holding company of* Malmaison (Chart Square) Limited
(Registered No. 3490682) _____ which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] [_____

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~
~~the holding company of this company~~

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

SJ Berwin
222 Gray's Inn Road
London
WC1X 8XF

For official Use
General Section

Post room



A17
COMPANIES HOUSE

0509
12/06/02

82564

The assistance is for the purpose of ~~XXXXXXXXXXXX~~ [reducing or discharging a liability incurred for the purpose of that acquisition].† (note 1)

Please do not write in this margin

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

The number and class of the shares acquired or to be acquired is: 26,962,147 ordinary shares of
1p each

The assistance is to be given to: (note 2) MWB Malmaison Holdings Limited (Registered No. 3917393)
(formerly known as MWB Hotel Properties Limited) whose registered office is 179 Great Portland Street, London W1W 5LS.

The assistance will take the form of:

See Annexure 1.

The person who [has acquired] ~~XXXXXXXX~~ the shares is:
MWB Malmaison Holdings Limited (Registered No. 3917393).

† delete as appropriate

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

See Annexure 2.

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil.

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.

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

~~X~~We have formed the opinion, as regards this 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) ~~X~~We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

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

(b) ~~X~~We have formed the opinion that this company will be able to pay its debts in full within 12 weeks of the commencement of the winding-up]* (note 3)

And ~~X~~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 See continuation page 1

Declarants to sign below

Day Month Year

on

--	--	--	--	--	--	--	--

before me _____

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
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

Malmaison Limited

Form 155(6)b

Continuation page 1

1. Ian Bruce Cave, 82 Park Street, Thame, Oxfordshire, OX9 3HX
2. Jagtar Singh, 163 Hempstead Road, Hertfordshire WD1 3HF

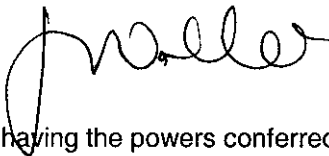


And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of this Statutory Declarations Act 1835.

Declared at 1 West Garden Place, Kendal Street, London W2 2AQ

the 31st day of May 2002

before me



A Solicitor having the powers conferred on a Commissioner for Oaths.

JULIET WALLER, Solicitor
46 Blandford Street
London W1U 7HT

MALMAISON (CHART SQUARE) LIMITED

Company No. 3490682

(the "Company")

Annexure 1 - Form 155(6)b

Definitions

In this Statutory Declaration (including Annexures 1 & 2) the following expressions shall have the following meanings:

- "Borrower"** means MWB Malmaison Holdings Limited (Company Number 03917393)
- "BoS"** means the Governor and Company of the Bank of Scotland plc.
- "BoS Facility Letter"** means the amendment and restatement agreement which amends and restates the credit agreement dated 3 November 2000 entered into between (among others) MWB Hotel Properties Limited (now known as MWB Malmaison Holdings Limited) and Société Générale (the "Soc Gen Facility"), which was on or about the date of this declaration assigned to BoS. Such amended and restated agreement provides for a maximum aggregate sum of £83,000,000 to be advanced (to be increased to £110,000,000 upon the fulfilment of certain conditions) to MWB Malmaison Holdings Limited. The proceeds of the Soc Gen Facility were used by MWB Malmaison Holdings Limited to acquire (amongst other things) the entire issued share capital of Malmaison Limited and the Malmaison Hotel (Birmingham) Limited.
- "BoS Debenture"** means the debenture dated on or about the date hereof, to be granted by the Company in favour of BoS to secure all monies and liabilities due, owing or incurred by the Company to BoS, whereby the Company:
- (a) covenants that it will on demand pay or discharge such sums due, owing or incurred, more particularly referred to in the BoS Debenture as the "Secured Obligations"; and
 - (b) grants legal, fixed and floating charges and mortgages over its assets and undertakings in favour of BoS as continuing security and with full title guarantee for the payment and discharge of such Secured Obligations.
- "BoS Guarantee"** means the corporate guarantee dated on or about the date hereof to be granted by (inter alios) various group

companies, including the Company in favour of BoS guaranteeing payments of monies due and owing by the "Principal" (as defined in the BoS Guarantee) to BoS, including under the BoS Facility Letter.

"BoS Legal Charge"

means the legal charge dated on or about the date hereof, to be granted by the Company in favour of BoS to secure all sums of money owed and all liabilities or obligations to be carried out to BoS by, inter alios, the Company, whereby the Company:

- (a) will on demand pay such sums, more particularly referred to as the "Debt" in the BoS Commercial Charge Conditions (1995 Edition); and
- (b) grants (inter alia) legal and fixed charges over the "Property" (as defined in the BoS Legal Charge) as continuing security and with full title guarantee for the payment and discharge of such Debt.

"Intra-Group Loan Agreement"

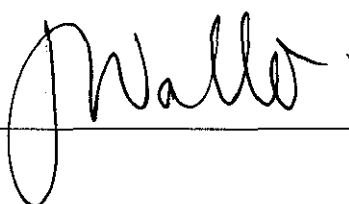
means the intra-group loan agreement to be granted by various group companies (including the Company) as lenders to the Borrower as borrower, pursuant to which such group companies may lend money to the Borrower to service interest costs and repay advances and make other payments due under the BoS Facility Letter

The assistance will take the form of:

- 1. The BoS Debenture
- 2. The BoS Guarantee
- 3. The BoS Legal Charge
- 4. The Intra-Group Loan Agreement

This is Annexure 1 referred to in Form 155(6)b declared by the directors of the Company on 31 May 2002.

Signed


Solicitor

MALMAISON (CHART SQUARE) LIMITED

Company No. 3490682

(the "Company")

Annexure 2 - Form 155(6)b

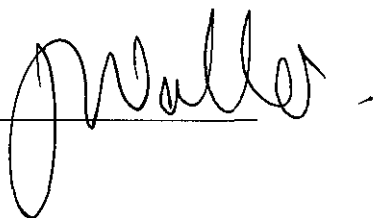
All capitalised terms in this Annexure 2 shall have the meanings given to them in Annexure 1.

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

1. The BoS Debenture under which the Company:
 - (a) covenants that it will on demand pay or discharge such sums due, owing or incurred, more particularly referred to in the BoS Debenture as the "Secured Obligations"; and
 - (b) grants legal, fixed and floating charges and mortgages over its assets and undertakings in favour of BoS as continuing security and with full title guarantee for the payment and discharge of such Secured Obligations.
2. The BoS Guarantee under which (inter alios) the Company guarantees payments of monies due and owing by the "Principal" (as defined therein) to BoS including under the BoS Facility Letter.
3. The BoS Legal Charge under which the Company:
 - (a) will on demand pay such sums, more particularly referred to as the "Debt" in the BoS Commercial Charge Conditions (1995 Edition); and
 - (b) grants (inter alia) legal and fixed charges over the "Property" (as defined in the BoS Legal Charge) as continuing security and with full title guarantee for the payment and discharge of such Debt.
4. The Intra-Group Loan Agreement under which various group companies (including the Company) as lenders will lend monies to the Borrower as borrower to service interest costs and repay advances and make other payments due under the BoS Facility Letter.

This is Annexure 2 referred to in Form 155(6)b declared by the Directors of the Company on 31 May 2002.

Signed


Solicitor

Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

155(6)b

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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* Malmaison Limited

X We ☐ See continuation sheet page 1,

~~XXXXXXXXXXXX~~ [all the directors]† of the above company (hereinafter called 'this company') do solemnly and sincerely declare that:

The business of this company is:

(a) the business of providing insurance cover for the carrying of the passengers and goods
(b) that of a person authorised under section 1 of the Insurance Companies Act 1906 to carry
insurance business in the United Kingdom
(c) something other than the above

This company is [the] ~~(a)~~ holding company of* Malmaison (Chart Square) Limited
(Registered No. 3490682) _____ which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] [_____]

SJ Berwin
222 Gray's Inn Road
London
WC1X 8XF

DX255 London
Ref: 641/M9208.164/CP2:82564

Post re

82564

The assistance is for the purpose of ~~that acquisition~~ [reducing or discharging a liability incurred for the purpose of that acquisition].† (note 1)

Please do not write in this margin

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

The number and class of the shares acquired or to be acquired is: 26,962,147 ordinary shares of 1p each

The assistance is to be given to: (note 2) MWB Malmaison Holdings Limited (Registered No. 3917393)
(formerly known as MWB Hotel Properties Limited) whose registered office is 179 Great Portland Street, London W1W 5LS.

The assistance will take the form of:

See Annexure 1.

The person who [has acquired] ~~will acquire~~ the shares is:
MWB Malmaison Holdings Limited (Registered No. 3917393).

† delete as appropriate

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

See Annexure 2.

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil.

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.

82504 Page 2

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

The date on which the assistance is to be given is

within 8 weeks from the date hereof.

☒ We have formed the opinion, as regards this 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 this 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 this company, with effect from the date, or dates, on which the assistance is proposed to be given, and the company will be unable to pay its debts as they fall due during the year immediately following that date)* (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 See continuation page 1

Declarants to sign below

on

Day	Month	Year

before me _____

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
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

Malmaison Limited

Form 155(6)b

Continuation page 1

1. Ian Bruce Cave, 82 Park Street, Thame, Oxfordshire, OX9 3HX
2. Jagtar Singh, 163 Hempstead Road, Hertfordshire WD1 3HF

x *[Signature]*

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of this Statutory Declarations Act 1835.

Declared at ~~1 West Garden Place, Kendal Street, London W2 2AG~~

*Malmaison Hotel, 278 West George Street
Glasgow Lanarkshire G2 4LL*

the 31 day of May 2002

before me

+ Linda Lewis

A Solicitor having the powers conferred on a Commissioner for Oaths.

MALMAISON (CHART SQUARE) LIMITED

Company No. 3490682

(the "Company")

Annexure 1 - Form 155(6)b

Definitions

In this Statutory Declaration (including Annexures 1 & 2) the following expressions shall have the following meanings:

- "Borrower"** means MWB Malmaison Holdings Limited (Company Number 03917393)
- "BoS"** means the Governor and Company of the Bank of Scotland plc.
- "BoS Facility Letter"** means the amendment and restatement agreement which amends and restates the credit agreement dated 3 November 2000 entered into between (among others) MWB Hotel Properties Limited (now known as MWB Malmaison Holdings Limited) and Société Générale (the "Soc Gen Facility"), which was on or about the date of this declaration assigned to BoS. Such amended and restated agreement provides for a maximum aggregate sum of £83,000,000 to be advanced (to be increased to £110,000,000 upon the fulfilment of certain conditions) to MWB Malmaison Holdings Limited. The proceeds of the Soc Gen Facility were used by MWB Malmaison Holdings Limited to acquire (amongst other things) the entire issued share capital of Malmaison Limited and the Malmaison Hotel (Birmingham) Limited.
- "BoS Debenture"** means the debenture dated on or about the date hereof, to be granted by the Company in favour of BoS to secure all monies and liabilities due, owing or incurred by the Company to BoS, whereby the Company:
- (a) covenants that it will on demand pay or discharge such sums due, owing or incurred, more particularly referred to in the BoS Debenture as the "Secured Obligations"; and
 - (b) grants legal, fixed and floating charges and mortgages over its assets and undertakings in favour of BoS as continuing security and with full title guarantee for the payment and discharge of such Secured Obligations.
- "BoS Guarantee"** means the corporate guarantee dated on or about the date hereof to be granted by (inter alios) various group

X bwr

companies, including the Company in favour of BoS guaranteeing payments of monies due and owing by the "Principal" (as defined in the BoS Guarantee) to BoS, including under the BoS Facility Letter.

"BoS Legal Charge"

means the legal charge dated on or about the date hereof, to be granted by the Company in favour of BoS to secure all sums of money owed and all liabilities or obligations to be carried out to BoS by, inter alios, the Company, whereby the Company:

- (a) will on demand pay such sums, more particularly referred to as the "Debt" in the BoS Commercial Charge Conditions (1995 Edition); and
- (b) grants (inter alia) legal and fixed charges over the "Property" (as defined in the BoS Legal Charge) as continuing security and with full title guarantee for the payment and discharge of such Debt.

"Intra-Group Loan Agreement"

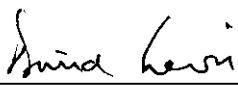
means the intra-group loan agreement to be granted by various group companies (including the Company) as lenders to the Borrower as borrower, pursuant to which such group companies may lend money to the Borrower to service interest costs and repay advances and make other payments due under the BoS Facility Letter

The assistance will take the form of:

- 1. The BoS Debenture
- 2. The BoS Guarantee
- 3. The BoS Legal Charge
- 4. The Intra-Group Loan Agreement

This is Annexure 1 referred to in Form 155(6)b declared by the directors of the Company on 21 May 2002.

Signed

x 

Solicitor

MALMAISON (CHART SQUARE) LIMITED

Company No. 3490682

(the "Company")

Annexure 2 - Form 155(6)b

All capitalised terms in this Annexure 2 shall have the meanings given to them in Annexure 1.

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

1. The BoS Debenture under which the Company:
 - (a) covenants that it will on demand pay or discharge such sums due, owing or incurred, more particularly referred to in the BoS Debenture as the "Secured Obligations"; and
 - (b) grants legal, fixed and floating charges and mortgages over its assets and undertakings in favour of BoS as continuing security and with full title guarantee for the payment and discharge of such Secured Obligations.
2. The BoS Guarantee under which (inter alios) the Company guarantees payments of monies due and owing by the "Principal" (as defined therein) to BoS including under the BoS Facility Letter.
3. The BoS Legal Charge under which the Company:
 - (a) will on demand pay such sums, more particularly referred to as the "Debt" in the BoS Commercial Charge Conditions (1995 Edition); and
 - (b) grants (inter alia) legal and fixed charges over the "Property" (as defined in the BoS Legal Charge) as continuing security and with full title guarantee for the payment and discharge of such Debt.
4. The Intra-Group Loan Agreement under which various group companies (including the Company) as lenders will lend monies to the Borrower as borrower to service interest costs and repay advances and make other payments due under the BoS Facility Letter.

This is Annexure 2 referred to in Form 155(6)b declared by the Directors of the Company on 31 May 2002.

Signed



Solicitor



KPMG Audit Plc

38th Floor
1 Canada Square
Canary Wharf
London E14 5AG
United Kingdom

Tel +44 (0) 20 7311 1000
Fax +44 (0) 20 7311 4121
Telex 8811541 KPMGLO G
DX 38050 Blackfriars

The Directors
Malmaison Limited
179 Great Portland Street
London W1W 5LS

Our ref jg/592

The Directors
Bank of Scotland
Corporate Banking
1 Bothwell Street
Dunfermline KY11 3AG

Contact Tony Cates
020 7311 6366

31 May 2002

Dear Sirs

Auditors' report to the directors of Malmaison Limited ("the company") pursuant to Section 156(4) of the Companies Act 1985

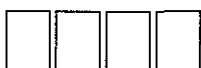
We refer to the statutory declaration (Form 155(6)b) to which this report is annexed made by the directors of the Company and dated the same date as this report.

We have examined the attached statutory declaration of the directors dated 31 May 2002 in connection with the proposal that the company's subsidiary, Malmaison (Chart Square) Limited, should give financial assistance in connection with the refinancing of the debt used to acquire the entire issued share capital of the company and The Malmaison Hotel (Birmingham) Limited. 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 sincerely

KPMG Audit Plc



KPMG Audit Plc, a company
incorporated under the UK Companies
Acts, is a member of KPMG
International, a Swiss association

KPMG Audit Plc is
registered to carry on audit
work by the Institute of
Chartered Accountants in

England and Wales.
Registered in England
No 3110745

Registered office
8 Salisbury Square
London EC4Y 8BB