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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

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

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

* insert full name
of company

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

‡ delete as
appropriate

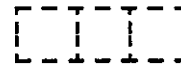
§ delete whichever
is inappropriate

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

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

For official use

Company number



3548806

Name of company

* PUNCH TAVERNS EMPLOYEE SCHEME LIMITED

‡/We (1) Alan McIntosh of 7 Earl's Terrace, London W8 6LP;
(2) Hugh Osmond of 10 Wellington Road, London NW8 9SP; and
(3) Marc Jonas of 48 Oxford Gardens, London W10 5UN

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

The business of this company is:

- ~~(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 §

This company is [the] [x] holding company of* Punch Taverns Holdings Limited

which is

proposing to give financial assistance in connection with the acquisition of shares

in ~~this company~~ [Punch Taverns Group Limited

the holding company of this company.] ‡

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

Slaughter and May
35 Basinghall Street
London
EC2V 5DB
(ANH/PCXR)
11 London
5070PCXR

For official Use
General Section



LD4
COMPANIES HOUSE

0295
01/11/00

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: 31,175,325 Ordinary Shares
of one pence each

The assistance is to be given to: (note 2) Punch Group Limited of 6th Floor,
54 Baker Street, London W1U 7DA

The assistance will take the form of:

See Rider 1

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

Punch Group Limited of 6th Floor, 54 Baker Street, London W1U 7DA

† delete as
appropriate

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

See Rider 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 _____

The amount of cash to be transferred to the person assisted is £ _____

The value of any asset to be transferred to the person assisted is £ _____

The date on which the assistance is to be given is 25 October 2000

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

*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) [I/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) ~~It is intended to commence the winding up of this company within 12 months of that date, and I/we have formed the opinion that this 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 54 Baker Street
London W1

Declarants to sign below

Day Month Year
on 24 10 2000

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.

MUSCATT WALKER HAYIM
SPEEN HOUSE
PORTER STREET
LONDON W1M 2AH

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

Companies House form 155(6)(b)

Punch Taverns Employee Scheme Limited

Registered Number: 3548800

Rider 1

Punch Taverns Properties Limited, Punch Taverns Holdings Limited, Punch Taverns Trent Limited and Punch Taverns Beer Supply Company Limited will grant security, pursuant to the First Supplemental Punch Taverns Group Deed of Charge and the Further Punch Taverns Standard Securities which will enable the proceeds of an issue of Notes by Punch Taverns PLC in aggregate principal amount of £250,000,000 to be lent to Punch Pub Company (PTL) Limited and then ultimately be applied (i) in repayment of existing indebtedness to Chase Manhattan PLC which was used to finance the original acquisition of shares in Punch Pub Company (IB) Limited by Punch (Inn Business) Limited; (ii) to repay the Series A Vendor Loan Notes issued by Punch Group Limited in connection with the original acquisition of shares in Punch Taverns Group Limited by Punch Group Limited; and (iii) in repayment of existing indebtedness to Citibank N.A. which was used to refinance the original acquisition of shares in Punch Taverns Group Limited by Punch Group Limited.

Punch Taverns Holdings Limited will pay a dividend which was declared on 19th October, 2000 to its immediate holding company, Punch Taverns Employee Scheme Limited. That company will in turn apply those funds in making a loan to its immediate holding company, Punch Taverns Intermediate Holdings Limited. Those funds will ultimately be applied ultimately (i) in repayment of existing indebtedness of Punch (IB) Limited to Chase Manhattan PLC which was used to finance the original acquisition of shares in Punch Pub Company (IB) Limited by Punch (Inn Business) Limited; (ii) in repayment of part of the outstanding Series A Vendor Loan Notes issued by Punch Group Limited in connection with the original acquisition of shares in Punch Taverns Group Limited by Punch Group Limited; and (iii) in repayment of existing indebtedness of Punch Group Limited to Citibank N.A. which was used to refinance the original acquisition of shares in Punch Taverns Group Limited by Punch Group Limited.

Companies House form 155(6)(b)

Punch Taverns Employee Scheme Limited

Registered Number: 3548800

Rider 2

Under the terms of the Supplemental Punch Taverns Group Deed of Charge:

- (A) Punch Pub Company (PTL) Limited will provide the Security Trustee with the benefit of, inter alia, the security over its property, assets and undertakings as described in paragraphs (a) to (d) below:
- (a) a first legal mortgage (or in Scotland, first ranking standard security (the "Further Punch Taverns Standard Securities") or (as appropriate) assignation in security) over the New Outlets legally or beneficially owned by it including all estates or interests in such property and all estates and interests in any other freehold, heritable or leasehold property legally and/or beneficially owned by it, present and, future, and all buildings, trade and other fixtures, fixed plant and machinery from time to time on such freehold, heritable or leasehold property;
 - (b) an assignment and charge by way of first fixed security over all rents payable by the lessees in respect of the New Outlets (which may (and in Scotland will) take effect as a floating charge and, therefore, rank behind the claims of certain preferential and other creditors);
 - (c) an assignment and charge by way of fixed security over the ancillary rights of Punch Pub Company (PTL) Limited in respect of the lease agreements in respect of the New Outlets (which may (and in Scotland will) take effect as a floating charge and therefore rank behind the claims of certain preferential and other creditors);
 - (d) an assignment and charge by way of first fixed security of all of its right, title, interest and benefit in and to the Fradley Acquisition Agreement and the Inn Business Acquisition Agreement and the Transaction Documents and all rights in respect of and incidental thereto.
- (B) Punch Taverns Holdings Limited will grant the Security Trustee the benefit of a first fixed legal mortgage over the entire issued share capital of each of its subsidiaries and all rights in respect of and incidental thereto.
- (C) The other Punch Taverns parties to the Supplemental Punch Taverns Group Deed of Charge, namely, Punch Taverns Beer Supply Company Limited,

Punch Taverns Property Company Limited and Punch Taverns Finance Limited will guarantee the obligations set out above of Punch Pub Company (PTL) Limited and Punch Taverns Holdings Limited.

The Directors
Punch Taverns Employee Scheme Limited
107 Station Street
Burton-on-Trent
Staffordshire
DE14 1BZ

24 October 2000

Dear Sirs

Auditors' report to the directors of Punch Taverns Employee Scheme Limited pursuant to section 156(4) of the Companies Act 1985

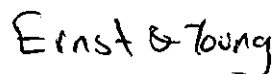
We have examined the attached statutory declaration of the directors of Punch Taverns Employee Scheme Limited ("the Company") dated 24 October in connection with the proposal that the Company's subsidiary, Punch Taverns Holdings Limited, should give financial assistance in connection with the acquisition of shares in Punch Taverns Group 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.



Ernst & Young
Registered Auditor