

A03774387

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: 248,032 'A' Ordinary  
Shares: 31,999 'B' Ordinary Shares and 31,004 'C' Ordinary Shares.

The assistance is to be given to: (note 2) Merlin Entertainments Group Holdings Limited  
(Company number 5022287) whose registered office is at 1 Park Row, Leeds LS1 5AB

The assistance will take the form of:

See Annexure A

The person who ~~[has acquired]~~ [will acquire]† the shares is:  
Merlin Entertainments Group Holdings Limited

† delete as appropriate

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

See Annexure B

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 do not  
write in this  
margin

The date on which the assistance is to be given is See Annexure C

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) ☐ [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 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.

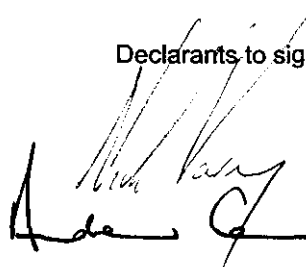
Declared at

Declarants to sign below

ONE SILK STREET, LONDON

Day Month Year  
on 

1	6	0	2	2	0	0	4
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before me Gareth Miles GARETH MILES  
AT ONE SILK STREET  
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

## Merlin Attractions Management Limited: Annexures to Form 155(b)

### Annexure A

- 1 Pursuant to the Acquisition, there shall be a three stage acquisition process:
  - (i) Merlin Entertainments Group Deutschland GmbH ("**MEGD**") shall acquire the entire issued share capital of Dungeon Deutschland GmbH ("**DD**");
  - (ii) MEGD shall then acquire the entire issued share capital of Merlin Entertainments Holdings Deutschland GmbH ("**MEHD**"); before
  - (iii) Merlin Entertainments Group Holdings Limited ("**MEGHL**") shall acquire the entire issued share capital of the Company.
- 2 Financial assistance will be provided by the Financial Assistance Subsidiary pursuant to the following documents and used to fund that acquisition:
  - (a) a £33,000,000 plus Euro 11,000,000 senior credit agreement (as amended and restated and/or supplemented from time to time) to be entered into between, amongst others, Merlin Entertainments Group International Limited as parent (the "**Parent**") (1), MEGHL and certain of it's subsidiaries (including the Financial Assistance Subsidiary) as obligors (the "**Obligors**") (2), Bayerische Hypo-und Vereinsbank AG (London Branch) as Mandated Lead Arranger (the "**Bank**") (3), the Royal Bank of Scotland plc as co-arranger (4), the Lenders (5) and the Bank (as Facility Agent and Security Agent) (6) (the "**Senior Credit Agreement**") pursuant to which the Lenders will make available:
    - (i) three term loan facilities (the "**Term Loan Facilities**") in the maximum aggregate principal amount of £28,000,000 to be made available to the Borrowers .
    - (ii) a capital expenditure facility (the "**Capex Facility**") in the maximum aggregate principal amount of Euro 11,000,000 to be made available to the Borrowers to be applied in or towards expenditures for the Permitted Projects; and
    - (iii) a revolving credit facility (the "**Revolving Facility**") in the maximum aggregate principal amount of £5,000,000 made available to the Borrowers which may include Ancillary Facilities to be used for working capital and general corporate purposes,each of which, being the Term Loan Facilities, the Capex Facility, the Ancillary Facilities and the Revolving Facility together being referred to as the "**Facilities**".
  - (b) a £10,000,000 mezzanine credit agreement (as amended and restated and/or supplemented from time to time) to be entered into between the Parent (1), the guarantors (as listed in Schedule 2 of the Mezzanine Credit Agreement) (which includes the Financial Assistance Subsidiary) (the "**Guarantors**") (2), the Bank as Mandated Lead Mezzanine Arranger (3), the Royal Bank of Scotland plc as Co-Arranger (together with the Bank the "**Mezzanine Arrangers**") (4), the Mezzanine Lenders (5) and the Bank (as Mezzanine Facility Agent and Security Agent) (6) pursuant to which the Mezzanine Lenders will make available a mezzanine term loan facility in a maximum principal amount of £10,000,000 (the "**Mezzanine Credit Agreement**"):

- (c) MEGHL and its subsidiaries will use the proceeds of the Term Loan Facilities and the Mezzanine Credit Agreement to, amongst other things:
- (i) finance the acquisition of the shares of (1) MEHD, (2) DD and (3) the Company;
  - (ii) make funds available to (1) MEHD to enable it to repay outstanding liabilities under an intra-group loan from the Financial Assistance Subsidiary and (2) the Company to enable it to repay outstanding liabilities under a senior credit agreement and a mezzanine credit agreement dated on 11 January 2001, between, amongst others the Company and the Bank as arranger and underwriter, facility agent and security agent; and
  - (iii) make funds available to the Company to repay outstanding liabilities under investor loan notes issued by it.

**3** Such financial assistance will be given by way of the Financial Assistance Subsidiary entering into the documents listed at (a) to (k) below:

- (a) a composite debenture (the "**Debenture**") to be entered into between inter alia, the Parent and certain of its subsidiaries including the Financial Assistance Subsidiary (together the "**Charging Companies**") and the Bank (acting in its capacity as security trustee for itself and other Finance Parties (the "**Security Agent**")) (and by complying with the procedure set out in section 155 - 157 Companies Act 1985) each Charging Company, on a joint and several basis with each other Charging Company, covenants to pay the Indebtedness on demand when the same falls due for payment and create fixed and floating charges over all their assets and undertaking by way of security for the same and assigns absolutely with full title guarantee to the Security Agent all its rights, title and interest in the Assigned Agreements;
- (b) a guarantee incorporated in the Senior Credit Agreement under which the Parent and certain of its subsidiaries including the Financial Assistance Subsidiary guarantee to each Finance Party performance of the Obligors' obligations by each Obligor under the Senior Finance Documents and undertakes that when any amount due under or in connection with the Senior Finance Documents is not paid, immediately to pay on demand that amount and to indemnify each Finance Party against any cost, loss or liability suffered by the Finance Party if the guarantee or any obligation given by it is or becomes unenforceable, invalid or illegal;
- (c) a guarantee incorporated in the Mezzanine Credit Agreement under which the Parent and certain of its subsidiaries including the Financial Assistance Subsidiary guarantee to each Mezzanine Finance Party performance of the Obligors' obligations by each Obligor under the Mezzanine Finance Documents and undertakes that when any amount due under or in connection with the Mezzanine Finance Documents is not paid, immediately to pay on demand that amount, and to indemnify each Mezzanine Finance Party immediately on demand that amount and to indemnify each Mezzanine Finance Party against any cost, loss or liability suffered by the Mezzanine Finance Party if the guarantee or any obligation given by it is or becomes unenforceable, invalid or illegal;
- (d) an intercreditor deed between (1) the Parent, (2)-(4) the Companies named therein (including the Financial Assistance Subsidiary) (as Original Borrowers, Original

Guarantors and Intra-Group Creditors), (5) the financial institutions named therein (as Senior Lenders), (6) the financial institutions named therein (as Mezzanine Lenders), (7) the institutions and individuals named therein (as Investors), (8)-(10) the Bank (as Facility Agent, Mezzanine Facility Agent and Security Agent) (the "**Intercreditor Deed**") regulating the ranking of security and payments between such persons;

- (e) an intra-group funding agreement (the "**Intra-Group Funding Agreement**") providing for loans to be made by any of the Company and certain other subsidiaries of MEGHL to any of MEGHL and certain of its subsidiaries, the proceeds may be used to assist in complying with obligations under the Senior Credit Agreement and the Mezzanine Credit Agreement (including without limitation, repayment of principal and payment of interest) and in order to fund any dividend payments.

- 4 The Financial Assistance Subsidiary's obligations as described above continue in relation to the Finance Documents as they may be amended, modified, varied or restated from time to time.

## Definitions

In both Annexure A and in Annexure B of this Statutory Declaration the following expressions have, unless otherwise defined, the following meanings:

**"Accession Document"** means an agreement substantially in the form set out in schedule 7 of the Senior Credit Agreement under which a Group Company becomes a Guarantor and/or a Borrower and becomes a party to the Intercreditor Deed;

**"Acquisition"** means the acquisition by MEGHL and MEGD of the Target Assets on the terms of the Acquisition Documents;

**"Acquisition Documents"** means the sale and purchase agreement dated 13 February 2004 with all other documents and agreements to be entered into by any Group Company or of which any Group Company is aware in connection therewith pursuant to which MEGHL and MEGD shall acquire the Target Assets;

**"Act"** means the Companies Act 1985;

**"Agents"** means the Facility Agent and the Security Agent;

**"Ancillary Documents"** means the Ancillary Facility Letters and all other documents and agreements made by an Ancillary Lender and any Group Company in connection with the Ancillary Facilities;

**"Ancillary Facilities"** means the facilities made available by an Ancillary Lender under an Ancillary Facility Letter in accordance with clause 6 (Ancillary Facilities) of the Senior Credit Agreement;

**"Ancillary Facility Letter"** means a facility letter entered into by an Ancillary Lender and one or more Borrowers in accordance with clause 6 (Ancillary Facilities) of the Senior Credit Agreement;

**"Ancillary Lender"** means a Lender which has agreed to make available Ancillary Facilities under an Ancillary Facility Letter (until all amounts outstanding under those Ancillary Facilities have been discharged and it no longer makes those Ancillary Facilities available);

**"Assigned Agreements"** means the Acquisition Documents, the Hedging Agreements, the Insurances, the Material Contracts and the Key Person Policies;

**"Bank Guarantee"** means a guarantee or letter of credit issued by an Issuing Lender under the Revolving Facility in the form agreed by the Parent, the Facility Agent and the relevant Issuing Lender;

**"Borrowers"** means the Group Companies listed in part 1 of schedule 2 of the Senior Credit Agreement and each other Group Company which becomes a borrower under the Senior Credit Agreement in accordance with clause 18.1 (Additional Borrowers) of the Senior Credit Agreement;

**"Capex Project"** means a project for the construction, fitting out and the opening of new visitor attractions of the Group, to the extent such project is permitted pursuant to clause 4.2 (Additional conditions precedent for the Capex Facility) of the Senior Credit Agreement;

**"Charging Companies"** means the Parent, each of the companies listed in schedule 1 of the Debenture and each other company which grants security over its assets in favour of the Security Agent by executing a Security Accession Deed;

**"Commitment"** means, in relation to a Lender, its Term A Commitment, its Term B Commitment, its Term C Commitment, its Revolving Commitment or its Capex Commitment (capitalised terms as defined in the Senior Credit Agreement);

**"Creditor Accession Deed"** means a deed substantially in the form set out in schedule 2 of the Intercreditor Deed under which a Creditor becomes a party to the Intercreditor Deed;

**"Derivative Instrument"** means any forward rate agreement, option, swap, cap, floor, any combination or hybrid of the foregoing and any other financial derivative agreement;

**"Fees Letters"** means the letters from the Facility Agent to the Parent dated on or about the date of this agreement setting out details of certain fees payable by the Parent in connection with the Facilities;

**"Finance Parties"** means the Arrangers, each Agent, each Lender, each Ancillary Lender, each Issuing Lender and each Hedging Lender;

**"Group"** means the Parent and its Subsidiaries from time to time;

**"Group Company"** means a member of the Group;

**"Hedging Agreements"** means Derivative Instruments entered into with the Hedging Lenders for the purpose of managing or hedging currency and/or interest rate risk in relation to the Facilities;

**"Hedging Lender"** means a Lender (or an Affiliate) or any other institution which has agreed to enter into a Hedging Agreement on pricing terms more favourable than the pricing terms offered by a Lender (or an Affiliate of a Lender) in its capacity as provider of currency and/or interest rate hedging under any Hedging Agreement;

**"Indebtedness"** means all money or liabilities due, owing or incurred to any Secured Party by any Charging Company or any other Obligor at present or in the future, in any manner whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety that arises or may arise under, pursuant to or in connection with the Senior Credit Agreement or the Mezzanine Loan Agreement, together with all interest accruing thereon and including all liabilities in connection with any notes, bills or other instruments accepted by any Secured Party for or at the request of an Obligor and all losses incurred by any Secured Party in connection therewith except for any money or liability which, if it were so included, would cause the infringement of section 151 of the Companies Act 1985;

**"Insurances"** means all policies of insurance and all proceeds of them either now or in the future held by, or written in favour of, a Charging Company or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors and officers insurance;

**"Intra-Group Creditors"** means those members of the Group which are creditors in relation to any Intra-Group Debt;

**"Intra-Group Debt"** means any money or liabilities now or in the future due, owing or incurred to one Group Company by another Group Company in any currency, whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all accruing interest and all related costs, charges and expenses;

**"Investors"** means:

- (a) the institutions and individuals listed in part 6 of schedule 1 of the Intercreditor Deed; and
- (b) each party that enters into a Creditor Accession Deed as a New Investor;



**"Issuing Lender"** means the Bank or any other Lender in its capacity as issuer of a Bank Guarantee;

**"Key Person"** means Nick Varney and/or Andrew Carr;

**"Key Person Policies"** means the insurance policies effected or to be effected by the Parent in relation to the lives of each Key Person in accordance with clause 20.6(b)(ii) (Insurance) of the Senior Credit Agreement;

**"Lenders"** means:

- (a) the persons identified in schedule 1 of the Senior Credit Agreement as participating in the Facilities; and
- (b) each Transferee which has become a party to this agreement in relation to the Facilities in accordance with clause 27 (Changes to parties) of the Senior Credit Agreement,

in each case until its entire participation in the Facilities has been assigned or transferred to a Transferee in accordance with clause 27 (Changes to parties) of the Senior Credit Agreement and all amounts owing to it under the Senior Finance Documents have been paid in full;

**"Majority Lenders"** means, at any time:

- (a) Lenders whose aggregate Commitments at that time aggregate more than 66 $\frac{2}{3}$  per cent. of the Total Commitments at that time; or
- (b) if the Total Commitments have at that time been reduced to zero, Lenders whose Commitments aggregated more than 66 $\frac{2}{3}$  per cent. of the Total Commitments immediately before the relevant reduction;

**"Material Contracts"** means any contract that is material to the Group, in the reasonable opinion of the Facility Agent, in the establishment and/or maintenance of any Permitted Project and is notified to the Parent by the Facility Agent as a Material Contract;

**"Mezzanine Accession Document"** means an agreement substantially in the form set out in schedule 7 of the Mezzanine Credit Agreement under which a Group Company becomes a Guarantor and becomes a party to the Intercreditor Deed;

**"Mezzanine Borrower"** means MEGHL;

**"Mezzanine Facility"** means the term loan facility made available to the Mezzanine Borrower by the Mezzanine Lenders under clause 2.1 (Facility) of the Mezzanine Credit Agreement;

**"Mezzanine Fees Letters"** means the letters from the Mezzanine Facility Agent to the Parent dated on or about the date of this agreement setting out details of certain fees payable by the Parent in accordance with the Mezzanine Facility;

**"Mezzanine Finance Documents"** means this agreement, each Mezzanine Security Document, the Intercreditor Deed, the Mezzanine Fees Letter, each Mezzanine Accession Document, each Mezzanine Transfer Certificate and any other document designated as a Mezzanine Finance Document by the Parent and the Mezzanine Facility Agent;

**"Mezzanine Finance Parties"** means the Mezzanine Arranger, each Agent and each Mezzanine Lender;

**"Mezzanine Lenders"** means:

- (a) the persons identified in schedule 1 of the Mezzanine Credit Agreement as participating in the Mezzanine Facility; and
- (b) each Mezzanine Transferee which has become a party to this agreement in relation to the Mezzanine Facility in accordance with clause 25 (Changes to parties) of the Mezzanine Credit Agreement;

in each case until its entire participation in the Mezzanine Facility has been assigned or transferred to a Mezzanine Transferee in accordance with clause 25 (Changes to parties) of the Mezzanine Credit Agreement and all amounts owing to it under the Mezzanine Finance Documents have been paid in full;

**"Mezzanine Security Documents"** means each of the security documents specified in schedule 3 of the Mezzanine Credit Agreement and all other documents and agreements entered into by any Group Company or of which any Group Company is aware creating, evidencing or granting a Security Interest in favour of any Mezzanine Finance Party in relation to the obligations of any Obligor under any Mezzanine Finance Document;

**"Mezzanine Transfer Certificate"** means a certificate substantially in the form set out in schedule 6 of the Mezzanine Credit Agreement;

**"Mezzanine Transferee"** has the meaning given to it in clause 25.2(a) (Assignments and Transfers of Mezzanine Lenders) in the Mezzanine Credit Agreement;

**"Other Permitted Capex Expenditure"** means any expenditure for which the Facility Agent (acting on the instructions of the Majority Lenders) shall have given its prior written consent;

**"Permitted Acquisitions"** means any acquisition of a visitor attraction or related business, to the extent such acquisition is permitted to be made pursuant to clause 4.2 of the Senior Credit Agreement;

**"Permitted Investments"** means any investment to secure a financial return from a visitor attraction or related business, to the extent such investment is permitted to be made pursuant to clause 4.2 (Additional conditions precedent for the Capex Facility) of the Senior Credit Agreement;

**"Permitted Projects"** means any Capex Projects, Permitted Acquisitions, Permitted Investments, or Other Permitted Capex Expenditure;

**"Secured Parties"** means the Senior Finance Parties and the Mezzanine Finance Parties;

**"Security Accession Deed"** means a deed executed by a Group Company substantially in the form set out in schedule 7 of the Debenture, with those amendments which the Security Agent may approve or reasonably require;

**"Security Documents"** means each of the security documents specified in schedule 3 of the Senior Credit Agreement and all other documents and agreements entered into by any Group Company or of which any Group Company is aware creating, evidencing or granting a Security Interest in favour of any Finance Party in relation to the obligations of any Obligor under any Senior Finance Document;

**"Senior Finance Documents"** means the Senior Credit Agreement, each Security Document, the Intercreditor Deed, each Hedging Agreement, each Ancillary Document, each Accession Document, each Transfer Certificate, the Fees Letter and any other document designated as a Senior Finance Document by the Parent and the Facility Agent;

**"Senior Finance Parties"** means the Finance Parties as defined in the Senior Credit Agreement;

*h NW*

**"Subsidiary"** means a subsidiary and a subsidiary undertaking as defined in sections 736 and 258 of the Companies Act 1985 respectively;

**"Target Assets"** means the entire issued share capital of the Company, MEHD and DD;

**"Total Commitments"** means the aggregate of all the Commitments at any time;

**"Transferee"** has the meaning given to it in clause 27.2(a) (Assignments and transfers by Lenders) of the Senior Credit Agreement; and

**"Transfer Certificate"** means a certificate substantially in the form set out in schedule 6 of the Senior Credit Agreement.

## **Annexure B**

(a) By entering into the Debenture referred to in paragraph 3(a) of Annexure A the Financial Assistance Subsidiary, together with other Charging Companies (subject to compliance with sections 151-158 of the Companies Act 1985):

- (i) as primary obligor (on a joint and several basis) covenants with the Security Agent (for the benefit of itself and the other Secured Parties) that it will on demand pay the Indebtedness when it falls due for payment;
- (ii) as security for the payment of the Indebtedness charges in favour of the Security Agent with full title guarantee by way of first fixed charge:

- A. all other interests (not charged under clause 3.1(a) of the Debenture) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived there from and the benefit of all warranties and covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
- B. all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating thereto;
- C. all Book Debts and all rights and claims against third parties and against any security in respect of Book Debts;
- D. all debts and monetary claims (other than Book Debts) and all rights against third parties in respect of such debts and claims;
- E. subject to clause 8.6 (Collection of Book Debts and Other Debts) of the Debenture all monies standing to the credit of its accounts (including the Cash Collateral Account) with any bank, financial institution or other person;
- F. all its Intellectual Property Rights;
- G. the benefit of all consents and agreements held by it in connection with the use of any of its assets;
- H. its goodwill and uncalled capital; and
- I. if not effectively assigned by clause 3.3 (Security Assignment) of the Debenture, all its rights and interests in (and claims under) the Assigned Agreements.

- (iii) by way of first floating charge the undertaking of the Financial Assistance Subsidiary and all its assets, both present and future (including assets expressed to be charged as described in paragraph (b) (i) to (iii) (inclusive)).
- (iv) assigns absolutely to the Security Agent all its rights, title and interest in the Assigned Agreements;
- (v) undertakes to, at its own expense, execute and do all such assurances, acts and things as the Security Agent may require for perfecting or protecting the security intended to be created by the Debenture over the assets secured thereby; and
- (vi) permits the Security Agent and each Secured Party to set off any obligation due and payable by the Financial Assistance Subsidiary to the Security Agent or another Secured Party against any obligation (whether or not due and payable) owed by the Security Agent or such Secured Party (as the case may be) to the Financial Assistance Subsidiary,

where in this paragraph (a):

**"Book Debts"** means all book and other debts arising in the ordinary course of trading;

**"Cash Collateral Accounts"** means an account with the Security Agent (or any other Lender which the Parent designates for the purposes of clause 12.9 (Prepayments during Interest Periods)) of the Senior Credit Agreement opened in the name of an Obligor into which amounts are to be paid for the purposes of clause 12 (Prepayment and Cancellation) of the Senior Credit Agreement and over which the Security Agent has a first priority security interest under the Security Documents;

**"Intellectual Property Rights"** means all patents and patent applications, trade and service marks and trade and/or service mark applications, and all brand and trade names and domain names (and all goodwill associated with any such trade and service marks and trade and/or service mark applications, and brand and trade names), all copyrights and rights in the nature of copyright, all design rights, all registered designs and applications for registered designs, all trade secrets, know-how and all other intellectual property rights, whether in existence now or in the future;

- (b) By way of a guarantee incorporated in the Senior Credit Agreement as referred to in paragraph 3(b) of Annexure A the Financial Assistance Subsidiary:
  - (i) guarantees to each Finance Party performance by each Obligor (other than the Financial Assistance Subsidiary) of that Obligor's obligations under and in connection with the relevant Senior Credit Agreement);
  - (ii) undertakes with each Finance Party that whenever an Obligor (other than the Financial Assistance Subsidiary) does not pay any amount when due under or in connection with the Senior Finance Document, the Financial Assistance Subsidiary shall immediately pay on demand pay that amount as if the Financial Assistance Subsidiary was the principal obligor; and
  - (iii) indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if the guarantee or any obligation given by it is or becomes unenforceable, invalid or illegal.
  - (iv) make certain representations to the Finance Parties; and

- (v) undertakes to comply with certain general undertakings, including an undertaking not to create or permit to subsist any security over any of its assets and not to dispose of any of its assets (in each case, subject to certain exceptions).
- (c) By way of a guarantee incorporated in the Mezzanine Credit Agreement as referred to in paragraph 3(c) of Annexure A the Financial Assistance Subsidiary:
  - (i) guarantees to each Mezzanine Finance Party performance by each Obligor (other than the Financial Assistance Subsidiary) of that Obligor's obligations under and in connection with the relevant Mezzanine Credit Agreement);
  - (ii) undertakes with each Mezzanine Finance Party that whenever an Obligor (other than the Financial Assistance Subsidiary) does not pay any amount when due under or in connection with the Mezzanine Finance Document, the Financial Assistance Subsidiary shall immediately pay on demand pay that amount as if the Financial Assistance Subsidiary was the principal obligor; and
  - (iii) indemnifies each Mezzanine Finance Party immediately on demand against any cost, loss or liability suffered by that Mezzanine Finance Party if the guarantee or any obligation given by it is or becomes unenforceable, invalid or illegal.
  - (iv) makes certain representations to the Mezzanine Finance Parties; and
  - (v) undertakes to comply with certain general undertakings, including an undertaking not to create or permit to subsist any security over any of its assets and not to dispose of any of its assets (in each case, subject to certain exceptions).
- (d) By executing the Intercreditor Deed as referred to in paragraph 3(d) of Annexure A the Financial Assistance Subsidiary (amongst other things) guarantees that any sum owed by it by way of intra-group loan by any other member of its group will be subordinated to sums owed by such members of any of the group to, amongst others the Senior Lenders.
- (e) By executing the Intra-Group Funding Agreement as referred to in paragraph 3(e) of Annexure A, the Financial Assistance Subsidiary may make or receive loans to or from MEGHL and certain of its subsidiaries.

## **Annexure C**

On any date prior to 8 weeks from the date of this Statutory Declaration.

*for NW*

# Deloitte.

## AUDITORS' REPORT

Deloitte & Touche LLP  
180 Strand  
London WC2R 1BL

Tel: +44 (0) 20 7936 3000  
Fax: +44 (0) 20 7583 1198  
www.deloitte.co.uk

### **INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF MERLIN ENTERTAINMENTS GROUP LIMITED (the "Company") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors dated 16 February 2004 in connection with the proposed arrangement whereby Merlin Attractions Management Limited, of which the Company is a holding company, should give financial assistance for the acquisition of shares in the Company.

This report is made solely to the directors of the Company for the purpose of section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors of the Company those matters that we are required to state to them in an auditors' report under that section and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the opinions that we have formed.

#### **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 is unreasonable in all the circumstances.



Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
Date: 16 February 2004