

The assistance is to be given to: (note 2) Beach Mezzanine Limited (Company Number 5223731)

Please do not
write in
this margin

Mitre House, 160 Aldersgate Street, London EC1A 4DD

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

The assistance will take the form of:

SEE RIDER 2

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

[†] delete as
appropriate

Beach Mezzanine Limited (Company Number 5223731)

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

SEE RIDER 3

The amount of cash to be transferred to the person assisted is £ SEE RIDER 4

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

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

~~X~~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) ~~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)

- (b) ~~IT IS HEREBY ORDERED THAT THE NEW YORK CITY OFFICE OF THE COMPTROLLER OF THE CITY OF NEW YORK SHALL~~
~~BE REQUIRED TO PROVIDE TO THE NEW YORK CITY OFFICE OF THE COMPTROLLER OF THE CITY OF NEW YORK~~
~~ALL INFORMATION REQUESTED BY THE NEW YORK CITY OFFICE OF THE COMPTROLLER OF THE CITY OF NEW YORK~~

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 Mitre House
Aldersgate Street
London.

Declarants to sign below

[Handwritten signature]

on

Day	Month	Year
05	11	2004

before me Charles
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
37 Castle Terrace
Edinburgh
EH1 2EB

GB Holiday Parks (Holdings) Limited (the "Company")
Company No. 04166295

Form 155(6)(a) Rider 1: Directors names and addresses

Stephen Last, Flat 3, 5 Portland Street, Southampton, SO14 7EB
Philip Mason, Cross Lanes Farmhouse, Ashton, Bishops Waltham, Hampshire, SO3 1FN

GB Holiday Parks (Holdings) Limited (the "Company")
Company No. 04166295

Form 155(6)(a) Rider 2: The assistance will take the form of execution by the Company of:

- (a) a senior term, capex and revolving facilities agreement (the "**Senior Facilities Agreement**") to be made between Beach Mezzanine Limited (as Borrower), the Company and other companies listed in Part I of Schedule 1 therein (as Original Guarantors), the financial institutions listed in Part II of Schedule 1 of the Senior Facilities Agreement (as Original Lenders) and The Royal Bank of Scotland plc ("**RBS**") as Arranger, Agent, Security Trustee and Issuing Bank whereby, subject to terms and conditions set out therein, the Original Lenders have agreed to make available to Beach Mezzanine Limited a sterling term loan facility, a capex facility and a revolving credit facility in an aggregate amount equal to £83,600,000 for the purposes of funding in part the Acquisition and related costs and expenses, refinancing certain existing borrowings, funding the acquisition of bolt-on caravan parks from time to time, and towards the general corporate and working capital purposes of the Group (as defined therein);
- (b) a mezzanine facility agreement (the "**Mezzanine Facility Agreement**") to be made between Beach Mezzanine Limited (as Borrower), the Company and certain other companies listed in Part I of Schedule 1 therein (as Original Guarantors), the financial institutions listed in Part II of Schedule 1 of the Mezzanine Facility Agreement (as Original Lenders) and RBS Mezzanine Limited (as Mezzanine Arranger and Mezzanine Agent) and RBS (as Security Trustee) whereby, subject to terms and conditions set out therein, the Original Lenders have agreed to make available to Beach Mezzanine Limited a mezzanine loan in an aggregate amount equal to £10,000,000 for the purpose of funding in part the Acquisition, related costs and expenses and refinancing certain existing borrowings of the Group (as defined therein);
- (c) a guarantee and indemnity (the "**Senior Guarantee and Indemnity**") comprised in clause 20 of the Senior Facility Agreement;
- (d) a guarantee and indemnity (the "**Mezzanine Guarantee and Indemnity**") comprised in clause 17 of the Mezzanine Facility Agreement;
- (e) a mortgage debenture to be made between the Company and RBS in its capacity as Security Trustee for the persons described therein (together with any mortgage required to be granted in favour of RBS as Security Trustee pursuant to terms thereof) (the "**Debenture**");
- (f) an intercreditor agreement (the "**Intercreditor Agreement**") to be made between Beach Finance Bond Limited, Beach Mezzanine Limited, RBS as Security Trustee, Senior Lead Arranger and Senior Facility Agent, the financial institutions listed in Part II of Schedule 1 thereto as Senior Lenders, RBS Mezzanine Limited as Mezzanine Arranger and Mezzanine Facility Agent, the financial institutions listed

in Schedule 2 thereto as Mezzanine Lenders and the companies listed in Part I of Schedule 3 as Original Guarantors (as each term is defined therein) establishing the priorities in accordance with which the Senior Liabilities, Mezzanine Liabilities, Hedging Liabilities, Equity Liabilities and Structural Intra-Group Liabilities (as all defined therein) are to rank;

- (g) an intra-group funding agreement (the **"Intra-Group Funding Agreement"**) to be entered into by the Company and others as lenders and Beach Mezzanine Limited as borrower, enabling Beach Mezzanine Limited to be put in funds as and when required and from time to time in order to meet its payment obligations under the Finance Documents and in connection with the Acquisition Agreement, and
- (h) documents detailing the payment of a discretionary cash bonus to certain of the Directors,

(each of those documents being in such form as may be amended, supplemented, novated and/or replaced from time to time) together with the performance by the Company of other acts in connection with the acquisition of the shares and the financing of that acquisition.

GB Holiday Parks (Holdings) Limited (the "Company")
Company No. 04166295

Form 155(6)(a) Rider 3: The principal terms on which the assistance will be given are:

1. Senior Facilities Agreement

Pursuant to the Senior Facilities Agreement:

- 1.1 The Lenders will make available to Beach Mezzanine three sterling term loan facilities in the amounts equal to £26,600,000 (including the issue of a short term loan note guarantee), £16,000,000 and £16,000,000 respectively, a capex facility in an amount equal to £20,000,000 and a revolving credit facility in an aggregate amount equal to £5,000,000 (together the "**Facilities**")
- 1.2 each Obligor will indemnify on demand each of the Finance Parties under a breakage costs indemnity and a currency indemnity;
- 1.3 the Facilities will be utilised (inter alia) by Beach Mezzanine Limited to finance in whole or in part the Acquisition and related costs and expenses and to refinance certain existing borrowings of the Group, to fund the acquisition from time to time of bolt-on caravan parks and towards the general corporate and working capital purposes of the Group.

2. Mezzanine Facility Agreement

Pursuant to the Mezzanine Facility Agreement:

- 2.1 the Lenders will make available to Beach Mezzanine Limited a mezzanine loan facility (the "**Mezzanine Loan Facility**") in an aggregate amount equal to £10,000,000;
- 2.2 each Obligor will indemnify on demand each of the Finance Parties under a breakage costs indemnity and a currency indemnity;
- 2.3 the Mezzanine Loan Facility will be utilised (inter alia) by Beach Mezzanine Limited to finance in whole or in part the Acquisition and related costs and expenses and to refinance certain existing borrowings.

3. Senior Guarantee and Indemnity

The principal terms of the Senior Guarantee and Indemnity comprised in clause 20 of the Senior Facilities Agreement on which the assistance will be given by the Company are:

- 3.1 The Company irrevocably and unconditionally jointly and severally with the other Guarantors:

- 3.1.1 guarantees to each Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents;
 - 3.1.2 undertakes with each Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, that the Company shall immediately on demand pay that amount as if it was the principal obligor; and
 - 3.1.3 indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.
- 3.2 The guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.
- 3.3 If any payment by an Obligor or any discharge given by a Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:
 - 3.3.1 the liability of each Obligor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
 - 3.3.2 each Finance Party shall be entitled to recover the value or amount of that security or payment from the Obligor, as if the payment, discharge, avoidance or reduction had not occurred.
- 3.4 The obligations of the Company or any other Guarantor in relation to the Guarantee will not be affected by an act, omission, matter or thing which, but for the giving of the Guarantee, would reduce, release or prejudice any of its obligations under the Guarantee (without limitation and whether or not known to it or any Finance Party) including:
 - 3.4.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
 - 3.4.2 the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
 - 3.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

- 3.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
 - 3.4.5 any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
 - 3.4.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
 - 3.4.7 any insolvency or similar proceedings.
- 3.5 The Company and any other Guarantor waive any right they may have of first requiring any Finance Party (or any Security Trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under the Guarantee. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

4. Mezzanine Guarantee and Indemnity

The principal terms of the Mezzanine Guarantee and Indemnity comprised in clause 17 of the Mezzanine Facility Agreement on which the assistance will be given by the Company are:

- 4.1 The Company irrevocably and unconditionally jointly and severally with the other Guarantors:
 - 4.1.1 guarantees to each Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents;
 - 4.1.2 undertakes with each Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, that the Company shall immediately on demand pay that amount as if it was the principal obligor; and
 - 4.1.3 indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.
- 4.2 The guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.
- 4.3 If any payment by an Obligor or any discharge given by a Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- 4.3.1 the liability of each Obligor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
 - 4.3.2 each Finance Party shall be entitled to recover the value or amount of that security or payment from the Obligor, as if the payment, discharge, avoidance or reduction had not occurred.
- 4.4 The obligations of the Company or any other Guarantor in relation to the Guarantee will not be affected by an act, omission, matter or thing which, but for the giving of these Guarantee, would reduce, release or prejudice any of its obligations under the Guarantee (without limitation and whether or not known to it or any Finance Party) including:
 - 4.4.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
 - 4.4.2 the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
 - 4.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - 4.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
 - 4.4.5 any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
 - 4.4.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
 - 4.4.7 any insolvency or similar proceedings.
- 4.5 The Company and any other Guarantor waive any right they may have of first requiring any Finance Party (or any Security Trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from that Guarantor under the Guarantee. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

5. Debenture

The principal terms of the Debenture on which the assistance will be given by the Company are:

- 5.1 The Company covenants as principal obligor with the Security Trustee as trustee for the Secured Parties to:
 - 5.1.1 discharge on demand of the Security Trustee all obligations which the Company may at any time have to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to the Finance Documents (including the Debenture) including any liability in respect of any further advances made under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity) and the Company shall pay to the Security Trustee when due and payable every sum at any time owing, due or incurred by the Company to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties in respect of any such liabilities provided that neither such covenant nor the security constituted by the Debenture shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law; and
 - 5.1.2 pay interest on any sum which the Company fails to pay on the due date (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the rate of one per cent. per annum over the rate at which the Security Trustee was being offered, by prime banks in the London Interbank Market, deposits in an amount comparable to such sums in the currency or currencies thereof for such period(s) as the Security Trustee may from time to time select;
- 5.2 The Company charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties the payment and discharge of the Secured Obligations, by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Company at the date hereof shall be a charge by way of legal mortgage) all the Company's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to such mortgage or fixed charge from any third party):
 - 5.2.1 the Real Property;
 - 5.2.2 the Tangible Moveable Property;
 - 5.2.3 the Accounts;
 - 5.2.4 the Intellectual Property;

- 5.2.5 any goodwill and rights in relation to the uncalled capital of the Company;
 - 5.2.6 the Investments;
 - 5.2.7 the Shares, all dividends, interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise); and
 - 5.2.8 all Monetary Claims other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to the Debenture and all Related Rights.
- 5.3 The Company assigns with full title guarantee to the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations all the Company's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party):
- 5.3.1 the proceeds of any Insurance Policy and all Related Rights;
 - 5.3.2 all rights and claims in relation to any Assigned Account;
 - 5.3.3 the Acquisition Documents and the proceeds of any claim or action under the Acquisition Documents; and
 - 5.3.4 all agreements, contracts, deeds, licences, undertakings, guarantees, covenants, warranties, representations and other documents (including all documents entered into now or in the future in order to enable the Security Trustee to perfect its rights thereunder or under the Debenture) entered into by or given to the Company in respect of the Real Property including all:
 - (a) claims, remedies, awards or judgments paid or payable to the Company (including, without limitation, all liquidated and ascertained damages payable to the Company in respect of the items referred to); and
 - (b) guarantees, warranties, bonds and representations given or made by, and any rights or remedies against any designer, builder, contractor, professional adviser, sub-contractor, manufacturer, supplier or installer of any fixture, fitting, fixed plant or machinery,in each case, relating to all or any part of the Real Property;
- 5.4 The Company charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured

Obligations by way of first floating charge all present and future assets and undertaking of the Company; and

- 5.5 The Company covenants to use all reasonable endeavours to obtain (in form and content reasonably satisfactory to the Security Trustee) as soon as possible any consents necessary to enable the assets of the Company to be the subject of an effective fixed charge or assignment pursuant to Clause 3 (*Fixed Charges, Assignments and Floating Charge*) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such security and the Company shall promptly deliver a copy of each consent to the Security Trustee.
- 5.6 The Company undertakes that it shall not, at any time during the subsistence of the Debenture, create or permit to subsist any Security over all or any part of the Charged Property other than as permitted under the terms applicable to the Senior Facilities Agreement and the Mezzanine Facility Agreement.
- 5.7 The Debenture contains a covenant for further assurances and shall remain in full force and effects notwithstanding any amendments, variations or novations from time to time of the Finance Documents or any assignment, transfer or novation of the rights an obligations of any Lender or the Security Trustee.

6. The Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the Company:

- 6.1.1 acknowledges and agrees the arrangements between the Senior Arranger, the Mezzanine Arranger, the Senior Facility Agent, the Mezzanine Facility Agent, the Senior Lenders, the Mezzanine Lenders, the Hedge Counterparty, Beach Mezzanine Limited, Beach Finance Bond Limited and the Original Guarantors;
- 6.1.2 agrees only to make payments to the Mezzanine Lenders pursuant to the provisions therein; and
- 6.1.3 agrees to indemnify the Lenders and Security Trustee for certain costs, claims, expenses and liabilities under the Intercreditor Agreement.

7. The Intra Group Funding Agreement

- 7.1 Pursuant to the Intra Group Funding Agreement, the Company agrees to provide Beach Mezzanine Limited, upon Beach Mezzanine Limited notifying the Company of the amount of the advance and of the business date on which it wishes that advance to be made, any amount so requested by Beach Mezzanine Limited as being necessary to enable it to meet any obligations arising pursuant to the Senior Facilities Agreement and Mezzanine Facility Agreement or in connection with the Acquisition.
- 7.2 Any amount provided by the Company shall bear interest at a rate from time to time agreed between Beach Mezzanine Limited and the Company.

- 7.3 The Company is entitled to demand repayment of all outstanding advances made by it at any time after the Termination Date (as defined therein) together with any interest accrued thereon.
- 7.4 It is a condition of the Intra Group Funding Agreement that Beach Mezzanine Limited provide a letter of support to the Company and others in the agreed form, pursuant to which they will agree to lend money to the Company and others in the event of any working capital shortfall of the Company and others.
- 8. Management Bonuses**
- 8.1 The Company, and its Subsidiary, GB Holiday Parks Limited, agree to pay a discretionary cash bonus to certain of the Directors

Definitions

Words and expressions shall, unless otherwise defined herein, have the same meanings as is attributed to them under the document to which the relevant paragraph relates.

GB Holiday Parks (Holdings) Limited (the "Company")
Company No. 04166295

Form 155(6)(a) Rider 4:

The amount of cash to be transferred to the person assisted is such amount as may be transferred by the Intra Group Funding Agreement from time to time.

The amount of cash to be transferred to certain of the Directors is an aggregate amount not exceeding £950,800 (gross of tax and National Insurance.)

STRICTLY PRIVATE AND CONFIDENTIAL

The Directors
GB Holiday Parks (Holdings) Limited
6 Leylands Park
Nobs Crook
Colden Common
Winchester
Hampshire
SO21 1TH

5 November 2004

Dear Sirs

Auditors' report to the directors of GB Holiday Parks (Holdings) Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of GB Holiday Parks (Holdings) Limited (the "Company") dated 5 November 2004 in connection with the proposal that the Company should give financial assistance for the purchase of the entire share capital of the Company. This report including the opinion, has been prepared for and only for the Company and the Company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

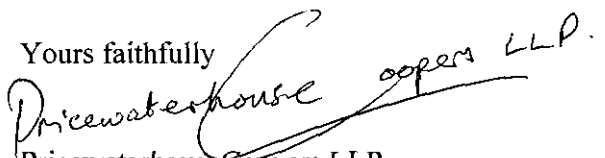
Basis of opinion

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


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors



LD3
COMPANIES HOUSE

09/11/04