

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

**155(6)b**

T	-	T	-	T	-	-
I		I		I		
T	-	T	-	T	-	-

Michael Bokenham of South Park Lodge, Carlton Road, South  
Godstone, Surrey, RH9 8LD

Page 1

Please do not  
write in this  
margin

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

The assistance is to be given to: (note 2) Kensand Limited of  
Suite 3, 6th Floor, Berkeley Square House, Berkeley Square, London, W1J 6BR  
(the "Purchaser")

See Schedule 2

† delete as appropriate

See Schedule 3

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 within 8 weeks of this date

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) ~~We have formed the opinion that this 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

London

Declarants to sign below

on 

Day	Month	Year
06	08	2014

before me

[Signature]

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

[Signatures]

## 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

## **SCHEDULE 1**

### **Form 155(6)b**

#### **Sackville Properties Limited (Company Number 04170076) ("SPL")**

12,500 'A1' Ordinary Shares of £1 each, 55,000 'B1' Ordinary Shares of £1 each, 30,000 'A' Ordinary Shares of £1 each, 2,500 'B' Ordinary Shares of £1 each, 4,831,580 'C' Cumulative Redeemable Preference Shares of £1 each, 3,235,111 'D' Cumulative Redeemable Preference Shares of £1 each and 675,000 'E' Ordinary Shares of £0.10p each.

## SCHEDULE 2

### Form 155(6)b

#### **Sackville Properties Limited (Company Number 04170076) ("SPL")**

Terms used in this Schedule 2 shall have the meaning given to them below in this Schedule 2 or in the foregoing Form 155(6)b. Save where otherwise defined in this Schedule 2, terms which are defined in any of the documents which are defined in this Schedule 2 shall have the same meaning in this Schedule 2 as in that document.

**"Accession Deed"** means the subsidiary accession deed for the Loan Agreement entered into by the Purchaser, Hilstone Birmingham and the Target Companies, pursuant to which the parties shall be bound by the terms of the Loan Agreement, dated on or about the date hereof;

**"Century Life"** means Century Life plc;

**"Company"** means Sackville Properties (Cardiff) Limited;

**"Guarantee"** means the cross guarantee entered into by the Purchaser and others in favour of Century Life guaranteeing all monies and liabilities due or incurred by the Purchaser and/or Hilstone Birmingham;

**"Hilstone Birmingham"** means Hilstone (Birmingham) Limited;

**"Loan Agreement"** means the loan agreement for the purpose of, *inter alia*, assisting the Purchaser to acquire the entire share capital of SPL, entered into by Century Life, the Purchaser and others, Hilstone Hotels Limited and others, dated on or about the date hereof;

**"Legal Charge"** means the legal charge entered into by the Company in favour of Century Life over The Avenue Industrial Estate, Pentwyn, Cardiff, dated on or about the date hereof;

**"Purchaser"** means Kensand Limited;

**"Target Companies"** means SPL and the Target Subsidiaries; and

**"Target Subsidiaries"** means the Company, Fourth Dimension (Letchworth) Limited, Sackville Property Investments Limited, Sackville Property Holdings Limited, Sackville Properties (Bracknell) Limited, Chilton Land & Property Limited, Commerce International Properties Limited, City Property Investment Company Limited and Victoria Property Company Limited.

1 The financial assistance shall take the form of the Company entering into the following documents (or any documents related thereto) to which the Company is to be a party (as the same may be amended, varied, supplemented or substituted from time to time), such documents creating obligations on the Company to secure funding to be provided to, *inter alios*, the Purchaser by Century Life under the Loan Agreement, pursuant to which Century Life has agreed to make certain facilities available:

(a) The Accession Deed pursuant to which it shall be bound by the terms of the Loan Agreement;

(b) The Guarantee; and

- (c) The Legal Charge.
- 2 The Loan Agreement is provided for the purpose, inter alia, of assisting the Purchaser to acquire the entire share capital of SPL, 12,500 'A1' Ordinary Shares of £1 each, 55,000 'B1' Ordinary Shares of £1 each, 30,000 'A' Ordinary Shares of £1 each, 2,500 'B' Ordinary Shares of £1 each, 4,831,580 'C' Cumulative Redeemable Preference Shares of £1 each, 3,235,111 'D' Cumulative Redeemable Preference Shares of £1 each and 675,000 'E' Ordinary Shares of £0.10p each in SPL.
- 3 Security for the obligations under the Loan Agreement is given under:
  - (a) The Guarantee; and
  - (b) The Legal Charge.

## SCHEDULE 3

### Form 155(6)b

#### Sackville Properties Limited (Company Number 04170076) ("SPL")

Terms used in this Schedule 3 shall have the meaning given to them below in this Schedule 3 or in the foregoing Form 155(6)b. Save where otherwise defined in this Schedule 3 or in Schedule 2, terms which are defined terms in any of the documents which are defined in this Schedule 3 shall have the same meaning in this Schedule 3 as in that document.

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

- 1 Under the terms of the Accession Deed, the Company will be bound by the terms of the Loan Agreement as an Additional Subsidiary. Under the terms of the Loan Agreement, the Company, will amongst other things, agree to provide certain information to the Funder, and give certain positive and negative undertakings regarding the conduct of its business and other matters.
- 2 Under the terms of the Guarantee, the Company will, amongst other things, agree as follows:
  - (a) *In consideration of the Lender granting time, credit, loan facilities or accommodation to the Principals the Guarantors guarantee the payment or discharge of and will on demand in writing pay or discharge to the Lender all monies and liabilities which shall for the time being be due or incurred by the Principals to the Lender in any manner whatsoever (otherwise than as surety under this Guarantee) whether actually or contingently and whether solely or jointly with any other person and whether as principle or surety and including interest, discount, commission and other lawful charges or expenses which the Lender may in the course of its business charge in respect of any of the matters in the Guarantee, together also with:*
    - (i) *such further sum for interest (whether or not the same shall have been compounded), commission and charges accruing due to the Lender from the Principals before or after the date of demand or the expiration of the said notice, as the case may be; and*
    - (ii) *all costs and expenses recoverable by the Lender from the Principals.*
  - (b) The Guarantors shall pay to the Lender all costs and expenses (on a full indemnity basis) reasonably and properly incurred by the Lender in or about the recovery of the monies due to the Lender under the Guarantee.
  - (c) The Guarantee shall be in addition to, and shall not prejudice or be prejudiced by, any other securities or guarantees from any person (whether or not the Principals or the Guarantors) which the Lender may hold on account of the Principals and shall be binding on the Guarantors notwithstanding any lack of or limitation on the borrowing or other powers of the Principals, the absence of authority of any person purporting to represent or act on behalf of the Principals in respect of the monies and liabilities hereby secured, the invalidity or unenforceability of any such security or guarantee, or any other thing whatsoever as a result of which any such monies or liabilities are precluded from being recovered from or enforced against

the Principals. Until repayment in full of the monies hereby secured, the Guarantors shall have no right to participate in any such security or guarantee.

3 Under the terms of the Legal Charge, the Company will, amongst other things, agree as follows:

- (a) That the Company shall following an occurrence of an Event of Default which is continuing on demand in writing made to the Company pay or discharge to the Funder all moneys and liabilities which shall now or at any time hereafter be due owing or incurred to the Funder by the Company under the Loan Agreement whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety including interest discount commission or other lawful charges and expenses which the Funder may charge in respect of any of the matters aforesaid and so that interest shall be computed and compounded in accordance with the terms of the Loan Agreement as well after as before any demand made or judgement obtained under the Legal Charge;
- (b) The Company with full title guarantee subject to the Prior Charges charges by way of legal mortgage ALL THAT property referred to in paragraph 3(c) below with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company under the Legal Charge subject to the Prior Charges; and
- (c) The property to be charged is The Avenue Industrial Estate, Pentwyn, Cardiff.

4 Certain of the documents contain set-off, trust and further assurance provisions.

**"Additional Subsidiary"** means an additional subsidiary under the Loan Agreement by way of entering into the Accession Deed;

**"Borrowers"** mean the Purchaser and Hilstone Birmingham;

**"Event of Default"** shall bear the meaning ascribed thereto in the Loan Agreement;

**"Funder"** means Century Life;

**"Guarantors"** means the Company, the Target Subsidiaries and others as set out in the Guarantee;

**"Lender"** means Century Life;

**"Loan"** shall bear the meaning ascribed thereto in the Guarantee;

**"Nationwide"** means Nationwide Building Society;

**"Principals"** means the Purchaser and Hilstone Birmingham;

**"Prior Charges"** shall bear the meaning ascribed thereto in the Legal Charge;

**"Properties"** shall bear the meaning ascribed thereto in the Loan Agreement; and

**"Property"** shall bear the meaning ascribed thereto in the Guarantee.



**MJB AV Audit plc**  
66 Wigmore Street  
London W1U 2HK  
Telephone: +44 (0)20 7467 4190  
Fax: +44 (0)20 7467 4040  
[www.avaudit.com](http://www.avaudit.com)

**Auditors' Report to the Directors of Sackville Properties Limited (Registered Number 04170076) (the "Company") pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached Statutory Declaration of the Directors dated 6 August 2004 in connection with the proposal that Sackville Properties (Cardiff) Limited should give financial assistance for the purchase of the whole issued share capital of the Company, comprising of 12,500 'A1' Ordinary Shares of £1 each, 55,000 'B1' Ordinary Shares of £1 each, 30,000 'A' Ordinary Shares of £1 each, 2,500 'B' Ordinary Shares of £1 each, 4,831,580 'C' Cumulative Redeemable Preference Shares of £1 each, 3,235,111 'D' Cumulative Redeemable Preference Shares of £1 each and 675,000 'E' Ordinary Shares of £0.10p each in the Company.

We have enquired into the state of the Company's affairs in order to review the basis 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.

Has a Audit/10

HLB AV AUDIT PLC  
6 August 2004