

## 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

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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04236932

Name of company

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

\* P&H (2002) LIMITED (the "Company")

\* insert full name  
of company

~~X~~We 0 Please see attachment 1

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

† delete as appropriate

~~XXXXXXXXXX~~ [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

[illegible]

(b) [REDACTED]

[REDACTED]

(c) something other than the above §

This company is ~~not~~ [a] holding company of\* P & H (1925) Limited (the "Subsidiary")

\_\_\_\_\_ which is

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

in [this company] [\_\_\_\_\_]

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

Ashurst LLP  
Broadwalk House  
5 Appold Street  
London  
EC2A 2HA  
639 London City

For official  
General Se

FRIDAY



\*A53/PY/8\*

A20

04/04/2008

37

COMPANIES HOUSE

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) P & H Holdco Limited ("New Holdco") of  
P&H House, Davigdor Road, Hove, East Sussex, BN3 1RE

Please see attachment 3

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

† delete as appropriate

The principal terms on which the assistance will be given are

Please see attachment 4

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 £ Please see attachment 5

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 today's 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) ☐ [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) ~~XXXXXX 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)~~

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 P&H House, DAVIDDOE ROAD, HOVE,  
EAST SUSSEX, BN3 1RE

Declarants to sign below

Day Month Year  
on 27032008

before me

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

*C L Houghton*  
*[Signature]*  
*[Signature]*

## 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

**FORM 155(6)B**  
**P&H (2002) LIMITED**  
**Company Number 04236932**  
**Attachment 1 to Form 155(6)b**

**Directors**

<b>Name</b>	<b>Address</b>
Chris Etherington	Forge House, Selborne Road, Greatham, Liss, Hampshire, GU33 6HC
Christopher William Little	7 Hoewood, Mill Glade, Small Dole, Henfield, West Sussex, BN5 9YR
Christopher Bon <sup>117</sup> case Adams	Belmont House, East Hoathly, Lewes, East Sussex, BN8 6QJ

**FORM 155(6)B  
P&H (2002) LIMITED  
Company Number 04236932  
Attachment 2 to Form 155(6)b**

**Shares Acquired**

72,425,306 A ordinary shares of £0 00001 each in the capital of the Company

**FORM 155(6)B**  
**P&H (2002) LIMITED**  
**Company Number 04236932**  
**Attachment 3 to Form 155(6)b**

**Form of Financial Assistance**

**1 1 Guarantees**

Guarantees, indemnities and rights of set off granted by the Subsidiary to the persons (the "**Financiers**") providing New Holdco and others with

- (a) senior loan and other facilities of initially up to £165,000,000 in aggregate pursuant to a senior facilities agreement dated 4 February 2008 (the "**Senior Facilities Agreement**"),
- (b) a receivables financing facility and a revolving credit facility of initially up to £280,000,000 in aggregate pursuant to a receivables financing agreement dated 4 February 2008 (the "**Receivables Financing Agreement**"), and
- (c) interest rate hedging contracts and instruments (the "**Hedging Agreements**") in relation to the facilities provided under the Senior Facilities Agreement and the Receivables Financing Agreement

**1 2 Covenant to Pay**

Covenant and/or undertaking to pay and discharge liabilities recorded in an English law Mortgage Deeds, a Scottish law standard security document and a Northern Irish law Mortgage Deeds (together the "**Mortgage Deeds**") each between the Subsidiary and Palmer & Harvey McLane (Holdings) Limited and the trustees of the Staff Superannuation Fund of Palmer & Harvey McLane (Holdings) Limited (the "**Pension Trustees**") incurred in connection with the Special Deficit Reduction Payments (as defined in the Mortgage Deeds) to be made by Palmer & Harvey McLane (Holdings) Limited to the Pension Trustees pursuant to the terms of one or more of those Mortgage Deeds

**1 3 Security**

- (a) Fixed and floating charges granted by the Subsidiary over all its assets and undertaking present and future by way of security for (inter alia) its obligations under the guarantees and indemnities referred to in paragraph 1 1 above, pursuant to a debenture dated 4 February 2008 (the "**Debenture**") in favour of Barclays Bank PLC as security agent (the "**Security Agent**") for the Financiers
- (b) Legal mortgages and fixed charges created by the Subsidiary over certain of its properties by way of security for (inter alia) its and Palmer & Harvey McLane (Holdings) Limited's obligations under the covenant to pay referred to in paragraph 1 2 above

**1 4 Priority**

- (a) Priority and subordination arrangements entered into by the Subsidiary with (among others) the Financiers pursuant to an intercreditor agreement dated 4 February 2008 (the "**Intercreditor Agreement**")
- (b) Priority and subordination arrangements entered into by the Subsidiary with (among others) the Pension Trustees and Barclays Bank PLC (in various

capacities) pursuant to a pension trustee intercreditor agreement (the "**Second Intercreditor Agreement**")

**1 5 Intra-group Loan Facility**

An intra-group loan facility (the "**Intra-group Loan**") granted by the Subsidiary along with other members of the group of companies of which it is a member pursuant to which each party will make available to the others a revolving credit facility

**1 6 Payment of Fees**

The payment of fees by the Subsidiary of, inter alia, certain legal, accountancy and financing fees incurred in connection with the acquisition of shares in the Company by New Holdco

**FORM 155(6)B**  
**P&H (2002) LIMITED**  
**Company Number 04236932**  
**Attachment 4 to Form 155(6)b**

**Principal Terms of Financial Assistance**

The principal terms on which the assistance will be given are

**1.1 Guarantees**

- (a) The Subsidiary will become a party to the Senior Facilities Agreement pursuant to an accession agreement (the "**Senior Accession Letter**") The guarantees and indemnities referred to in paragraphs 1.1(a) and 1.1(c) of Attachment 3 are recorded in clauses 19 and 31 of the Senior Facilities Agreement and pursuant to which the Subsidiary irrevocably and unconditionally jointly and severally with certain other members of the group of companies of which it is a member
  - (i) as principal obligor guarantees punctual performance of obligations undertaken to the Financiers under, inter alia, the Senior Facilities Agreement, the Hedging Agreements and each Senior Accession Letter (together the "**Senior Finance Documents**" ),
  - (ii) undertakes with each of the Financiers that whenever another obligor under the Senior Facilities Agreement does not pay any amount when due under or in connection with, inter alia, any Senior Finance Document, the Subsidiary shall immediately on demand pay that amount as if it were the principal obligor,
  - (iii) agrees to indemnify the Financiers immediately on demand against any loss or liability suffered by any of them if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal,
  - (iv) agrees that its guarantee and indemnity obligations will not be affected by any act, omission, matter or thing which would otherwise reduce, release or prejudice any of such obligations, and
  - (v) agrees that any Financier may set off any matured obligation owed by the Subsidiary to the Financier against any matured obligation owed by that Financier to the Subsidiary
- (b) The Subsidiary will become a party to the Receivables Financing Agreement pursuant to an accession agreement (the "**Receivables Accession Letter**") The guarantees and indemnities referred to in paragraphs 1.1(b) and 1.1(c) of Attachment 3 are recorded in clauses 20 and 34 of the Receivables Financing Agreement and pursuant to which the Subsidiary irrevocably and unconditionally jointly and severally with certain other members of the group of companies of which it is a member
  - (i) as principal obligor guarantees punctual performance of obligations undertaken to the Financiers under, inter alia, the Receivables Financing Agreement, the Hedging Agreements and each Receivables Accession Letter (together the "**Receivables Finance Documents**" ),
  - (ii) undertakes with each of the Financiers that whenever another obligor under the Receivables Financing Agreement does not pay any amount when due under or in connection with, inter alia, any Receivables Finance Document,



the Subsidiary shall immediately on demand pay that amount as if it were the principal obligor,

- (iii) agrees to indemnify the Financiers immediately on demand against any loss or liability suffered by any of them if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal,
- (iv) agrees that its guarantee and indemnity obligations will not be affected by any act, omission, matter or thing which would otherwise reduce, release or prejudice any of such obligations, and
- (v) agrees that any Financier may set off any matured obligation owed by the Subsidiary to the Financier against any matured obligation owed by that Financier to the Subsidiary

## 1 2 **Covenant to Pay**

The covenant and/or undertaking to pay referred to in paragraph 1 2 of Attachment 3 is recorded in the Mortgage Deeds between the Subsidiary, Palmer & Harvey McLane (Holdings) Limited and the Pension Trustees. The Subsidiary will further covenant to indemnify and keep the Pension Trustees indemnified from and against all actions, charges, claims, costs, damages, proceedings and other liabilities occasioned by any breach of any covenants or other obligations of the Subsidiary and Palmer & Harvey McLane (Holdings) Limited

## 1 3 **Security**

The security referred to in paragraph 1 3(a) of Attachment 3 is to be created by the Subsidiary executing a security accession deed (the "**Security Accession Deed**") to the Debenture. By entering into the Debenture, the Subsidiary will (amongst other things)

- (a) as primary obligor, covenant with the Security Agent that it will pay or discharge all outstandings under, inter alia, the Senior Finance Documents and/or the Receivables Finance Documents,
- (b) with full title guarantee, charge in favour of the Security Agent all its assets and undertakings by way of fixed and/or floating charges and/or assignment by way of security for the payment, discharge and performance of such outstandings,
- (c) undertake to, at its own expense, do all acts and execute all documents as the Security Agent may reasonably require for perfecting or protecting the security intended to be created by the Debenture over the assets secured thereby, and
- (d) permit the Security Agent and each Financier to set off any obligation due and payable by the Subsidiary to the Security Agent or the Financier and unpaid against any obligation (whether or not matured) owed by the Security Agent or such Financier to the Subsidiary

The security referred to in paragraph 1 3(b) of Attachment 3 is to be created by the Subsidiary executing the Mortgage Deeds in favour of the Pension Trustees. By entering into the Mortgage Deeds, the Subsidiary will (amongst other things)

- (e) with full title guarantee, charge in favour of the Pension Trustees certain properties by way of legal mortgage and certain other properties by way of fixed charge for the payment and discharge of liabilities incurred in connection with the payment of the Special Deficit Reduction Payments (as defined in the Mortgage Deeds) to be made by Palmer & Harvey McLane (Holdings) Limited to the Pension Trustees under the terms of one or more of the Mortgage Deeds, and

- (f) agree to execute and do at its own cost such further additional mortgages, charges, assignments, transfers and conveyances and such assurances, deeds, documents, acts and things as the Pension Trustees may reasonably require to perfect or protect the security created by the Mortgage Deeds and/or to facilitate or effect any dealing with the assets charged by the Mortgage Deeds

#### 1 4 **Priority**

By executing an accession agreement to the Intercreditor Agreement (the "**Intercreditor Accession Letter**"), the Subsidiary (amongst other things) will

- (a) covenant to pay the amounts owing under, inter alia, the Senior Finance Documents and Receivables Finance Documents, and
- (b) agree that any sums owed to it by way of intra-group loan by any other member of its group will be subordinated to sums owed by such members of the group to the Financiers

By executing the Second Intercreditor Agreement, the Subsidiary (amongst other things) will agree that the net proceeds owed to it following the enforcement of certain security created in favour of the Financiers and the Pension Trustees will be subordinated to any amounts owed to the Financiers and the Pension Trustees

#### 1 5 **Intra-group Loan**

By executing the Intra-group Loan referred to in paragraph 1 5 of Attachment 3, the Subsidiary and other members of the group of companies of which it is a member will make available to each other a revolving credit facility to be used by each of them, inter alia, to meet their payment obligations to the Financiers under, inter alia, the Senior Finance Documents and Receivables Finance Documents and for financing general working capital requirements, but on the basis that the Subsidiary will only be obliged to make advances under the Intra-group Loan if, inter alia, it has the cash resources and the Subsidiary is not in liquidation or administration or the subject of a creditor's voluntary arrangement

#### 1 6 **Payment of Fees**

The payment of fees by the Subsidiary of, inter alia, certain legal, accountancy and financing fees incurred in connection with the acquisition of shares in the Company by New Holdco for an amount to be determined but not exceeding £12,500,000

#### 1 7 **Amendments**

The Subsidiary's obligations as described above continue in relation to the Senior Finance Documents, Receivables Finance Documents, the Debenture, the Mortgage Deeds, the Second Intercreditor Agreement and Intra-group Loan as they may be amended, modified, varied or restated from time to time

**FORM 155(6)B**  
**P&H (2002) LIMITED**  
**Company Number 04236932**  
**Attachment 5 to Form 155(6)b**

**Cash to be transferred**

Cash to be transferred at the time of the giving of financial assistance is up to £210,000,000  
Further cash may become payable under the Intra-group Loan up to an aggregate of  
£900,000,000 and/or under the other documents referred to in Attachments 3 and 4



**KPMG LLP**  
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Brighton Road  
Crawley RH11 9PT  
United Kingdom

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Fax +44 (0) 1293 652100  
DX 89505 Crawley 4

**Private and confidential**

The Directors  
P&H (2002) Limited  
P&H House  
Davigdor Road  
Hove  
East Sussex  
BN3 1RE

Our ref MS/613/11ea

Contact Mark Sheppard  
01293 652176

27 March 2008

Dear Sirs

**Auditors' report to the directors of P&H (2002) Limited (the "Company") pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors dated 27 March 2008 in connection with the proposal that P&H (1925) Limited, of which this Company is a holding company, should give financial assistance for the purchase of certain issued 'A' ordinary shares of the Company by P & H Holdco Limited

This report is made solely to the company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the company's auditors might state to the company's directors those matters we are required to state to them in a report under section 156(4) of that Act 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 and the company's directors as a body for our work under section 156(4) of that Act or for this report

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 faithfully

KPMG LLP

Registered Auditor