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CHFP025

COMPANIES FORM No. 155(6)b

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

155(6)b

Please do not
write in this
margin

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

[] [] [] [] [] []

4271973

Name of company

* Spirit Managed Holdings Limited

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

* insert full name
of company

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

☒ We Ø Karen Jones, Paddock House, 5 Spencer Park, Wandsworth, London, SW18 2SX
Cornel Riklin, 103 Barrow Gate Road, Chiswick, London W4 4QS
Benedict Smith, Flat 9, 62 Ecclestone Square, London SW1V 1PH
Stephen Peel, 4 Neville Street, London SW7 3AR

† delete as
appropriate

~~XXXXXXXXXXXXXXXXXXXX~~ [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:

- (a) ~~that of a recognised bank, licensed institution within the meaning of the Banking Act 1985~~
(b) ~~that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom~~
(c) something other than the above§

This company is ~~not~~ [a] holding company of† Spirit Financial Holdings Limited _____ which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] [_____

~~XXXXXXXXXXXXXXXXXXXX~~ ~~the holding company of this company~~ ~~XXXX~~

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

Slaughter and May
(Ref: KRD/SJVW/DER)
One Bunhill Row
London
EC1Y 8YY

For official Use
General Section

Post room



LD2
COMPANIES HOUSE

0847
03/12/04

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: See Annex 1

The assistance is to be given to: (note 2) Spirit Intermediate Holdings Limited
of 107 Station Street, Burton-on-Trent, Staffordshire DE14 1BZ.

The assistance will take the form of:

See Annex 2.

The person who [has acquired] ~~will acquire~~ the shares is:
Spirit Intermediate Holdings Limited

† delete as appropriate

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

See Annex 3.

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 £

212,999,998 PLW ANY ADDITIONAL

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

NIL

BANK
INDEBTEDNESS

Please do not
write in this
margin

The date on which the assistance is to be given is within 8 weeks of 24 November 2004

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 the 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

SLAUGHTER AND MAY

ONE BUNHILL ROW

Day Month Year

on

24	11	2004
----	----	------

before me

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

Declarants to sign below

[Signature]
[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

JONATHAN PAUL COUTTS
Scrivener Notary, authorised
by statute to administer oaths

Annexure 1

A1 Ordinary Shares - 124,108 of £0.25 each

A2 Ordinary Shares - 61,607 of £0.20 each

A3 Ordinary Shares - 246,428 of £0.20 each

B Ordinary Shares - 1,167,144 of £0.25 each

A Preference Shares - 39,623,643 of £0.10 each

B Preference Shares - 323,743,890 of £0.10 each

Spirit Managed Holdings Limited
(the "**Company**")

Annexure 2 – Form 155(6)(b)

The financial assistance will take the form of:

- (A) Execution, delivery and performance by the Company's subsidiary of a deed of charge to be dated 25 November, 2004 between, inter alios, the Company's subsidiary and Deutsche Trustee Company Limited (the "**Trustee**") (the "**Borrower Group Deed of Charge**").
- (B) Intra-group loans or other advances (including by way of repayment of existing loans and other inter-company balances) (the "**Loans**") from the Company's subsidiary to group companies on the terms set out in a Debt Reorganisation and Settlement Agreement to be dated 25 November, 2004 between, inter alios, the Company's subsidiary, Spirit Retail Bidco Limited and Spirit Group Parent Limited (the "**DRSA**").
- (C) Execution, delivery and performance by the Company's subsidiary of a credit agreement dated as of 13 November 2004 between, inter alios, the Company's subsidiary and The Royal Bank of Scotland plc (as facility agent) (the "**Senior Credit Agreement**").
- (D) Execution, delivery and performance by the Company's subsidiary of a facility agreement dated as of 13 November 2004 between, inter alios, the Company's subsidiary and Barclays Bank PLC (as facility agent) (the "**Holdco Facility Agreement**").
- (E) Execution, delivery and performance by the Company's subsidiary of a debenture to be dated 25 November 2004 between, inter alios, the Company's subsidiary and The Royal Bank of Scotland plc (as security agent) (the "**Composite Debenture**").
- (F) Execution, delivery and performance by the Company's subsidiary of an intercreditor agreement to be dated 25 November 2004 between, the Company's subsidiary and The Royal Bank of Scotland plc (as the "**Security Trustee**") (the "**Intercreditor Agreement**").
- (G) Payment of certain fees and expenses incurred in respect of the preparation, execution, delivery and performance of, and of the transactions contemplated by the documents listed in paragraphs (A) to (F) above.

Spirit Managed Holdings Limited
(the "**Company**")

Annexure 3 – Form 155(6)(b)

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

- (A) By entering into the **Borrower Group Deed of Charge**, the Company's subsidiary covenants to duly and punctually pay and discharge all moneys and liabilities which now are or at any time hereafter may (whether before or after demand) become due, owing or payable to the Trustee (whether for its own account or as trustee for the Borrower Secured Parties (as defined in the Borrower Group Deed of Charge)) or any of the other Borrower Secured Parties (and whether solely or jointly with one or more persons and whether as principal or surety) actually or contingently, under or in respect of the Transaction Documents (as defined in the Borrower Group Deed of Charge) to which it is a party. The security interests created by the Company's subsidiary pursuant to the Borrower Group Deed of Charge comprise:
- (i) a first legal mortgage in favour of the Trustee, of all the Company's subsidiary's right, title, interest and benefit in, to and under the Borrower Mortgaged Properties and Ancillary Property Rights (each as defined in the Borrower Group Deed of Charge) owned by the Company's subsidiary;
 - (ii) a first standard security in favour of the Trustee over all the Company's subsidiary's right, title and interest in each Borrower Scottish Property (as defined in the Borrower Group Deed of Charge) owned by the Company's subsidiary; and
 - (vi) an assignment by way of security in favour of the Trustee all the Company's subsidiary's right, title, benefit and interest, in and to the Insurance Policies (as defined in the Borrower Group Deed of Charge) and all rights, claims and proceeds arising therefrom insofar as they relate to a Borrower Mortgaged Property.
- (B) By entering into the **DRSA**, the Company's subsidiary has agreed to advance certain amounts by way of the Loans to members of Spirit Group on and in accordance with the terms set out in the DRSA. The ultimate use of part of the proceeds of the Loans will be to reduce or discharge indebtedness incurred in relation to the acquisition of Spirit Managed Holdings Limited.

Where Additional Bank Indebtedness (as defined in the DRSA) up to an aggregate principal amount of £150,000,000 is drawn down, the relevant parties to the DRSA shall co-operate to transfer the proceeds of such Additional Bank Indebtedness directly or indirectly to SGPL by way of subordinated loan or repayment of subordinated loan, but subject always to the applicable restrictions set out in section 151 of the Companies Act 1985.

- (C) By entering into the **Senior Credit Agreement**, the Company's subsidiary enters into payment and indemnity undertakings in favour of the Senior Finance Parties (as defined in the Senior Credit Agreement) and more particularly, but without limitation:

- (i) unconditionally and irrevocably guarantees and undertakes on demand from time to time the due and punctual payment of the Borrower's obligations under the Senior Finance Documents (as defined in the Senior Credit Agreement);
- (ii) agrees to indemnify each Senior Finance Party (as defined in the Senior Credit Agreement) from time to time on demand against any loss incurred by any of them as a result of the unenforceability, invalidity or illegality of the guarantee referred to in (i) above;
- (iii) agrees with the Facility Agent to pay interest at a default rate in respect of any sums unpaid when due;
- (iv) undertakes to indemnify the Senior Finance Parties in respect of costs and expenses they may incur as a result of certain events of default (as more particularly described in the Senior Credit Agreement);
- (xv) undertakes to indemnify the Senior Finance Parties in respect of all costs and expenses (together with legal expenses and VAT thereon) incurred as a result of enforcing any Senior Finance Party's rights under any of the Senior Finance Documents (as defined in the Senior Credit Agreement);
- (xvi) undertakes to indemnify the Senior Finance Parties in respect of reasonable costs and expenses (together with legal expenses and VAT thereon) incurred in connection with the negotiation, preparation, execution and completion of the Senior Finance Documents or incidental matters thereto (as defined in the Senior Credit Agreement);
- (xvii) undertakes to indemnify the Senior Finance Parties in respect of reasonable costs and expenses (together with legal expenses and VAT thereon) incurred in connection with any amendment, waiver, consent or suspension of rights relating to any Senior Finance Documents requested by the Company's subsidiary (as described in the Senior Credit Agreement);
- (xviii) undertakes to indemnify the Senior Finance Parties in respect of reasonable costs and expenses (together with legal expenses and VAT thereon) incurred in connection with syndication of the Facilities (as described in the Senior Credit Agreement);
- (xix) undertakes to indemnify on demand each Senior Finance Party against various funding costs or other costs incurred as a result of a Utilisation not being made after a Utilisation Request has been made and delivered; redistribution costs resulting from the Company's subsidiary's untimely payment of sums due; receipt or recovery of any Advance or overdue sum otherwise than on the last day of the Interest Period relating to that sum; or any prepayment under a Senior Finance Document not being made in accordance with a notice of prepayment (as defined in the Senior Credit Agreement);
- (xx) undertakes to indemnify each Senior Finance Party in respect of a loss, cost or expense due to: an amount received in respect of an Obligor's liability under a Senior Finance Document or such a liability being converted into claim in a

currency differing from that in which the amount is expressed to be payable under that Senior Finance Document (as defined in the Senior Credit Agreement);

- (xxi) undertakes to indemnify each Senior Finance Party and other Indemnified Parties against any losses in connection with preparation for a defence of any proceeding related to the any Transaction document (as defined in the Senior Credit Agreement);
- (xxii) undertakes to pay certain fees (together with VAT thereon) under the terms of the Fee Letters and Mandate Letters (each as defined in the Senior Credit Agreement);
- (xxiii) undertakes to indemnify each Agent against any loss or liability incurred by such Agent in acting as an Agent (as defined in the Senior Credit Agreement); and
- (xxiv) undertakes to apply the proceeds of the Term Advances towards discharging the purchase price for the Target Assets under the Borrower Acquisition Documents (as defined in the Senior Creditor Agreement) and Transactions Costs as specified in the Funds Flow or to make loans or other payments. The ultimate use of all or part of the proceeds of the Advances may reduce or discharge indebtedness in relation to the Amber Facility and the SIHL Notes.

(D) By entering into the **Holdco Facility Agreement**, the Company's subsidiary enters into payment and indemnity undertakings in favour of the Finance Parties (as defined in the Holdco Facility Agreement) and more particularly, but without limitation:

- (i) unconditionally and irrevocably guarantees and undertakes on demand from time to time the due and punctual payment of the Borrower's obligations under the Finance Documents (as defined in the Holdco Facility Agreement);
- (ii) agrees to indemnify each Finance Party (as defined in the Holdco Facility Agreement) from time to time on demand against any loss incurred by any of them as a result of the unenforceability, invalidity or illegality of the guarantee referred to in (i) above;
- (iii) agrees with the Facility Agent to pay interest at a default rate in respect of any sums unpaid when due;
- (xv) undertakes to indemnify the Finance Parties in respect of costs and expenses they may incur as a result of certain events of default (as more particularly described in the Holdco Facility Agreement);
- (xvi) undertakes to indemnify the Finance Parties in respect of all costs and expenses (together with legal expenses and VAT thereon) incurred as a result of enforcing any Finance Party's rights under any of the Finance Documents (as defined in the Holdco Facility Agreement);
- (xvii) undertakes to indemnify the Finance Parties in respect of reasonable costs and expenses (together with legal expenses and VAT thereon) incurred in

connection with the negotiation, preparation, execution and completion of the Finance Documents or incidental matters thereto (as defined in the Holdco Facility Agreement);

- (xviii) undertakes to indemnify the Finance Parties in respect of reasonable costs and expenses (together with legal expenses and VAT thereon) incurred in connection with any amendment, waiver, consent or suspension of rights relating to any Finance Documents requested by the Company's subsidiary (as described in the Holdco Facility Agreement);
 - (xix) undertakes to indemnify the Finance Parties in respect of reasonable costs and expenses (together with legal expenses and VAT thereon) incurred in connection with syndication of the Facilities (as described in the Holdco Facility Agreement);
 - (xx) undertakes to indemnify on demand each Finance Party against various funding costs or other costs incurred as a result of a Utilisation not being made after a Utilisation Request has been made and delivered; redistribution costs resulting from the Company's subsidiary's untimely payment of sums due; receipt or recovery of any Advance or overdue sum otherwise than on the last day of the Interest Period relating to that sum; or any prepayment under a Finance Document not being made in accordance with a notice of prepayment (as defined in the Holdco Facility Agreement);
 - (xxi) undertakes to indemnify each Finance Party in respect of a loss, cost or expense due to: an amount received in respect of an Obligor's liability under a Finance Document or such a liability being converted into claim in a currency differing from that in which the amount is expressed to be payable under that Finance Document (as defined in the Holdco Facility Agreement);
 - (xxii) undertakes to indemnify each Finance Party and other Indemnified Parties against any losses in connection with preparation for a defence of any proceeding related to the any Transaction document (as defined in the Holdco Facility Agreement);
 - (xxiii) undertakes to pay certain fees (together with VAT thereon) under the terms of the Fee Letters and Mandate Letters (each as defined in the Holdco Facility Agreement);
 - (xxiv) undertakes to indemnify each Agent against any loss or liability incurred by such Agent in acting as an Agent (as defined in the Holdco Facility Agreement); and
 - (xxv) undertakes to apply the proceeds of the Advance towards the recapitalisation of the Spirit Group, in the manner specified in the Funds Flow (as defined in the Holdco Facility Agreement) or to make other payments or loans. The ultimate use of all or part of the proceeds of the Advances may be used to reduce or discharge indebtedness in relation to the Amber Facility and the SIHL Notes.
- (E) By entering into the **Composite Debenture**, the Company's subsidiary as primary obligor and not merely as surety, covenants with and undertakes to the Security Agent

(as agent and trustee for the Finance Parties (as defined in the Composite Debenture)) that it will on demand pay or discharge on the date or dates on which all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of any person (other than a Finance Party) to any Finance Party under each Finance Document (as defined in the Composite Debenture) to which such person is a party, are expressed to become due in the manner provided in the relevant Finance Document. The security interests created by the Company's subsidiary pursuant to the Composite Debenture comprise:

- (i) an equitable mortgage in favour of the Trustee of certain shares owned by the Company's subsidiary, or held by any nominee on behalf of the Company's subsidiary;
- (ii) to the extent that they are not subject to a mortgage in paragraph (i) above, by way of fixed charge the Company's subsidiary's interest in all shares, stocks, debentures, bonds or other securities and investments owned by the Company's subsidiary or held by any nominee on behalf of the Company's subsidiary;
- (iii) in paragraphs (i) and (ii) above, a reference to a mortgage or charge of any stock, share, debenture, bond, interest or other security includes: (i) any dividend or interest paid or payable in relation to it and (ii) any right, money or property or accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;
- (iv) a charge by way of first fixed charge all of the Company's subsidiary's rights in respect of any amount standing to the credit of the Disposal Collateral Account;
- (v) an assignment by way of security all of the Company's subsidiary's rights in respect of the Relevant Contracts (as defined in the Composite Debenture) to which it is a party;
- (vi) a first floating charge over the whole of the Company's subsidiary's undertaking and all their property, assets and rights, whatsoever and wheresoever located, both present and future, in which they have any right, title, interest, or benefit (including all such undertakings, property, assets and rights situated in Scotland or the rights to which are governed by the laws of Scotland all of which undertakings, property, assets and rights are charged by the floating charge created in the Composite Debenture);
- (vii) a power of attorney, by way of security, pursuant to which the Company's subsidiary irrevocably and severally appoints the Security Agent, each Receiver (as such term is defined in the Composite Debenture) and any of its delegates or sub-delegates to be the Company's subsidiary's attorney to seal and deliver and otherwise perfect a fixed charge (the form of which is scheduled to the Composite Guarantee) or standard security after the occurrence of a Trigger Event (as such term is defined in the Senior Credit Agreement) over all or substantially all of the Company's subsidiary's real property;

The Company's subsidiary is obligated to take whatever action the Security Agent, Administrator or Receiver may reasonably require for creating, perfection or protecting any security intended to be created by the Composite Debenture.

- (F) By entering into the **Intercreditor Agreement** the Company's subsidiary agrees to certain arrangements in favour of and for the benefit of the Security Agent (as agent and trustee for the Secured Creditors as defined in the Intercreditor Agreement) including without limitation:
- (i) an obligation, before the Discharge Date (as defined in the Intercreditor Agreement), to promptly notify the Security Trustee if it receives any Turnover Recovery (as defined in the Intercreditor Agreement) and to pay the Security Agent on demand, for application in accordance with the provisions of the Intercreditor Agreement, an amount determined by the Security Agent in accordance with the provisions of the Intercreditor Agreement and pending such payment the Company's subsidiary will hold such payment on trust for the Security Agent;
 - (ii) an obligation for the Company's subsidiary to indemnify each Creditor (as defined in the Intercreditor Agreement) and Intra-Group Creditor (as defined in the Intercreditor Agreement) upon demand for the amount of any Turnover Recovery paid by it to the Security Agent and such third party costs and expenses incurred by it;
 - (iii) an obligation for the Company's subsidiary to pay an amount equal to any payment or distribution received by it in respect of the Liabilities (as defined in the Intercreditor Agreement) in the event the trust referred to in the turnover provision in above (i) fails or cannot be given effect to;
 - (iv) irrevocably and to secure the Company's subsidiary's performance under the Intercreditor Deed, the Company's subsidiary appoints the Security Agent individually as its attorney, in its name and on its behalf, at any time to execute and deliver and other perfect any agreement, assurance, deed, release, or perform any act which may reasonably be deemed by the Security Agent necessary to perfect any Security Interest (as defined in the Intercreditor Agreement) or to enforce any and all claims upon or with respect to any Security Interest, the Liabilities or any part thereof and to collect and receive any and all payments or distributions which may be owing or deliverable at any time upon or with respect to any Security Interest or Liability or any part thereof; and
 - (v) an obligation by the Company's subsidiary to execute or procure the execution of and deliver to the Security Agent such powers of attorney, assignments, releases or other instruments as may be required by the Security Agent to perform any act which may reasonably be deemed by the Security Agent necessary to perfect any Security Interest or to enforce any Security Interest.

**Auditors' report to the directors of Spirit Managed Holdings Limited
pursuant to section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors of Spirit Managed Holdings Limited ("the Company") dated 24 November 2004, prepared in accordance with applicable United Kingdom Law, in connection with the proposal that the Company's subsidiary, Spirit Financial Holdings Limited should give financial assistance for the purchase of the Company's entire share capital by Spirit Intermediate Holdings Limited.

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



Ernst & Young LLP
Registered Auditor
24 November 2004