

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

155(6)b

DX: 1071 London/City
0502860/001 888869.01

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) Hemingway Debenture Limited

Please see Schedule 1

† delete as appropriate

Please see Schedule 1

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 _____

~~X~~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)

(b) ~~It is intended to commence the winding-up of this company within 12 months of that date, and the~~
~~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 ~~X~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declarants to sign below

21 GOSWICK, London, EC3N 7PA

Day Month Year

on 05 05 2005

before me 9/11/11

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

John D.
[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

SCHEDULE 1

The form which the financial assistance will take, and the principal terms on which the assistance will be given, are described below.

As part of the arrangements for the acquisition of shares in the Company (the "**Acquisition**") by Hemingway Debenture Limited (the "**Purchaser**");

- (a) the Purchaser would borrow £27,000,000 (the "**Loan**") from the Governor and the Company of the Bank of Scotland (the "**Bank**") pursuant to a term loan facility agreement (the "**Facility Agreement**") for the purposes, *inter alia*, of acquiring the entire issued share capitals of certain subsidiaries of C.G.I.S. Group (No. 3) Limited (the "**Parent**");
- (b) the Company would become subject to the terms of a trust deed, dated 13th July 1993 (as supplemented by 54 supplemental trust deeds) (the "**Trust Deed**"), by entering into a 55th supplemental trust deed (the "**55th Supplemental Trust Deed**"), between, inter alios, the Purchaser (1), the companies as set out in the Appendix hereto (of which the company is one) (the "**Charging Companies**") (2), and the Royal Exchange Trust Company Limited (the "**Trustee**") (3) constituting and securing 10.375 per cent First Mortgage Debenture Stock 2023 of the Purchaser;
- (c) it is a requirement of the Bank that:
 - (i) each of the Company and the other Charging Companies under the terms of the Facility Agreement:
 - (1) guarantees punctual performance by, and undertakes to pay all monies owing from, the Parent, the Purchaser, the Company and any of the other Charging Companies to the Bank and would separately indemnify the Bank against any losses the Bank would incur if it were unable to recover any monies on

the basis of the guarantee (in respect of each such company, the **"Guarantee"**); and

- (2) enters into a second ranking floating charge in favour of the Bank over all its undertakings, property, assets and rights whatsoever, both present and future, securing all present and future sums, obligations and liabilities payable or owing by it to the Bank (including in particular under the Guarantee referred to in paragraph (c)(i)(1) above) (in respect of each such company, the **"Second Floating Charge"**);
- (d) it is proposed that each of the Purchaser, the Company, the other Charging Companies and the Trustee, amongst others, enter into the 55th Supplemental Trust Deed, pursuant to the terms of which the Company and the other Charging Companies are to become charging companies for the purposes of the Trust Deed.
- (e) it is a requirement of the Trustee that:
 - (i) each of the Company and the other Charging Companies covenants with and guarantees to pay to the Trustee all monies owing to the Trustee by the Purchaser under or pursuant to the Trust Deed;
 - (ii) each of the Company and the other Charging Companies, as security for all monies covenanted to be paid by the Purchaser to the Trustee, charge by way of first legal mortgage all of its right, title and interest in the property owned by it;
 - (iii) each of the Company and the other Charging Companies:

assigns and agrees to assign absolutely to the Trustee all of its present and future right, title and interest in and rights to receive all rents, licence fees and other sums due (the **"Rents"**) from tenants, licensees and other occupiers of the property (charged by it as described in paragraph (e) (ii)

above) and the benefit of all rights and claims it has or may have against all parties who are liable to pay the Rents; and

- (iv) each of the Company and the other Charging Companies, as security for all the monies covenanted to be paid by the Purchaser to the Trustee under the Trust Deed, charges by way of first floating charge in favour of the Trustee the whole of its undertaking, property and assets from time to time, both present and future.

The agreement of each of the Company and the other Charging Companies to provide the Guarantee, the granting by each such company of a Second Floating Charge and the entry by the Company and the other Charging Companies into the Trust Deed, by virtue of its executing the 55th Supplemental Trust Deed would amount to the provision of financial assistance for the purposes of the acquisition of shares in the Company under section 151(1) of the Companies Act 1985.

Appendix – Charging Subsidiaries

HEMINGWAY DEBENTURE LIMITED
CGIS NO. 4 LIMITED
C.G.I.S. CAMDEN PALACE LIMITED
C.G.I.S. TEWKESBURY LIMITED
C.G.I.S. ERDINGTON LIMITED
C.G.I.S. SALE LIMITED
C.G.I.S. BRIERLEY HILL LIMITED
C.G.I.S. (GRACECHURCH STREET) LIMITED
51-51 GRACECHURCH STREET (NO.1) LIMITED
51-51 GRACECHURCH STREET (NO.2) LIMITED
C.G.I.S. LITTLEHAMPTON LIMITED
HAWTHORNE ROAD NOMINEE (NO.1) LIMITED
HAWTHORNE ROAD NOMINEE (NO.2) LIMITED
C.G.I.S. ST PAUL'S HOUSE LIMITED
ST PAULS HOUSE LEEDS NOMINEE (NO.1) LIMITED
ST PAULS HOUSE LEEDS NOMINEE (NO.1) LIMITED

The Directors
C.G.I.S. Littlehampton Limited
c/o C.G.I.S. Group (No. 3) Limited
10 Upper Berkeley Street
London
W1H 7PE

5/7/05

Dear Sirs

Auditors' report to the directors of C.G.I.S. Littlehampton Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of C.G.I.S. Littlehampton Limited (the "Company") dated 5/7/05 in connection with the proposal that the Company's subsidiary undertaking, Hawthorne Road Nominee (No.1) Limited, should give financial assistance in connection with the acquisition of the ordinary shares in the Company, C.G.I.S. Littlehampton Limited (as set out in the schedule to the attached statutory declaration). 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.

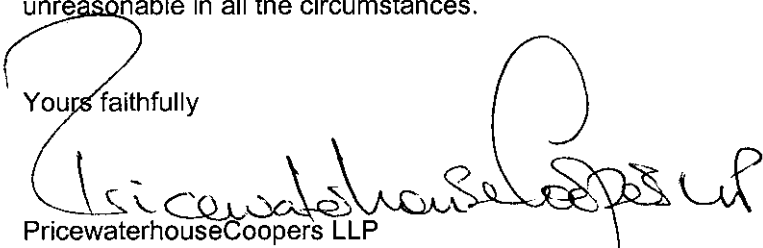
Basis of opinion

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