

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

Company number

4870370

XWeo Mark Neil Steinberg of 11 Wadham Gardens, London NW3 3DN; Terence Shelby Cole of 10 Upper Berkeley Street, London W1H 7PE and Steven Ross Collins of 70 Marlborough Place, St John's Wood, London NW8 0PP

6467095

The assistance is to be given to: (note 2) See section 1 of the attached Schedule

Please do not
write in this
margin

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

The assistance will take the form of:

See section 2 of the attached Schedule

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

† delete as
appropriate

See section 1 of the attached Schedule

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

See section 3 of the attached Schedule

The amount of cash to be transferred to the person assisted is £ Nil

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 of this declaration

Please do not
write in this
margin

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

* delete either (a) or
(b) as appropriate

☒ 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) ☒ 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 intended to commence the winding up of the company within 12 months of that date, and we have formed the opinion that the 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 10 Upper Berkeley Street
London W1K 7PE

Declarants to sign below

Day Month Year
on

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 2 | 4 | 1 | 1 | 2 | 0 | 0 | 3 |
|---|---|---|---|---|---|---|---|

before me SHARON JAY
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

SCHEDULE FOR FORM 155(6)a

C.G.I.S. DERRY'S CROSS LIMITED (the Company)

1 The assistance will be given to:

- (a) City & General (Holdings) Limited, registered in England under number 4216142 whose registered office is at 66 Wigmore Street, London W1U 2HQ and Uberior Ventures Limited, registered in Scotland under number SC235067, whose registered office is at New Uberior House, 11 Earl Grey Street, Edinburgh EH3 9BN (together the **Purchasers**); and
- (b) Law Debenture Trustees Limited, registered in England under number 625705, whose registered office is at Fifth Floor, 100 Wood Street, London EC2V 7EX,

in connection with the acquisition of the shares in C.G.I.S. Group Limited (**C.G.I.S. Group**) by the Purchasers.

2 The assistance will take the form of:

- (a) a guarantee (the **Guarantee**) granted in favour of the Security Trustee in respect of C.G.I.S. Group and the obligations of each company which becomes a guarantor (each a **Guarantor**) (C.G.I.S. Group and the Guarantors together constituting the **Obligors**) upon and pursuant to the terms of a facility agreement dated 9 October 2001 and made between C.G.I.S. Group, the Lenders referred to therein and The Governor and Company of the Bank of Scotland in its various capacities as Arranger, Agent, Security Trustee and Lender (the **Facility Agreement**);
- (b) a second floating charge (the **Second Floating Charge**) granted in favour of the Security Trustee in respect of the obligations of C.G.I.S. Group under the Finance Documents; and
- (c) the execution, delivery and performance by the Company of its obligations under a supplemental trust deed (the **Thirty Fourth Supplemental Deed**) to be entered into between, amongst others, C.G.I.S. Group, the Company, C.G.I.S. City Plaza Shares Limited and Law Debenture Trustees Limited supplemental to a Trust Deed (the **Principal Deed**) dated 14 September 1994 constituting and securing £100,000,000 9^{5/8} per cent. First Mortgage Debenture Stock 2019 of C.G.I.S. Group (being the Original Stock), a First Supplemental Trust Deed dated 20 September 1994, a Second Supplemental Trust Deed (the **Second Supplemental Deed**) dated 14 October 1994 constituting and securing a further £45,999,570 9^{5/8} per cent. First Mortgage Debenture Stock 2019 of C.G.I.S. Group (being the New Stock) and all deeds supplemental thereto (together the **Existing Deeds**).

Finance Documents means:

- (i) the Facility Agreement;
- (ii) each Second Floating Charge granted by a Guarantor;
- (iii) each letter executed by a Guarantor upon it acceding to the terms of the Facility Agreement (each an **Accession Letter**);
- (iv) any letter or letters between C.G.I.S. Group and the Agent or Arranger in respect of any fees payable pursuant to the Facility Agreement;

- (v) the hedging agreement between C.G.I.S. Group and Bank of Scotland Treasury Services plc and the counter-indemnity by C.G.I.S. Group in favour of The Governor and Company of the Bank of Scotland;
- (vi) an intercreditor agreement between C.G.I.S. Group, the Agent and Security Trustee, Uberior Investments plc and City & General Holdings Limited; and
- (vii) any other document designated as such by the Agent and C.G.I.S. Group.

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

- (a) Under the terms of the Guarantee: the irrevocable, unconditional, joint and several:
 - (i) guarantee in favour of the Agent, each Lender and the Security Trustee (together the **Finance Parties**) of the punctual performance of each Obligor's obligations under the Finance Documents;
 - (ii) undertaking to each Finance Party to pay on demand (as if it was a principal obligor) any amount not paid by an Obligor when due under or in connection with any Finance Document;
 - (iii) indemnification of each Finance Party 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.

Note that the Guarantee extends to the ultimate balance of all sums payable (including interest for late payment) by any Obligor under the Finance Documents which may be subject to amendment or replacement.

- (b) Under the Second Floating Charge:
 - (i) the Company covenants with the Security Trustee to pay or discharge the Secured Liabilities on the respective due dates in the manner provided in the Finance Documents. Default interest applies in respect of payments not made on the due date; and
 - (ii) the Secured Liabilities are all present and future sums, obligations and liabilities payable or owing by the Company to the Security Trustee and any of the Lenders or any Receiver appointed under the Second Floating Charge under the Finance Documents (and any supplement thereto) to which the Company is a party, whether such liabilities are actual, contingent, sole, joint and/or several or otherwise, and including without limitation all obligations to indemnify the Security Trustee and/or the Lenders and/or any Receiver.
- (c) Under the Thirty Fourth Supplemental Deed:
 - (i) the covenant by the Company with the Trustee that it shall observe and perform and be bound by all of the covenants, conditions, provisions and obligations on its part contained in these presents or which are expressed by these presents to be binding on Charging Subsidiaries or which C.G.I.S. Group is obliged to procure that each Charging Subsidiary will perform and observe under these presents as if such covenants, conditions, provisions and obligations were repeated therein;

- (ii) the grant by the Company of a charge with full title guarantee in favour of the Trustee by way of first legal mortgage with the payment to the Trustee of the principal of and interest on the Original Stock, the New Stock and all other moneys payable or to become payable under or pursuant to or secured or intended to be secured by these presents and so as to form part of the Specific Security all of its interest in the Derry's Cross Property together with all buildings and erections and fixtures (including trade fixtures) and fittings and fixed plant and machinery for the time being thereon belonging to it and all improvements and additions thereto subject to and with the benefit of all the existing leases, underleases, tenancies, agreements for lease, rights, covenants and conditions affecting the same but otherwise free from encumbrances (save for any security already created in favour of the Trustee as security for the Stock);
- (iii) the grant by the Company of a charge with full title guarantee in favour of the Trustee by way of first ranking floating charge with the payment to the Trustee of the principal of and interest on the Original Stock, the New Stock and all other moneys payable or to become payable under or pursuant to or secured or intended to be secured by these presents and so as to form part of the Mortgaged Premises its undertaking and all its property, assets and rights, present and future, wheresoever situated (including any uncalled capital); and
- (iv) the acknowledgement, confirmation, declaration and agreement by the Company that all moneys to be received by virtue of any insurance on the Mortgaged Premises whether or not effected in accordance with these presents are assigned to the Trustee and such moneys are deemed to be part of the Specific Security and shall be paid to the Trustee and applied in accordance with sub-clause 16.2(o) or sub-clause 16.2(p) (as applicable) of the Principal Deed.

In this Schedule:

Charging Subsidiary means any Subsidiary which shall have charged in favour of the Trustee any of its assets under or pursuant to these presents or which shall have paid to the Trustee, so as to form part of the Specific Security, a sum of money and which shall not for the time being have ceased to be a Charging Subsidiary;

Derry's Cross Property means all that land known as ABC Cinema, Derry's Cross, Plymouth PL1 2SW registered at HM Land Registry with leasehold title absolute under title number DN460053;

Further Stock means any further mortgage debenture stock which may be created or issued by C.G.I.S. Group pursuant to the Principal Deed or, as the case may be, the amount thereof for the time being outstanding;

Mortgaged Premises includes the Specific Security and the undertaking and all the property, assets and rights, present and future, wheresoever situated (including any uncalled capital) of any company which shall or ought pursuant to any provision of these presents to be the subject of a floating charge in favour of the Trustee as security for the Stock under or pursuant to these presents to the extent that the same shall not have been released pursuant to any provision of these presents;

New Stock means the £45,999,570 9 5/8 per cent. First Mortgage Debenture Stock 2019 of C.G.I.S. Group created by resolution of its Board of Directors passed on 13 October 1994 or, as the case may be, the amount thereof for the time being issued and outstanding;

Original Stock means the £100,000,000 9 5/8 per cent. First Mortgage Debenture Stock 2019 of C.G.I.S. Group created by resolution of its Board of Directors passed on 1 September 1994 or, as the case may be, the amount thereof for the time being issued and outstanding;

Receiver includes a receiver and manager and an administrative receiver;

Specific Security means all property, assets and money which at any time shall be or ought pursuant to any of the provisions of these presents to be held by or assured to or mortgaged or charged by way of first specific security in favour of the Trustee under or pursuant to these presents to the extent that the same shall not have been released pursuant to the provisions of these presents;

Stock means and includes the Original Stock, the New Stock and any Further Stock;

Subsidiary means a company (as defined by Section 735 of the Companies Act 1985) which is a subsidiary (as defined by Section 736 of the Companies Act 1985) for the time being of C.G.I.S. Group;

these presents means the Principal Deed and Schedules thereto, any deed expressed to be supplemental thereto and the Schedules (if any) thereto (including any deed constituting or securing any Further Stock), and any other deed or instrument conferring rights on the Trustee or to which it may be a party executed or entered into pursuant to the Principal Deed or any deed supplemental thereto;

Trustee means Law Debenture Trustees Limited or other the trustee or trustees for the time being of these presents.



KPMG Audit Plc

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The Directors
C.G.I.S. Derry's Cross Limited
10 Upper Berkeley Street
London
W 7PE

Your ref

Our ref agm/jpl/592

Contact Andrew Marshall
020 7311 6456

24 November 2003

Dear Sirs

Auditors' report to the directors of C.G.I.S. Derry's Cross Limited (the "Company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated today in connection with the proposal that the Company should give financial assistance for the purchase of the ordinary shares in its holding company, C.G.I.S. Group Limited.

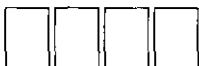
This report is made solely to the company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the company's auditors might state to the company's directors those matters we are required to state to them in a report under section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



KPMG Audit Plc, a company
incorporated under the UK Companies
Acts, is a member of KPMG
International, a Swiss association

KPMG Audit Plc is
registered to carry on audit
work by the Institute of
Chartered Accountants in

England and Wales.
Registered in England
No 3110745

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