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## 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

CHWP000

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 black lettering

To the Registrar of Companies  
(Address overleaf - Note 5)

For official use

Company number

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04914762

Name of company

**\*Spirit Intermediate Holdings Limited**

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

\* insert full name  
of company

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

I/We **Robert James McDonald** of 46 Wentworth Drive, Lichfield, WS14 9HN;

**Neil David Preston** of 57 Postern Road, Tatenhill, Burton-on-Trent, DE13 9SJ; and

**Giles Alexander Thorley** of Charlton Manor, Ashley Road, Charlton Kings, Cheltenham, GL52 6NS

† delete as  
appropriate

~~the sole director~~ [all the directors]† of the above company (hereinafter called "this company") do  
solemnly and sincerely declare that:

§ delete whichever  
is inappropriate

The business of the company is:

(a) ~~that of a person authorised under section 8 of the Insurance Companies Act 1982 to carry on~~

~~insurance business in the United Kingdom~~

(c) something other than the above§

The company is ~~the~~ [a] holding company of **Spirit Group Parent Limited** (the "Subsidiary")

which is

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

in ~~this company~~ **Spirit Group Holdings Limited**

the holding company of this company.]†

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

Clifford Chance LLP  
10 Upper Bank Street  
London E14 5JJ

OJC/70-20368228/JSXB/030

For official Use (10/03)  
General Section



LD2  
COMPANIES HOUSE

\*LX0X6DEC\*

325  
03/03/2006

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

The number and class of the shares acquired or to be acquired is: One hundred million (100,000,000)  
ordinary shares of £0.00001 each

Please complete  
legibly, preferably  
in black type, or  
bold block letterin.

The assistance is to be given to: (note 2) Punch Taverns plc (company number 03752645) with  
registered office at Jubilee House, Second Avenue, Burton-on-Trent, Staffordshire DE14 2WF; and  
~~Punch Taverns (Redwood Bidco) Limited (company number 05622593) with registered office at Jubilee~~  
House, Second Avenue, Burton-on-Trent, Staffordshire DE14 2WF

The assistance will take the form of:

See Schedule 1

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

† delete as  
appropriate

Punch Taverns (Redwood Bidco) Limited (company number 05622593) with registered office at Jubilee  
House, Second Avenue, Burton-on-Trent, Staffordshire DE14 2WF.

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

See Schedule 2

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

Any amounts advanced from time to time

The amount of cash to be transferred to the person assisted is £ pursuant to the Intragroup Loan.

Please do not  
write in  
this margin

The date on which the assistance is to be given is within eight weeks of the date hereof

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

~~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)

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

(a) ~~X~~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) ~~X~~We have formed the opinion that this company will be able to pay its debts in full within ~~X~~ 12 months ~~X~~ of the date on which the assistance is proposed to be given, and ~~X~~ we have formed the opinion that this company will be able to pay its debts in full within ~~X~~ 12 months ~~X~~ of the commencement of the winding up ~~X~~ (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.

Declared at Jubilee House, Second Avenue,  
Burton-upon-Trent, Staffordshire DE14 2WF

Declarants to sign below

on  
Day Month Year  

2	8	0	2	2	0	0	6
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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.~~

Peter A. Gee Justice of the Peace

## 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

DX 33050 Cardiff

or, for companies registered in Scotland:-

The Registrar of Companies  
37 Castle Terrace  
Edinburgh  
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

**SPIRIT INTERMEDIATE HOLDINGS LIMITED (04914762)**

Schedule 1 to Form 155(6)(b)

*The assistance will take the form of:*

The execution, delivery and performance by the Subsidiary of its obligations under:

- (a) an accession agreement (the "**Accession Agreement**") to the intercreditor agreement dated 1 December 2005 as amended 4 January 2006 between, among others, the Borrower, Citibank N.A., London Branch, The Royal Bank of Scotland plc and Morgan Stanley Bank International Limited / Morgan Stanley Dean Witter Principal Funding, Inc. as bridge lenders, the Facility Agent, the Security Agent and certain subsidiaries of the Borrower as intercompany lenders (the "**Intercreditor Agreement**") to be dated on or about the date hereof between, among others, the Subsidiary, Borrower, certain other subsidiaries of Borrower and the Facility Agent;
- (b) an intragroup loan agreement (the "**Intragroup Loan Agreement**") to be dated on or about the date hereof between the Subsidiary, Punch Taverns (Redwood Bidco) Limited ("**Bidco**") and certain other subsidiaries of Bidco;
- (c) a letter of support (the "**Letter of Support**") to be dated on or about the date hereof between the Subsidiary, Punch Taverns (Redwood Bidco) Limited ("**Bidco**") and certain other subsidiaries of Bidco;
- (d) a supplemental deed of charge (the "**Supplemental Deed of Charge**") to:
  - (i) the borrower group deed of charge dated 25 November 2004 between Spirit Managed Pubs Limited as borrower, certain subsidiaries of the Spirit Group Holdings Limited as guarantors and charging companies, Spirit Issuer plc as issuer, Spirit Managed Inns Limited as lender, The Royal Bank of Scotland plc as bank security agent (the "**Bank Security Agent**") and Deutsche Trustee Company Limited as borrower group security trustee (the "**Borrower Group Security Trustee**") and issuer security trustee;
  - (ii) the adminco share mortgage dated 25 November 2004 between Spirit Group Parent Limited, Spirit Administrative Services Limited (now known as Spirit Group Limited), the Borrower Group Security Trustee and the Bank Security Agent [(the "**Adminco Share Mortgage**")]; and
  - (iii) the supplyco share mortgage dated 25 November 2004 between Spirit Group Equity Limited, Spirit Supply Company Limited, the Borrower Group Security Trustee and the Bank Security Agent

to be dated on or about the date hereof and made between, among others, Spirit Managed Pubs Limited as borrower, Spirit Issuer plc as issuer, Spirit Managed Inns Limited as bankco, the Bank Security Agent and The Royal Bank of Scotland plc as Punch security agent (the "**Punch Security Agent**"), the Borrower Group Security Trustee and certain other subsidiaries of Spirit Group Holdings Limited,

**SPIRIT INTERMEDIATE HOLDINGS LIMITED (04914762)**

(each of those documents being in such form as may be amended, supplemented, novated and/or replaced from time to time) together with the performance by the Subsidiary of other acts in connection with the acquisition of the shares and the financing of that acquisition.

Schedule 2 to Form 155(6)(b)

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

1. By executing the Accession Agreement and becoming a party to the Intercreditor Agreement, the Subsidiary:
  - (a) agrees that, unless expressly provided to the contrary in the Intercreditor Agreement, the Debt shall rank in right and priority of payment in the following order:
    - (i) first, the Bridge Debt and the Hedging Debt, pari passu between themselves; and
    - (ii) second, the Intercompany Debt;
  - (b) undertakes that, until the Discharge Date except with the prior consent of the Majority Lenders, it will not:
    - (i) demand or receive payment, repayment or prepayment of any principal, interest or other amount on or in respect of, or any distribution in respect of, any Intercompany Debt in cash or in kind or apply any money or property in or towards discharge of any Intercompany Debt, except as expressly permitted by the Intercreditor Agreement;
    - (ii) exercise any set-off against any Intercompany Debt, except as expressly permitted by the Intercreditor Agreement;
    - (iii) permit to subsist or receive any Security Interests, or any guarantee, for, or in respect of, any Intercompany Debt;
    - (iv) claim or rank as a creditor in the insolvency, winding-up, bankruptcy or liquidation of any member of the Group other than in accordance with the Intercreditor Agreement;
    - (v) sue, claim or bring proceedings against any Obligor for breach of any representation, warranty or undertaking by any Obligor under, or in connection with, any Intercompany Document; or
    - (vi) take or omit to take any action whereby the ranking and/or subordination contemplated by the Intercreditor Agreement may be impaired; and
  - (c) makes certain representations, warranties and undertakings to the Secured Parties,

(where "Credit Agreement", "Bridge Debt", "Debt", "Discharge Date", "Group", "Hedging Debt", "Intercompany Debt", "Intercompany Document", "Obligor" and "Secured Parties" have the meaning given to them in the Intercreditor Agreement and "Majority Lenders" and "Security Interests" have the meaning given to them in the Credit Agreement).

**SPIRIT INTERMEDIATE HOLDINGS LIMITED (04914762)**

2. By executing the Intragroup Loan Agreement, the Subsidiary will make a loan facility of £1,250,000,000 available to Bidco to enable Bidco to, among other things, repay intercompany borrowings by it and to reduce liabilities incurred by it for the purpose of the acquisition of Spirit Group Holdings Limited.
3. By executing the Letter of Support, Bidco will use its reasonable endeavours to assist the Subsidiary in meeting its working capital requirements should the Subsidiary have any working capital shortfalls.
4. By executing the Supplemental Deed of Charge, the Subsidiary:
  - (a) covenants to the Borrower Group Security Trustee (as trustee for the Junior Creditors) that it will pay to the Borrower Group Security Trustee on behalf of the Borrower Secured Parties on demand, following an Enforcement Event, in pounds sterling, an amount equal to the lesser of:
    - (i) the Secured Amounts; and
    - (ii) the value of the Security Shares from time to time;
  - (b) with full title guarantee, assigns and transfers by way of first fixed equitable mortgage (in respect of the Secured Amounts other than the Punch Debt) and by way of second fixed equitable mortgage (in respect of the Punch Debt) to the Borrower Group Security Trustee as a continuing security for the discharge of the Secured Amounts:
    - (i) the Original Securities;
    - (ii) any other securities which the Subsidiary may, with the prior written consent of the Borrower Group Security Trustee, from time to time substitute for all or any of the Original Securities;
    - (iii) the following in connection with the Security Shares or the other securities referred to in clause 3(b) of the Adminco Share Mortgage:
      - (1) all dividends (including any credits, rebates or refunds in respect of any taxes, duties, imposts or charges imposed upon the same at any time and from time to time, interest or other distribution (whether in case, in specie or of a capital or income nature)) paid or payable after 25 November 2004 on or in respect of all or any of the Security Shares;
      - (2) all stocks, shares, securities, rights, benefits, monies or property accruing or offered at any time (whether by way of redemption, bonus, preference, option rights or otherwise) to or in connection with the Original Securities or the other securities referred to in clause 3(b) of the Adminco Share Mortgage or in substitution or exchange for or otherwise derived from all or any of the Original



**SPIRIT INTERMEDIATE HOLDINGS LIMITED (04914762)**

Securities or the other securities referred to in clause 3(b) of the Adminco Share Mortgage; and

- (iv) all dividends, interest or other income in respect of any such asset as is referred to in clause 3(c)(ii) of the Adminco Share Mortgage

but in each case so that the covenants implied by the Law of Property (Miscellaneous Provisions) Act 1994 (the "**LP (MP) Act**") in the mortgages and charges contained in or created pursuant to the Adminco Share Mortgage are construed with the omission of:

- (i) the words "other than any charges, encumbrances or rights which that person does no and could not reasonably be expected to know about" in section 3(1) LP (MP) Act; and
  - (ii) section 6(2) LP (MP) Act.
- (c) agrees that the Adminco Share Mortgage shall be a continuing security, and shall be in addition to and shall not affect any continuing liens or other Security Interests to which the Borrower Group Security Trustee is or will be entitled on such of the certificates or other documents of title to the Security Shares as may have been or may be deposited with or to the order of the Borrower Group Security Trustee which liens and other Security Interests shall remain in force independently of the Adminco Share Mortgage;
- (d) undertakes that, for so long as any Secured Amounts remain outstanding, it shall:
- (i) forthwith sign, seal, deliver and complete all transfers, renunciations, proxies, mandates, assignments, assignations, deed and documents and do all acts and things which the Borrower Group Security Trustee may, in its absolute discretion but without prejudice to any restriction or undertaking on the part of the Borrower Group Security Trustee in the Adminco Share Mortgage at any time and from time to time specify:
    - (1) for enabling or assisting it to perfect or improve its title to and security over the Security Shares;
    - (2) to vest the Security Shares in it or its nominee or nominees including without limitation, registering or procuring the registration of the Borrower Group Security Trustee as its nominee or any other nominee as the holder of the Security Shares, in the register of members of Adminco;
    - (3) following the occurrence of an Enforcement Event, to exercise (or enable its nominee or nominees to exercise) any rights or powers attaching to the Security Shares; or



**SPIRIT INTERMEDIATE HOLDINGS LIMITED (04914762)**

- (4) following the occurrence of an Enforcement Event, to sell or dispose of the Security Shares;
- (ii) not (without the written consent of the Borrower Group Security Trustee):
  - (1) create or permit to exist over all of part of the Security Shares (or any interest therein) any Encumbrance (other than the Adminco Share Mortgage) whether ranking prior to, *pari passu* with or behind the security contained in the Adminco Share Mortgage; or
  - (2) sell, transfer, lend, part with any interest in or otherwise dispose of or deal with or grant any option present or future right to acquire any of the Security Shares or any interest therein or attempt or agree to so dispose; and
- (iii) not incur any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person;
- (e) grants an indemnity to the Borrower Group Security Trustee and the Receiver of Adminco in respect of certain costs, expenses, liabilities and losses incurred; and
- (f) makes certain representations, warranties and undertakings to the Borrower Group Security Trustee.

(where "**Borrower Secured Parties**", "**Encumbrance**", "**Receiver**" and "**Security Interest**" have the meaning given to them in the Master Definitions and Constructions Schedule signed by Freshfields Bruckhaus Deringer and Slaughter and May for identification and dated 25 November 2004 and "**Enforcement Event**", "**Original Securities**", "**Secured Amounts**" and "**Security Shares**" have the meaning given to them in the Adminco Share Mortgage and "**Junior Creditors**" and "**Punch Debt**" have the meaning given to them in the Supplemental Deed of Charge).

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF SPIRIT  
INTERMEDIATE HOLDINGS LIMITED ("THE COMPANY") PURSUANT TO  
SECTION 156(4) OF THE COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors of the Company dated 28 February 2006, prepared in accordance with applicable United Kingdom law, in connection with the proposed financial assistance to be given by the Company's subsidiary, Spirit Group Parent Limited, for the purpose of reducing or discharging a liability incurred for the purpose of the purchase of the ordinary shares in the Company's holding company, Spirit Group Holdings Limited, particulars of which are given in the attached statutory declaration.


This report is made solely to the directors of the Company 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 under section 156(4) 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 of the Company, for our audit work, for this report, or for the opinions we have formed.

**Basis of opinion**

We have enquired into the state of affairs of the Company so far as necessary 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 of the Company in their statutory 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  
Birmingham  
28 February 2006