

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

**155(6)b**

162  
22/06/2006

The assistance is for the purpose of ~~XXXXXXX~~ [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: One hundred million (100,000,000)  
ordinary shares of £0.00001 each

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

The assistance will take the form of:

See Annex 1.

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

† delete as appropriate

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

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

See Annex 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

The amount of cash to be transferred to the person assisted is £ an amount up to £450,900,000.

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 \_\_\_\_\_ on or before 15 August 2006 \_\_\_\_\_

Please complete legibly, preferably in black type, or in 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) [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) ~~XXXXXX presented a document to the wing group at the company, with XXXXX and XXXXX~~  
~~XXXXXX have formed the opinion that this company will be able to pay its debts in full within 12 months of the~~  
~~XXXXXX ceasing to trade.~~\* (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 Marble Arch Tower,  
55 Bryanston Street,  
London W1H 7AJ

Declarants to sign below

Re

on 

Day		Month		Year			
2	1	0	6	2	0	0	6

before me *W. L. L. L. L.*

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

WILLIAM B KENNAIR  
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  
Companies House  
37 Castle Terrace  
Edinburgh  
EH1 2EB

**ANNEX 1**

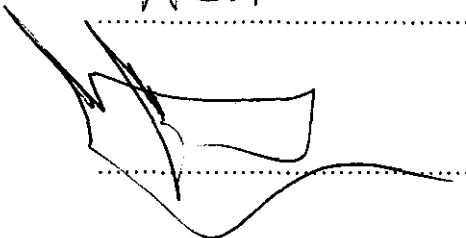
The financial assistance will take the form of:

1. Execution by Spirit Group Parent Limited ("**SGPL**"), being the company proposing to give financial assistance, of a deed (the "**Amendment Deed**") amending a credit agreement between SGPL as borrower and Spirit Managed Funding Limited as lender, dated 23 December 2004 (the "**Credit Agreement**") to replace the term repayment provision therein with a provision enabling repayment in whole or in part on demand of the lender.
2. Any repayments by SGPL of amounts outstanding under and in accordance with the Credit Agreement (as amended by the Amendment Deed), including any repayments to be made by SGPL pursuant to an Inter-Company Funds Flow and Settlement Deed (the "**Funds Flow Deed**") between, inter alios, the Company, SGPL, Spirit Managed Funding Limited and Punch Taverns (Redwood Bidco) Limited to be dated on or around 23 June 2006, up to a total amount of £450,900,000.

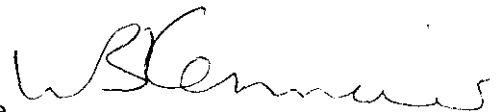
Signatures of Declarants:

  
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Declared before me .....



WILLIAM B KENNAIR  
A COMMISSIONER FOR OATHS

## ANNEX 2


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


1. Pursuant to the Amendment Deed, SGPL will agree to delete clause 3.1 of the Credit Agreement (which provides the loan made under the Credit Agreement to be repaid on the date falling five years after the date of the Credit Agreement) and replace it with the following provision requiring SGPL to repay such loan in whole or in part on demand by Spirit Managed Funding Limited:

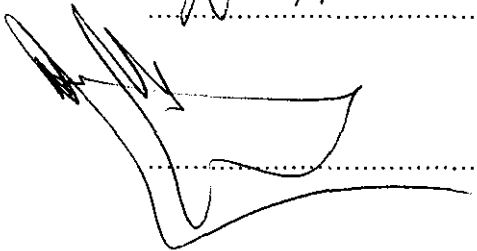
*"The Loan shall be repayable by the Borrower in whole or in part upon the demand of the Lender at any time or as otherwise agreed between the Borrower and the Lender."*

2. Repayments by SGPL of amounts outstanding under the Credit Agreement, including repayments to be made by SGPL pursuant to the Funds Flow Deed, shall be made in accordance with the Credit Agreement (as amended by the Amendment Deed). Such amounts repaid by SGPL may indirectly be used to reduce indebtedness incurred in relation to the acquisition of Spirit Group Holdings Limited by Punch Taverns (Redwood Bidco) Limited.

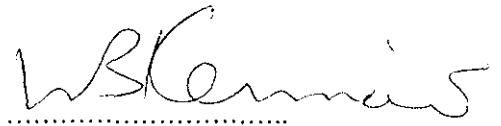
Signatures of Declarants:

  
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Declared before me .....



CE061660090

**WILLIAM B KENNAIR**  
**A COMMISSIONER FOR OATHS**

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

We have examined the attached statutory declaration of the directors of Spirit Intermediate Holdings Limited (the "Company") dated 21 June 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 entire issued share capital of 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, 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 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*

Ernst & Young LLP  
Registered Auditor  
Birmingham  
21 June 2006