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CHFP025

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COMPANIES FORM No. 155(6)a

Declaration in relation to
assistance for the acquisition
of shares

155(6)a

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

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

SC125204

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

Name of company

* Macdonald Hotels and Resorts Limited

* insert full name
of company

X We ~~do~~ See attached Rider A

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

† delete as
appropriate

~~XXXXXX~~ [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever
is inappropriate

~~(a) that of a recognised bank, licensed institution within the meaning of the Banking Act 1978~~

~~(b) that of a person authorised under section 1 of the Insurance Companies Act 1982 to carry on~~

~~insurance business in the United Kingdom~~

(c) something other than the above§

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

[company] ~~(company) (company) (company)~~

The assistance is for the purpose of ~~the acquisition~~ [reducing or discharging a liability incurred for the
purpose of that acquisition].†

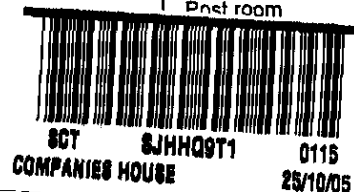
The number and class of the shares acquired or to be acquired is: See attached Rider B

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

Dickson Minto W.S.
16 Charlotte Square
Edinburgh
EH2 4DF
(G155(6)\MHR.lpd)
DX 199 Edinburgh
M245/5/REF/AJP/CJM

For official Use
General Sectr

Post room



The assistance is to be given to: (note 2) Macdonald Hotels Limited (formerly known as
Skye Leisure Ventures plc) (registered number SC247423) of Whiteside House,
Whiteside Industrial Estate, Bathgate, West Lothian EH48 2RX (the "Purchaser")

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

The assistance will take the form of:

See attached Rider C.

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

† delete as
appropriate

The Purchaser

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

See attached Rider D.

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 hereof

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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 Inchyra Grange Hotel, Portmunt

Declarants to sign below

on

| Day | Month | Year |
|-----|-------|------|
| 19 | 10 | 2005 |

before me William Hale

~~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

MACDONALD HOTELS AND RESORTS LIMITED

(Registered Number SC125204)

FORM 155(6)a - RIDER A

Directors

Address

Donald John Macdonald

Cardrona, Glen Road, Dunblane,
Perthshire, FK15 0DT

Gerard Henry Smith

Dallarich, Caledonian Crescent,
Gleneagles, Perthshire PH3 1NG

MACDONALD HOTELS AND RESORTS LIMITED

(Registered Number SC125204)

FORM 155(6)a - RIDER B

63,370,864 ordinary shares of 5p each

MACDONALD HOTELS AND RESORTS LIMITED

(Registered Number SC125204)

FORM 155(6)a - RIDER C

The assistance will take the form of:-

1. the execution by the Company of a Facilities Agreement;
2. the execution by the Company of an Intercreditor Agreement;
3. the execution by the Company of a floating charge (the "Floating Charge") in favour of the Bank in its capacity as Security Trustee;
4. the execution by the Company of a standard security (the "Standard Security") in favour of the Bank in its capacity as Security Trustee;
5. the execution by the Company of an inter company funding agreement between the Purchaser and the Company (the "Funding Agreement"); and
6. the execution by the Company of a letter of support between the Company and the Purchaser (the "Support Agreement").

Definitions

In this statutory declaration the following expressions have the following meanings:-

| | |
|---------------------------|---|
| "Bank" | means The Governor and Company of the Bank of Scotland; |
| "Company" | means Macdonald Hotels and Resorts Limited (registered number SC125204) of Whiteside House, Whiteside Industrial Estate, Bathgate, West Lothian, EH48 2RX; |
| "Facilities Agreement" | means the facilities agreement dated 19 October 2005 between the Purchaser, the Company, the Bank in various capacities and others in relation to certain term loan, guarantee, bridging, capex and working capital facilities; |
| "Intercreditor Agreement" | means the intercreditor agreement dated 19 October 2005 between the Purchaser, the Company, the Bank in various capacities and others; and |

"Purchaser"

means Macdonald Hotels Limited (formerly known as Skye Leisure Ventures plc) (registered number SC247423) of Whiteside House, Whiteside Industrial Estate, Bathgate, West Lothian EH48 2RX.

MACDONALD HOTELS AND RESORTS LIMITED

(Registered Number SC125204)

FORM 155(6)a - RIDER D

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

- (i) under the Facilities Agreement, the Company unconditionally guarantees the payment or discharge of the Guaranteed Liabilities (as defined in the Facilities Agreement) owing by the Company and each other member of the Group pursuant to the Finance Documents (as defined in the Facilities Agreement);
- (ii) under the Intercreditor Agreement, the interrelationship between the Guaranteed Liabilities referred to at paragraph (i) above are regulated;
- (iii) under the Floating Charge, the Company charges the whole of its property, undertaking and assets in favour of the Bank in its capacity as Security Trustee to secure the Secured Liabilities;
- (iv) under the Standard Security, the Company charges to the Bank in its capacity as Security Trustee its heritable interest in the property known as Stratton Lodge Hotel, Inverness to secure the Secured Liabilities;
- (v) the Company agrees in terms of the Funding Agreement, subject to the satisfaction of certain conditions, to lend funds to the Purchaser on the terms set out therein in order to enable the Purchaser *inter alia* to discharge its obligations under the Finance Documents (as defined in the Facilities Agreement) and to make certain other payments; and
- (vi) the Purchaser agrees in terms of the Support Agreement, to lend funds to the Company on the terms set out therein in order to enable the Company *inter alia* to discharge its obligations to the Funding Parties (as defined therein).

Where:-

"Group" means the Purchaser and each of its subsidiaries from time to time; and

"Secured Liabilities" means all present and future liabilities and obligations (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) which now or hereafter may be or become due and owing by the Company to any Secured Party (as defined in any relevant Finance Document) under the Relevant Documents (as defined in any relevant Finance Document) and references to Secured Liabilities includes references to any of them.

Any term defined in Rider C shall have the same meaning in this Rider D.

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF MACDONALD HOTELS AND RESORTS 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 19 October 2005 in connection with the proposal that the Company should give financial assistance for the purpose of reducing or discharging a liability incurred in connection with the acquisition by Macdonald Hotels Limited of 63,370,864 ordinary shares of £0.05 each in the share capital of the Company.

This report is made solely to the directors of the Company for the purpose of section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors of the Company those matters that we are required to state to them in an auditors' report under that section 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, for our work, for this report, or for the opinions that 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 is unreasonable in all the circumstances.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
19 October 2005

Saltire Court
20 Castle Terrace
Edinburgh
EH1 2DB