

CHFP025

155(6)a

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 block lettering**

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

For official use

Company number

04452715

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

Name of company

* ALLIANCE BOOTS LIMITED (the "Company")

* insert full name
of company

XWe. See Schedule 1

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

delete as appropriate

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

The business of the company is

**Delete whichever
is inappropriate**

[illegible][illegible]

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

(c) something other than the above §

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

[company] ~~XXXXXXXXXXXXXXXXXXXX~~ Alliance Boots Limited

XXXXXXXXXX

The assistance is for the purpose of ~~reducing or discharging~~ [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 up to 973,990,906 ordinary
shares with a nominal value of 37 7/39p each

**Presenter's name address and
reference (if any)**
Simpson Thacher & Bartlett LLP
CityPoint
1 Ropemaker Street
London EC2Y 9HU

001011/0001/2109806 2

For official Use
General Section

FRIDAY



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COMPANIES HOUSE

The assistance is to be given to (note 2) AB Acquisitions Limited (company number 06166762)
whose registered office is at 10 Upper Bank Street, London, E14 5JJ

Please do not
write in this
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Please complete
legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of

See Schedule 2

The person who [has acquired] ~~100,000,000~~ † the shares is

† delete as
appropriate

AB Acquisitions Limited (company number 06166762) whose registered office is at
10 Upper Bank Street, London, E14 5JJ

The principal terms on which the assistance will be given are

See Schedule 3

The amount of cash to be transferred to the person assisted is £ Up to £20,000,000,000

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 Within 8 weeks from today's date

Alliance Boots Limited
(Company No. 04452715)
(the "Company")

Schedule 1 to the Statutory Declaration dated 20 December, 2007

1 Johannes Huth of 90 Hamilton Terrace, London, NW8 9UL,

who is signing today an identical copy of this statutory declaration together with

2 Stefano Pessina of 2 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY,

3 Dominic Murphy of Stirling Square, 7 Carlton Gardens, London, SW1Y 5AD,

4 George Fairweather of 2 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY,

5 Ornella Barra of 2 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY,

6 Steve Duncan of 2 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY,

7 Marco Pagni of 2 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY, and

8 Mattia Caprioli of Flat 4, 2 Queen's Gate Place, London, SW7 5NS,

who are signing today an identical copy of this statutory declaration and it is our intention that these two statutory declarations should constitute one and the same statutory declaration sworn by all the directors of the Company

Schedule 2 to the Statutory Declaration dated 20 December, 2007

The assistance will take the form of the execution, delivery and performance by the Company of its obligations under

- (a) an accession letter relating to a senior facilities agreement dated 5 July, 2007 (as amended and restated on 10 September, 2007 and as amended on 16 October, 2007) and made between, amongst others, AB Acquisitions Limited and AB Acquisitions French Holdco SAS as original borrowers and original guarantors, Banc of America Securities Limited, Barclays Capital (the investment banking division of Barclays Bank PLC), Bayerische Hypo- Und Vereinsbank AG, London Branch, Citigroup Global Markets Limited, Deutsche Bank AG, London Branch, J P Morgan plc, Merrill Lynch International and The Royal Bank of Scotland plc as arrangers and Deutsche Bank AG, London Branch as facility agent and security agent (the "**Senior Facilities Agreement**") pursuant to which the Company will accede to the terms of the Senior Facilities Agreement as an additional guarantor,
- (b) an accession letter relating to a subordinated facility agreement dated 5 July, 2007 (as amended and restated on 3 September, 2007 and as amended on 16 October, 2007) and made between, amongst others, AB Acquisitions Limited as original borrower and original guarantor, Banc of America Securities Limited, Barclays Capital (the investment banking division of Barclays Bank PLC), Bayerische Hypo- Und Vereinsbank AG, London Branch, Citigroup Global Markets Limited, Deutsche Bank AG, London Branch, J P Morgan plc, Merrill Lynch International and The Royal Bank of Scotland plc as arrangers and Deutsche Bank AG, London Branch as facility agent and security agent (the "**Subordinated Facility Agreement**" and together with the Senior Facilities Agreement the "**Facilities Agreements**") pursuant to which the Company will accede to the terms of the Subordinated Facility Agreement as an additional guarantor,
- (c) a deed of accession relating to a debenture dated 5 July, 2007 (the "**Debenture**") in favour of Deutsche Bank AG, London Branch as security agent (the "**Security Agent**") for itself and on behalf of the Secured Parties (as defined in the Intercreditor Deed) pursuant to which the Company will give security for the Company's obligations under or in connection with the Facilities Agreements and each of the Finance Documents (as defined in the Debenture) and the Secured Pension Claims (as defined in the Intercreditor Deed),
- (d) a deed of accession relating to an intercreditor deed dated 5 July, 2007 (as amended and restated on 3 September, 2007) and made between, amongst others, the parties to the Senior Facilities Agreement, the parties to the Subordinated Facility Agreement and AB Acquisitions UK Topco 1 Limited (the "**Intercreditor Deed**") pursuant to which the Company will accede to the terms of the Intercreditor Deed and, among other things, agree to the ranking of priority between certain creditors of the Group (as defined in the Senior Facilities Agreement),
- (e) an intra-group loan agreement (the "**Intra-Group Loan Agreement**") to be entered into between, amongst others, the Company as lender and AB Acquisitions Limited as borrower, and
- (f) such further documents as are required (or otherwise entered into) pursuant to or in connection with the documents listed at paragraphs (a) to (e) above (including, but not limited to, documents that are required to be executed pursuant to an obligation of the Company to provide further assurances),

(each of those documents being in such form as the directors may approve and as may be amended, supplemented, novated, replaced, refinanced or restated from time to time) together with the performance by the Company of other acts (including, without limitation, the payment of all fees, costs and expenses and the grant of indemnities to professionals, third parties and others in connection with the documents referred to above and the transactions contemplated thereby) or the execution of any other documents (ancillary or otherwise) in connection with the acquisition by AB Acquisitions Limited of shares in the Company and the financing (or refinancing) of that acquisition

Schedule 3 to the Statutory Declaration dated 20 December, 2007

The principal terms on which the assistance will be given are

1. The Senior Facilities Agreement

- 1.1 Under the terms of the accession letter relating to the Senior Facilities Agreement the Company will accede to the Senior Facilities Agreement as an Additional Obligor and as an Additional Guarantor. Under the Senior Facilities Agreement the Company, as an Additional Guarantor, will irrevocably and unconditionally jointly and severally
- (a) guarantee to each Finance Party punctual performance by each Obligor (other than itself) of all that Obligor's obligations under the Finance Documents,
 - (b) undertake with each Finance Party that whenever any Obligor (other than itself) does not pay any amount when due under or in connection with any Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor, and
 - (c) indemnify each Finance Party immediately 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. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover
- 1.2 The guarantee given under the Senior Facilities Agreement will be a continuing guarantee and will extend to the ultimate balance of sums (including any fees, costs and expenses) payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part
- 1.3 Under the Senior Facilities Agreement the Company will undertake that
- (a) it shall not (and will procure that none of its Subsidiaries will), save as otherwise permitted by the terms of the Senior Facilities Agreement, create or permit to subsist any Security on or over the whole or any part of its undertaking or assets (present or future), and
 - (b) it shall, subject to the other terms of the Senior Facilities Agreement and the Security Documents, promptly do all such acts (including making filings and registrations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s))
 - (i) to complete the Perfection Requirements in relation to the Security created or intended to be created under or evidenced by the Security Documents (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security), and/or

- (11) if an Acceleration Event has occurred and is continuing, to facilitate the realisation of the assets which are, or provided they have been perfected, are intended to be, the subject of the Transaction Security

1 4 Terms defined in the Senior Facilities Agreement shall have the same meaning when used in this paragraph 1 unless the contrary is otherwise stated or the context otherwise requires

2. The Subordinated Facility Agreement

2 1 Under the terms of the accession letter relating to the Subordinated Facility Agreement the Company will accede to the Subordinated Facility Agreement as an Additional Obligor and as an Additional Guarantor Under the Subordinated Facility Agreement the Company, as an Additional Guarantor, will irrevocably and unconditionally jointly and severally

- (a) guarantee to each Finance Party punctual performance by each Obligor (other than itself) of all that Obligor's obligations under the Finance Documents,
- (b) undertake with each Finance Party that whenever any Obligor (other than itself) does not pay any amount when due under or in connection with any Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor, and
- (c) indemnify each Finance Party immediately 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 The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover

2 2 The guarantee given under the Subordinated Facility Agreement will be a continuing guarantee and will extend to the ultimate balance of sums (including any fees, costs and expenses) payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part

2 3 Under the Subordinated Facility Agreement the Company will undertake that

- (a) it shall not (and will procure that none of its Subsidiaries will), save as otherwise permitted by the terms of the Subordinated Facility Agreement, create or permit to subsist any Security on or over the whole or any part of its undertaking or assets (present or future), and
- (b) it shall, subject to the other terms of the Subordinated Facility Agreement and the Security Documents, promptly do all such acts (including making filings and registrations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s))
 - (i) to complete the Perfection Requirements in relation to the Security created or intended to be created under or evidenced by the Security Documents (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security), and/or

- (ii) if an Acceleration Event has occurred and is continuing, to facilitate the realisation of the assets which are, or provided they have been perfected, are intended to be, the subject of the Transaction Security

2 4 Terms defined in the Subordinated Facilities Agreement shall have the same meaning when used in this paragraph 2 unless the contrary is otherwise stated or the context otherwise requires

3. The Debenture

3 1 Under the terms of the deed of accession to the Debenture the Company will accede to the debenture Under the terms of the Debenture the Company will

- (a) covenant to on demand of the Security Agent discharge each of the Secured Obligations on their due date in accordance with their respective terms,

- (b) charge with full title guarantee in favour of the Security Agent as continuing security for the payment and discharge of the Secured Obligations by way of

- (i) in the case of freehold property in England and Wales vested in the Company at the date of the Debenture, first legal mortgage, and

- (ii) in the case of any other Real Property, first fixed equitable charge,

all the Company's right, title and interest from time to time in and to any Real Property,

- (c) charge with full title guarantee in favour of the Security Agent as security for the payment and discharge of the Secured Obligations by way of first fixed charge all the Company's right, title and interest from time to time in and to

- (i) any Tangible Moveable Property,

- (ii) any Accounts,

- (iii) any Intellectual Property,

- (iv) any goodwill and rights in relation to the uncalled capital of the Company,

- (v) any Investments, and

- (vi) any Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to the Debenture,

- (d) assign and agree to assign absolutely with full title guarantee to the Security Agent as security for the payment and discharge of the Secured Obligations all the Company's right, title and interest from time to time in and to the proceeds of any Insurance Policy and all Related Rights, and
- (e) charge with full title guarantee by way of first floating charge in favour of the Security Agent as continuing security for the payment and discharge of the Secured Obligations all of the Company's undertaking and assets, present and future not otherwise effectively charged to the Security Agent

3 2 Terms defined in the Debenture shall have the same meaning when used in this paragraph 3 unless the contrary is otherwise stated or the context otherwise requires

4. The Intercreditor Deed

4 1 Under the terms of the deed of accession to the Intercreditor Deed the Company will accede to the Intercreditor Deed Under the terms of the Intercreditor Deed the Company will, amongst other things

- (a) agree to the ranking of priority between the lenders under the Senior Facilities Agreement, the lenders under the Subordinated Facility Agreement and certain other creditors of the Group (including, to the extent any amounts are recovered as a result of enforcement of the Transaction Security granted by the Relevant Obligors, the Alliance UniChem Group UK Pension Scheme and the Boots Pension Scheme),
- (b) subordinate its right to repayment of any Financial Indebtedness payable or owing to it by any Obligor (including any amounts due under the Intra-Group Loan Agreement) to the claims of the Senior Creditors and the Subordinated Creditors, and
- (c) agree to pay to the Secured Creditors the amount of certain costs and expenses incurred on behalf of the Secured Creditors in connection with any enforcement of their rights under the Intercreditor Deed against the Company

4 2 Terms defined in the Debenture shall have the same meaning when used in this paragraph 3 unless the contrary is otherwise stated or the context otherwise requires

5. Intra-Group Loan Agreement

Under the terms of the Intra-Group Loan Agreement

5 1 the Company, amongst others, grants to AB Acquisitions Limited and the Company (the "**Borrowers**") (upon the terms and conditions of the Intra-Group Loan Agreement) loan facilities of up to £20,000,000,000 (or its currency equivalent) in aggregate to enable the Borrowers to, amongst other things and directly or indirectly

- (a) repay borrowings and make other payments in respect of amounts outstanding or required to be made under or in connection with the Senior Facilities Agreements and/or the Subordinated Facility Agreement, and
- (b) pay costs, expenses, fees and other amounts incurred in connection with its acquisition of shares in the Company and the financing or refinancing of that acquisition,

5 2 advances under the Intra-Group Loan Agreement may be repaid and reborrowed upon and subject to the terms and conditions of the Intra-Group Loan Agreement, failure of the

Company to perform its obligations under the Intra-Group Loan Agreement shall not relieve the Borrowers from their obligations under the Intra-Group Loan Agreement,

- 5 3 the Company shall have a cause of action against each Borrower under the Intra-Group Loan Agreement in respect of any amounts of principal, interest or other amounts which become due and payable to the Company from that Borrower thereunder,
- 5 4 each advance made by the Company under the Intra-Group Loan Agreement shall bear interest at the rate of 3% per annum over LIBOR (or, in the case of advances in Euro, EURIBOR) for the relevant interest period (in each case as determined by the Company) or such other rate as may be agreed from time to time between the Company and the Borrower under the Intra-Group Loan Agreement, and
- 5 5 unless already repaid under the Intra-Group Loan Agreement, each Borrower shall repay all advances made to it together with interest accrued thereon and all other amounts due from that Borrower under the Intra-Group Loan Agreement on the date 10 years from the date of the Intra-Group Loan Agreement (or such other date as may be agreed by the parties from time to time)



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The Directors
Alliance Boots Limited
Sedley Place
4th Floor
361 Oxford Street
London
W1C 2JL

Contact Stephen Cooper
020 7311 8838

20 December 2007

Dear Sirs

Auditors' report to the directors of Alliance Boots Limited ("the company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 20 December 2007 in connection with the proposal that the company will give financial assistance in connection with the purchase of its own shares, particulars of which are given in the attached copy of the statutory declaration made this day by the directors pursuant to Section 155(6) of the Companies Act 1985 ('the Act')

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
Registered Auditor