

# G

CHFP025

## COMPANIES FORM No. 155(6)a

### Declaration in relation to assistance for the acquisition of shares

# 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

[ ] [ ] [ ] [ ]

2728925

#### Note

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

Name of company

\* FIRSTCITY INSURANCE GROUP LIMITED (the "Company")

\* insert full name of company

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

We, Cyril Matthews of 20 Springfield Close, Chipping Ongar, Essex, CM5 0BB; Robert Hingley of 54 Alderney Street, London SW1V 4EX; Ralph Sharp of 126 Manor Park, Lewisham, London, SE13 5RH; Timothy Watkins of Higham House, Higham, Colchester, Essex, CO7 6JZ; Andrew West of 4 Filkins Way, Lechdale, Gloucestershire, GL7 3JJ.

† delete as appropriate

~~XXXXXXXXXXXX~~ [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 1979, or that of a person authorised under section 1 of the Financial Companies Act 1973 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] ~~XXXXXXXXXXXX~~

The assistance is for the purpose of [that acquisition] ~~XXXXXXXXXXXX~~

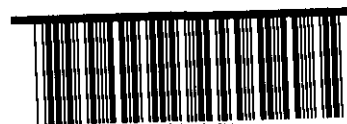
The number and class of the shares acquired or to be acquired is: 1,231,224 ordinary shares of 25p each ~~and 200 preference shares of £1 each~~

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

Barlow Lyde & Gilbert  
Beaufort House  
15 St Botolph Street  
London  
EC3A 7NJ  
DX 155 London

For official Use  
General Section

Post room



A14  
COMPANIES HOUSE

0450  
09/06/05

The assistance is to be given to: (note 2) Clive Davis, Tim Watkins, Valleymist Limited  
(the "Released Parties")

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legibly, preferably  
in black type, or  
bold block  
lettering

The assistance will take the form of:

A deed of release to be made between the Company and the Released Parties (the "Deed of Release") by which the Company waives, releases and discharges the Released Parties from certain liabilities.

The person who ~~has acquired~~ (will acquire)† the shares is:

† delete as  
appropriate

The Company and FirstCity Employees Trustee Limited

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

The terms of the Deed of Release

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

Please do not  
write in this  
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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 13-15 FOLGATE STREET  
LONDON E1 6BX

Declarants to sign below

Day Month Year  
on 

2	6	0	5	2	0	0	5
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before me A. Craven ANDREA CRAVEN  
A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.  
SOLICITOR, HERBERT SMITH LLP.

## 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

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF FIRSTCITY  
INSURANCE GROUP LTD ("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 26 May 2005 in connection with the proposal that the Company should give financial assistance for the purchase of 1,231,224 of the Company's ordinary shares.

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*

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

26 May 2005

London