



CHA 116

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

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

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3462663

Name of company

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

* KENSINGTON VILLAGE LIMITED

x/We § Simon Karmel of 20 Elm Tree Road, London NW8 9JP

Nicolae Ratiu of 47 Clifton Hill, London NW8 0QE

Andrew Francis Blurton of Old Cedar House, Guildford Road, Cranleigh
Surrey GU6 8TL

Jagtar Singh of 163 Hempstead Road, Watford, Herts WD1 3HFM

† 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 this company is:

(a) ~~that of a (recognised bank) (licensed institution)† within the meaning of the Banking Act 1979§~~

(b) ~~that of a person authorised under section 8 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom§~~

(c) something other than the above§

This company is [the] [x] holding company of* RYSBRIDGE ESTATES LIMITED

_____ which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] [_____]

_____ the holding company of this company.†

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

Clifford Chance
200 Aldersgate Street
London
EC1A 4JJ

DX No 606 LONDON
AHH: 147212

For official Use
General Section

Post room



KLO *KVEVA4UW* 1207
COMPANIES HOUSE 27/03/98

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

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

The number and class of the shares acquired or to be acquired is: 100 "A" Shares of £1 each

The assistance is to be given to: (note 2) BHF-BANK AG of 61 Queen St, London EC4R 1AE

The assistance will take the form of:

See attached Schedule 1

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

MARYLEBONE WARWICK BALFOUR HOLDINGS PLC

† delete as
appropriate

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

See attached 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

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

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

~~*/~~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)

(a) ~~*/~~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)

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

(b) ~~(It is intended to commence the winding up of this company within 12 months of that date, and I/we have formed the opinion that this 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

at Clifford Chance
200 Aldersgate St
London EC1A 4JS.

the 25 day of March

one thousand nine hundred and Ninety-eight

before me

RAHIL CHAUDHARI

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

Theresa Guller
150 Aldersgate St.

Declarants to sign below

JAGAN MEHRA
S. Karne
Simon KARNE
(NIGAR BUKHAN)
NIGARATI

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
CF4 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

Financial Assistance Declaration (s155(6)b)

This is the document referred to in the Statutory Declaration
dated 25 March 1998

SCHEDULE 1

Form of Financial Assistance

The financial assistance will take the form of the execution, delivery and performance by Rysbridge Estates Limited of the guarantee, indemnity and security created pursuant to:

1. A deed of guarantee and indemnity dated 25 March 1998, as the same may be amended, varied, supplemented or substituted from time to time, (the "**Deed of Guarantee and Indemnity**") in favour of BHF-Bank AG (the "**Agent**") as trustee for itself and the Beneficiaries pursuant to which:
 - (a) Rysbridge Estates Limited unconditionally as primary obligor guarantees to the Beneficiaries the payment and discharge of the Liabilities;
 - (b) Rysbridge Estates Limited irrevocably and unconditionally undertakes to the Beneficiaries on demand by the Agent to pay any Liability which is not paid and to perform any Liability which is not performed when due to be paid or performed; and
 - (c) as an obligation independent of (a) and (b) above, Rysbridge Estates Limited irrevocably and unconditionally agrees to indemnify the Beneficiaries on demand against any loss suffered by the Beneficiaries as a result of the Unenforceability of any Liability as against this company and/or any Liability not being discharged or performed by this company.
2. A debenture dated 25 March 1998, as the same may be amended, varied, supplemented or substituted from time to time, (the "**Debenture**", together with the Deed of Guarantee and Indemnity, the "**Security Documents**") in favour of BHF-Bank AG (the "**Agent**") as trustee for itself and the Beneficiaries pursuant to which Rysbridge Estates Limited grants with full title guarantee fixed and floating charges over all of its properties, assets, undertakings, rights and revenues in favour of the Agent as security for the payment of the Secured Obligations.

(As all such capitalised terms are defined in the Security Documents.)

Financial Assistance Declaration (s155(6)b)

This is the document referred to in the Statutory Declaration
dated 25 March 1998

SCHEDULE 2

Principal Terms on which Financial Assistance to be Given

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

1. Under the terms of the Deed of Guarantee and Indemnity:
 - 1.1. Rysbridge Estates Limited acknowledges and agrees that the Deed of Guarantee and Indemnity takes effect as a guarantee and indemnity in respect of the whole of the Liabilities;
 - 1.2. Rysbridge Estates Limited acknowledges and agrees that the Beneficiaries may prove in an Insolvency of this company in respect of the whole of the Liabilities unless Rysbridge Estates Limited has made a payment to the Agent sufficient to discharge the whole of the Liabilities;
 - 1.3. Rysbridge Estates Limited acknowledges and agrees that it will have no right to terminate its liabilities under the Deed of Guarantee and Indemnity and any such rights are excluded;
 - 1.4. Rysbridge Estates Limited acknowledges and agrees that the Deed of Guarantee and Indemnity is a continuing guarantee and indemnity and extends to the balance from time to time of, and the continued performance of, the Liabilities irrespective of any intermediate payment or performance of any Liability;
 - 1.5. Rysbridge Estates Limited acknowledges and agrees that the Beneficiaries will not be obliged, before making demand or taking any other steps to enforce their rights under the Deed of Guarantee and Indemnity:
 - (a) to make any demand for repayment, or take any action to recover any Liability;
 - (b) to take any proceedings or exhaust any claim, right or remedy against this company or any other person; or
 - (c) to take any action under or enforce any other Security held by the Beneficiaries;

1.6. Rysbridge Estates Limited acknowledges and agrees that it will not be released or discharged from any of its obligations under the Deed of Guarantee and Indemnity, nor will any of such obligations be prejudiced or affected, by:

- (a) any Unenforceability of any Liability;
- (b) any supplement to, novation, variation, replacement or amendment of, or waiver or release of any Liability;
- (c) the giving of time or the granting of any other indulgence or concession by the Beneficiaries to this company or any other person or the entering into of any arrangement or compromise between any Beneficiary and this company or any other person;
- (d) the taking, holding, failure to take or hold, varying, realisation, non-enforcement, non-perfection or release by any Beneficiary or any other person of any other Security or any Liability;
- (e) the Insolvency of this company or any other person;
- (f) any change in the constitution of this company;
- (g) any amalgamation, merger or reconstruction of any Beneficiary with any other person or any sale or transfer of the whole or any part of the undertaking and assets of the Agent or any Bank to any other person;
- (h) the existence of any claim, set-off or other rights which Rysbridge Estates Limited may have at any time against this company, any Beneficiary or any other person, or which this company may have at any time against any Beneficiary, whether in connection with any Liability or otherwise; or
- (i) any other fact or matter or thing done or omitted to be done by any Beneficiary (other than a written release of the Deed of Guarantee and Indemnity) or any other person which, but for this provision, might operate to exonerate or discharge Rysbridge Estates Limited from, or otherwise prejudice or affect, any of Rysbridge Estates Limited's obligations under the Deed of Guarantee and Indemnity;

1.7. Rysbridge Estates Limited acknowledges and agrees that until the Liabilities have been paid and/or performed in full, and the expiry of the Retention Period (if any) in respect of such payment and performance it will not:

- (a) take or receive the benefit of any Security from this company in respect of its obligations under the Deed of Guarantee and Indemnity;
- (b) be subrogated to any rights of the Beneficiaries in respect of any Liability;

- (c) receive, claim or take the benefit of any payment from this company or any surety or indemnifier for this company, or exercise any other right, claim or remedy in respect of any Liability;
 - (d) claim any set-off or assert any counterclaim against this company or any surety or indemnifier for this company; or
 - (e) in the event of the Insolvency of this company or any surety or indemnifier for this company, claim or prove in connection with any Beneficiary, or accept any direct or indirect payment or distribution;
- 1.8. Rysbridge Estates Limited acknowledges and agrees that it will hold on trust for the Beneficiaries any sums, rights or other benefits of the kind referred to in 1.7 above which it may receive and will pay or transfer them to the Beneficiaries for application in or towards discharge of its obligations under the Deed of Guarantee and Indemnity;
- 1.9. Rysbridge Estates Limited acknowledges and agrees that until the Liabilities have been irrevocably paid and/or performed in full:
- (a) the Beneficiaries may refrain from applying or enforcing any other Security, monies or rights held or received by any Beneficiary or apply and enforce the same in such manner and order as such Beneficiary sees fit (whether against the Liabilities or otherwise);
 - (b) Rysbridge Estates Limited will not be entitled to the benefit of such other Security; and
 - (c) the Agent may hold in an account in the name of Rysbridge Estates Limited (but charged by way of fixed charge to secure the Liabilities) or in a suspense account any monies received on account of the Liabilities;
- 1.10. Rysbridge Estates Limited acknowledges and agrees that it will not be entitled to direct the application by any Beneficiary of any sums received by such Beneficiary from it in connection with this Deed of Guarantee and Indemnity;
- 1.11. Rysbridge Estates Limited acknowledges and agrees that any Discharge made by any Beneficiary in reliance on a Relevant Transaction will be subject to the condition that it will be of no effect if that Relevant Transaction is avoided, reduced or invalidated for any reason;
- 1.12. Rysbridge Estates Limited acknowledges and agrees that without limiting 1.11 above, if any Beneficiary repays any payment or restores any Security received pursuant to a Relevant Transaction to any person pursuant to a claim (whether or not involving legal proceedings) under any law relating to Insolvency or for any other reason:
- (a) the Discharge made in reliance on that Relevant Transaction will be of no effect; and

- (b) Rysbridge Estates Limited will pay any Beneficiary on demand the amount of any such payment or the value of any such Security; and

1.13. Rysbridge Estates Limited acknowledges and agrees that following a Relevant Transaction the Agent may retain any Security from Rysbridge Estates Limited held by the Agent in respect of the obligations of Rysbridge Estates Limited under the Deed of Guarantee and Indemnity until the expiry of the Retention Period in relation to that Relevant Transaction. However, if during the Retention Period any party to a Relevant Transaction becomes Insolvent the Agent may retain any such Security for as long as it considers necessary.

Words and expressions in this Clause 1, unless otherwise defined herein (including definitions given in Schedule 1 to this Statutory Declaration), shall have the meaning ascribed to them under the Deed of Guarantee and Indemnity.

2. Under the terms of the Debenture, as continuing security for the payment of the Secured Obligations, Rysbridge Estates Limited with full title guarantee:
- (a) charges to the Agent as trustee for the Beneficiaries by way of first legal mortgage the Property;
 - (b) charges to the Agent as trustee for the Beneficiaries by way of equitable mortgage its interest in any Real Property acquired by Rysbridge Estates Limited after the date of the Debenture;
 - (c) charges to the Agent as trustee for the Beneficiaries by way of first fixed charge its interest in:
 - (i) any Investment;
 - (ii) its existing and future goodwill and uncalled capital;
 - (iii) any Intellectual Property;
 - (iv) any money now or at any time after the date of the Debenture standing to the credit of any Designated Account; and
 - (v) to the extent not otherwise subject to any fixed security in favour of the Agent:
 - (A) any existing and future proceeds of any insurance of any Charged Property; and
 - (B) any sum now or at any time after the date of the Debenture received by Rysbridge Estates Limited as a result of any order of the court under sections 213, 214, 238, 239 or 244 of the Insolvency Act 1986;

- (d) assigns to the Agent as trustee for the Beneficiaries by way of first fixed charge all Rent, Service Charge and Value Added Tax and the benefit of any guarantee or security for the performance of payment of the Rent, service charge and Value Added Tax;
- (e) charges its interest in the Debts to the Agent as trustee for the Beneficiaries by way of first fixed charge;
- (f) charges to the Agent as trustee for the Beneficiaries by way of fixed charge, all other existing and future property of Rysbridge Estates Limited not charged or assigned by the previous paragraphs of this clause (other than Rysbridge Estates Limited's stock in trade or work in progress); and
- (g) charges to the Agent as trustee for the Beneficiaries by way of floating charge the whole of its existing and future undertaking and property to the extent not otherwise at any time subject to any fixed charge in favour of the Agent.

Words and expressions in this Clause 2, unless otherwise defined herein (including definitions given in Schedule 1 to this Statutory Declaration), shall have the meaning ascribed to them under the Debenture.



KPMG Audit Plc

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DX 38050 Blackfriars

The Directors

MWB (Kensington Village) Limited
1 West Garden Place
Kendal Street
LONDON
W2 2AQ

Our ref pdh/wejh/584/kens_ap2

Contact David Clifford
0171-311 8962

25 March 1998

Dear Sirs

Auditors' report to the directors of MWB (Kensington Village) Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 25 March 1998 in connection with the proposal that MWB (Kensington Village) Limited (the "Company") should give financial assistance for the purchase by Marylebone Warwick Balfour Holdings Plc of all of the Company's "A" shares. 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

KPMG Audit Plc



Member firm of

KPMG Audit Plc is
registered to carry on audit
work by the Institute of
Chartered Accountants

Registered in England
Number 3110745
Registered office
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