

G

Declaration in relation to assistance for the acquisition of shares

155(6)a

CHFP025

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



3934362

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

Name of company

* CONQUEST CARE HOMES (SOHAM) LIMITED (the "Company")

* insert full name of company

*/We Michael Anthony Stratford of 10 Anne Hathaway Drive, Churchdown, Gloucester GL3 2PX and George Henry Blackoe of 4 Ridgeway, Nettleham, Lincoln, Lincolnshire LN2 2TL

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

† delete as appropriate

~~(the sole director)~~ [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~~
- ~~(b) that of a person authorised under section 9 or 4 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's holding company)~~ limited†

The assistance is for the purpose of ~~(that 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: 100 Ordinary Shares of £1 each in the Company

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

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

For official Use
General Section



The assistance is to be given to: (note 2) CRAEGMOOR GROUP LIMITED (formerly known as
Craegmoor Healthcare Company Limited) (No. 2825572) ("Craegmoor") whose
registered office is at Hillcairnie, St Andrew's Road, Droitwich,
Worcestershire, WR9 8DJ

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

The assistance will take the form of:

See Rider A

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

† delete as
appropriate

Craegmoor

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

See Rider B

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 date hereof

Please do not write in this margin

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 I/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 ~~I/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 Bartley Lyde & Gilbert,
Beaufort House, St. Botolph St.,
London EC3A 7NJ

Declarants to sign below

Day Month Year
on

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 2 | 0 | 0 | 9 | 2 | 0 | 0 | 0 |
|---|---|---|---|---|---|---|---|

before me M. CALVERT
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

RIDER A

The Company will provide financial assistance by way of

- 1 A facility agreement (the "**Barclays Facility Agreement**") to be dated no later than eight weeks after the date of this statutory declaration and made between, inter alia, Barclays Bank PLC ("**Barclays**"), Parkcare Homes Limited (the "**Borrower**"), Craegmoor Healthcare Company Limited (No. 3830455) ("**Healthcare**") and certain other subsidiaries of Healthcare pursuant to which:
 - (a) Barclays will make available to the Borrower, the Company and certain other subsidiaries of Healthcare (subject to satisfaction of the conditions precedent and other conditions contained in the Barclays Facility Agreement) a facility (the "**Facility**") subject to certain conditions as set out in the Barclays Facility Agreement;
 - (b) the Company will provide Barclays with indemnities in favour of Barclays relating to the Barclays Facility Agreement and the Facility;
 - (c) the Company will make certain representations and warranties to Barclays, and enter into certain covenants with Barclays in respect of the Barclays Facility Agreement and the Facility; and
 - (d) the Company will provide Barclays with a guarantee and a subordination in favour of Barclays relating to the Barclays Facility Agreement and the Facility.

- 2 A debenture (the "**Craegmoor Group Debenture**") to be dated not later than eight weeks after the date of this statutory declaration and made between, inter alia, the Borrower, the Company, Healthcare, Craegmoor Holdings Limited ("**Holdings**"), certain other subsidiaries of Holdings and Barclays which contains:
 - (a) a covenant by the Company to pay its obligations under the Barclays Facility Agreement, the Craegmoor Group Debenture and any other Financing Documents (as defined in the Barclays Facility Agreement);
 - (b) a covenant by the Company to observe, perform and satisfy its obligations and liabilities under the Barclays Facility Agreement, the Craegmoor Group Debenture and any other Financing Documents (as defined in the Barclays Facility Agreement);
 - (c) a subordination by the Company of its rights against, inter alia, other companies providing security thereunder in favour of Barclays ;
 - (d) certain representations and warranties by the Company to Barclays, and covenants by the Company in favour of Barclays;
 - (e) a covenant by the Company with Barclays to execute further security as required by Barclays.

RIDER B

1. By executing the Barclays Facility Agreement:
 - (a) under clause 10 the Company makes certain representations to Barclays;
 - (b) under clause 11 the Company undertakes, warrants and covenants with Barclays in respect of certain obligations;
 - (c) under clause 13 the Company agrees to indemnify Barclays from and against any expense, loss, damage or liability which it may incur as a consequence of the occurrence of any Event of Default (as defined in the Barclays Facility Agreement), any failure by the Borrower and any borrower thereunder to drawdown in certain circumstances in accordance with a Drawing Notice (as defined under the Barclays Facility Agreement), certain payments and prepayments made under the Barclays Facility Agreement and in respect of closing out of interest rate hedging arrangements for the Facility;
 - (d) under clause 14.1 the Company agrees to pay on demand, on a full indemnity basis, certain costs and expenses of Barclays in connection with the Financing Documents (as defined in the Barclays Facility Assessment) and any related documents; under clause 14.2 the Company agrees to fully indemnify Barclays against stamp, documentary and similar taxes in respect of the Barclays Facility Agreement and any related documents and under clause 14.3 the Company agrees to pay Barclays such amounts representing VAT irrecoverable by the Barclays;
 - (e) pursuant to clause 15.1(a) and (b) the Company agrees to guarantee irrevocably and unconditionally, jointly and severally with the other Guarantors (as defined in the Barclays Facility Agreement) to Barclays, inter alia, due and punctual payment by obligors thereunder other than itself of any and every sum of money which the obligors thereunder shall at any time be expressed or contemplated as liable to pay under the Barclays Facility Agreement and undertakes, inter alia, to Barclays that if and each time any borrower thereunder other than itself does not make payment of any of those sums so guaranteed in accordance with the Financing Documents (as defined in the Barclays Facility Assessment) to pay the amounts not so paid upon first written demand by Barclays;
 - (f) pursuant to clause 15.1(c) the Company undertakes with Barclays to indemnify Barclays from time to time on demand against any loss which it may incur if any obligor's obligations under clause 15.1(a) are void, voidable, unenforceable or ineffective; and

- (g) the Company agrees pursuant to clause 15.6 that until all amounts owing under or in connection with the Financing Documents have been irrevocably paid in full, its rights and those of the other members of the Craegmoor Security Group (as defined in the Bridge Facility Agreement) shall be subordinated to Barclays and not to (1) compete with Barclays as a creditor, or (2) receive, claim or have the benefit of any payment, distribution or security from or on account of any member of the Craegmoor Security Group or exercise any right of set-off as against any member of the Craegmoor Security Group, and to waive its right of contribution or indemnity in respect of any payment made or moneys received on account of the liability of any member of the Craegmoor Security Group under clause 15.1.

2. By executing the Craegmoor Group Debenture:

- (a) the Company covenants pursuant to clause 2(a) with Barclays that it will punctually pay and discharge all monies and liabilities whatsoever which at the date of the Craegmoor Group Debenture or at any time thereafter may (whether before or after demand) become due owing or payable to Barclays by the Company or any of other companies providing security thereunder actually or contingently under or in respect of the Barclays Facility Agreement, the Craegmoor Group Debenture and/or any of the other Financing Documents (the "**Secured Amounts**");
- (b) the Company covenants pursuant to clause 2(b) to observe, perform and satisfy all its other obligations and liabilities under the Barclays Facility Agreement, the Craegmoor Group Debenture and/or any of the other Financing Documents;
- (c) pursuant to clause 3.4 the Company mortgages, charges and assigns all of its property, assets and undertaking to Barclays as continuing security for the payment or discharge of the Secured Amounts to Barclays;
- (d) pursuant to clause 8.1 the Company undertakes jointly and severally with the other companies providing security thereunder to Barclays and to the other companies providing security thereunder that unless and until all amounts payable pursuant to the Financing Documents have been satisfied in full it will not take steps or pursue any action to recover any debt owing to it by any other company providing security thereunder or petition or procure the petitioning for the winding up or administration of any company providing security thereunder or the appointment of an administrative receiver in respect of any such company;
- (e) pursuant to clause 3.11 and clauses 9.1 to 9.9 the Company makes representations and gives warranties to Barclays and covenants with Barclays in respect of certain obligations;

- (f) pursuant to, inter alia, clause 16 the Company covenants to deposit documents of title with Barclays, to execute mortgages or charges, and to execute assignments, assignments to Barclays, in terms specified by Barclays, and to execute on demand such documents and do such things to register or perfect any security created or intended to be created under the Craegmoor Group Debenture or which Barclays or a Receiver may specify to facilitate the exercise or proposed exercise of its powers or the realisation of any of the property the subject of security under the Craegmoor Group Debenture.

The Directors
Conquest Care Homes (Soham) Limited
Craegmoor House
97 Friar Street
Droitwich
Worcestershire
WR9 8EG

PricewaterhouseCoopers
Temple Court
35 Bull Street
Birmingham B4 6JT
Telephone +44 (0) 121 265 5000
Facsimile +44 (0) 121 265 5050
Direct Phone 44 (0) 121 265 5242
Direct Fax 44 (0) 121 265 5100

20 September 2000

Dear Sirs

Auditors' report to the directors of Conquest Care Homes (Soham) Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Conquest Care Homes (Soham) Limited ('the company') dated 20 September 2000 in connection with the proposal that the company should give financial assistance for the purpose of reducing, or discharging liabilities incurred in connection with the acquisition of a company's shares or the acquisition of shares in the holding company of a company.

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 1985 is unreasonable in all the circumstances.

Yours faithfully

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors