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Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

155(6)b

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 black lettering

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

For official use

Company number

[] [] [] []

4872046

Name of company

* Spirit Retail Bidco Limited

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

* insert full name
of company

☒ We are Karen Jones, Paddock House, 5 Spencer Park, Wandsworth, London, SW18 2SX
Cornel Riklin, 103 Barrow Gate Road, Chiswick, London W4 4QS
Benedict Smith, Flat 9, 62 Ecclestone Square, London SW1V 1PH
Stephen Peel, 4 Neville Street, London, SW7 3AR

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

† delete as
appropriate

~~XXXXXXXXXX~~ [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 person authorised under section 1 of the Insurance Companies Act 1982 to carry on~~
(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§

This company is ~~not~~ [a] holding company of* AVL (Pubs) No. 2 Limited

which is

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

in ~~the company~~ Spirit Managed Holdings Limited

the holding company of this company.†

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

Slaughter and May
(Ref: KRD/SJVW/DER)
One Bunhill Row
London
EC1Y 8YY

For official Use
General Section

Post room



LD2

LPDZGRT

0449

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: See Annex 1

The assistance is to be given to: (note 2) Spirit Intermediate Holdings Limited
of 107 Station Street, Burton-on-Trent, Staffordshire DE14 1BZ.

The assistance will take the form of:

See Annex 2.

The person who [has acquired] ~~will acquire~~ the shares is:
Spirit Intermediate Holdings Limited

† delete as appropriate

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

See Annex 3.

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 £ 86,824,606

The value of any asset to be transferred to the person assisted is £ NIL

Please do not
write in this
margin

The date on which the assistance is to be given is within 8 weeks of 24 November 2004

Please complete
legibly, preferably
in black type, or
in 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)

delete either (a) or
(b) as appropriate

(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)

(b) ~~We intend to commence the winding up of this company within 12 months of that date, and 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

SLAUGHTER AND MAY

ONE BUNHILL ROW

LONDON EC1Y 8YY

Day

Month

on

24 11 2004

before me

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

Declarants to sign below

[Signature]
[Signature]

[Signature]

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
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

JONATHAN PAUL COUTTS
Scrivener Notary, authorised
by statute to administer oaths

Annexure 1

A1 Ordinary Shares - 124,108 of £0.25 each

A2 Ordinary Shares - 61,607 of £0.20 each

A3 Ordinary Shares - 246,428 of £0.20 each

B Ordinary Shares - 1,167,144 of £0.25 each

A Preference Shares - 39,623,643 of £0.10 each

B Preference Shares - 323,743,890 of £0.10 each

Spirit Retail Bidco Limited
(the "**Company**")

Annexure 2 – Form 155(6)(b)

The financial assistance will take the form of:

- (A) intra-group loans or other advances (including by way of repayment of existing loans and other inter-company balances) (the "**Loans**") from the Company's subsidiary to group companies on the terms set out in a Debt Reorganisation and Settlement Agreement to be dated 25 November, 2004 between, inter alios, the Company's subsidiary, Spirit Retail Bidco Limited and Spirit Group Parent Limited (the "**DRSA**"); and
- (B) payment of certain fees and expenses incurred in respect of the preparation, execution, delivery and performance of, and of the transactions contemplated by the documents listed in paragraph (A) above.

Spirit Retail Bidco Limited
(the "**Company**")

Annexure 3 – Form 155(6)(b)

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

By entering into the **DRSA**, the Company's subsidiary has agreed to advance certain amounts by way of the Loans to members of the Spirit Group on and in accordance with the terms set out in the DRSA. The ultimate use of part of the proceeds of the Loans will be to reduce or discharge indebtedness incurred in relation to the acquisition of Spirit Managed Holdings Limited.

Where Additional Bank Indebtedness (as defined in the DRSA) up to an aggregate principal amount of £150,000,000 is drawn down, the relevant parties to the DRSA shall co-operate to transfer the proceeds of such Additional Bank Indebtedness directly or indirectly to SGPL by way of subordinated loan or repayment of subordinated loan, but subject always to the applicable restrictions set out in section 151 of the Companies Act 1985.

Auditors' report to the directors of Spirit Retail Bidco Limited pursuant to section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Spirit Retail Bidco Limited ("the Company") dated 24 November 2004, prepared in accordance with applicable United Kingdom Law, in connection with the proposal that the Company's subsidiary, AVL (Pubs) No.2 Limited should give financial assistance for the purchase of the entire share capital of Spirit Managed Holdings Limited by Spirit Intermediate Holdings Limited.

This report is made solely to the directors in accordance with Section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, for our work, for this report, or for the opinions 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 1985 is unreasonable in all the circumstances.



Ernst & Young LLP
Registered Auditor
24 November 2004