

CHFP025

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Declaration in relation to assistance for the acquisition of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

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

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

* insert full name
of company

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

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

For official use

Company number

05255132

Name of company

* Raphael Health Care Limited ("**Company**")

~~X~~We 0 Please see annexure 1

† delete as appropriate

§ delete whichever
is inappropriate

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

The business of the company is

[illegible][illegible]

XX

(c) something other than the above §

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

~~XXXXXX~~ [company's holding company Raphael Health Care (Holding) Limited

(company registration number 05470792)

The assistance is for the purpose of [that acquisition] XXXXXXXXXX

XXXXXXXXXXXXXXXXXXXXX +

The number and class of the shares acquired or to be acquired is

Please see annexure 2

Presentor's name address and
reference (if any)

DLA Piper UK LLP
101 Barbirolli Square
Manchester
M2 3DL

DX 14304 MANCHESTER
Ref LL/80424/120017/19934384

For official Use
General Section

WEDNESDAY



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A06

30/07/2008

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COMPANIES HOUSE

The assistance is to be given to (note 2) Please see annexure 3

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

The assistance will take the form of

The execution by the Company of

1. the Intercreditor Deed;
2. the Guarantee and Debenture;
3. the Farndon Legal Charge;
4. the Briers Hey Legal Charge;
5. the Intra-Group Loan Agreement, and
6. the Cross Guarantee,

(as the same may be amended, varied, supplemented or substituted from time to time) and the Company complying with and fulfilling its obligations thereunder

All capitalised terms have the meaning given in Annexure 7 to this form 155(6)
a.

The person who ~~XXXXXXXXXX~~ [will acquire] † the shares is

† delete as
appropriate

Please see annexure 4

The principal terms on which the assistance will be given are

Please see annexure 5

The amount of cash to be transferred to the person assisted is £ See annexure 6

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 eight weeks of the date hereof

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

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

~~X~~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) ~~X~~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) [REDACTED] (note 3)

And ~~X~~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 OLA Piper
101 Barbirolli Square, Manchester

Declarants to sign below

Nelson
 Thayer
 Phelps

on

Day	Month	Year
2 8	0 7	2 0 0 8

before me Cornell Claire Edgar

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

Company Number: 05255132

RAPHAEL HEALTH CARE LIMITED

ANNEXURES TO FORM 155(6)a

ANNEXURE 1

Name	John Thomas Lamb
Address	Langley House Fairfield Drive Baildon Bradford West Yorkshire BD17 6SD
Name	Roderick Gruffydd Morris
Address	26 Greenhill Place The Park Huyton Wnn Roby Liverpool Merseyside L36 5RU
Name	Arthur Lawrence Robinson
Address	18 Evans Close Didsbury Manchester Lancashire M20 2SQ

Rem.
VR
S.R.
one

Company Number: 05255132

RAPHAEL HEALTH CARE LIMITED

ANNEXURES TO FORM 155(6)a

ANNEXURE 2

925 ordinary shares of £1 00 each, 35 "B" ordinary shares of £1 00 each and 1,686,840 preference shares of £1 00 each in the capital of the Parent (the "**Entire Issued Share Capital**")

Phm.
MR
CMEP.

Company Number: 05255132

RAPHAEL HEALTH CARE LIMITED

ANNEXURES TO FORM 155(6)a

ANNEXURE 3

RHC Group Ltd, a company registered in England and Wales with registration number 06646628 and whose registered office is at Briers Hey Mill Lane, Rainhill Liverpool, Merseyside L35 6NE (the "**Purchaser**")

Handwritten signature and initials:
RHC
J. F. R.
one

Company Number: 05255132

RAPHAEL HEALTH CARE LIMITED

ANNEXURES TO FORM 155(6)a

ANNEXURE 4

The Purchaser will acquire the Entire Issued Share Capital of the Parent

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RAPHAEL HEALTH CARE LIMITED

ANNEXURES TO FORM 155(6)a

ANNEXURE 5

The principal terms on which the assistance is given are as follows (unless otherwise defined in this Form 155(6)a all capitalised terms are defined in the document referred to in the relevant paragraph)

1. The Intercreditor Deed

Pursuant to the terms of the Intercreditor Deed, there are regulated certain rights and obligations between the parties thereto in respect of payments due to such parties and the enforcement of security granted by the Group Companies, including, without limitation, the Company, in favour of, inter alia, the Senior Lender, the Subordinated Creditors and the Investors

2. The Guarantee and Debenture

Pursuant to the terms of the Guarantee and Debenture, the Company

- 2 1 covenants with the Security Trustee to pay or discharge all or any monies and liabilities which shall from time to time be due, owing or incurred to the Security Beneficiaries under the Investor Loan Note Instrument, on the due date and in the manner provided in the Investor Loan Note Instrument,
- 2 2 creates in favour of the Security Trustee fixed and floating charges and/or assigns to the Security Trustee all its assets and undertaking both present and future by way of security for all the Company's liabilities to the Security Beneficiaries,
- 2 3 guarantees to the Security Trustee to discharge on demand all of the liabilities of the Parent pursuant to the Investor Loan Note Instrument, and
- 2 4 agrees that any amount claimed by the Security Trustee to be included in such obligations which is not recoverable from the relevant Group Company shall be recoverable from the Company as principal debtor

3. The Farndon Legal Charge

Pursuant to the terms of the Farndon Legal Charge, the Company creates in favour of the Security Trustee a fixed charge over the Farndon Mental Health Hospital, Farndon, Newark NG24 4SW registered at the Land Registry with title number NT393661

4. The Briers Hey Legal Charge

Pursuant to the terms of the Briers Hey Legal Charge, the Company creates in favour of the Security Trustee a fixed charge over the land and buildings at Briers Hey, Mill Lane, Rainhill, Prescot L35 6NE registered at the Land Registry with title number MS533123 and part of title number MS507475

5. The Intra-Group Loan Agreement

Pursuant to the terms of the Intra-Group Loan Agreement, the Company could be required to provide funds to enable, inter alia, the Purchaser to meet its obligations under or in connection with the Investor Loan Note Instrument and for any purpose in connection with the Acquisition, and, inter alia, the Purchaser agrees to use reasonable endeavours to meet any shortfall in the working capital requirements of the Borrowers, including the Company

Handwritten signatures and initials:
Rm.
JR
CME

6. The Cross Guarantee

Pursuant to the terms of the Cross Guarantee, the Company covenant, amongst other things, to guarantee the liabilities and obligations from time to time of the Parent and/or the Purchaser to the Senior Lender on the terms and conditions therein. The Cross Guarantee is unlimited.

In entering into the various documents referred to above the Company is entering into obligations and assuming liabilities and giving security in connection with the acquisition of shares in the Parent by the Purchaser and may in the future be called upon pursuant to any of the documents referred to in this declaration to discharge obligations and/or liabilities arising in connection with the acquisition of shares in the Parent.

12m -
J.T.C.
cme

Company Number: 05255132

RAPHAEL HEALTH CARE LIMITED

ANNEXURES TO FORM 155(6)a

ANNEXURE 6

The amount of cash to be transferred to the person assisted is amounts due under the Intra-Group Loan Agreement up to a maximum amount of £4,000,000

7
Rw.
CME

RAPHAEL HEALTH CARE LIMITED

ANNEXURES TO FORM 155(6)a

ANNEXURE 7

In this Form 155(6)a, and all its annexures, the following terms shall have the following meanings

"Acquisition" means the acquisition of the whole of the issued share capital of the Parent by the Purchaser pursuant to the terms and conditions of the Acquisition Agreement,

"Acquisition Agreement" means the acquisition agreement to be entered into on the date hereof between, inter alia, (1) the Vendors and (2) the Purchaser under which the Purchaser agrees to purchase the Entire Issued Share Capital of the Parent,

"Briers Hey Legal Charge" means the legal charge to be granted by the Company in favour of the Security Trustee in respect of the Property (as defined therein),

"Company" has the meaning ascribed thereto on page 1 of this Form 155(6)a,

"Cross Guarantee" means the cross guarantee to be entered into by the Company, the Purchaser and the Parent in favour of the Senior Lender,

"Farndon Legal Charge" means the legal charge to be granted by the Company in favour of the Security Trustee in respect of the Property (as defined therein),

"Group" means at any time the Purchaser and its Subsidiaries, including, without limitation, the Company, and **"Group Company"** means any of them,

"Guarantee and Debenture" means the guarantee and debenture to be granted by the Group Companies in favour of RJD Partners Limited as Security Trustee for the Security Beneficiaries (each term as defined therein),

"Intercreditor Deed" means an intercreditor deed to be made between, inter alia, (1) The Governor and Company of the Bank of Ireland as Senior Lender, (2) the Group Companies, (3) the Subordinated Creditors, (4) the Investors and (5) the Security Trustee (as each such term is defined therein),

"Intra-Group Loan Agreement" means the intra-group loan agreement to be entered into between the Lenders (1) and the Borrowers (2) (as each such term is defined therein),

"Investment Agreement" means the agreement to be entered into between, inter alia, (1) RHC Group Ltd as the Company, (2) the Managers, (3) John Lamb, (4) the Investors and (5) RJD Partners Limited as the Fund Manager,

"Investors" means, in respect of the Intercreditor Deed, John Lamb, Arthur Robinson and Roderick Morris and, in respect of the Investment Agreement RJD Private Equity Fund II LP, 8 - 9 Well Court, London EC4M 9DN and RJD Private Equity SBS Fund II LP, 8 - 9 Well Court, London EC4M 9DN,

"Investor Loan Note Instrument" means the instrument pursuant to which the Purchaser constitutes the 3,100,000 subordinated fixed rate Loan Notes 2015,

"Purchaser" has the meaning ascribed thereto in Annexure 3,

"Security Trustee" means RJD Partners Limited,

"Senior Lender" means The Governor and Company of the Bank of Ireland,

"Subordinated Creditors" means RJD Private Equity Fund II LP and RJD Private Equity SBS Fund II LP,


Handwritten signatures and initials:
Rm.
JL
one

"Subsidiary" means

- (i) a subsidiary as defined in Section 736 of the Companies Act 1985, and
- (ii) a subsidiary undertaking as defined in Section 258 and Schedule 10A of the Companies Act 1985, and

"Vendors" means Arthur Robinson, John Lamb, Roderick Morris and Paula Holdsworth

References to the to the documents above and to any provisions of them or to any other document referred to in this annexure shall be construed as references to it as amended, varied, supplemented, restated, substituted or novated from time to time


CUTL

The Directors
Raphael Health Care Limited
The Health Business and Technical Park
Runcorn
Cheshire
WA7 4QX

Dear Sirs

Grant Thornton UK LLP
No 1 Whitehall Riverside
LEEDS
West Yorkshire
LS1 4BN

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**Auditors' report to the directors of Raphael Health Care Limited
(company number 05255132) (the Company) pursuant to section
156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors dated 28 July 2008 in connection with the proposal that the Company should give financial assistance for the purchase of the entire issued ordinary share capital of Company's holding company, Raphael Health Care (Holding) Limited (company number 05470792)

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



Grant Thornton UK LLP
Registered Auditors
Chartered Accountants

Leeds
28 July 2008