

COMPANIES FORM No. 155(6)(a)

155(6)a

Declaration in relation to
assistance for the acquisition
of shares

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

05414402

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

Name of company

* Littonace (No.6) Limited

*Insert full name
of company

/We ~~ø~~ William Kenneth Procter of 16 Claverley Grove, Finchley, London, N3 2DH

øInsert name(s) and
address(es) of all
the directors

†Delete as
appropriate

[the sole director] ~~XXXXXX~~ † of the above company do solemnly and sincerely declare that:

The business of the company is:

§Delete whichever
is inappropriate

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

~~that it is a person authorised under section 3 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 Fairhold Homes Investment (No.7) Limited

~~XXXXXX~~†

The assistance is for the purpose of [that acquisition] ~~including or discharging a liability incurred~~

~~for the purpose of that acquisition~~

The number and class of the shares acquired or to be acquired is: 1,000 ordinary shares of £1 each

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

Cecile Bouchet
Osborne Clarke
1 London Wall
London EC2Y 5EB
DX 466 LDE

CDJB/0892170/834049

For official Use (10/03)
General Section

Post room



The assistance is to be given to: (note 2)

Moormead Property Holdings Limited a company registered under the laws of the Bahamas
("Moormead")

Please do not
write in
this margin

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

The assistance will take the form of:

Please see attached schedule 1

The person who ~~has acquired~~ **XXXXXX** ~~will acquire~~† the shares is:
Moormead

† Delete as
appropriate

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

Please see attached schedule 2

The amount of cash to be transferred to the person assisted is £ up to £353,000,000

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 from the date of this declaration

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

I/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) [I/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) ~~XXXXX intended to commence the winding up of the company within 12 months of the date and 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

OSBORNE CLARKE
ONE LONDON WALL
LONDON EC2Y 5EB

Declarants to sign below



Day Month Year

on

1	7	0	3	2006
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before me

Reed PAMELA REYNOLDS

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 auditor's 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
- DX 33050 Cardiff
- or, for companies registered in Scotland:-
- The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB
- DX 235 Edinburgh
- or LP-4 Edinburgh 2

Financial assistance given by Littonace (No.6) Limited

Schedule 1 Form of the financial assistance

Unless otherwise stated, all defined terms and expressions used in this Schedule shall have the same meanings as set out in the Master Definitions and Construction Agreement to be entered into between, amongst others the Property Owners and the Borrower.

It is planned to securitise the sheltered housing portfolio held in various companies including Littonace (No.6) Limited (the "**Fairhold Homes Group**") (the "**Securitisation**").

The Securitisation will be effected by restructuring current ownership of the Fairhold Homes Group, such that the Borrower will purchase the entire issued share capital of the members of the Fairhold Homes Group and will consequently directly own the members of the Fairhold Homes Group.

After this restructuring, bonds will be issued by Fairhold Securitisation Limited (the "**Issuer**") on the Irish stock exchange raising approximately £353,000,000. The proceeds of the bonds will be lent by the Issuer to the Borrower, and thence downwards through the restructured group, and thence back up through the restructured group enabling part repayment of debt incurred in connection with the acquisition of certain of the companies in the anticipated transaction and incurred in previous acquisitions of certain of the companies.

Although the restructuring takes place following a series of steps which are not all contemporaneous with the Securitisation, the prudent view is that these steps constitute financial assistance as none of these steps or actions would be required or would take place if the Securitisation did not take place.

In particular the assistance will take the form of:

1. the entry by Littonace (No.6) Limited into the following documents:
 - (a) **Security Trust and Intercreditor Deed** made between, amongst others, the Obligors and the Security Trustee
 - (b) **Tax Deed of Covenant** made between the Issuer, the Covenantors, the Security Trustee and the Note Trustee
2. the sale by Littonace (No.6) Limited of its property interest in certain house manager flats to Littonace HMF Limited together with the transfer of accruals in respect of rent paid in advance on such house manager flats and the transfer of cash in relation to advance rental receipts on such house manager flats
3. the loan of certain amounts to Littonace HMF Limited
4. the payment by Littonace (No.6) Limited to Fairhold Homes Investment (No.7) Limited of a proportion of all existing bank redemption costs and prepayment fees and other related costs owed by Fairhold Homes Investment (No.7) Limited to HSH Nordbank AG London Branch

Schedule 2
Terms of the financial assistance

Unless otherwise stated, all defined terms and expressions used in this Schedule shall have the same meanings as set out in the Master Definitions and Construction Agreement to be entered into between, amongst others, the Company and the Borrower.

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

1.

- (a) Under the Security Trust and Intercreditor Deed, Littonace (No.6) Limited will fully subordinate the loan made to Littonace HMF Limited
- (b) Under the terms of the Tax Deed of Covenant, Littonace (No.6) Limited will give certain representations and covenants as to its tax position and tax liabilities
- (c) The terms of the L6 Back to Back ISDA Master Agreement will govern the terms of the L6 Back to Back RPI Swaps and the L6 Back to Back Interest rate Swaps
- (d) Under the terms of the L6 Back to back RPI Swaps Littonace (No.6) Limited agrees to pay RPI linked amounts to Fairhold Homes Investment (No.7) Limited and receive in exchange fixed amounts on fixed dates from Fairhold Homes Investment (No.7) Limited
- (e) Under the terms of the L6 Back to Back Interest Rate Swaps, Littonace (No.6) Limited agrees to pay fixed amounts to Fairhold Homes Investment (No.7) Limited in return for receiving floating amounts from Fairhold Homes Investment (No.7) Limited
- (f) The terms of the LHMF Back to Back ISDA Master Agreement will govern the terms of the LHMF Back to Back RPI Swaps and the LHMF Back to Back Interest rate Swaps
- (g) Under the terms of the LHMF Back to back RPI Swaps Littonace HMF Limited agrees to pay RPI linked amounts to Littonace (No.6) Limited and receive in exchange fixed amounts on fixed dates from Littonace (No.6) Limited
- (h) Under the terms of the LHMF Back to Back Interest Rate Swaps, Littonace HMF Limited agrees to pay fixed amounts to Littonace (No.6) Limited in return for receiving floating amounts from Littonace (No.6) Limited

- 2. Littonace (No.6) Limited will sell its property interest in certain house manager flats to Littonace HMF Limited and will also transfer accruals in respect of rent paid in advance on such house manager flats and will transfer cash in relation to advance rental receipts on such house manager flats
- 3. Littonace (No.6) Limited will lend certain amounts to Littonace HMF Limited

5. the repayment by Littonace (No.6) Limited of intra-group debt to Fairhold Homes Investment (No.7) Limited



[A1]

**AUDITORS' REPORT TO THE DIRECTORS OF
LITTONACE (NO. 6) LIMITED
("THE COMPANY")
PURSUANT TO SECTION 156(4) OF
THE COMPANIES ACT 1985**

It is our responsibility to make a report to the company in accordance with Section 156(4) of The Companies Act 1985. Our work has been undertaken so that we might state to the Company those matters we are required to state 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 for any other purpose for our work, for this report or for the opinions we have formed.

We have examined the attached statutory declaration of the directors dated 17/3 2006 in connection with the proposal that the Company should give financial assistance (as defined in Section 152 of the Companies Act 1985) in connection with the acquisition of shares in its holding company, Fairhold Homes Investment (No. 7) Limited.

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 the declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

BAKER TILLY
Registered Auditors

The Clock House
140 London Road
Guildford
GU1 1UW

17 March 2006