

## COMPANIES FORM No. 155(6)(a)

Declaration in relation to  
assistance for the acquisition  
of shares

155(6)a

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

For official use

Company number

05416743

Note  
Please read the  
notes on page 3  
before completing  
this form\*Insert full name  
of company

Name of company

\* Churchill Court Propco Limited

x/We ø

Please see Appendix 1 attached.

ø 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 & x~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry~~ x~~on insurance business in the United Kingdom~~ §

(c) something other than the above §

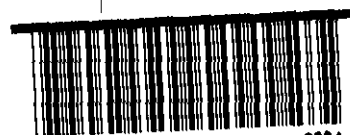
The company is proposing to give financial assistance in connection with the acquisition of shares  
in the [company] ~~company's holding company~~~~limited~~ xThe assistance is for the purpose of [that acquisition] ~~reducing or discharging a liability incurred~~ xxx  
for the purpose of that acquisition]. †

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

Please see Appendix 2 attached

Presentor's name address and  
reference (if any):FRESHFIELDS BRUCKHAUS  
DERINGER  
65 FLEET STREET, LONDON  
ENGLAND  
UNITED KINGDOM EC4Y 1HS  
DX 23 LONDON/CHANCERY LANEFor official Use (10/03)  
General Section

Post room

LD2  
COMPANIES HOUSE

L0BYH997

0334

05/10/05

CO 155(6)(a)/1

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

Loyd's Nursing Homes UK Limited  
(company number 05550178)  
1 Hay Hill  
Berkeley Square  
London W1J 6DH

write in  
this margin

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

The assistance will take the form of:

Please see Appendix 3 attached.

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

Loyd's Nursing Homes UK Limited  
(company number 05550178)

† Delete as  
appropriate

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

Please see Appendix 4 attached.

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 a date not more than eight weeks after the date of this statutory declaration

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

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)

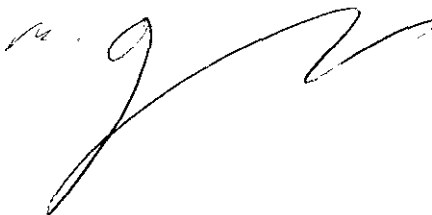
(b) ~~It is intended to commence the winding-up of the company within 12 months of that date and we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.]~~\* (note 3)

And 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

65 FLEET STREET  
LONDON EC4Y 1HS

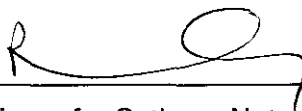
Declarants to sign below



on Day Month Year

29 01 2015

before me



ROBERT SPODDING, DENTON LULU DE SITE

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

Churchill Court Propco Limited  
05416743  
(the Company)

Mr Meir Gurvitz  
2-4 Holmfield Ave  
London  
NW4 2LN

to "

Churchill Court Propco Limited  
05416743  
(the Company)

Number and class of shares acquired is 1 Ordinary Share of £1 each in the capital of the Company.

The Company will provide financial assistance by way of entering into the following agreements:

1. an accession deed (the *Facility Accession Deed*) to be entered into by the Company pursuant to Clause 27.2 (Additional Guarantors) and Schedule 2 Part 2 (Conditions Precedent required to be delivered by an Additional Guarantor) of a Syndicated Property Investment Term Loan Facility Agreement relating to term loan facilities totalling £191,520,000, dated or to be dated on or about 28 September 2005 and made or to be made between Loyd's Nursing Homes UK Limited (*Loyd's*) (as the borrower under the Facility) and the Royal Bank of Scotland plc (as Arranger, Original Lender, Agent and Security Trustee) (the *Facility Agreement*) and in particular the guarantee and indemnity contained in Clause 17 of the Facility Agreement;
2. an accession deed (the *Intercreditor Accession Deed*) to be entered into by the Company pursuant to the terms of the Intercreditor Deed dated or to be dated on or about 29 September 2005 and made or to be made between, the Company, the Royal Bank of Scotland plc and others (the *Intercreditor Deed*);
3. an accession deed (the *Debenture Accession Deed*) to be entered into by the Company pursuant to Clause 26.3 (*Accession deed*) of an English law debenture (to be entered into by Loyd's (and certain other companies identified therein) pursuant to Clause 17 (*Guarantee and Indemnity*) of the Facility Agreement in favour of the Royal Bank of Scotland plc (the *Debenture*)) and pursuant to Article 27.2 (*Additional Guarantors*) and Schedule 2 Part 2 (*Conditions Precedent required to be delivered by an Additional Guarantor*) of the Facility Agreement (the Facility Accession Deed, the Intercreditor Accession Deed and the Debenture Accession Deed together, the *Accession Deeds*.);
4. an intra-group loan agreement to be entered into between the Company (as a intra-group borrower) and Loyd's (as a intra-group lender) (the *Churchill Intra-Group Loan Agreement*),

(each of those documents being in such form as may be amended, supplemented, novated and/or replaced from time to time)

together with the performance by the Company of other acts in connection with the acquisition of the Shares and the financing of such acquisition.

**1. The Facility Agreement:**

- (a) by signing the Facility Accession Deed the Company will enter into the Facility Agreement as an additional guarantor thereby guaranteeing, under Clause 17 of the Facility Agreement, to each Finance Party (as defined in the Facility Agreement) punctual performance by each Obligor (as defined in the Facility Agreement) of all of each other Obligor's obligations under the Finance Documents (as defined in the Facility Agreement);
- (b) by signing the Facility Accession Deed the Company will undertake with each Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor;
- (c) by signing the Facility Accession Deed, the Company also agrees to indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by the Company is or becomes unenforceable, invalid or illegal; and
- (d) the guarantee to be given is a continuing guarantee, extending to the ultimate balance of all sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part. In addition as an Obligor under the Finance Documents, the Company will give a number of representations, warranties, indemnities and undertakings to the Finance Parties.

**2. The Intercreditor Accession Deed:**

By signing the Intercreditor Accession Deed the rights of the Company under any intra-group loan agreement (including, but not limited to, the Churchill Intra-Group Loan Agreement) will be fully subordinated to the rights of the Lenders under the Facility Agreement.

**3. The Debenture:**

By signing the Debenture Accession Deed the Company, in favour of the Security Trustee, with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 and as continuing security for payment of the Secured Obligations agreed the following:

**(a) Covenant to pay**

under Clause 2.1 of the Debenture the Company, as principal obligor and not merely as surety, covenants in favour of the Security Trustee that it will pay and discharge the Secured Obligations from time to time when they fall due provided that every payment by the Company of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable in accordance with the Finance Document under which such sum is payable to that Secured Party, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1.1 of the Debenture.

**(b) Fixed charges**

under clause 4.1 of the Debenture the Company charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

- (i) under clause 4.1.1 of the Debenture by way of first fixed legal mortgage:

- (A) the Property specified in part 1 of schedule 2 (*Details of Security Assets*) of the Debenture (clause 4.1.1(a) of the Debenture); and
  - (B) all other Property (if any) at the date of the Debenture vested in, or charged to, the Company (not charged by clause 4.1.1(a) of the Debenture);
- (ii) under clause 4.1.2 of the Debenture by way of first fixed charge:
- (A) all other Property and all interests in Property (not charged by clause 4.1.1 of the Debenture);
  - (B) all licences to enter upon or use land and the benefit of all other agreements relating to land; and
  - (C) the benefit of any rental deposit given or charged to the Company by any occupier of the Property.
- (iii) under clause 4.1.3 of the Debenture by way of first fixed charge all plant and machinery (not charged by clause 4.1.1 or 4.1.2 of the Debenture) and the benefit of all contracts, licences and warranties relating to the same;
- (iv) under clause 4.1.4 of the Debenture by way of first fixed charge:
- (A) all computers, vehicles, office equipment and other equipment (not charged by clause 4.1.3 of the Debenture); and
  - (B) the benefit of all contracts, licences and warranties relating to the same,
- (v) under clause 4.1.5 of the Debenture by way of first fixed charge:
- (A) under clause 4.1.5(a) of the Debenture the Charged Securities referred to in part 2 of schedule 2 (*Details of Security Assets*) of the Debenture;
  - (B) all other Charged Securities (not charged by clause 4.1.5(a) of the Debenture),

in each case, together with (1) all Related Rights from time to time accruing to those Charged Securities and (2) all rights which the Company may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;

- (vi) under clause 4.1.6 of the Debenture by way of first fixed charge (insofar as not charged by clause 4.1.1 or 4.1.2 of the Debenture), the Rental Income;
- (vii) under clause 4.1.7 of the Debenture by way of first fixed charge:
- (A) each Account other than the General Account and all monies at any time standing to the credit of each Account;
  - (B) all accounts of the Company with any bank, financial institution or other person at any time (not charged by clause 4.1.7(a) of the Debenture) and all monies at any time standing to the credit of such accounts,

in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;



- (viii) under clause 4.1.8 of the Debenture by way of first fixed charge the Intellectual Property (if any);
- (ix) under clause 4.1.9 of the Debenture to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (*Security assignments*) of the Debenture, by way of first fixed charge such Assigned Asset;
- (x) under clause 4.1.10 of the Debenture by way of first fixed charge (to the extent not otherwise charged or assigned in the Debenture):
  - (A) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Company or the use of any of its assets; and
  - (B) any letter of credit issued in favour of the Company and all bills of exchange and other negotiable instruments held by it; and
- (xi) under clause 4.1.11 of the Debenture by way of first fixed charge all of the goodwill and uncalled capital of the Company.

(c) Security assignments

under clause 4.2 of the Debenture the Company assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to:

- (i) the Relevant Contracts, all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising therefrom;
- (ii) the Insurances, all claims under the Insurances and all proceeds of the Insurances;
- (iii) the Rental Income, all rights and remedies in connection with the Rental Income and all proceeds and claims arising therefrom (to the extent not validly charged by clause 4.1 of the Debenture);
- (iv) the Hedging Agreements; and
- (v) all other Receivables (not assigned under clause 4.2.1 to 4.2.4 of the Debenture).

To the extent that any Assigned Asset described in clause 4.2.2 of the Debenture is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Company to any proceeds of the Insurances.

(d) Floating Charge

under clause 5 of the Debenture the Company charges and agrees to charge by way of first floating charge all of its present and future:

- (i) assets and undertaking (wherever located) which are not effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 4.1 (Fixed charges) of the Debenture, clause 4.2 (*Security assignments*) of the Debenture or any other provision of the Debenture;
- (ii) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland; and
- (iii) the General Account.

(e) Accounts

under clause 9 of the Debenture the Company agrees that no monies at any time standing to the credit of any account (of any type and however designated) it holds with the Security Trustee and/or any other Secured Party (or any of them) or in which it has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any third party.

(f) Negative pledge and disposals

under clause 11 of the Debenture, the Company agrees not to do or agree to do any of the following without the prior written consent of the Security Trustee:

- (i) create or permit to subsist any Security Interest on any Security Asset except a Permitted Security; or
- (ii) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset (except for a Permitted Disposal).

(where "Debenture" and "Debenture Accession Deed" have the meanings given to them in Appendix 3 of this statutory declaration and "Security Trustee", "Secured Obligations", "Secured Party", "Finance Document", "Property", "Charged Securities", "Related Rights", "Charged Investments", "Rental Income", "Account", "General Account", "Intellectual Property", "Assigned Asset", "Authorisations", "Relevant Contracts", "Insurances", "Hedging Agreements", "Receivables", "Security Interest", "Security Asset", "Permitted Security" and "Permitted Disposal" have the meaning given to them in the Debenture.)

The Debenture contains a covenant for further assurances and shall remain in full force and effect notwithstanding any amendments, variations or novations from time to time of the Finance Documents.

4. The Churchill Intra-Group Loan Agreement:

- (a) the aggregate principal amount of monies borrowed by the Company under the terms of the Churchill Intra-Group Loan Agreement amounts to £2,980,279.46 and such borrowing will enable the Company to repay all sums owed to Southern Cross Bidco Limited in accordance with clause 4.11 of the sale and purchase agreement, dated 5 September 2005, made between TBG Careco Investments 2 Limited, TBG Guaranteeco Limited and Southern Cross Bidco Limited (as sellers) and Loyd's Nursing Homes UK Limited (as buyer) in relation to the sale and purchase of the entire issued share capital of each of TBG Careco UK Limited, TBG Propco Limited, Churchill Court Propco Limited and Southern Cross (Crown Holdings) Limited;
- (b) the repayment of the loans under the terms of the Churchill Intra-Group Loan Agreement will reduce acquisition debt assumed by Loyd's under the Facility Agreement; and
- (c) interest will be payable under the Churchill Intra-Group Loan Agreement at a rate no less than the rate of interest payable under the Facility Agreement.

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF CHURCHILL COURT  
PROPCO LIMITED (Company Number 05416743) ("THE COMPANY") PURSUANT TO  
SECTION 156(4) OF THE COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors of the Company dated 29<sup>th</sup> September 2005 in connection with the proposal that the Company should give financial assistance for the purchase of 1 Ordinary Share of £1 each in the capital of the Company.

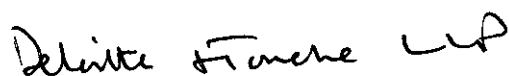
This report is made solely to the directors of the Company for the purpose of section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors of the Company those matters that we are required to state to them in an auditors' report under that section and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



Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
Athene Place  
66 Shoe Lane  
London EC4A 3BQ

29<sup>th</sup> September 2005