

# G

CHFP025

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## COMPANIES FORM No. 155(6)a

### 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

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

For official use

Company number

[ ] [ ] [ ] [ ] [ ] [ ]

02536455

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

Name of company

\* Portsmouth Water Limited

\* insert full name  
of company

☒ We ☐ See Appendix 1

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

† delete as  
appropriate

~~XXXXXXXXXXXX~~ [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 the company is engaged in the business of banking and finance~~  
~~(b) that the company is engaged in the business of insurance~~  
~~(c) that the company is engaged in the business of shipping~~  
~~(d) that the company is engaged in the business of other financial services~~

(c) something other than the above§

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

~~XXXXXXXXXX~~ [company's holding company] Brockhampton Holdings

Limited]†

The assistance is for the purpose of ~~XXXXXXXXXX~~ [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: 4,462,607 Ordinary Shares  
of 10p each and 45,302,933 "A" Ordinary Shares of 10p each

Presenter's name address and

reference (if any)  
**LINKLATER'S**  
**ONE SILK STREET**  
**LONDON EC2Y 8HQ**

For official Use  
General Section

Post room



LD5  
COMPANIES HOUSE

0477  
12/06/02

The assistance is to be given to: (note 2) South Downs Limited

(Company No: 04251707) Brockhampton Springs, West Street, Havant, Hampshire PO9 1LG

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

The assistance will take the form of:

See Appendix 2

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

† delete as appropriate

South Downs Limited (Company No: 04251707)

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

See Appendix 3

The amount of cash to be transferred to the person assisted is £ up to £58,850,000

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

Please do not  
write in this  
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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 the~~  
~~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 ☒ 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 Brockhampton SMLas  
West Street, Havant, Hants

Declarants to sign below

Day Month Year  
on 31 10 2012

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.

*[Signatures]*

## 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

## Appendix 1

- 1      John Francis Batty  
        8 Third Avenue  
        Denvilles  
        Havant  
        Hampshire PO9 2QS
- 2      John Edward Cogley  
        7 Goodwood Close  
        Waterlooville  
        Hampshire PO8 8BG
- 3      Andrew Richard Neve  
        11 St Pauls Road  
        Chichester  
        West Sussex PO19 3BH
- 4      Nicholas John Roadnight  
        7 Wellswood Gardens  
        Rowland Castle  
        Hampshire PO9 6DN
- 5      Neville Smith  
        18 St Vigor Way  
        Colden Common  
        Winchester  
        Hampshire SO21 1UU

## Appendix 2

The execution, performance and delivery by the Company of its obligations under:

- 1 a facility agreement (the "**Facility Agreement**") to be entered into between the Company, The Royal Bank of Scotland plc (the "**Lender**") and Portsmouth Water Holdings Limited ("**Portsmouth Holdings**");
- 2 an intra-group loan agreement (the "**Intra-Group Loan Agreement**") to be entered into between the Company and South Downs Limited ("**South Downs**");
- 3 a debenture (the "**Debenture**") to be entered into between the Company and Capita IRG Trustees Limited (the "**Borrower Security Trustee**") pursuant to which the Company will grant security over its assets and undertakings in favor of the Borrower Security Trustee;
- 4 a borrower security trust and intercreditor deed (the "**Borrower STID**") to be entered into between, *inter alia*, the Company, Portsmouth Holdings, the Borrower Security Trustee and Brockhampton Holdings Limited; and
- 5 an authorised loan facility agreement (the "**Authorised Loan Facility Agreement**") to be entered into between, *inter alia*, the Company, Portsmouth Holdings and the Lender.

## Appendix 3

### Facility Agreement

- 1 The Lenders agree to make available to the Company a term loan facility in sterling in an aggregate amount equal to the Total Commitment, being an amount up to £66,500,000.
- 2 The Company shall apply all amounts borrowed by it under the Facility in or towards financing or refinancing, *inter alia*, the repayment of Existing Debt of the Company and the intercompany loan by the Company to South Downs to refinance Existing Debt of South Downs.
- 3 The Company shall repay the Indexed Loan on the Termination Date and may not reborrow any part of the Facility which is repaid.
- 4 The Company may, in circumstances as specified in the Facility Agreement, prepay the whole but not part only of the Loan.
- 5 The Loan will bear interest (adjusted for indexation) at a rate between 3.635 per cent. and 3.885 per cent. per annum. The Company will also pay fees in the amounts as contemplated by the Fee Letter.
- 6 The obligations of the Obligors to the Facility Parties under the Facility Document will be secured in accordance with the Borrower Debenture and the HoldCo Debenture.
- 7 The Obligors will make certain representations and warranties and give certain indemnities and covenants to the Facility Parties as specified in the Facility Agreement and the Borrower Security Trust and Intercreditor Deed (and each defined term in this section "Facility Agreement", excluding Company and Facility Agreement, shall have the meaning given to it in the Facility Agreement).

### Intra-Group Loan Agreement

- 8 The Company will make available to South Downs an on-demand loan facility in Sterling in an aggregate amount up to £58,850,000 (the "**Advance**").
- 9 The Advance shall be applied by South Downs to repay the Bridge Facility.
- 10 The Advance will bear interest (adjusted for indexation) at a rate of interest 1 per cent. above LIBOR or such other rate as may be agreed from time to time between the Parties.
- 11 The Advance is immediately due and payable in whole or in part on demand by the Company in the amount of the Advance (or the relevant portion of that amount) together with interest (both the Advanced and interest being adjusted for indexation), as specified in the Intra-Group Loan Agreement. Unless already repaid, South Downs will repay the Advance, together with interest (both the Advance and interest adjusted for indexation) and all other amounts due from South Downs under the Intra-Group Loan on the Final Repayment Date (and each defined terms in this section "Intra-Group Loan Agreement", excluding Company, South Downs and Intra-Group Loan Agreement, shall have the meaning given to it in the Intra-Group Loan Agreement).

### Debenture

- 1 The Company will charge and mortgage to Capita IRG Trustees Limited, in its capacity as borrower security trustee (the "**Borrower Security Trustee**") as a continuing security for

the payment or discharge of, *inter alia*, the Facility Agreement as a separate and independent charge or mortgage:

**1.1** by way of fixed charge:

- 1.1.1** any freehold or leasehold property (other than protected land) now belonging to the Company and the proceeds of any disposal of protected land;
- 1.1.2** all freehold and leasehold property (other than protected land) acquired in the future by the Company ;
- 1.1.3** all present and future goodwill of the Company ;
- 1.1.4** all rights and claims to which the Company is now or may hereafter become entitled in relation to each of the Charged Accounts and all moneys or amounts now or at any time hereafter standing to the credit of each of the any Charged Accounts;
- 1.1.5** all book debts and other debts (including rents) and all moneys and liabilities whatever for the time being due, owing or payable to the Company (including the benefit of any judgment or order to pay a sum of money) and the benefit of any encumbrances and securities for the time being held by the Company in respect of any such debts or moneys and all cash deposits in any account of the Company with any person and all bills of exchange, promissory notes and negotiable instruments of any description at any time owned or held by the Company except, in each case to the extent that the same is otherwise subject to a fixed encumbrance hereunder;
- 1.1.6** all the right, title and interest of the Company to and in any proceeds of any present or future insurances together with all moneys, benefits and advantages that may become payable or accrue thereunder and the full benefit of such policies and all the right, title and interest whatever of the Company therein together with power to claim and to give an effective discharge for any of the moneys assured or otherwise payable under such policies;
- 1.1.7** all of its right, title and interest in and to all Investments and rights and options to acquire investments for the time being owned by or on behalf of the Company and all rights in respect of or incidental thereto including all dividends, interest and other distributions and all accretions, benefits and advantages (and to the extent that the same cannot be effectively charged by the Company, for whatever reason, including the liquidation of the Company, the Company shall hold the same on trust for the Borrower Security Trustee absolutely); and
- 1.1.8** all plant and machinery owned by the Company and its interest in any plant of machinery in its possession;

**1.2** by way of assignment absolutely (but subject to a redemption on payment in full of the secured amounts) all accounts receivable of the Company (and to the extent that the same cannot be effectively assigned by the Company for whatever reason, including the liquidation of the Company, the Company shall hold the same on trust for the Borrower Security Trustee absolutely);

**1.3** by way of assignment absolutely (but subject to a redemption on payment in full of the secured amounts) and as a separate and independent assignment in each case each and all rights and claims to which the Company is now or may hereafter become entitled in

respect of each of the assigned agreements and each contract between the Company and any person (and to the extent that the same cannot be effectively assigned by the Company for whatever reason, including the liquidation of the Company, the Company shall hold the same on trust for the Borrower Security Trustee absolutely);

- 1.4** by way of floating charge the whole of the undertaking of the Company and all its property, assets and rights (including Intellectual Property Rights), whatever and wherever, both present and future (including all stock in trade and including all freehold, leasehold and heritable property) and whether or not expressed to be mortgaged, charged or assigned to the Borrower Security Trustee under paragraph 1.1 (subject to redemption on payment in full of the Secured Amounts) but in each case so that the covenants implied by the Law of Property (Miscellaneous Provisions) Act 1994 (the "**LP (MP) Act**") in the mortgages and charges contained in or created are construed with the omission of section 6(2) LP (MP) Act;

to the extent that, in each case, such security does not extend to and is not created over protected land or would not contravene the terms of the Water Industry Act 1991 or the Instrument of Appointment.

- 1.5** Under the Debenture the Company covenants to pay and discharge on demand without deduction, set-off or counterclaim all moneys and liabilities whatever now or hereafter due, owing or incurred, in any currency, by the Company to the Borrower Beneficiaries or any of them, actually or contingently, under the Borrower Finance Documents when the same become due for payment (and each defined term shall have the meaning given to it in the Debenture).

#### **Borrower STID**

- 1** The Borrower STID records certain obligations of the Company, Portsmouth Holdings and Brockhampton Holdings Limited to the Borrower Finance Parties and regulates intercreditor issues.
- 2** The Company will make certain representations, warranties, covenants and undertakings to each of the Borrower Finance Parties, as specified in the Borrower STID (and each defined term in this section "Borrower STID", excluding Company and Borrower STID, shall have the meaning given to it in the Borrower STID).

#### **Authorised Loan Facility Agreement**

- 1** The Lender will make available to Portsmouth Water Limited (the "**Borrower**") a sterling revolving loan facility in an aggregate amount equal to the Total Commitments, being an amount up to £15,000,000.
- 2** The Borrower shall apply all amounts borrowed by it under the Facility towards (i) its general working capital requirements (including the funding of Debt Expenses and Debt Service) and (ii) its capital expenditure requirements.
- 3** Each loan will bear interest at a rate being the aggregate of the Margin, LIBOR and Mandatory Costs, if any where the Margin will be either 0.75 per cent. per annum if the term of the Facility is 5 years or 0.85 per cent. per annum if the term of the Facility is 7 years.
- 4** The Borrower shall pay to the Agent (for the account of each Lender) a commitment fee and to the Agent (for the account of the Arranger) an arrangement fee.



- 5 The Obligors agree that their obligations to the Facility Parties under the Facility Documents shall at all times be secured in accordance with the Borrower Debenture and the HoldCo Debenture.
- 6 The Obligors will make certain representations and warranties and give certain covenants as specified in the Authorised Loan Facility Agreement and the Borrower Security Trust and Intercreditor Deed (and each defined term in this section "Authorised Loan Facility Agreement", excluding Borrower shall have the meaning given to it in the Authorised Loan Facility Agreement).

**AUDITORS' REPORT TO THE DIRECTORS OF  
PORTSMOUTH WATER LIMITED (THE COMPANY) PURSUANT  
TO SECTION 156(4) OF THE COMPANIES ACT 1985**

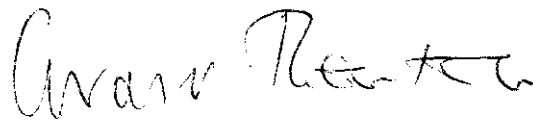
We have examined the attached statutory declaration of the directors dated 31 May 2002 in connection with the proposal that the Company should give financial assistance for the purchase of the ordinary share capital of its holding company.

**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.



GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS

SOUTHAMPTON

31 May 2002