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CHFP025

COMPANIES FORM No. 155(6)b

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

155(6)b

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

--	--	--	--

54380

Name of company

NotePlease read the notes
on page 3 before
completing this form.

* Relyon Holdings Limited

* insert full name
of companyx/We ~~is~~ See Annexure 1§ insert name(s) and
address(es) of all
the directors† delete as
appropriate

~~the sole director~~ [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 recognised bank licensed institution within the meaning of the Banking Act 1979~~
~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom~~
(c) something other than the above§

This company is ~~the~~ [a] holding company of* Relyon Limited (the "Charging Company")
which is
proposing to give financial assistance in connection with the acquisition of shares
in ~~this company~~ [Relyon Group Limited
the holding company of this company.]†

Presentor's name address and
reference (if any):Travers Smith Braithwaite
10 Snow Hill
London
EC1A 2ALFor official Use
General Section

Post room

LD3
COMPANIES HOUSE

*L21306LGM

0357
14/12/01

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 Annexure 2

The assistance is to be given to: (note 2) Steinhoff UK Beds Limited, Ashchurch Parkway
Northway Lane, tewkesbury, Gloucestershire GL20 8GY

The assistance will take the form of:

See Annexure 3

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

Steinhoff UK Beds Limited (Company Number 4209321)

† delete as appropriate

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

See Annexure 4

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 £ Nil

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 See Annexure 5

Please complete
legibly, preferably
in black type, or
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)

(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)

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

(b) ~~It is intended 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 RELYON, WELLINGTON

Declarants to sign below

on

Day	Month	Year
05	12	2001

before me Nicholas Hayden NICHOLAS HAYDEN
CLARE WILLIAMS CLARE WILLIAMS x CLARE
TAUNTON

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
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

RELYON (HOLDINGS) LIMITED

ANNEXURE 1 TO FORM 155(6)b

The names and addresses of all of the directors of the Company are as follows:

David Raymond Shaw
34 Queens Drive
Trull Road
Taunton
Somerset
TA1 4XW

Ian Michael Topping
Blakes House
Halse
Taunton
Somerset
TA4 3AG

This is Annexure 1 referred to in the form 155(6)b declared by the directors of the Company on 5 December 2001.

RELYON (HOLDINGS) LIMITED

ANNEXURE 2 TO FORM 155(6)b

TSB 20,745,111
~~20,235,111~~ ordinary shares of 25 pence each.

This is Annexure 2 referred to in the form 155(6)b declared by the directors of the Company on 5 December 2001.

RELYON (HOLDINGS) LIMITED

ANNEXURE 3 TO FORM 155(6)b

Terms defined in the Statutory Declaration have the same meanings in this Annexure 3 unless otherwise stated.

The assistance will take the form of the execution, delivery and performance by the Charging Company of the following documents:

1. a debenture (the "Debenture") between the Charging Company as chargor and National Westminster Bank Plc ("NatWest") as chargee and entered into pursuant to the terms of an acquisition facilities agreement between Steinhoff UK Beds Limited ("Bidco") (1) and NatWest (2) and dated 9 August 2001 (the "Acquisition Facilities Agreement");
2. an unlimited inter-company composite guarantee with accession (the "Guarantee") between the Charging Company and other charging subsidiaries of Bidco (1) and NatWest (2) and entered into pursuant to the terms of the Acquisition Facilities Agreement;
3. an inter-company loan agreement (the "Loan Agreement") between Bidco as borrower (1) and the Charging Company and certain other subsidiaries of Bidco as lenders (2); and
4. An intercreditor accession agreement (the "Intercreditor Accession Agreement") to be entered into by certain charging subsidiaries of Bidco (including the Charging Company) and entered into pursuant to the terms of the Acquisition Facilities Agreement.

This is Annexure 3 referred to in the form 155(6)b declared by the directors of the Company on 5 December 2001.

RELYON (HOLDINGS) LIMITED

ANNEXURE 4 TO FORM 155(6)b

Terms defined in this Statutory Declaration (including Annexure 3) have the same meanings in this Annexure 4 unless otherwise stated.

- A. Upon executing the Debenture, the Charging Company will be assuming obligations in connection with the purchase of its shares as follows:-
1. The Charging Company:-
 - (a) covenants that it will pay to NatWest all monies and discharge all obligations and liabilities of the Charging Company to NatWest and in any currency (and whether present or future, actual or contingent and whether incurred alone or jointly with another) (the "Charging Company's Obligations");
 - (b) covenants that it will pay all expenses (on a full indemnity basis) incurred by NatWest or any Receiver at any time in connection with the whole and any part of the undertaking property and assets of the Charging Company or the Charging Company's Obligations or in taking or perfecting the Debenture or in preserving, defending or enforcing the security created by the Debenture or in exercising any power under the Debenture; and
 - (c) covenants to pay interest on each amount demanded of it under the Debenture at the rate(s) charged by NatWest from time to time.
 2. The Charging Company with full title guarantee charges to NatWest by way of first fixed and floating charges and as a continuing security for the payment and discharge of the monies, obligations and liabilities described in paragraph 1 above, all its undertaking or its property, assets and rights whatsoever both present and future.
 3. The Charging Company agrees that it will at NatWest's request (and at its own cost), execute any deed or document and take any action required by NatWest to perfect NatWest's security or to secure the Charging Company's Obligations.
- B. The Charging Company together with the other Charging Group Companies (as defined in the Acquisition Facilities Agreement) will enter into the Guarantee in favour of NatWest Bank. Upon executing the Guarantee, the Charging Company will be assuming obligations in connection with the purchase of shares in the Company as follows:
1. The Charging Company:
 - (a) jointly and severally guarantees all monies and to discharge all obligations and liabilities of each Debtor (as defined in the Guarantee) to NatWest Bank in any currency (and whether present or future, actual or contingent and whether incurred alone or jointly with another) (the "Obligations")

together with interest from the date of demand at the rate(s) charged to each Debtor by NatWest Bank from time to time ("Interest") in respect of that Debtor's Obligations;

- (b) agrees that any item or amount claimed by NatWest Bank to be included in a Debtor's Obligations which is not recoverable from the Guarantors (as defined in the Guarantee and which includes the Charging Company) under this deed for any reason on the basis of a guarantee shall nevertheless be recoverable from the Guarantors as principal debtors by way of indemnity and the Guarantors jointly and severally agree to discharge that liability on demand with Interest from the date of demand;
 - (c) jointly and severally agrees to pay on demand all expenses (on a full indemnity basis) incurred by NatWest Bank at any time in connection with the Obligations of each Debtor or in preserving, defending or enforcing security created by the Guarantor or in exercising any power under the Guarantee or otherwise with Interest from the date they are incurred.
2. The Charging Company's liability to NatWest under 1(a) above shall not be affected by the absence of or any defective, excessive or irregular exercise of borrowing powers of a Debtor or anything which would not have released or reduced the Guarantors' liability to NatWest Bank had the Guarantors been principal debtors of NatWest Bank instead of guarantors.
3. Until all claims of NatWest Bank in respect of the Obligations of the Debtor have been discharged in full:-
- (i) no Guarantor shall be entitled to participate in any security held by NatWest Bank or money received by NatWest Bank in respect of any Debtors' obligations;
 - (ii) no Guarantor shall be in competition with or in priority to NatWest Bank make any claim against any Debtor or any co-guarantor or their respective estates nor make any claim in the insolvency of any or any co-guarantor nor take or enforce any security from or against any Debtor or any co-guarantor;
 - (iii) any payment received by a Guarantor in breach of the above clause and any security taken by a Guarantor from any Debtor or any co-guarantor shall be held in trust for NatWest Bank as security for the liability of the Guarantors to NatWest under this deed.
4. It is a term of the Guarantee that:-
- (i) it is in addition to any other guarantee or security present or future held by NatWest Bank in respect of any Debtor's Obligations and shall not merge with or prejudice such other guarantee or security or any other contractual or legal rights of NatWest Bank;

- (ii) it shall not be released or affected by any failure of NatWest Bank to take any security or by any other guarantee or security held by NatWest Bank or intended guarantee or security in respect of any Debtor's Obligations being void or unenforceable or not completed or perfected;
 - (iii) the Guarantors shall remain liable under the Guarantee notwithstanding any settlement between NatWest Bank and any Guarantor or any release given by NatWest Bank to any Guarantor until any security given or payment made to NatWest Bank by any Debtor or any other person cannot be avoided or reduced under the law relating to insolvency from time to time in force and NatWest Bank shall be entitled to retain any security held by it for any Guarantor's liability until it is satisfied that it will not have to make any repayment under such law;
 - (iv) it will remain the property of the NatWest Bank after any release or settlement of the Guarantor's liability to NatWest Bank; and
 - (v) no Guarantor shall claim any set-off or counterclaim in respect of any payment due from that Guarantor to NatWest Bank under the Guarantee.
5. The Guarantors acknowledge and accept that the definition of Obligations (defined in 1(a) above) is such that if any Debtor has given or gives to NatWest Bank a guarantee of the Obligations of any other person or company then the Guarantors may be called upon under the terms of this Guarantee to meet the liability of that Debtor under the that Guarantee.
6. If the Company or any other subsidiary of Bidco wishes any other company to bound by the Guarantee then it must notify NatWest Bank of its wish by delivering to NatWest Bank a written notice (as set out in Annexure 1 of the Guarantee) duly signed on behalf of that Company by a director or its secretary and that Company will procure any company so nominated will execute an Accession Agreement and therefore become a party to the Guarantee.
- C. The Charging Company will, together with certain other subsidiaries of Bidco (as lenders), enter into the Loan Agreement with Bidco (as borrower) pursuant to which such subsidiaries (including the Charging Company) together agree to make available to Bidco a loan facility of £20,900,000 together with such sums to enable Bidco to pay any amounts due (both principal and interest) to NatWest Bank pursuant to the Acquisition Facilities Agreement and is repayable on demand in the event of a default thereunder.
- D. The Charging Company agrees to be bound by certain priority and subordination provisions relating to NatWest Bank and Investec Bank (UK) Limited under the Intercreditor Accession Agreement.

This is Annexure 4 referred to in the Form 155(6)b declared by the directors of the Company on 5 December 2001.

RELYON (HOLDINGS) LIMITED

ANNEXURE 5 TO FORM 155(6)b

The date hereof or within 8 weeks of the date hereof.

This is Annexure 5 referred to in the form 155(6)b declared by the directors of the Company on 5 December 2001.



KPMG Audit Plc

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Private & confidential

The Directors
Relyon (Holdings) Limited
PO Box 1
Wellington
Somerset
TA21 8NN

5 December 2001

Your ref

Our ref cgh/kd/511

Contact Colin Havill
0117 905 4090

Dear Sir

Auditors' report to the directors of Relyon (Holdings) Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 5 December 2001 in connection with the proposal that Relyon Limited, of which this company is a holding company, should give financial assistance for the purchase of the ordinary shares of this company's holding company. We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

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.

Yours faithfully

KPMG Audit Plc



KPMG Audit Plc, a company
incorporated under the UK Companies
Acts, is a member of KPMG
International, a Swiss association

KPMG Audit Plc is
registered to carry on audit
work by the Institute of
Chartered Accountants in

England and Wales.
Registered in England
No 3110745

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