

CHFP025

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 lettering

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

For official use

Company number

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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2189427

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

Name of company

* Dreams Limited (the Target)

* insert full name
of company

XWe 0 See Annexure 1

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

† delete as appropriate

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

The business of the company is

5 delete whichever
is inappropriate

[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

[company] ~~XXXXXXXXXXXXXXXXXXXX~~

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

XXXXXXXXXXXXXXXXXXXX +

The number and class of the shares acquired or to be acquired is See Annexure 2

Presentor's name address and
reference (if any)

Allen & Overy LLP
One Bishops Square
London
E1 6AO

For official Use
General Section

THURSDAY



1 Q4Q5XZT

LD3

13/03/2008

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COMPANIES HOUSE

The assistance is to be given to (note 2) Exponent (Rainbow) SPV 3 Limited (the Company)
company number 6475768 Registered office 12 Henrietta Street, London WC2E 8LH

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

See Annexure 3

The person who ~~6475768~~ [will acquire] † the shares is

† delete as
appropriate

The Company

The principal terms on which the assistance will be given are

See Annexure 4

The amount of cash to be transferred to the person assisted is £ See Annexure 5

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 See Annexure 6

- * 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) ~~¶~~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)

[illegible]

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 Allen & Overy LLP
One Bishops Square
London, E1 6AO

Declarants to sign below

on

Day	Month	Year
07	03	2008

before me Mark W. Reed.

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths

~~Mr. J. H. H. H.~~
~~John H. H. H.~~
~~C. Spencer~~
~~Star~~
L. H. H. H.

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

DREAMS LIMITED

COMPANY NUMBER: 2189427

FORM 155(6)(a)

ANNEXURE 1

ROBERT JAMES CLARK of Oak House, Murcott, Oxfordshire, OX5 2RE

GREGORY HAMILTON SUTHERN of Westview Cottage, Studridge Lane Speen, Princes Risborough, Buckinghamshire, HP27 0SF

NICHOLAS ANTHONY WORTHINGTON of Stoney Ash, Allen Drive, Walters Ash, High Wycombe, Buckinghamshire, HP 14 4SS

SUZANNE ELIZABETH TAYLOR of 6 Neatherwood Road, Beaconsfield, Buckinghamshire, HP9 2BE

of DAVID FRANK TRACEY of *Wygrave* Wygrave Place, Beaconsfield, Buckinghamshire, HP9 1XX
being all the directors of the Target

DREAMS LIMITED

COMPANY NUMBER: 2189427

FORM 155(6)(a)

ANNEXURE 2

Terms defined in this statutory declaration (including the other Annexures) have the same meaning in this Annexure unless otherwise stated or the context otherwise requires

The number and class of the shares to be acquired is

51,869 Ordinary Shares

DREAMS LIMITED

COMPANY NUMBER: 2189427

FORM 155(6)(a)

ANNEXURE 3

Terms defined in this statutory declaration (including the other Annexures) have the same meaning in this Annexure unless otherwise stated or the context otherwise requires

The assistance will take the form of the execution, delivery and performance by the Target of the following documents

- A the Senior Facilities Agreement,
- B the Mezzanine Facility Agreement,
- C the Intercreditor Agreement,
- D the Debenture,
- E the Company Intra-Group Loan Agreement,
- F the Letter of Support,
- G the Insurance Assignment,
- H the Deed of Release, and
- I the Ancillary Facility

In addition assistance will take the form of repayment and/or prepayment of existing financial indebtedness under the following agreements

- (a) the 2007 Uncommitted Multi-Option Facility,
- (b) the 2004 Loan Agreement, and
- (c) the 2006 Loan Agreement

DREAMS LIMITED

COMPANY NUMBER: 2189427

FORM 155(6)(a)

ANNEXURE 4

Part I

Terms defined in this statutory declaration (including the other Annexures) have the same meaning in this Annexure unless otherwise stated or the context otherwise requires

The principal terms on which the assistance will be given are as follows

A. The Senior Facilities Agreement

The Target irrevocably and unconditionally jointly and severally

- (a) guarantees to each Senior Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Senior Finance Documents,
- (b) undertakes with each Senior Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Senior Finance Document, the Target shall immediately on demand pay that amount as if it were the principal obligor, and
- (c) indemnifies each Senior Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Senior Finance Party would otherwise have been entitled to recover

The Target also gives various other indemnities in favour of the Senior Finance Parties (acting in various capacities and this includes but is not limited to a tax indemnity, a currency indemnity, a transaction indemnity and an indemnity to the Agent and the Security Agent)

Without prejudice to the waiver of defences provisions contained within the Senior Facilities Agreement, the Target expressly confirms that it intends that the guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Senior Finance Documents and/or any facility or amount made available under any of the Senior Finance Documents for any purpose whatsoever

B. The Mezzanine Facility Agreement

The Target irrevocably and unconditionally jointly and severally

- (a) guarantees to each Mezzanine Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Mezzanine Finance Documents,
- (b) indemnifies each Mezzanine Finance Party immediately on demand against any cost, loss or liability suffered by that Mezzanine Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Mezzanine Finance Party would otherwise have been entitled to recover

The Target also gives various other indemnities in favour of the Mezzanine Finance Parties (acting in various capacities and this includes but is not limited to a tax indemnity, a currency indemnity, a transaction indemnity and an indemnity to the Mezzanine Agent and the Security Agent)

Without prejudice to the waiver of defences provisions contained within the Mezzanine Facility Agreement, the Target expressly confirms that it intends that the guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Mezzanine Finance Documents and/or any facility or amount made available under any of the Mezzanine Finance Documents for any purpose whatsoever

C. The Intercreditor Agreement

The Target acknowledges and agrees to the priority arrangements in favour of, and the rights and obligations of, the Secured Parties as more particularly set out therein

D. The Debenture

1. COVENANT TO PAY

The Target, as a principal obligor and not merely as surety, covenants in favour of the Security Agent that it will pay and/or discharge the Secured Obligations from time to time when they fall due and payable

2. Fixed Charges

The Target charges and agrees to charge all the present and future right, title and interest of the Target in and to the following assets which are at any time owned by the Target, or in which the Target from time to time has an interest (in each case to the extent permitted)

(a) by way of first legal mortgage

- (i) the Property specified in part 1 of schedule 2 (*Details of Security Assets*) of the Debenture, and
- (ii) all other freehold Property at the date of the Debenture vested in, or charged to, the Target (not charged by clause 4 1(a)(i) of the Debenture as described in paragraph 2(a)(i) above),

(b) by way of first fixed charge

- (i) the Group Headquarters Lease, the Oldbury Property and all other freehold Property or Long Leasehold Property and all interests in the Group Headquarters Lease, the Oldbury Property or in freehold Property or in Long Leasehold Property (not charged by clause 4 1(a) of the Debenture as described in paragraph 2(a) above), and
- (ii) all licences to enter upon or use the Group Headquarters Lease land, the Oldbury Property and the freehold Property land and the Long Leasehold Property land and the benefit of all other agreements relating to such land,

(c) by way of first fixed charge all plant and machinery (to the extent not charged under clause 4 1(a) or 4 1(b) of the Debenture (as described in paragraphs 2(a) and 2(b) above, respectively) and the benefit of all contracts (to the extent permitted), licences and warranties relating to the same but excluding any such assets which are not owned by the Target,

(d) by way of first fixed charge

- (i) all computers, vehicles, office equipment and other equipment (not charged by clause 4 1(c) of the Debenture (as described in paragraph 2(c) above)), and
- (ii) the benefit of all contracts (to the extent permitted), licences and warranties relating to the same,

but excluding any such assets which are not owned by the Target,

(e) by way of first fixed charge

- (i) all the Charged Securities referred to in part 2 of schedule 2 (*Details of Security Assets*) of the Debenture,
- (ii) all other Charged Securities (not charged by clause 4 1(e)(i) of the Debenture as described in paragraph 2(e)(i) above),

but excluding any such assets which are not owned by the Target,

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

(f) by way of first fixed charge

- (i) the Security Accounts and all monies at any time standing to the credit of the Security Accounts,
- (ii) all monies standing to the credit of the Target from time to time on any and all accounts with any bank, financial institution or other person not otherwise charged by clause 4 1(f)(i) of the Debenture (as described in paragraph 2(f)(i) above), and
- (iii) the Cash Collateral Accounts and all monies at any time standing to the credit of the Cash Collateral Accounts, which accounts shall at all times be operated in accordance with the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement

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,

(g) by way of first fixed charge

- (i) the Intellectual Property (if any) specified in part 3 of schedule 2 (*Details of Security Assets*) of the Debenture, and
- (ii) all other Intellectual Property (if any) (not charged by clause 4 1(g)(i) of the Debenture (as described in paragraph 2(g)(i) above)), but excluding any Intellectual Property in respect of computer software licences that are used in the day-to-day and ordinary course of business by the Group,

- (h) to the extent that any of the Assigned Assets are not effectively assigned under clause 4.2 (*Security assignments*) of the Debenture (as described in paragraph 3 below), by way of first fixed charge those Assigned Assets,
- (i) by way of first fixed charge (to the extent not otherwise charged or assigned in the Debenture)
 - (i) the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of the Target or the use of any of its assets, and
 - (ii) the benefit of any letter of credit issued in favour of the Target and all bills of exchange and other negotiable instruments held by it, and
- (j) by way of first fixed charge all of the goodwill and uncalled capital of the Target

3. Security Assignment

The Target assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all its present and future right, title and interest in and to

- (a) the Relevant Contracts, all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising therefrom (save that the exercise of all rights and remedies in connection with such Relevant Contracts and any entitlement to all proceeds and claims arising therefrom shall, in the absence of a Declared Default, be exercised at the sole discretion of the Target, subject always to the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement),
- (b) the Insurances, all claims under the Insurances and all proceeds of the Insurances,
- (c) the Security Accounts and all monies at any time standing to the credit of the Security Accounts, 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, and
- (d) immediately following the occurrence of a Declared Default all other Receivables (not otherwise assigned under clause 4.2(a), 4.2(b) or 4.2(c) of the Debenture (as described in paragraphs 3(a), 3(b) and 3(c) above, respectively)),

subject always, in each case, to the proviso that the Security Agent (in whatever capacity) shall release any funds recovered under the Relevant Contract or the Insurances to the Holding Account and any funds held in the Holding Account referred to in clause 12.4 (*Mandatory Prepayment Accounts and Holding Accounts*) of the Senior Facilities Agreement or clause 8.4 (*Mandatory Prepayment Accounts and Holding Accounts*) of the Mezzanine Facility Agreement shall not be assigned and any Excluded Insurance Proceeds and Excluded Acquisition Proceeds shall be released to the Target and shall not be assigned. To the extent that any Assigned Asset described in paragraph 3(b) above is not assignable, the assignment which that paragraph describes shall operate only as an assignment of all present and future rights and claims of the Target to any proceeds of the Assigned Asset

4. Floating Charge

The Target charges and agrees to charge by way of first floating charge all of its present and future

- (a) assets and undertaking (wherever located) which are not effectively charged by way of first fixed mortgage or charge or assigned pursuant to the provisions of clause 4.1 (*Fixed charges*) of the Debenture (as described in paragraph 2 above), clause 4.2 (*Security assignments*) of the Debenture (as described in paragraph 3 above) or any other provision of the Debenture,
- (b) (whether or not effectively so charged) heritable property and all other property and assets in Scotland, and
- (c) all leasehold Property (other than the Group Headquarters Lease)

5. Further assurance

The Target shall comply with its obligations under clause 27.34 (*Further Assurance*) of the Senior Facilities Agreement and clause 23.33 (*Further Assurance*) of the Mezzanine Facility Agreement

E. The Company Intra-Group Loan Agreement

The Target (amongst others) grants to the Company upon the terms and conditions of the Company Intra-Group Loan Agreement, loan facilities of up to a maximum aggregate principal amount equal to the aggregate principal amount of (plus interest on) the Senior Facilities Agreement and the Mezzanine Facility Agreement or such other amount as may be agreed from time to time

F. Letter of Support

To the extent that the Target, for whatever reason, has difficulty in meeting its working capital needs, the Purchaser undertakes that (subject to the terms of the Senior Finance Documents (as defined in the Senior Facilities Agreement) and no termination event having occurred and being continuing) on and from the execution of the Company Intra Group Loan Agreement referred to above, it will use its best endeavours to make available to the Target any amount (**Funding Amount**) which is necessary to meet any working capital shortfalls

Any Funding Amount will, unless otherwise agreed, be made available by way of loan on terms that they

- (a) will bear interest (payable on such dates as all the parties to this letter shall agree) at the Applicable Rate, and
- (b) will be repayable (together with accrued interest) by the Target on the date the Purchaser demands repayment (which in the case of a demand given before the Final Discharge Date (as defined in the Intercreditor Agreement) may only be given if a termination event has occurred and is continuing)

G. The Insurance Assignment

The Target assigns and agrees to assign to The Royal Bank of Scotland Plc (as Security Agent) all of its right, title and interest, present and future, in and to the Key-man Policies (including all new, amended and substituted policy or policies relating thereto) and all monies, including bonuses accrued, or which may at any time after the date of the Insurance Assignment accrue, which shall become payable under them and the benefit of all powers and remedies for enforcing the same absolutely and the full benefit thereof, subject only to the proviso for reassignment on redemption contained in clause 5.2 (*Reassignment on redemption*) of the Insurance Assignment and to the provisions of the Senior Facilities Agreement (prior to the Senior Discharge Date) and the Mezzanine Facility Agreement (after the Senior Discharge Date)

H. The Deed of Release

The Chargee agrees to

- (a) terminate each Document and each Other Document,
- (b) acknowledges that all indebtedness secured by the Documents and Other Documents has been repaid and all instruments and agreements pursuant to which such indebtedness was incurred are now cancelled,
- (c) unconditionally and irrevocably releases and discharges the Target from its covenants, guarantees, obligations and liabilities arising in, under or pursuant to, each Document and any Other Document to which it is party,
- (d) unconditionally and irrevocably surrenders, reassigns, releases and discharges to the Target free of any lien, charge, attachment, security interest or encumbrance in favour of any third party all the property and assets charged and/or assigned by it under each Document and each Other Document to which it is party to hold the same freed and discharged from each Document and each Other Document to which it is party and all claims and demands thereunder

In addition, the principal terms on which assistance will be given will be a repayment and/or prepayment of all outstanding financial indebtedness in respect of the following

- (a) the 2007 Uncommitted Multi-Option Facility,
- (b) the 2004 Loan Agreement, and
- (c) the 2006 Loan Agreement

I. The Ancillary Facility

Under an Ancillary Document dated on or about the date of this statutory declaration, The Royal Bank of Scotland Plc, acting as agent for national Westminster Bank Plc makes available to the Target, an uncommitted multi option facility (with limit of £12,000,000) which may be drawn by way of

- (a) an overdraft in sterling, and/or
- (b) letters of credit, and/or
- (c) credit card services

DREAMS LIMITED

COMPANY NUMBER: 2189427

FORM 155(6)(a)

ANNEXURE 4

Part II

Terms used in this statutory declaration (including the other Annexures) have the following meanings

2003 Debenture means the debenture dated 14 November 2003 (and registered at Companies House on 18 November 2003) granted by the Target in favour of the Chargee,

2004 Legal Charge means the legal charge dated 24 June 2004 (and registered at Companies House on 30 June 2004) granted by the Target in favour of the Chargee (re 14 Knaves Beech Business Centre, Davies Way, Loudwater, High Wycombe),

2004 Loan Agreement means the loan agreement for £6,250,000 dated 11 June 2004 (together with a supplemental agreement dated 7 June 2007) entered into between the Target and the Chargee,

2006 Legal Charge means the legal charge dated 31 July 2006 (and registered at Companies House on 2 August 2006) granted by the Target in favour of the Chargee (re Unit D1, Granada Trading Estate, Park Estate, Oldbury),

2006 Loan Agreement means the loan agreement dated 14 July 2006 for £4,000,000 (together with a supplemental agreement dated 7 June 2007) entered into between the Target and the Chargee,

2007 Uncommitted Multi-Option Facility means the uncommitted multi option facility of up to £4,000,000 dated 13 September 2007 entered into between the Target and the Chargee,

Account Bank means The Royal Bank of Scotland Plc or such other bank with which any Security Account is maintained from time to time,

Additional Borrower means a company which becomes a Borrower in accordance with clause 30 (*Changes to the Obligors*) of the Senior Facilities Agreement,

Additional Guarantor means a company which becomes a Guarantor in accordance with clause 30 (*Changes to the Obligors*) of the Senior Facilities Agreement,

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company,

Agent means The Royal Bank of Scotland plc,

Ancillary Document means each document relating to or evidencing the terms of an Ancillary Facility,

Ancillary Facility means any ancillary facility made available by an Ancillary Lender in accordance with clause 9 (*Ancillary Facilities*) of the Senior Facilities Agreement as the same may be amended, supplemented, novated or restated from time to time,

Ancillary Lender means each Lender (or Affiliate of a Lender) which makes available an Ancillary Facility in accordance with clause 9 (*Ancillary Facilities*) of the Senior Facilities Agreement,

Applicable Rate means a rate to be agreed, pursuant to the Letter of Support, between the Purchaser, the Target and the Parent to be an appropriate arms length rate,

Arrangers means Barclays Leveraged Finance, The Royal Bank Of Scotland Plc and WestLB AG, London Branch and **Arranger** means one of them,

Assigned Assets means the Security Assets expressed to be assigned by way of security pursuant to clause 4.2 (*Security assignments*) of the Debenture as described in paragraph 3 above,

Borrower means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with clause 30 (*Changes to the Obligors*) of the Senior Facilities Agreement,

Cash Collateral Accounts means each

(a) Mandatory Prepayment Account, and

(b) Holding Account,

Charged Investments means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities,

Charged Securities means

(a) the securities specified in part 2 of schedule 2 (*Details of Security Assets*) of the Debenture, and

(b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "*investments*" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 in force at the date of the Debenture) now or in future owned (legally or beneficially) by the Target or in which the Target has an interest at any time,

Chargee means National Westminster Bank Plc (company number 00929027) whose registered office is at 135 Bishopsgate, London EC2M 3UR

Company Intra-Group Loan Agreement means the loan agreement in the agreed form between the Company (as defined therein) and certain other members of the Group pursuant to which those members of the Group have or will make available a facility to the Company (as defined therein) up to a maximum aggregate principal amount equal to the aggregate principal amount of (plus interest on) the Facilities and the Mezzanine Facility,

Debenture means the debenture dated on or about the date of this statutory declaration between the Initial Chargers and the Security Agent as the same may be amended, supplemented, novated or restated from time to time,

Declared Default means an Event of Default which has occurred and, in respect of which the Facilities under the Senior Facilities Agreement have been accelerated (but not, for the avoidance of doubt simply placed on demand) pursuant to clause 28.18 (*Rights on a default*) of the Senior Facilities Agreement or the Facility under the Mezzanine Facility Agreement has been accelerated (but not, for the avoidance of doubt simply placed on demand) pursuant to clause 24.18 (*Rights on a default*) of the Mezzanine Facility Agreement,

Deed of Release means the deed of release dated on or about the date of this statutory declaration between the Target and the Chargee,

Document means the 2003 Debenture, the 2004 Legal Charge, the 2006 Legal Charge, the 2007 Uncommitted Multi Option Facility, the 2004 Loan Agreement and the 2006 Loan Agreement,

Event of Default means any event or circumstance specified as such in clause 28 (*Events of Default*) of the Senior Facilities Agreement and/or the Mezzanine Facility Agreement,

Excluded Acquisition Proceeds means, while no Declared Default is continuing, any cash proceeds of a Recovery Claim (as defined in the Senior Facilities Agreement prior to the Senior Discharge Date and the Mezzanine Facility Agreement thereafter)

- (a) which are applied in the replacement, reinstatement and/or repair of assets of members of the Group which have been lost, destroyed or damaged or otherwise re-invested in the business or used to cover operating losses arising as a result of the relevant claim, or
- (b) (which are applied to satisfy (or reimburse a member of the Group which has discharged) any liability, charge or claim upon a member of the Group by a person which is not a member of the Group,
- (c) under either the acquisition documents or certain reports, where the aggregate amount of proceeds of such claims in any financial year do not exceed £100,000 in each case,

in the case of paragraph (a) above, as a result of the events or circumstances giving rise to that Recovery Claim (as defined in the Senior Facilities Agreement prior to the Senior Discharge Date and the Mezzanine Facility Agreement thereafter), if those proceeds are so applied or committed to be applied (within twelve months of the end of the financial year in which receipt occurred, or such longer period as the Majority Lenders may agree),

Excluded Insurance Proceeds means, while no Declared Default is continuing, any cash proceeds of an insurance claim,

- (a) which do not exceed £100,000 in any one financial year,
- (b) arise under a business interruption or loss of profit policy,
- (c) which are applied to meet a third party claim, or
- (d) which are applied to the replacement, reinstatement and/or repair of the assets in respect of which the relevant insurance claim was made or otherwise re-invested in the business or used to cover operating losses arising as a result of the relevant insurance claim provided those proceeds are so applied or committed to be applied as soon as possible and, in any event, within twelve months of the end of the financial year in which receipt occurred, or such longer period as the Majority Lenders may agree,

Facility means a Term Facility or the Revolving Facility or an Ancillary Facility,

Facility A means the term loan facility made available under the Senior Facilities Agreement as described in clause 2 1(a)(i) of the Senior Facilities Agreement,

Facility B means the term loan facility made available under the Senior Facilities Agreement as described in clause 2 1(a)(ii) of the Senior Facilities Agreement,

Facility C means the term loan facility made available under the Senior Facilities Agreement as described in clause 2 1(a)(iii) of the Senior Facilities Agreement,

Finance Document means any Senior Finance Document and any Mezzanine Finance Document,

Finance Party means any Senior Finance Party and any Mezzanine Finance Party,

Group means the Parent, the Target and each of their respective Subsidiaries for the time being,

Group Headquarters Lease means the leasehold property known as 14 Knaves Beech Business Centre, Davies Way, Louddwater, High Wycombe HP10 9YU registered with title number BM293800,

Guarantor means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with clause 30 (*Changes to the Obligors*) of the Senior Facilities Agreement,

Hedge Counterparty means a Lender or an Affiliate of a Lender which has become a party to the Intercreditor Agreement as a Hedge Counterparty in accordance with the Intercreditor Agreement,

Hedging Agreement means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by the Purchaser and a Hedge Counterparty for the purpose of hedging interest rate liabilities and/or any exchange rate or other risks in relation to all or part of the Term Facilities and the Mezzanine Facility Agreement in accordance with the Hedging Letter,

Hedging Letter has the meaning given to that term in part 1 of schedule 2 (*Conditions Precedent*) of the Senior Facilities Agreement,

Holding Account means an interest bearing account

- (a) held in the United Kingdom by a member of the Group with the Agent or Security Agent,
- (b) identified in a letter between the Parent and the Agent as a Holding Account, and
- (c) subject to Security in favour of the Security Agent which Security is in form and substance satisfactory to the Security Agent (acting reasonably),

(as the same may be redesignated, substituted or replaced from time to time),

Holding Company means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary,

Initial Chargors means those companies listed in schedule 1 to the Debenture as "Initial Chargors",

Insurance Assignment means the assignment of rights, title and interest in certain insurance policies (set out in schedule 1 therein) between the Target and the Security Agent, dated on or about the date of this statutory declaration as the same may be amended, supplemented, novated or restated from time to time,

Insurances means all policies of insurance which are at any time held by or written in favour of the Target, or in which the Target from time to time has an interest including without limitation (excluding, for the avoidance of doubt, those policies which are written to meet third party claims)

- (a) all present and future Key-man policies, and
- (b) the policies of insurance (if any) specified in Part 6 of Schedule 2 (*Details of Security Assets*) of the Debenture,

Intellectual Property means

- (a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered, and
- (b) the benefit of all applications and rights to use such assets of each member of the Group,

Intercreditor Agreement means the intercreditor agreement dated on or around the date of this statutory declaration and made between the Parent, the other Obligor, The Royal Bank of Scotland Plc as Security Agent, The Royal Bank of Scotland as senior agent, the Arrangers, M D Mezzanine S A as mezzanine arranger and as mezzanine agent, the Lenders, the Ancillary Lenders, the Hedge Counterparties, the Mezzanine Lenders (as defined in the Intercreditor Agreement), the Investor and the Mezzanine Borrower(s) (each as defined in the Intercreditor Agreement) and certain others as the same may be amended, supplemented, novated or restated from time to time,

Investor means Exponent (Rainbow) SPV 1 Limited and its or any subsequent successors or assignees or transferees,

Issuing Bank means the Original Issuing Bank and any other Lender which has notified the Agent that it has agreed to the Parent's request to be an Issuing Bank pursuant to the terms of the Senior Facilities Agreement (and if more than one Lender has so agreed, such Lenders shall be referred to whether acting individually or together as the **Issuing Bank**) provided that, in respect of a Letter of Credit issued or to be issued pursuant to the Senior Facilities Agreement, the **Issuing Bank** shall be the Issuing Bank which has issued or agreed to issue that Letter of Credit,

Key-man Policy means each key-man life assurance policy (in form and substance reasonably satisfactory to the Agent and with such insurer as the Agent may reasonably approve) taken out and maintained by the Parent in respect of the death and disability and/or critical illness of the following individuals and in not less than the following respective amounts and terms

Name of Individual	Amount (£)	Term
Nicholas Worthington	5000,000	3 years
Robert Clark	5000,000	3 years
Greg Suthern	5000,000	3 years

and any substitute or replacement policy entered into relating to the same,

Lender means

- (a) any Original Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a party to the Senior Facilities Agreement in accordance with clause 29 (*Changes to the Lenders*) of the Senior Facilities Agreement,

which in each case has not ceased to be a party to the Senior Facilities Agreement in accordance with the terms of the Senior Facilities Agreement,

Letter of Credit means

- (a) a letter of credit, substantially in the form set out in schedule 11 (*Form of Letter of Credit*) of the Senior Facilities Agreement or in any other form requested by the Parent and agreed by the Agent and the Issuing Bank, or
- (b) any guarantee, indemnity or other instrument in a form requested by a Borrower (or the Parent (as defined in the Senior Facilities Agreement) on its behalf) and agreed by the Agent and Issuing Bank,

Letter of Support means the letter from the Purchaser to the Target and the Parent, pursuant to the Company Intra-Group Loan Agreement, dated on or around the date of this statutory declaration,

Long Leasehold Property means leasehold Property which is acquired after the date hereof with a term of 25 years or more where a premium has been paid by the tenant and a nominal annual rent is payable to the landlord,

Majority Lenders means a lender or lenders under the Senior Facilities Agreement prior to the Senior Discharge Date and the Mezzanine Facility Agreement thereafter whose commitments under the Senior Facilities Agreement or Mezzanine Facility Agreement, as applicable, aggregate more than 66²/₃ per cent of the total commitments under the Senior Facilities Agreement or Mezzanine Facility Agreement, as applicable (or, if the total commitments have been reduced to zero, aggregated at least 66²/₃ per cent of the total commitments immediately prior to that reduction),

Mandatory Prepayment Account means an interest bearing account

- (a) held in the United Kingdom by a Borrower with the Agent or Security Agent,
- (b) identified in a letter between the Parent and the Agent as a Mandatory Prepayment Account,
- (c) subject to Security in favour of the Security Agent which Security is in form and substance satisfactory to the Agent and Security Agent, and
- (d) from which no withdrawals may be made by any members of the Group except as contemplated by the terms of the Senior Facilities Agreement,

(as the same may be redesignated, substituted or replaced from time to time),

Mezzanine Agent means M D Mezzanine S A ,

Mezzanine Facility Agreement means the mezzanine facility agreement dated on or about the date of this statutory declaration entered into between, amongst others, (1) Exponent (Rainbow) SPV 2 Limited (as Parent), (2) Exponent (Rainbow) SPV 3 Limited (as Company), (3) the companies listed in part 1 schedule 1 (as Original Guarantors), (4) Bonnefont S à r l and M D Mezzanine S I C A R (as Arrangers), (5) the financial institutions listed in part 2 schedule 1 (as Original Lenders), (6) M D Mezzanine S I C A R (as Agent) and (7) The Royal Bank of Scotland Plc (as Security Agent) as the same may be amended, supplemented, novated or restated from time to time,

Mezzanine Finance Document means any "*Finance Document*" as such term is defined in the Mezzanine Facility Agreement,

Mezzanine Finance Party means any "*Finance Party*" as such term is defined in the Mezzanine Facility Agreement,

Obligor means a Borrower or a Guarantor,

Oldbury Property" means the freehold Property known as Unit D1, Granada Trading Estate, Park Estate, Oldbury registered with title number WM533836,

Original Borrowers means the parties named in part 1 schedule 1 of the Senior Facilities Agreement,

Original Guarantors means the parties named in part 1 schedule 1 of the Senior Facilities Agreement,

Original Issuing Bank means National Westminster Bank Plc (acting through its agent, The Royal Bank of Scotland Plc ,

Original Lenders means the financial institutions listed in part 2 of schedule 1 (*the Original Parties*) of the Senior Facilities Agreement as lenders,

Other Document means any document creating or evidencing any charge, mortgage, pledge lien, encumbrance or any other security entered into by the Target in favour of the Chargee prior to the date of the Deed of Release,

Parent means Exponent (Rainbow) SPV 2 Limited and its or any subsequent successors or assignees or transferees,

Property means all estates and interests in freehold, leasehold and other immovable property (wherever situated) at the date of the Debenture or at any time thereafter, belonging to the Target, or in which the Target has an interest at any time (including the registered and unregistered land (if any)) in England and Wales specified in part 1 of schedule 2 (*Details of Security Assets*) of the Debenture, together with

- (a) all buildings and fixtures and fixed plant and machinery at any time thereon (excluding trade fixtures or any plant or machinery which are not owned by the Target),
- (b) all easements, rights and agreements in respect thereof,
- (c) all proceeds of sale of that property, and
- (d) the benefit of all covenants given in respect thereof,

Purchaser means Exponent (Rainbow) SPV 3 Limited and its or any subsequent successors or assignees or transferees,

Receivables means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Target (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with

- (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights), and
- (b) all proceeds of any of the foregoing,

Receiver means a receiver or receiver and manager or administrator or (where the law allows) administrative receiver appointed by the Security Agent under the Debenture,

Related Rights means, in relation to any Charged Securities

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Securities or any asset referred to in paragraph (b) below,
- (b) all rights, monies or property accruing or offered at any time in relation to the Charged Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

Relevant Contract means each of the agreements specified in part 5 of schedule 2 (*Details of Security Assets*) of the Debenture together with each other agreement supplementing or amending or novating or replacing the same,

Revolving Facility means the revolving credit facility made available under the Senior Facilities Agreement as described in clause 2 1(a) of the Senior Facilities Agreement,

Secured Obligations means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of each Obligor to the Security Agent and/or the other Secured Parties (or any of them) under or pursuant to any Finance Document (including all monies covenanted to be paid under the Debenture), provided that no obligation or liability shall be included in the definition of **Secured Obligations** to the extent that, if it were so included, the Debenture (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985,

Secured Parties has the meaning given to that term in the Intercreditor Agreement,

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect,

Security Account means any account(s) held with an Account Bank,

Security Agent means The Royal Bank of Scotland plc (acting as agent for and on behalf of the Secured Parties),

Security Assets means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Debenture,

Senior Creditors means each "Finance Party" as that term is defined in the Senior Facilities Agreement,

Senior Debt means the aggregate amount from time to time outstanding of all monies, obligations and liabilities (whether actual or contingent) due, owing or incurred by any member of the Group to any Senior Creditor under or pursuant to any Senior Finance Document, together with all interest on it and all costs, charges and expenses due, owing or incurred under or in connection with any Senior Finance Document,

Senior Discharge Date means the date on which all of the Senior Debt has been irrevocably paid and discharged in full and all commitments of the Senior Lenders have been cancelled and all obligations of the Hedge Counterparties under the Hedging Agreements have been terminated,

Senior Facilities Agreement means a senior facilities agreement dated on or about the date of this statutory declaration entered into between, amongst others, (1) Exponent (Rainbow) SPV 2 Limited (as Parent), (2) Exponent (Rainbow) SPV 3 Limited (as Company), (3) the companies listed in part 1 schedule 1 (as Original Borrowers), (4) the companies listed in part 1 schedule 1 (as Original Guarantors), (5) Barclays Leveraged Finance, The Royal Bank of Scotland Plc and WestLB AG, London Branch (as Arrangers), (6) Barclays Bank PLC, The Royal Bank of Scotland Plc and WestLB AG, London Branch (as Underwriters), (7) the financial institutions listed in part 2 schedule 1 (as Original Lenders), (8) The Royal Bank of Scotland Plc (as Agent) and (9) The Royal Bank of Scotland Plc (as Security Agent) pursuant to which the Original Lenders

agreed to make certain facilities available to the Original Borrowers upon the terms and conditions set out therein as the same may be amended, supplemented, novated or restated from time to time,

Senior Finance Document means any "*Finance Document*" as such term is defined in the Senior Facilities Agreement,

Senior Finance Party means any "*Finance Party*" as such term is defined in the Senior Facilities Agreement,

Senior Lenders means each of the persons listed in part 1 of schedule 1 (The Original Lenders) of the Senior Facilities Agreement and any other "Lender" from time to time as that term is defined in the Senior Facilities Agreement,

Subsidiary of a company or corporation means any company or corporation

- (a) which is controlled, directly or indirectly by the first-mentioned company or corporation, or
- (b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation, or
- (c) which is a subsidiary of another subsidiary of the first mentioned company or corporation,

and, for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or control the composition of its board of directors or equivalent body,

Term Facility means Facility A, Facility B or Facility C, and

Warrant Documents means the warrant instrument dated on or prior to the date of the acquisition of the shares in the Target by the Purchaser and made by the Investor in a form to be agreed by the Mezzanine Agent and any other document or agreement entered into or executed in connection with that instrument or the rights set out in that instrument

DREAMS LIMITED

COMPANY NUMBER: 2189427

FORM 155(6)(a)

ANNEXURE 4

Part III

Any reference in this statutory declaration (including the other Annexures) to any agreement or instrument is a reference to such agreement or instrument as from time to time amended, restated, supplemented, varied or novated from time to time (however fundamentally) and even if any of the same increases the obligations of any member of the Group or provides for further advances) and in each case including all notices, certificates, further assurance documents and any other documents required under such documents Any reference to a person shall include a reference to that person's successors, transferees and assigns

DREAMS LIMITED

COMPANY NUMBER: 2189427

FORM 155(6)(a)

ANNEXURE 5

Terms defined in this statutory declaration (including the other Annexures) have the same meaning in this Annexure unless otherwise stated or the context otherwise requires

Nil at the date of this statutory declaration, but up to a maximum aggregate principal amount equal to the aggregate principal amount of (plus interest on) the Senior Facilities Agreement and the Mezzanine Facility Agreement or such other amount as may be agreed from time to time (being the maximum amount available under the Company Intra-Group Loan Agreement)

DREAMS LIMITED

COMPANY NUMBER: 2189427

FORM 155(6)(a)

ANNEXURE 6

Terms defined in this statutory declaration (including the other Annexures) have the same meaning in this Annexure unless otherwise stated or the context otherwise requires

The assistance may be given on any date within eight weeks of the date of this statutory declaration

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF DREAMS LIMITED (THE "COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We report on the attached statutory declaration of the directors dated 7 March 2008, prepared pursuant to the Companies Act 1985, in connection with the proposal that the Company should give financial assistance for the purchase of 51,869 of the Company's shares

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



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
7 March 2008