



## 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

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

The assistance is to be given to (note 2) Urban Splash Holdings Limited  
(Company number 06606884 of Timber Wharf, 16-22 Worsley Street, Manchester,  
M15 4LD (the "Buyer"))

SEE APPENDIX 2

† delete as appropriate

SEE APPENDIX 3

The value of any asset to be transferred to the person assisted is £ N11

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 hereof  
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~~X~~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)

[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 Urban Splash, Timber Wharf, Manchester

**Declarants to sign below**

on 

Day	Month	Year
23	06	2008

before me [Signature] J. POWELL.

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

13  
 ✓ ~~P. Linner~~  
 ✓ ~~J. J. J.~~  
 N. M. E. Joh  
 W. N. W. J. J.  
 J. P. Thalley

## 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**

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**Appendix 1 to Form 155(6)b**

**Names and Addresses of all Directors of URBAN SPLASH GROUP LIMITED  
(number 03141013)**

<b><u>Name</u></b>	<b><u>Address</u></b>
Thomas Paul Richard Bloxham MBE (Director)	The Penthouse 600 The Boxworks Worsley Street Castlefield Manchester M15 4LD
Julian Peter Curnuck (Director)	11 Wolseley Place Withington Manchester Lancashire M20 3LR
Jonathan Mark Falkingham (Director)	Oak Farm Springwood Avenue Liverpool L25 7UN
Nicholas Edward Johnson (Director)	2 The Oaks Heald Road Bowdon Altrincham Cheshire WA14 2JD
Wade Martin (Director)	Orchard End 86 Manor Road Sandbach Cheshire CW11 2NB
Jacqueline Whalley (Director)	9 Midge Hall Drive Bamford Rochdale OL11 4AX

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## Appendix 2 to Form 155(6)b

### **The form of the financial assistance to be given by URBAN SPLASH FORT DUNLOP LIMITED (number 03542905) (the "Relevant Subsidiary")**

The entry into by the Relevant Subsidiary of the documents listed and described at paragraphs 1, 2, 5, 8, 9 and 10 below (or the documents referred to therein or relating thereto) as the same may be amended, increased, novated and/or replaced, varied, supplemented or substituted from time to time, which will be entered into, directly or indirectly, in connection with the transfer of the whole of the issued share capital of the Company (hereinafter referred to as the "Target") by its then shareholders Joanne Bloxham, Thomas Bloxham, Jonathan Falkingham, David Haydock, Nicholas Johnson, Lawrence Maynard and Richard Riding (together the "Seller") to Urban Splash Holdings Limited (company number 06606884) (the "Buyer") pursuant to a sale and purchase agreement ("SPA") to be made between the Seller and the Buyer (the "Acquisition")

1. a secured facility comprising term loans in the maximum aggregate principal amount of £125,000,000 (the "Facility") to be made available by HSBC Bank plc ("HSBC"), Royal Bank of Scotland plc ("RBS") and Co-operative Bank p.l.c. ("Co-op") (the "Original Lenders") to Urban Splash Work Limited (company number 03141013) (the "Borrowing Subsidiary") security for which is to be given by the Borrowing Subsidiary and the following companies, namely: Urban Splash Limited (company number 0287908) and Urban Splash Fort Dunlop Limited (company number 03542905) (the "Non-borrowing Subsidiaries") (the Borrowing Subsidiary and the Non-Borrowing Subsidiaries being together called the "Subsidiaries" and each individually a "Subsidiary"), the Target and any other subsidiaries of the Buyer who accede to the Facility Agreement (as defined below) (the Subsidiaries, the Target and the Buyer being together referred to as the "Group"), the Facility being made available pursuant to a facility agreement (the "Facility Agreement") to be entered into between the Subsidiaries, the Original Lenders, HSBC as agent (the "Agent"), mandated lead arranger (the "Arranger") and as account bank ("Account Bank"), HSBC Corporate Trustee Company (UK) Limited as security agent (the "Security Agent") and HSBC, RBS and Co-op as hedging banks or any bank which becomes a hedging bank under clause 25 of the Facility Agreement ("Hedging Bank") (together the Original Lenders, the Arrangers, the Agent, the Security Agent, the Account Bank and the Hedging Bank being the "Finance Parties"),
2. a guarantee (the "Guarantee") contained in the Facility Agreement to be granted by Urban Splash Fort Dunlop Limited (Company Number 03542905) in favour of the Security Agent and/or the Secured Parties pursuant to which Urban Splash Fort Dunlop Limited and each other member of the Group who may accede to the Facility Agreement in the capacity of guarantor will jointly and severally guarantee to the Security Agent and/or the Secured Parties all monies, liabilities and obligations of the Borrowing Subsidiary arising under the Facility Agreement or any other finance or security documents entered into in relation to the Facility (the "Guarantee Obligations");
3. a guarantee (the "Limited Recourse Guarantee") contained in the Facility Agreement to be granted by Urban Splash Limited (Company Number: 0287908) in favour of the Security Agent and/or the Secured Parties pursuant to which Urban Splash Limited will guarantee to the Security Agent and/or each of the Secured Parties all monies, liabilities and obligations of the Borrowing Subsidiary arising under the Facility Agreement or any other finance or security documents entered into in relation to the Facility provided that the bank's recourse against the company is limited to the realised value of the property charged by Urban Splash Limited pursuant to the legal charge it executes in favour of the Security

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Agent and/or the Secured Parties (the "Limited Recourse Guarantee Obligations"),

4. a guarantee to be made by the Target (the "Target Guarantee") pursuant to which the Target will guarantee to the Security Agent and/or the Secured Parties all monies and obligations the Borrowing Subsidiary arising under the Facility Agreement or any other finance or security documents entered into in relation to the Facility and the Subordinated Debt (as defined in the Inter-creditor Deed) (the "Target Guarantee Obligations");
5. a debenture (the "Debenture") executed by the Borrowing Subsidiary and Urban Splash Fort Dunlop Limited (Company Number 03542905) (together the "Charging Companies") in favour of the Security Agent and the Secured Parties granting fixed and floating charges over substantially all the assets and undertaking of each of the Charging Companies securing any liability of the Charging Companies to the Security Agent and/or the Secured Parties under the Facility Agreement and any other finance and security documents entered into in relation to the Facility including the Guarantee and all liabilities in respect of the Subordinated Debt (as defined in the Inter-creditor Deed) (the "Secured Liabilities");
6. a legal charge executed by Urban Splash Limited (Company Number 02827908) in favour of the Security Agent and/or the Secured Parties granting a first fixed charge by way of legal mortgage over its interest in the property specified in Schedule 2 to the document creating the legal charge securing the Limited Recourse Guarantee and all liabilities in respect of the Subordinated Debt (as defined in the Inter-creditor Deed) (such liabilities capped at realised value of the assets charged by the chargor) ("Legal Charge");
7. a charge over shares to be entered into between the Target in favour of the Security Agent and/or the Secured Parties granting a first fixed charge by way of legal mortgage over its entire holding of shares in the Borrowing Subsidiary and Urban Splash Fort Dunlop Limited securing the Target Guarantee Obligations (the "Share Charge"),
8. an inter-creditor deed (the "Inter-creditor Deed") to be made between the Senior Lenders, Hedging Banks, Subordinated Creditors, Security Agent, Agent, Account Bank, Arranger, Borrower and Original Obligors (as defined in the Inter-creditor Deed) containing terms and conditions regulating certain rights between the parties thereto, including in respect of the payment of monies by the Borrowing Subsidiary and other members of the Group to the Finance Parties,
9. an intra-group funding agreement (the "Intra-Group Funding Agreement") to be made between the Target and the Subsidiaries pursuant to which monies may be loaned to or borrowed by each member of the Group or otherwise transferred within the Group up to a sum of £750,000,000 in aggregate, and
10. a subordination deed (the "Subordination Deed") to be made between the Security Agent, Original Obligors, Intra-Group Creditors, Intra-Group Debtors and Original Loan NoteHolders, as defined therein, and the Subsidiaries pursuant to certain rights between the parties thereto are regulated, including in respect of the subordination of liabilities owed by the Obligors under the Intra-Group Funding Agreement and the Loan Notes (as defined in the Facility Agreement) in favour of liabilities owed by the Obligors to the Finance Parties.

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### **Appendix 3 to Form 155(6)b**

#### **Principal terms on which Financial assistance will be given by the Relevant Subsidiary**

Terms defined in Appendix 2 have the same meaning in this Appendix 3

1. By executing the Facilities Agreement the Relevant Subsidiary will:
  - 1.1 agree that it may be required to pay all sums due under the Facilities Agreement and the other finance and security documents referred to therein (the "Finance Documents") and the Agent may be required to apply any sums received or recovered from it under any of the Finance Documents for application as the Security Agent may direct (including sums due from the Buyer in connection with the Acquisition),
2. By executing the Guarantee the Relevant Subsidiary will:
  - 2.1 guarantee as principal obligor and not merely as surety the prompt performance by the Borrower of all obligations to the Lenders including under the Facilities Agreement and the other finance and security documents referred to therein (the "Finance Documents") and the payment of all sums payable under or in connection with the Finance Documents as and when the same shall become due (including sums due from the Buyer in connection with the Acquisition);
  - 2.2 undertake that it will on demand upon a default in the payment of any sum due under or in connection with the Finance Documents pay such sum, as if it was expressed to be the primary obligor, together with interest payable thereon, and
  - 2.3 give an indemnity to the Lenders against any loss or liability suffered by them under the Finance Documents as a result of any obligation guaranteed by it being or becoming unenforceable, invalid or illegal;
3. By executing the Debenture the Relevant Subsidiary will:
  - 3.1 as primary obligor and not merely as surety, covenant with the Security Agent that it will pay or discharge the Guarantee Obligations and all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each relevant obligor to the Lenders under the Finance Documents and all liabilities in respect of the Subordinated Debt (as defined in the Inter-Creditor Deed) in each case together with all costs, charges and expenses incurred by any of the Lenders in connection with the protection, preservation or enforcement of its respective rights thereunder or any other document evidencing or securing any such liabilities (including, for the avoidance of doubt, sums due from the Buyer in connection with the Acquisition); (the "Secured Liabilities"); and
  - 3.2 as beneficial owner, as security for the payment, discharge and performance of the same, charge in favour of the Security Trustee substantially all its assets and undertaking by way of fixed and floating charges by way of security for the same

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4. By executing the Intra-Group Funding Agreement the Relevant Subsidiary will make available to each other member of the Group which is a party to such document from time to time a revolving credit facility of up to £750,000,000 to be used by any such member of the Group to, inter alia, make payments when due under the Finance Documents together with costs and expenses incurred by the Buyer in connection with the Acquisition, provided that the Relevant Subsidiary shall only be obliged to make advances if, inter alia, the aggregate of all monies standing to the credit of its bank accounts exceeds the amount of the proposed advance and the Relevant Subsidiary is solvent.
5. By executing the Inter-creditor Agreement the Relevant Subsidiary will grant indemnities in favour of the Senior Creditors and in respect of the Subordinated Debt (each as defined therein) in respect of the liabilities of the Obligors under the Finance Documents and in respect of the Subordinated Debt (as defined in the Inter-creditor Deed).
6. By executing the Subordination Deed the Relevant Subsidiary will agree to the subordination of various rights as between the Relevant Subsidiary, the Security Agent, the Original Obligors, the Intra-Group Creditors, the Intra-Group Debtors and the Original Loan NoteHolders (each as defined therein) to the liabilities of the Senior Creditors (as defined therein) under the Finance Documents and in respect of the Subordinated Debt (as defined in the Inter-creditor Deed).

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**Appendix 4 to Form 155(6)b**

**The Amount of Cash to be transferred to the person assisted**

The amount of any advances made from time to time by the Relevant Subsidiary to other members of the Group under the terms of the Intra-Group Funding Agreement, such amounts to be agreed between the parties thereto from time to time up to a total aggregate amount of £750,000,000



**REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF URBAN SPLASH GROUP LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We report on the attached statutory declaration of the directors dated 23 June 2008, prepared pursuant to the Companies Act, in connection with the proposal that the Company's subsidiary Urban Splash Fort Dunlop Limited should give financial assistance in connection with the purchase of the entire issued share 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 statutory declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances

A handwritten signature in black ink, appearing to read "Deloitte &amp; Touche" followed by a stylized flourish.

Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
23 June 2008

PO Box 500  
2 Hardman Street  
Manchester  
M60 2AT