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

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

* insert full name of company

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

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

For official use

Company number 3429928

Name of company

* SPRINGCOLOUR LIMITED

~~I~~/We ø SEE RIDER 1

† delete as appropriate

§ delete whichever is inappropriate

~~I/we~~ [all the directors] † of the above company do solemnly and sincerely declare that:

The business of the company is:

~~(a) [illegible] §~~

~~(b) [illegible] §~~

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the ~~[illegible]~~ [company's holding company at the time of the acquisition, GHOSTSMILD LIMITED (COMPANY NUMBER 3729804) ~~[illegible]~~

The assistance is for the purpose of ~~[illegible]~~ [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: 10,000,000 ORDINARY SHARES OF £0.01 EACH

Presentor's name address and reference (if any) :
HBJ Gateley Wareing LLP
One Eleven
Edmund Street
Birmingham
B3 2HJ

13033 Birmingham 1

For official Use
General Section

FRIDAY

AIBV2LYJ
A31 05/01/2007 744
COMPANIES HOUSE

The assistance is to be given to: (note 2) GOLDSMITHS GROUP LIMITED (COMPANY NUMBER 5074694) WHOSE REGISTERED OFFICE IS AT GOLDSMITHS HOUSE, 2 ELLAND ROAD, BRAUNSTONE, LEICESTER, LEICESTERSHIRE, LE3 1TT; GOLDSMITHS ACQUISITIONS LIMITED (COMPANY NUMBER 5074721) WHOSE REGISTERED OFFICE IS AT GOLDSMITHS HOUSE, 2 ELLAND ROAD, BRAUNSTONE, LEICESTER, LEICESTERSHIRE, LE3 1TT;

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 RIDER 2

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

† delete as appropriate

GOLDSMITHS GROUP LIMITED (COMPANY NUMBER 5074694)

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

SEE RIDER 3

The amount of cash to be transferred to the person assisted is £ SEE RIDER 4

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 WITHIN 8 WEEKS OF THE DATE HEREOF

Please do not write in this margin

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

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

X/We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) X/We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

(b) ~~X/We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following the date on which the assistance is proposed to be given]* (note 3)~~

And X/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Goldsmith, House, Elliot Road Liverpool

Declarants to sign below

	Day	Month	Year
on	22	12	2006

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.

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

Laserform International 12/99

Statutory Declaration – Form 155(6)a
SPRINGCOLOUR LIMITED
Company Number: 03429928

RIDER 1

Name: Anthony John Broderick

Address: 5 Bridgnorth Road, Stourton, Stourbridge, West Midlands, DY7 6RP

Name: Stephen Clive Sargent

Address: Spinney End, 5 Harcourt Spinney, Market Bosworth, Nuneaton, Warwickshire, CV13 0LH

Name: James Edward West

Address: 4 Church Lane, Stanford on Avon, Northampton, Northamptonshire, NN6 6JP

Together with:

Name: Jerzy Stanislaw Piasecki

Address: Lockend House, Mill Lane, Lower Shiplake, Henley on Thames, Oxfordshire, RG9 3ND

(who is simultaneously swearing a statutory declaration on form 155(6)a in the presence of an independent solicitor in connection with the Acquisition)

All capitalised terms have the meaning given in Rider 5 to this Form 155(6)a

Statutory Declaration – Form 155(6)a
SPRINGCOLOUR LIMITED
Company Number: 03429928

RIDER 2

The financial assistance will take the form of the execution by the Company of:-

1. the Senior Facilities Agreement;
2. the Mezzanine Facilities Agreement;
3. the Debenture;
4. the Intra Group Loan Agreement;
5. the Intercreditor Deed.

(as the same may be amended, varied, supplemented or substituted from time to time) and the Company complying with and fulfilling its obligations thereunder.

All capitalised terms have the meaning given in Rider 5 to this Form 155(6)a.

RIDER 3

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

1. **The Senior Facilities Agreement**

Pursuant to the terms of the Senior Facilities Agreement, the Company, inter alia:

1.1 guarantees to each Senior Finance Party punctual performance by each Senior Borrower of all that Senior Borrower's obligations under the Senior Finance Documents;

1.2 undertakes with each Senior Finance Party that whenever a Senior Borrower does not pay any amount when due under or in connection with any Senior Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor;

1.3 indemnifies each Senior Finance Party immediately on demand against any cost, loss or liability suffered by that Senior Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal;

1.4 agrees that a Senior Finance Party may set off any matured obligation due from the Company under the Senior Finance Documents (to the extent beneficially owned by that Senior Finance Party) against any matured obligation owed by that Senior Finance Party to the Company regardless of place of payment, booking branch or currency of either obligation.

2. **The Mezzanine Facilities Agreement**

Pursuant to the terms of the Mezzanine Facilities Agreement, the Company, inter alia:

2.1 guarantees to each Mezzanine Finance Party punctual performance by each Mezzanine Borrower of all that Mezzanine Borrower's obligations under the Mezzanine Finance Documents;

2.2 undertakes with each Mezzanine Finance Party that whenever a Mezzanine Borrower does not pay any amount when due under or in connection with any Mezzanine Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor;

2.3 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;

2.4 agrees that a Mezzanine Finance Party may set off any matured obligation due from the Company under the Mezzanine Finance Documents (to the extent beneficially owned by that Mezzanine Finance Party) against any matured obligation owed by that Mezzanine Finance Party to the Company regardless of place of payment, booking branch or currency of either obligation.

3. **The Debenture**

Pursuant to the terms of the Debenture, the Company, inter alia:

3.1 covenants in favour of the Security Trustee that it will pay on demand and discharge from time to time when due, all present and future obligations (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Company and each other Charging Company to the Security Beneficiaries under the Finance Documents together with all reasonable costs, charges and expenses incurred by the Security Trustee and the Security Beneficiaries;

3.2 creates in favour of the Security Trustee, legal mortgages, fixed and/or floating charges over all its assets and undertaking both present and future and/or assigns by way of security certain of its assets to the Security Trustee by way of security for all the Company's liabilities to the Security Trustee and the Security Beneficiaries;

3.3 agrees to indemnify (amongst others) the Security Trustee, each Security Beneficiary, any Receiver and any attorney, agent or other person appointed by the Security Trustee under the Debenture on demand against any cost, loss, liability or expense incurred by any of the indemnified parties as a result of or in connection with (i) anything done or omitted in the exercise of the powers contained in the Debenture, (ii) the assets charged pursuant to the Debenture and (iii) any breach by any Charging Company of any of its obligations under the Debenture;

3.4 agrees that the Security Trustee and each of the other Security Beneficiaries may set off any matured obligation due from the Company under the Finance Documents (to the extent beneficially owned by that Security Trustee and/or the Security Beneficiaries) against any matured obligation owed by that Security Trustee and/or Security Beneficiary to the Company regardless of place of payment, booking branch or currency of either obligation.

4. **The Intra-Group Loan Agreement**

Pursuant to the terms of the Intra-Group Loan Agreement, the Company may be required to provide funds to enable, inter alia, each of the Parent and other Group Companies to meet its obligations under or in connection with the Finance Documents and for any purpose in connection with the Acquisition.

5. **The Intercreditor Deed**

Pursuant to the terms of the Intercreditor Deed, the Company will, inter alia, agree to regulate certain rights of the Senior Agent, Senior Lender, the Ancillary Lender, the Mezzanine Agent, the Mezzanine Lender and the Security Trustee (as each such term is defined therein) including, inter alia, the ranking of payments due from the Group to such creditors and the enforcement of security granted by, inter alia, the Company.

In entering into the various documents referred to above the Company is entering into obligations and assuming liabilities and giving security for the purpose of reducing or discharging any liabilities incurred in connection with the acquisition of shares in the Target and may in the future be called upon pursuant to any of the documents referred to in this declaration to discharge obligations and/or liabilities arising in connection with the acquisition of shares in the Target.

All capitalised terms have the meaning given in Rider 5 to this Form 155(6)a.

RIDER 4

The amount of cash to be transferred to the person assisted is amounts due under the Intra-Group Loan Agreement up to a maximum of £120,000,000.

RIDER 5

In this Form 155(6)a, and all its riders, the following terms shall have the following meanings:

"Acquisition"	means the acquisition of the whole of the issued share capital of the Target by the Parent pursuant to the terms and conditions of the Acquisition Agreement;
"Acquisition Agreement"	means the acquisition agreement dated 12 May 2004 to be entered into between, inter alia, (1) the Vendors and (2) the Parent under which the Parent agreed to purchase the entire issued share capital of the Target;
"BoS"	means The Governor and Company of the Bank of Scotland;
"Charging Company"	has the meaning ascribed to it in the Debenture;
"Company"	means Springcolour Limited (company number 03429928);
"Debenture"	means a debenture to be executed by (amongst others) the Company in favour of the Security Trustee for and on behalf of the Security Beneficiaries;
"Finance Documents"	means the Senior Finance Documents and the Mezzanine Finance Documents;
"Group"	means the Parent and its Subsidiaries including, without limitation, the Company and "**Group Company**" means any of them;
"Intercreditor Deed"	means an intercreditor deed to be entered into between, inter alia, BoS as Senior Agent (1), BoS as Arranger (2), BoS and others as Senior Lenders (3), BoS as Ancillary Lender (4), BoS as Security Trustee (5), Landsbanki as Mezzanine Agent (6), Landsbanki as Mezzanine Lender (7), the Investor Creditors (8), the Management Creditors (9), BG Holdings ehf (10), the Parent (11) and each of the Original Obligors (12) (as each such term is defined in the Intercreditor Deed);
"Intra-Group Loan Agreement"	means an intra-group loan agreement to be made between the Company (1) and certain of the other Group Companies (2);
"Landsbanki"	means Landsbanki Islands hf;
"Mezzanine Borrower"	means an Original Borrower (as such term is defined in the Mezzanine Facilities Agreement);
"Mezzanine Facilities Agreement"	means a mezzanine facility agreement to be entered into between Goldsmiths Group Limited (as the Parent) (1), Goldsmiths Acquisitions Limited, Goldsmiths Limited and Mappin & Webb Limited (as the Original Borrowers) (2), the Parent and others (as the Original Guarantors) (3), Landsbanki (as the Original Lender)

	(4), Landsbanki (as the Agent) (5), Landsbanki (as the Arranger) (6) and BoS as security trustee for the Mezzanine Finance Parties (7);
"Mezzanine Finance Document"	means the Mezzanine Facilities Agreement, the Security Documents, the Intercreditor Deed, the Hedging Documents, any Fees Letter, any Accession Letter, any Resignation Letter (as each such term is defined in the Mezzanine Facilities Agreement) and any other documents designated as such by Landsbanki (in its capacity as agent for the Lenders (as defined in the Mezzanine Facilities Agreement)) and the Parent;
"Mezzanine Finance Party"	means (1) the Agent, (2) the Arranger, (3) a Lender, (4) the Hedging Provider or (5) the Security Trustee (as such terms are defined in the Mezzanine Facilities Agreement);
"Original Obligors"	has the meaning ascribed to it in the Senior Facilities Agreement;
"Parent"	means Goldsmiths Group Limited (company number 5074694);
"Receiver"	means any receiver, receiver and manager or administrative receiver appointed by the Security Trustee under the Debenture;
"Security Beneficiaries"	has the meaning ascribed to it in the Intercreditor Deed;
"Security Documents"	has the meaning ascribed to it in the Senior Facilities Agreement;
"Security Trustee"	means BoS acting in its capacity as security trustee for and on behalf of the Security Beneficiaries;
"Senior Borrower"	means an Original Borrower or an Additional Borrower (as each such term is defined in the Senior Facilities Agreement);
"Senior Facilities Agreement"	means a senior facilities agreement to be entered into between Goldsmiths Group Limited (as the Parent) (1), Goldsmiths Acquisitions Limited, Goldsmiths Limited and Mappin & Webb Limited (as the Original Borrowers) (2), the Parent and others (as the Original Guarantors) (3), BoS and others (as the Original Lenders) (4), BoS (as the Agent) (5), BoS (as the Security Trustee) (6) and BoS (as the Arranger) (7);
"Senior Finance Document"	means the Senior Facilities Agreement, the Security Documents, the Intercreditor Deed, the Hedging Documents, the Ancillary Documents, any Fees Letter, any Accession Letter, any Resignation Letter (as each such term is defined in the Senior Facilities Agreement) and any other documents designated as such by BoS

	(in its capacity as agent for the Lenders (as defined in the Senior Facilities Agreement)) and the Parent;
"Senior Finance Party"	means (1) the Agent, (2) the Arranger, (3) a Lender, (4) the Hedging Provider, (5) an Ancillary Lender or (6) the Security Trustee (as such terms are defined in the Senior Facilities Agreement);
"Subsidiary"	means: (i) a subsidiary as defined in Section 736 of the Companies Act 1985; and (ii) a subsidiary undertaking as defined in Section 258 and Schedule 10A of the Companies Act 1985;
"Target"	means Ghostsmild Limited (company number 3729804);
"Vendors"	means Alchemy Partners (Guernsey) Limited, Jerzy Stanislaw Piasecki, Stephen Sargent, James West, Anthony Broderick and the Goldsmiths Group Plc Employee Trust.

KPMG

KPMG LLP
1 Waterloo Way
Leicester LE1 6LP
United Kingdom

Tel +44 (0) 116 256 6137
Fax +44 (0) 116 256 6026
DX 719593 Leicester 17

The Directors
Springcolour Limited
Goldsmiths House
2 Elland Road
Braunstone
Leicester LE3 1TT.

Our ref b a

22 December 2006

Dear Sirs

Auditors' report to the directors of Springcolour Limited (Company number 3429928) (the 'Company') pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 22 December 2006 in connection with the proposal that the Company should give financial assistance in connection with the acquisition of shares in Ghostsmild Limited.

This report is made solely to the Company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the Company's auditors might state to the Company's directors those matters we are required to state to them in a report under section 156(4) of that Act 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 and the Company's directors as a body for our work under section 156(4) of that Act or for this report.

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 LLP

KPMG LLP

Registered Auditor

KPMG LLP, a UK limited liability partnership, is a member of KPMG International, a Swiss cooperative

Registered in England No OC301540
Registered office: 8 Salisbury Square, London EC4Y 8BB

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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

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

* insert full name of company

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

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

For official use

Company number 3429928

Name of company

* SPRINGCOLOUR LIMITED

~~I~~/We ø SEE RIDER 1

† delete as appropriate

~~I/we~~ [all the directors] † of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever is inappropriate

~~(a) [illegible] §~~

~~(b) [illegible] §~~

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the ~~company~~ [company's holding company at the time of the acquisition, GHOSTSMILD LIMITED (COMPANY NUMBER 3729804) ~~company~~

The assistance is for the purpose of ~~[illegible]~~ [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: 10,000,000 ORDINARY SHARES OF £0.01 EACH

Presentor's name address and reference (if any) :
HBJ Gateley Wareing LLP
One Eleven
Edmund Street
Birmingham
B3 2HJ

13033 Birmingham 1

For official Use
General Section

COMPANIES HOUSE

The assistance is to be given to: (note 2) GOLDSMITHS GROUP LIMITED (COMPANY NUMBER 5074694) WHOSE REGISTERED OFFICE IS AT GOLDSMITHS HOUSE, 2 ELLAND ROAD, BRAUNSTONE, LEICESTER, LEICESTERSHIRE, LE3 1TT; GOLDSMITHS ACQUISITIONS LIMITED (COMPANY NUMBER 5074721) WHOSE REGISTERED OFFICE IS AT GOLDSMITHS HOUSE, 2 ELLAND ROAD, BRAUNSTONE, LEICESTER, LEICESTERSHIRE, LE3 1TT;

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 RIDER 2

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

† delete as appropriate

GOLDSMITHS GROUP LIMITED (COMPANY NUMBER 5074694)

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

SEE RIDER 3

The amount of cash to be transferred to the person assisted is £ SEE RIDER 4

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 WITHIN 8 WEEKS OF THE DATE HEREOF

Please do not write in this margin

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

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

X/We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) X/We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

(b) ~~X/We have formed the opinion that the company will be able to pay its debts in the ordinary course of its business during the period of twelve months immediately following the date on which the assistance is proposed to be given]*~~ (note 3)

And X/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 96 Bell Street Henley on Thames RG9 2BN

Declarants ~~to~~ sign below

	Day	Month	Year
on	22	12	2006

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.

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

Laserform International 12/99

Statutory Declaration – Form 155(6)a
SPRINGCOLOUR LIMITED
Company Number: 03429928

RIDER 1

Name: Jerzy Stanislaw Piasecki

Address: Lockend House, Mill Lane, Lower Shiplake, Henley on Thames, Oxfordshire, RG9 3ND

Together with:

Name: Anthony John Broderick

Address: 5 Bridgnorth Road, Stourton, Stourbridge, West Midlands, DY7 6RP

Name: Stephen Clive Sargent

Address: Spinney End, 5 Harcourt Spinney, Market Bosworth, Nuneaton, Warwickshire, CV13 0LH

Name: James Edward West

Address: 4 Church Lane, Stanford on Avon, Northampton, Northamptonshire, NN6 6JP

(each of whom are simultaneously swearing a statutory declaration on form 155(6)a in the presence of an independent solicitor in connection with the Acquisition)

All capitalised terms have the meaning given in Rider 5 to this Form 155(6)a.

RIDER 2

The financial assistance will take the form of the execution by the Company of:-

1. the Senior Facilities Agreement;
2. the Mezzanine Facilities Agreement;
3. the Debenture;
4. the Intra Group Loan Agreement;
5. the Intercreditor Deed.

(as the same may be amended, varied, supplemented or substituted from time to time) and the Company complying with and fulfilling its obligations thereunder.

All capitalised terms have the meaning given in Rider 5 to this Form 155(6)a.

RIDER 3

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

1. **The Senior Facilities Agreement**

Pursuant to the terms of the Senior Facilities Agreement, the Company, inter alia:

1.1 guarantees to each Senior Finance Party punctual performance by each Senior Borrower of all that Senior Borrower's obligations under the Senior Finance Documents;

1.2 undertakes with each Senior Finance Party that whenever a Senior Borrower does not pay any amount when due under or in connection with any Senior Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor;

1.3 indemnifies each Senior Finance Party immediately on demand against any cost, loss or liability suffered by that Senior Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal;

1.4 agrees that a Senior Finance Party may set off any matured obligation due from the Company under the Senior Finance Documents (to the extent beneficially owned by that Senior Finance Party) against any matured obligation owed by that Senior Finance Party to the Company regardless of place of payment, booking branch or currency of either obligation.

2. **The Mezzanine Facilities Agreement**

Pursuant to the terms of the Mezzanine Facilities Agreement, the Company, inter alia:

2.1 guarantees to each Mezzanine Finance Party punctual performance by each Mezzanine Borrower of all that Mezzanine Borrower's obligations under the Mezzanine Finance Documents;

2.2 undertakes with each Mezzanine Finance Party that whenever a Mezzanine Borrower does not pay any amount when due under or in connection with any Mezzanine Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor;

2.3 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;

2.4 agrees that a Mezzanine Finance Party may set off any matured obligation due from the Company under the Mezzanine Finance Documents (to the extent beneficially owned by that Mezzanine Finance Party) against any matured obligation owed by that Mezzanine Finance Party to the Company regardless of place of payment, booking branch or currency of either obligation.

3. **The Debenture**

Pursuant to the terms of the Debenture, the Company, inter alia:

3.1 covenants in favour of the Security Trustee that it will pay on demand and discharge from time to time when due, all present and future obligations (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Company and each other Charging Company to the Security Beneficiaries under the Finance Documents together with all reasonable costs, charges and expenses incurred by the Security Trustee and the Security Beneficiaries;

3.2 creates in favour of the Security Trustee, legal mortgages, fixed and/or floating charges over all its assets and undertaking both present and future and/or assigns by way of security certain of its assets to the Security Trustee by way of security for all the Company's liabilities to the Security Trustee and the Security Beneficiaries;

3.3 agrees to indemnify (amongst others) the Security Trustee, each Security Beneficiary, any Receiver and any attorney, agent or other person appointed by the Security Trustee under the Debenture on demand against any cost, loss, liability or expense incurred by any of the indemnified parties as a result of or in connection with (i) anything done or omitted in the exercise of the powers contained in the Debenture, (ii) the assets charged pursuant to the Debenture and (iii) any breach by any Charging Company of any of its obligations under the Debenture;

3.4 agrees that the Security Trustee and each of the other Security Beneficiaries may set off any matured obligation due from the Company under the Finance Documents (to the extent beneficially owned by that Security Trustee and/or the Security Beneficiaries) against any matured obligation owed by that Security Trustee and/or Security Beneficiary to the Company regardless of place of payment, booking branch or currency of either obligation.

4. **The Intra-Group Loan Agreement**

Pursuant to the terms of the Intra-Group Loan Agreement, the Company may be required to provide funds to enable, inter alia, each of the Parent and other Group Companies to meet its obligations under or in connection with the Finance Documents and for any purpose in connection with the Acquisition.

5. **The Intercreditor Deed**

Pursuant to the terms of the Intercreditor Deed, the Company will, inter alia, agree to regulate certain rights of the Senior Agent, Senior Lender, the Ancillary Lender, the Mezzanine Agent, the Mezzanine Lender and the Security Trustee (as each such term is defined therein) including, inter alia, the ranking of payments due from the Group to such creditors and the enforcement of security granted by, inter alia, the Company.

In entering into the various documents referred to above the Company is entering into obligations and assuming liabilities and giving security for the purpose of reducing or discharging any liabilities incurred in connection with the acquisition of shares in the Target and may in the future be called upon pursuant to any of the documents referred to in this declaration to discharge obligations and/or liabilities arising in connection with the acquisition of shares in the Target.

All capitalised terms have the meaning given in Rider 5 to this Form 155(6)a.

RIDER 4

The amount of cash to be transferred to the person assisted is amounts due under the Intra-Group Loan Agreement up to a maximum of £120,000,000.

RIDER 5

In this Form 155(6)a, and all its riders, the following terms shall have the following meanings:

"**Acquisition**"	means the acquisition of the whole of the issued share capital of the Target by the Parent pursuant to the terms and conditions of the Acquisition Agreement;
"**Acquisition Agreement**"	means the acquisition agreement dated 12 May 2004 to be entered into between, inter alia, (1) the Vendors and (2) the Parent under which the Parent agreed to purchase the entire issued share capital of the Target;
"**BoS**"	means The Governor and Company of the Bank of Scotland;
"**Charging Company**"	has the meaning ascribed to it in the Debenture;
"**Company**"	means Springcolour Limited (company number 03429928);
"**Debenture**"	means a debenture to be executed by (amongst others) the Company in favour of the Security Trustee for and on behalf of the Security Beneficiaries;
"**Finance Documents**"	means the Senior Finance Documents and the Mezzanine Finance Documents;
"**Group**"	means the Parent and its Subsidiaries including, without limitation, the Company and "**Group Company**" means any of them;
"**Intercreditor Deed**"	means an intercreditor deed to be entered into between, inter alia, BoS as Senior Agent (1), BoS as Arranger (2), BoS and others as Senior Lenders (3), BoS as Ancillary Lender (4), BoS as Security Trustee (5), Landsbanki as Mezzanine Agent (6), Landsbanki as Mezzanine Lender (7), the Investor Creditors (8), the Management Creditors (9), BG Holdings ehf (10), the Parent (11) and each of the Original Obligors (12) (as each such term is defined in the Intercreditor Deed);
"**Intra-Group Loan Agreement**"	means an intra-group loan agreement to be made between the Company (1) and certain of the other Group Companies (2);
"**Landsbanki**"	means Landsbanki Islands hf;
"**Mezzanine Borrower**"	means an Original Borrower (as such term is defined in the Mezzanine Facilities Agreement);
"**Mezzanine Facilities Agreement**"	means a mezzanine facility agreement to be entered into between Goldsmiths Group Limited (as the Parent) (1), Goldsmiths Acquisitions Limited, Goldsmiths Limited and Mappin & Webb Limited (as the Original Borrowers) (2), the Parent and others (as the Original Guarantors) (3), Landsbanki (as the Original Lender)

	(4), Landsbanki (as the Agent) (5), Landsbanki (as the Arranger) (6) and BoS as security trustee for the Mezzanine Finance Parties (7);
"Mezzanine Finance Document"	means the Mezzanine Facilities Agreement, the Security Documents, the Intercreditor Deed, the Hedging Documents, any Fees Letter, any Accession Letter, any Resignation Letter (as each such term is defined in the Mezzanine Facilities Agreement) and any other documents designated as such by Landsbanki (in its capacity as agent for the Lenders (as defined in the Mezzanine Facilities Agreement)) and the Parent;
"Mezzanine Finance Party"	means (1) the Agent, (2) the Arranger, (3) a Lender, (4) the Hedging Provider or (5) the Security Trustee (as such terms are defined in the Mezzanine Facilities Agreement);
"Original Obligors"	has the meaning ascribed to it in the Senior Facilities Agreement;
"Parent"	means Goldsmiths Group Limited (company number 5074694);
"Receiver"	means any receiver, receiver and manager or administrative receiver appointed by the Security Trustee under the Debenture;
"Security Beneficiaries"	has the meaning ascribed to it in the Intercreditor Deed;
"Security Documents"	has the meaning ascribed to it in the Senior Facilities Agreement;
"Security Trustee"	means BoS acting in its capacity as security trustee for and on behalf of the Security Beneficiaries;
"Senior Borrower"	means an Original Borrower or an Additional Borrower (as each such term is defined in the Senior Facilities Agreement);
"Senior Facilities Agreement"	means a senior facilities agreement to be entered into between Goldsmiths Group Limited (as the Parent) (1), Goldsmiths Acquisitions Limited, Goldsmiths Limited and Mappin & Webb Limited (as the Original Borrowers) (2), the Parent and others (as the Original Guarantors) (3), BoS and others (as the Original Lenders) (4), BoS (as the Agent) (5), BoS (as the Security Trustee) (6) and BoS (as the Arranger) (7);
"Senior Finance Document"	means the Senior Facilities Agreement, the Security Documents, the Intercreditor Deed, the Hedging Documents, the Ancillary Documents, any Fees Letter, any Accession Letter, any Resignation Letter (as each such term is defined in the Senior Facilities Agreement) and any other documents designated as such by BoS

	(in its capacity as agent for the Lenders (as defined in the Senior Facilities Agreement)) and the Parent;
"Senior Finance Party"	means (1) the Agent, (2) the Arranger, (3) a Lender, (4) the Hedging Provider, (5) an Ancillary Lender or (6) the Security Trustee (as such terms are defined in the *Senior Facilities Agreement*);
"Subsidiary"	means: (i) a subsidiary as defined in Section 736 of the Companies Act 1985; and (ii) a subsidiary undertaking as defined in Section 258 and Schedule 10A of the Companies Act 1985;
"Target"	means Ghostsmild Limited (company number 3729804);
"Vendors"	means Alchemy Partners (Guernsey) Limited, Jerzy Stanislaw Piasecki, Stephen Sargent, James West, Anthony Broderick and the Goldsmiths Group Plc Employee Trust.

KPMG

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The Directors
Springcolour Limited
Goldsmiths House
2 Elland Road
Braunstone
Leicester LE3 1TT.

Our ref b a

22 December 2006

Dear Sirs

Auditors' report to the directors of Springcolour Limited (Company number 3429928) (the 'Company') pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 22 December 2006 in connection with the proposal that the Company should give financial assistance in connection with the acquisition of shares in Ghostsmild Limited.

This report is made solely to the Company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the Company's auditors might state to the Company's directors those matters we are required to state to them in a report under section 156(4) of that Act 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 and the Company's directors as a body for our work under section 156(4) of that Act or for this report.

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 LLP

KPMG LLP

Registered Auditor

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