

Company Number: 03480229

THE COMPANIES ACTS 1985 AND 1989
COMPANY LIMITED BY SHARES
WRITTEN SPECIAL RESOLUTIONS OF
DAVID HALSALL INTERNATIONAL HOLDINGS LIMITED



(signed by all members of David Halsall International Holdings Limited (the "Company") on 22 August 2006)

The members of the Company noted that five statutory declarations sworn by the directors of the Company, together with the reports of the auditors of the Company attached thereto, were made available to them for inspection.

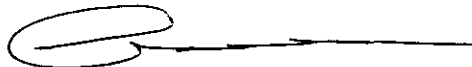
We, the undersigned, being all the members of the Company entitled to attend and vote at an Extraordinary General Meeting of the Company hereby resolve that the resolutions set out below be and are passed as special resolutions of the Company pursuant to the provisions of Section 381A of the Companies Act 1985 (the "**Act**"), and confirm that such resolutions shall be valid and effectual as if they had been passed at an Extraordinary General Meeting of the Company duly convened and held:

- 1 **THAT** the provisions (as the same may be amended, varied, supplemented or substituted from time to time) of the following documents referred to below which the Company is proposing to enter into and grant in connection with the acquisition by Halco 1327 Limited (the "**Purchaser**") of the entire issued share capital of the Company (the "**Acquisition**") (the Purchaser, the Company and the Company's subsidiaries, David Halsall International Limited (registered number 514002), David Halsall (HK) Limited (a company registered in Hong Kong with registered number 459134), Halsall Worldwide Limited (a company registered in Hong Kong with registered number 829637), Time 4 Toys Limited (registered number 3668381), D Stansfield Limited (registered number 357825), Clifton Constructions (Blackpool) Limited (registered number 404467) (together, the "**Subsidiaries**" and each a "**Subsidiary**"), together the "**Group**"), be and are hereby approved and (notwithstanding any personal interest of any of the directors), the board of directors of the Company be and it is hereby specifically authorised, empowered and directed in the name of and on behalf of the Company to complete and enter into such of the following documents to which the Company is or is to become a party:
 - (a) a facility agreement (the "**Facility Agreement**") with among others Burdale Financial Limited (the "**Lender**") pursuant to which the Lender will make available to the Purchaser various invoice finance facilities, revolving credit facilities and term loan facilities in the maximum aggregate principal amount of £20,000,000 to assist, inter alia, in the financing of the Acquisition and to discharge costs and fees in connection with the Acquisition. It is also noted that Clause 23 of the Facility Agreement includes a guarantee and indemnity to be granted by the Company in respect of, inter alia, all obligations under the Finance Documents (as therein defined) upon the terms and conditions thereof;
 - (b) a debenture to be executed by the Company and each of the Subsidiaries in favour of the Lender;
 - (c) a debenture to be executed by the Company and each of the Subsidiaries in favour of United Insurance Company Limited, a company registered in Barbados ("**United Insurance**");

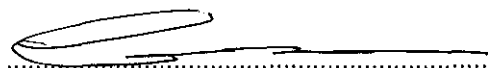
- (d) a guarantee to be executed by the Company and each of the Subsidiaries in favour of United Insurance;
- (e) a composite guarantee and debenture to be executed by the Purchaser, the Company and each of the Subsidiaries in favour of Paul David Macintosh of 1 York Place, Leeds LS1 2DR and David Alan Halsall of Bowmore, Laurel Avenue, Lytham St Anne's, Lancashire FY8 4LQ as trustees of The G. W. Halsall 2000 Life Interest Settlement;
- (f) an intra group funding agreement to be made between the Purchaser, the Company and the Subsidiaries; and
- (g) such other documentation and to take such action as may be required in order to carry out the matters referred to above,

together the "**Documents**".


- 2 **THAT** the statutory declarations in the Forms 155(6)a and 155(6)b (together, the "**Declarations**") (with each of the auditors' reports attached thereto) setting out details (inter alia) of the Documents to which the Company is a party and the details of financial assistance (as defined by sections 151 to 158 (inclusive) of the Act) set out in each of the Declarations which the Company is proposing to give for the purpose of the Acquisition be and are hereby approved and that the Declarations, the Documents and the Acquisition be and are hereby approved and authorised by the members of the Company.
- 3 **THAT** notwithstanding that the entering into and granting of the Documents to which the Company is a party and the granting of the security and guarantees and performing the obligations thereunder would constitute financial assistance within the meaning of sections 151 to 158 (inclusive) of the Act, the Company is receiving full and fair consideration for the obligations it is undertaking in accordance with the terms of the Documents to which it is party and accordingly, such entry and grant and the giving of such financial assistance is in the best interests of the Company and is approved.
- 4 **FURTHER THAT** the entering into of the Documents to which any of the Subsidiaries are parties will constitute financial assistance within the meaning of the Act by that company for the acquisition by the Purchaser of the entire issued share capital of the Company.
- 5 **THAT** the giving of such financial assistance as set out in resolutions 2,3 and 4 above, be and is hereby approved and that the Company entering into and/or granting the Documents to which it is a party be and is hereby approved. Further, that the entering into by each Subsidiary of the Documents to which it is a party be and is hereby approved.




David Alan Halsall



Graham Wilson Halsall as trustee of the GW Halsall 2000 Life Interest Settlement c/o 1 York Place, Leeds LS1 2DR



Graham Wilson Halsall



Paul David Macintosh as trustee of the GW Halsall 2000 Life Interest

Settlement c/o 1 York Place, Leeds LS1
2DR