

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

155(6)b

Please do not
write in
this margin

Pursuant to section 155(6) of the Companies Act 1985

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

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

For official use Company number

3729804

Name of company

*Insert full name
of company

* GOLDSMITHS GROUP LIMITED

Note
Please read the
notes on page 8
before completing
this form

†Insert name(s) and
address(es) of all
the directors

Jerzy Stanislaw Piasecki of Long Acre, Station Road, Shiplake, Henley-on-Thames,
Oxfordshire,
Stephen Clive Sargent of Spinney End, 5 Harcourt Spinney, Market Bosworth, Nuneaton,
Warwickshire, CV13 0LH, and
James Edward West of 4 Church Lane, Stanford on Avon, Northampton, Northamptonshire,
NN6 6JL

Stephen Clive Sargent will be signing a separate counterpart of this Form but
all of the directors have the intent that this Form and the counterpart be
regarded as one and the same form of statutory declaration for the purposes
of section 155(6) and section 156 of the Companies Act 1985.

§Delete as
appropriate

~~One or more of the directors~~ [all the directors] of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that:

The business of this company is:

~~(a) that of a (recognised bank) licensed institution within the meaning of the Banking Act 1979~~ †
~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry~~
~~XXXXXX insurance business in the United Kingdom~~ †

(c) something other than the above †

This company is ~~not~~ a holding company of * Goldsmiths Finance Limited (company number
905689) which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] Goldsmiths Group Limited (company number 3729804)

Presenter's name address and
reference (if any):

Heatons
7th Floor, Pheonix House
1 - 3 Newhall Street B3 3NH
DX 13014 BIRMINGHAM 1

For official use
General Section

Post room



A14
COMPANIES HOUSE

AG14TUP8

0541
05/06/04

R O JW AEC
The assistance is for the purpose of [that acquisition] ~~reducing or discharging a liability incurred~~
~~for the purpose of that acquisition~~* (note 1)

Please do not
write in
this margin

R O JW AEC
The number and class of the shares acquired or to be acquired is:
10,000,000 ordinary shares of £0.01 each

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

The assistance is to be given to: (note 2)

Godfrey Holdings Limited (company number 5074694)

Godfrey Acquisitions Limited (company number 5074721)

each of Renoir House, 135-137 New Bond Street, London, W1S 2TG

The assistance will take the form of:

R O JW AEC
Please see Schedule 1 attached

R O JW AEC
The person who ~~has acquired~~ [will acquire]* the shares is:

Godfrey Holdings Limited (company number 5074694)

*Delete as
appropriate

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

R O JW AEC
Please see Schedule 2 attached

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is £Nil

R O JW AEC
the amount of monies from time to time paid to
Godfrey Holdings Limited and Godfrey
Acquisitions Limited in accordance with the
terms of the Facilities Agreement and
the Intra-Group Loan Agreement

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

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

Nil

Please do not
write in
this margin

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

The date on which the assistance is to be given is the date of this statutory declaration or a date within 8 weeks of the date hereof

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)

† Delete either (a) or
(b) as appropriate

(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)

(b) ~~It is intended to commence the winding up of this company within 12 months of that date~~
and we have formed the opinion that this company will be able to pay its debts in full within
~~12 months of the commencement of the winding up~~ † (note 3)

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

Declared at 100 Wardour Street
London

Declarants to sign below

on Day Month Year
1 2 0 5 2 0 0 4

before me

Az Elizabeth Chy
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

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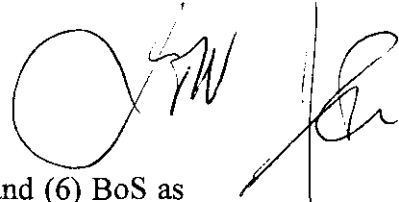
Schedules to Form G155(6)b
of Goldsmiths Group Limited – Company Number 3729804
(“Goldsmiths” for the purposes of these Schedules)
in relation to financial assistance given by
Goldsmiths Finance Limited - Company Number 905689
(“the Company” for the purposes of these Schedules)

Preliminary

In these Schedules 1 and 2 the following words and expressions shall have the following meanings unless inconsistent with the context:-

| | |
|-------------------------------|---|
| “Acquisition” | the proposed acquisition, by Godfrey Holdings Limited (“GHL”) of the entire issued share capital of Goldsmiths pursuant to a share purchase agreement to be entered into between (1) Alchemy Partners (Guernsey) Limited (“ the Institutional Seller ”) and Jerzy Stanislaw Piasecki (“JSP”), Stephen Clive Sargent (“SCS”), James Edward West (“JW”) and Anthony Broderick (“AB”) and the Goldsmiths Group Plc Employee Benefit Trust (“ the EBT ”) and the Goldsmiths Group Plc Employee Trust (“ the EBT ”) (together “ the Vendors ”), (2) GHL, (3) Wardfar Limited (“Wardfar”) and (4) Kathleen West (“ the Acquisition Agreement ”); |
| “Acquisitions” | Godfrey Acquisitions Limited; |
| “Agent” | BoS in its capacity as Agent for the Lenders (as defined in the Facilities Agreement); |
| “BG” | BG Holding ehf; |
| “BoS” | The Governor and Company of the Bank of Scotland; |
| “Composite Debenture” | a composite debenture to be entered into between (1) Acquisitions, GHL and each member of the Group and (2) the Security Trustee; |
| “Existing Facilities” | the present facilities available to the Group pursuant to a facilities agreement dated 18 March 1999 as supplemented, amended and/or restated from time to time; |
| “Facilities Agreement” | a term and revolving facility agreement to be entered into between, inter alia, (1) Acquisitions, (2) GHL, (3) each member of the Group, (4) BoS (acting in its capacity as “Original Lender” (as |

defined therein)), (5) BoS as Agent and (6) BoS as Security Trustee pursuant to which (in order, inter alia, to enable monies to be lent to GHL in order to assist GHL to fund the Acquisition) the following facilities will be made available ("**Facilities**"):-


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- a sterling term loan facility made available to Acquisitions in an aggregate amount of £45,000,000;
- a sterling revolving credit facility made available to Acquisitions in an aggregate amount of £10,000,000; and
- a multicurrency revolving credit facility made available to the Borrowers (as defined therein) in an aggregate amount of £15,000,000

and further pursuant to which each member of the GHL Group and the Group will issue an unconditional and irrevocable guarantee (given jointly and severally and by way of security in favour of the Senior Finance Parties) in respect of certain obligations of each other undertaken in connection with, inter alia, the Acquisition and pay fees and expenses incurred by any other party thereto in relation to the refinancing and funding raised by the GHL Group in connection with the Acquisition ("**Guarantee**");

"Fengur"

Eignarhaldsfelagid hf;

"Finance Parties"

together the Senior Finance Parties and Mezzanine Finance Parties and each a "**Finance Party**";

"GHL Group"



together, GHL and Acquisitions;

"GL"

Goldsmiths Limited;

"Goldsmiths Loan Agreement"

an inter-group loan agreement to be entered into between (1) Goldsmiths (as Borrower) and (2) Acquisitions (as Lender) pursuant to which Acquisitions will lend monies to Goldsmiths to enable it to redeem, in connection with the Acquisition (and including by way of the settlement of all outstanding capital and interest), such of the Fixed Rate Unsecured B Loan Notes 10th May 2006 originally issued by Mildghosts to JSP, novated to Goldsmiths on 18th December 2001 and transferred by JSP to the Institutional Seller on 19th December 2001, which are held by or on behalf of the Institutional Seller and which are outstanding on



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the date hereof (and having a nominal value of £812,637);

| | |
|-------------------------------------|--|
| "Group" | together, Goldsmiths, Mildghosts, GL, Springcolour and the Company; |
| "Intercreditor Deed" | an intercreditor deed to be entered into between, inter alia, Acquisitions, GHL, each member of the Group and each Secured Investor; |
| "Intra-Group Loan Agreement" | an intra-group loan agreement to be entered into between GHL, Acquisitions and each member of the Group; |
| "Kaldbakur" | Kaldbakur hf; |
| "Landsbanki" | Landsbanki Islands HF; |
| "Legal Charge" | a legal charge to be entered into between (1) the Company and (2) the Security Trustee and relating to, inter alia, Property; |
| "Loan Note Instruments" | <p>together, each of the following loan note instruments to be executed by GHL in connection with the Acquisition and the funding of the GHL Group in connection with the same:-</p> <ul style="list-style-type: none">• a loan note instrument constituting Series 'A' Secured 10% 2012 Loan Notes (pursuant to which Series 'A' Secured 10% 2012 Loan Notes are proposed to be issued to each of BoS, BG, Kaldbakur and Fengur (each acting in its capacity as a Secured Investor)); and• a loan note instrument constituting Series 'B' Secured 10% 2012 Loan Notes (pursuant to which Series 'B' Secured 10% 2012 Loan Notes are proposed to be issued to each of JSP, SCS, JW and AB (each acting in his capacity as a Secured Investor)); |
| "Mezzanine Finance Party" | "Finance Party" as defined in the Mezzanine Loan Agreement and "Mezzanine Finance Parties" shall be construed accordingly; |
| "Mezzanine Loan Agreement" | a Mezzanine Loan Agreement to be entered into between, inter alia, (1) GHL, (2) Acquisitions, (3) each member of the Group, (4) Landsbanki (acting in its capacity as "Original lender" (as defined therein)) and (5) Landsbanki (acting in its capacity |

as "Agent" (as defined therein)), pursuant to which a Mezzanine Loan Facility ("**Mezzanine Facility**") is to be made available to Acquisitions in the aggregate principle amount of £30,000,000 to, inter alia, enable Acquisitions to lend money to GHL in order to assist GHL to fund the Acquisition and the GHL Group following completion of the Acquisition and further pursuant to which each member of the GHL Group and the Group will issue an unconditional and irrevocable guarantee (given jointly and severally and by way of security in favour of the Mezzanine Finance Parties) in respect of certain obligations of each other undertaken in connection with, inter alia, the Acquisition and pay fees and expenses incurred by any other party thereto in relation to the refinancing and funding raised by the GHL Group in connection with the Acquisition ("**Mezzanine Guarantee**");

Handwritten initials: *AN* and *EC* with a large 'A' to the left.

"Mildghosts"

Mildghosts Limited;

"Mildghosts Loan Agreement"

an inter-group loan agreement to be entered into between (1) Mildghosts (as Borrower) and (2) Acquisitions (as Lender) pursuant to which Acquisitions will lend monies ("**the Mildghosts Loan**") to Mildghosts to enable it to (a) repay the Existing Facilities in full (for and on behalf of itself and GL) and (b) redeem, in connection with the Acquisition (and including by way of settlement of all outstanding capital and interest) the following loan notes:-

- such of the discounted Unsecured A Loan Notes May 2006 issued by Mildghosts and held by or on behalf of the Institutional Seller as are outstanding on the date hereof and having a nominal value of £13,867,112;
- such of the Fixed Rate Unsecured B Loan Notes 10th May 2006 issued by Mildghosts and held by JSP, SCS, AB, KW and the EBT as are outstanding on the date hereof (and having an aggregate nominal value of £2,239,047); and
- such of the Unsecured C Loan Notes 10th May 2006 issued by Mildghosts to Wardfar as are outstanding on the date hereof (and having a nominal value of £109,481)

"Secured Investors"

together, BoS, BG, Kaldbakur, Fengur, JSP, SCS, JW, AB and the EBT (and **"Secured Investor"** shall be construed accordingly);

"Secured Sums"

all monies and liabilities now or in the future due, owing or incurred by any member of the GHJ Group and/or any member of the Group to any Finance Party in any manner (whether actually or contingently, alone or jointly with any other person and whether as principal or as surety including any liability (secured or unsecured) to a third party which subsequently becomes payable to any Finance Party by assignment or otherwise) and, in particular, all monies and liabilities now or in the future due and owing by GHJ to any Secured Investor pursuant to the terms of the Loan Note Instruments and, further, all interest, commission, fees, charges, costs and expenses which any Finance Party or any Secured Investor may charge, including but not limited to, sums, obligations and liabilities incurred pursuant to, inter alia, the Facilities Agreement (including, specifically the Guarantee contained therein), the Mezzanine Loan Agreement (including specifically the Mezzanine Guarantee contained therein) and/or the Composite Debenture and/or the Loan Note Instruments;

"Security Trustee"

BoS in its capacity as security trustee for the Finance Parties;

"Senior Finance Party"

"Finance Party" as defined in the Facilities Agreement and **"Senior Finance Parties"** shall be construed accordingly;

"Transaction Facilities"

means together, the Facilities and the Mezzanine Facility;

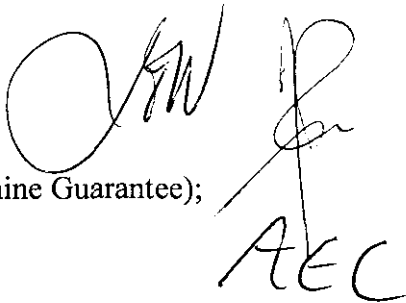
"Transaction Facilities Agreements"

together, the Facilities Agreement and the Mezzanine Loan Agreement;

Schedule 1

1 The assistance will take the form of the execution, delivery and compliance with and satisfaction of and performance (as the case may be), by the Company, of the Company's obligations pursuant to:-

1.1 the Facilities Agreement (which contains the Guarantee);

- 
- 1.2 the Mezzanine Loan Agreement (which contains the Mezzanine Guarantee);
- 1.3 the Composite Debenture;
- 1.4 the Intra-Group Loan Agreement; and
- 1.5 the Intercreditor Deed.

Schedule 2

- 1 The principal terms on which the financial assistance will be given are:-
- 1.1 pursuant to the Guarantee (given, as noted under the heading "Preliminary" above, by the Company by virtue of its execution and delivery of the Facilities Agreement), the Company shall irrevocably and unconditionally (and jointly and severally with each member of the GHL Group and each other member of the Group and by way of guarantee and indemnity in favour of each of the Senior Finance Parties) guarantee the performance, by each member of the GHL Group and each of the other members of the Group, of their respective obligations pursuant to, inter alia, the Facilities Agreement, the Composite Debenture and the Intercreditor Deed and which obligations thereby include, without limitation, obligations and liabilities incurred by GHL and/or Acquisitions for the purposes of the Acquisition, payable in order to assist in discharging or reducing liabilities incurred in connection with the Acquisition (pursuant to the Transaction Facilities Agreements and in particular as a result of a drawing down of any amount under the Facilities Agreement which such amount would be used for that express purpose). Pursuant to the Facilities Agreement, the Company will also give various representations, warranties and undertakings, covenants and indemnities in favour of the Senior Finance Parties including undertaking, inter alia, that it will at all times indemnify each of the Senior Finance Parties from and against all actions, suits, proceedings, claims, demands, liabilities, damages, costs, expenses, losses and charges whatsoever in relation to or arising out of the provision of the Transaction Facilities, which obligations include, without limitation, obligations incurred for the purpose of reducing or discharging liabilities incurred in connection with the Acquisition;
- 1.2 pursuant to the Mezzanine Guarantee (given, as noted under the heading "Preliminary" above, by the Company by virtue of its execution and delivery of the Mezzanine Agreement), the Company shall irrevocably and unconditionally (and jointly and severally with each member of the GHL Group and each other member of the Group and by way of guarantee and indemnity in favour of each of the Mezzanine Finance Parties) guarantee the performance, by each member of the GHL Group and each of the other members of the Group, of their respective obligations pursuant to, inter alia, the Mezzanine Loan Agreement, the Composite Debenture and the Intercreditor Deed and which obligations thereby include, without limitation, obligations and liabilities incurred by GHL and/or Acquisitions for the purposes of the Acquisition, payable in order to assist in discharging or reducing liabilities incurred in connection with the Acquisition (pursuant to the Transaction Facilities Agreements and in particular as a result of a drawing down of any amount under the Mezzanine Loan Agreement which

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such amount would be used for that express purpose). Pursuant to the Mezzanine Loan Agreement, the Company will also give various representations, warranties and undertakings, covenants and indemnities in favour of the Mezzanine Finance Parties including undertaking, inter alia, that it will at all times indemnify each of the Mezzanine Finance Parties from and against all actions, suits, proceedings, claims, demands, liabilities, damages, costs, expenses, losses and charges whatsoever in relation to or arising out of the provision of the Transaction Facilities, which obligations include, without limitation, obligations incurred for the purpose of reducing or discharging liabilities incurred in connection with the Acquisition;

- 1.3 pursuant to the Composite Debenture, the Company will covenant to pay or discharge to the Security Trustee (acting as principal obligor and not merely as surety) on demand in writing by the Security Trustee, the Secured Sums to the Finance Parties and as continuing security for this covenant and the payment or discharge of all Secured Sums, the Company charges, and agrees to charge, with full title guarantee in favour of the Security Trustee and by way of fixed and floating charges, inter alia, all property, plant and machinery, intellectual property, debts and all other assets belonging to the Company from time to time;
- 1.4 pursuant to the Intra-Group Loan Agreement, the Company will agree to make facilities available to each member of the GHIL Group and each other member of the Group to facilitate the repayments due to:-
 - 1.4.1 any Finance Party pursuant to the Facilities Agreement (including, specifically, the Guarantee) and/or the Mezzanine Loan Agreement (including specifically the Mezzanine Guarantee));
 - 1.4.2 any Secured Investor pursuant to the terms and conditions of any of the Loan Note Instruments;
 - 1.4.3 the Security Trustee pursuant to the Composite Debenture; and
 - 1.4.4 Acquisitions pursuant to the Goldsmiths Loan Agreement and/or the Mildghosts Loan Agreement

such repayments (save in respect of the Goldsmiths Loan Agreement and the Mildghosts Loan Agreement) to be made in respect of the Secured Sums and in all cases referred to above, to be made, inter alia, order to reduce or discharge (whether directly or indirectly), obligations and liabilities incurred by GHIL and/or Acquisitions in connection with the Acquisition; and

- 1.5 pursuant to the Intercreditor Deed, the parties thereto agree terms relating to the subordination of their respective rights and entitlements (as described therein) to, inter alia, the rights and entitlements of BoS (in its capacity as therein stated) in respect of the Secured Sums and the Company's entering into and execution of the Intercreditor Deed is in order to acknowledge such terms of subordination in respect of, inter alia, the Secured Sums. The entry into and execution, by the Company, of the Intercreditor Deed is a condition precedent to the provision of the Transaction Facilities in accordance with the terms, respectively, of the Facilities Agreement and the Mezzanine Loan Agreement and therefore, by

executing the Intercreditor Deed, the Company will be giving financial assistance for the purposes of the Acquisition.

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KPMG LLP

1 Waterloo Way
Leicester LE1 6LP
United Kingdom

Tel +44 (0) 116 256 6000
Fax +44 (0) 116 256 6050
DX 719593 Leicester 17

Private & confidential

The Directors
Goldsmiths Group Limited
(Registered No 3709615)
Goldsmiths House
2 Elland Road
Braunstone
Leicester
LE3 1TT

Our ref AJP/stat ltr – GGL
(holding co)

Contact Andy Pyle
0121 232 3603

(2 May 2004

Dear Sirs

Auditors' report to the directors of Goldsmiths Group Limited ('the Company') pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 12 May 2004 in connection with the proposal that the subsidiaries detailed on the attached appendix, of which the Company is a holding company, should give financial assistance for the purchase of 100% of the Company's ordinary shares.

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.

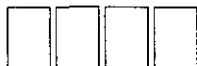
We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

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

KPMG LLP
Registered Auditor



KPMG LLP,
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



Appendix 1

Mildghosts Limited (Registered No 3709615)
Springcolour Limited (Registered No 3429928)
Goldsmiths Limited (Registered No 146087)
Goldsmiths Finance Limited (Registered No 905689)