

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

155(6)b

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

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

The business of this company is:

~~insurance business in the United Kingdom.~~

(c) something other than the above §

This company is [the] ☒ holding company of* Please see Rider 2

which is

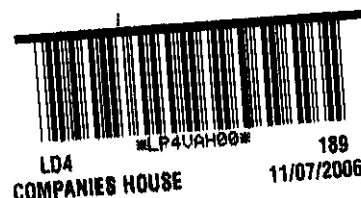
proposing to give financial assistance in connection with the acquisition of shares

in ~~XXXXXXXXXX~~ Please see Rider 3

Presenter's name address and
reference (if any) :
CMS Cameron McKenna LLP
Mitre House
160 Aldersgate Street
London
EC1A 4DD

DX 135316 BARBICAN 2
kesh/104799.0070/21793106

For official Use
General Section



~~XXXXXXXXXXXXXXXXXXXXX~~. † (note 1)

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

Please see Rider 6

† delete as appropriate

Please see Rider 8

The amount of cash to be transferred to the person assisted is £ Please see Rider 9

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 complete legibly, preferably in black type, or gold block lettering

~~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)

delete either (a) or (b) as appropriate

(a) ~~We~~ 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) XXXXXXXXXX presented a document to the governing body of the company, which XXXXXXXXXX stated was evidence that XXXXXXXXXX had formed the opinion that the company will be able to pay its debts in full within 12 months of the XXXXXXXXXX being at the XXXXXXXXXX* (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 CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London EC1A 4DJ

~~Declarants to sign below~~

on

Day	Month	Year
06	07	2006

before me Mas Max 10M AGE

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
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB**

Rider to Form 155(6)b

Rider 1: Directors names and addresses

1. Steven Diamond of 41 Aintree Drive, Downend, Bristol, Avon BS16 6SY,
2. Lee Rutter of 3 Lydiard Green, Lydiard Millicent, Swindon, Wilts SN5 3LP,
3. Kevin Sargeant of Rowgardens, Horsham Road, Cranleigh, Surrey GU6 8EJ,
4. Austen Reid of Ashley Cottage, Camilla Drive, Westhumble, Dorking, Surrey RH5 6BU

Rider 2: The Company is the holding company of:

Torin Holdings Limited (Company No. 3073143)(the “**Subsidiary**”)

Rider 3: The Subsidiary is proposing to give financial assistance in connection with the acquisition of shares in:

the Company's holding company, Volution Holdings Limited, for the purpose of that acquisition.

Rider 4: The number and class of the shares acquired is:

- (a) 137,778 'A' Ordinary Shares of £0.10 each in the share capital of the Volution Holdings Limited; and
- (b) 40,000 B Ordinary Shares of £0.10 each in the share capital of Volution Holdings Limited.

Rider 5: The assistance is to be given to:

Darwin Mezzanine Limited (Company No. 5841595 of Mitre House, 160 Aldersgate Street, London EC1A 4DD ("**Darwin Mezzanine**").

Rider 6: The assistance will take the form of:

The entering into the following (or of the documents relating thereto) to which the Subsidiary is to be a party as the same may be amended varied supplemented or substituted from time to time:

1. a senior term and revolving facilities agreement (the “**Senior Facilities Agreement**”) to be made between Darwin Mezzanine (“**Darwin Mezzanine**”) (as Original Borrower), the companies listed in part 1B of schedule 1 (as Original Guarantors), The Royal Bank of Scotland plc (“**RBS**”) (as Arranger), the financial institutions listed in part 2 of schedule 1 (as Original Lenders), RBS (as Agent), RBS (as Security Trustee) and RBS (as Issuing Bank) whereby, subject to terms and conditions set out therein, the Original Lenders have agreed to make available to Darwin Mezzanine term loan facilities and a revolving credit facility in an aggregate amount not exceeding £115,000,000 for the purposes of funding in part the Acquisition (as defined therein) and related costs and expenses, refinancing certain existing borrowings, paying breakage costs and any other costs related to such refinancing and towards the general corporate and working capital purposes of the Group (as defined therein);
2. an accession letter (the “**Senior Accession Letter**”) whereby the Subsidiary agrees to accede to the Senior Facilities Agreement as an Additional Borrower and an Additional Guarantor (as such terms are defined in the Senior Facilities Agreement);
3. a mezzanine facility agreement (the “**Mezzanine Facility Agreement**”) to be made between Darwin Mezzanine (as Original Borrower), the companies listed in part 1B of schedule 1 to it (as Original Guarantors), RBS (as Arranger), the financial institution listed in part 2 of schedule 1 to it (as Original Lender), RBS (as Agent) and RBS (as Security Trustee) whereby, subject to terms and conditions set out therein the Original Lender has agreed to make available to Darwin Mezzanine a mezzanine loan in an aggregate amount not exceeding £17,500,000 for the purpose of funding in part the Acquisition and related costs and expenses and to refinance certain existing borrowings of the Group (the Senior Facilities Agreement and the Mezzanine Facility Agreement shall together be referred to as the “**Facility Agreements**”);
4. an accession letter (the “**Mezzanine Accession Letter**”) whereby the Subsidiary agrees to accede to the Mezzanine Facilities Agreement as an Additional Guarantor (as such terms are defined in the Senior Facilities Agreement);
5. a debenture (the “**Debenture**”) to be made between the Subsidiary and RBS as Security Trustee for the persons described therein;
6. an ancillary facilities letter together with a standard form guarantee (the “**Ancillary Facilities Documents**”) to be made between the Subsidiary and certain other members of the Group (as Borrowers) and RBS (as ancillary lender) whereby subject to the terms and conditions set out therein RBS agrees to make available certain banking facilities for working capital purposes and the Borrowers under the ancillary facilities letter guarantee each other’s obligations thereunder to the ancillary lender;

7. an intercreditor agreement (the “**Intercreditor Agreement**”) to be made between Darwin Mezzanine and RBS (as Security Trustee, Senior Arranger, Senior Facility Agent, Senior Issuing Bank, Original Senior Lender, Mezzanine Arranger, Mezzanine Facility Agent and Original Mezzanine Lender), the companies listed in schedule 3 therein (as Original Guarantors) and Darwin Bond (as Holdco) (as each term is defined therein) establishing the priorities in accordance with which the Senior Liabilities, Mezzanine Liabilities, Postponed Senior Liabilities, Subordinated Liabilities, Hedging Liabilities, Equity Liabilities and Structural Intra-Group Liabilities (as all defined therein) are to rank; and
8. an intra-group funding agreement (the “**Intra-Group Funding Agreement**”) to be entered into by the Subsidiary and others as lenders and Darwin Mezzanine as borrower enabling Darwin Mezzanine to be put in funds as and when required and from time to time in order to meet its payment obligations under the Finance Documents (as defined therein) and in connection with the Acquisition Agreement (as each capitalised term is defined in the Senior Facilities Agreement).

Rider 7: The person who has acquired or will acquire the shares is:

Darwin Mezzanine

Rider 8: The Principal terms on which the assistance will be given are:

1. Senior Facilities Agreement

Under the terms of the Senior Facilities Agreement:

- 1.1 the Original Lenders will make available to Darwin Mezzanine, term loan and revolving credit facilities in an aggregate amount not exceeding £115,000,000 to be utilised (inter alia) by Darwin Mezzanine to finance in whole or in part the Acquisition and related costs and expenses and to refinance certain existing borrowings of the Group;
- 1.2 the Subsidiary together with each other Obligor will indemnify on demand each of the Finance Parties under a currency indemnity and other indemnities (including losses suffered as a result of an Event of Default (as each capitalised term is defined therein));
- 1.3 the Subsidiary (amongst others) is to accede to the Senior Facilities Agreement as an Original Guarantor to guarantee, inter alia, the obligations of Darwin Mezzanine under the Finance Documents (as defined therein); and
- 1.4 the Subsidiary (amongst others) is to give a guarantee and indemnity as principal obligor to the Security Trustee for the payment and discharge by the other Obligors (as defined therein) of all of their obligations under the Finance Documents (as defined therein).

2. Mezzanine Facility Agreement

Under the terms of the Mezzanine Facility Agreement:

- 2.1 the Lenders will make available to Darwin Mezzanine a mezzanine loan facility in an aggregate amount not exceeding £17,500,000 to be utilised by Darwin Mezzanine to (inter alia) finance in whole or in part the Acquisition and related costs and expenses and to refinance certain existing borrowings of the Group;
- 2.2 the Subsidiary together with each other Obligor will indemnify on demand each of the Finance Parties under a currency indemnity and other indemnities (including losses suffered as a result of an Event of Default (capitalised terms all as defined therein));
- 2.3 the Subsidiary (amongst others) is to accede to the Mezzanine Facility Agreement as a guarantor to guarantee, inter alia, the obligations of Darwin Mezzanine under the Finance Documents (as defined therein); and
- 2.4 the Subsidiary (amongst others) is to give a guarantee and indemnity as principal obligor to the Security Trustee for the payment and discharge by the other Obligors (as defined therein) of all of their obligations under the Finance Documents (as defined therein).

3. Ancillary Facilities Documents

Under the terms of the Ancillary Facilities Documents RBS will make available to Darwin Mezzanine, the Subsidiary and certain other members of the Group ancillary facilities which, providing those companies have entered into a guarantee on RBS' standard form, may be utilised by way of sterling overdraft facility, a guarantee, bonding, documentary or standby bank guarantee facility and a BACS, the facility is on demand and will reduce the available revolving facility under the Senior Facilities Agreement.

4. Debenture

- 4.1 It is a condition precedent to the Facility Agreements that the Subsidiary enters into the Debenture to secure, inter alia, the obligations of Darwin Mezzanine under the Finance Documents (as defined therein).
- 4.2 The Subsidiary, as security for the payment of all of the Secured Obligations (as defined in the Debenture), in entering into the Debenture, will give a first fixed and first floating charge over all of its undertaking and assets both present and future.

5. Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the Subsidiary:

- 5.1.1 acknowledges and agrees the arrangements between the Security Trustee, the Senior Arranger, the Mezzanine Arranger, the Senior Facility Agent, the Mezzanine Facility Agent, the Original Senior Lender, the Original Mezzanine Lender, the Company, the Original Guarantors and Darwin Bond Limited (as each capitalised term is defined therein); and
- 5.1.2 agrees only to make payments to the Original Mezzanine Lender (as defined therein) pursuant to the provisions therein.

6. Intra-Group Funding Agreement

Under the terms of the Intra-Group Funding Agreement the Subsidiary (and others) agree to grant a facility to Darwin Mezzanine for the purpose, inter alia, of repaying amounts due under the Finance Documents (as defined therein) upon the terms detailed therein.

Rider 9: The amount of cash to be transferred to the person assisted is:

Any amounts lent under the Intra-Group Funding Agreement up to a maximum of £265,000,000.

Any amounts due as Acquisition Costs (as defined in the Senior Facilities Agreement).

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF VOLUTION
LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors of Volution Limited ("the Company") dated 6 July 2006, prepared in accordance with applicable United Kingdom law, in connection with the proposal that the Company's subsidiary, Torin Holdings Limited, should give financial assistance for the purchase of the whole of the issued share capital of the Company's ultimate parent company, Volution Holdings Limited, by Darwin Mezzanine Limited.

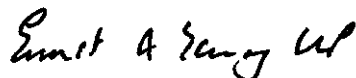
This report is made solely to the directors in accordance with Section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditors' report under section 156(4) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, for our audit work, for this report, or for the opinions we have formed.

Basis of opinion

We have enquired into the state of affairs of the Company so far as necessary 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 declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.



Ernst & Young LLP
Registered Auditor
London
6 July 2006