

CHFP025

155(6)a

06325136

* Hinarı Limited

XWe Please see attached schedule 1

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XXXXXXXXXX0000000000000000000000000000XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX$
XXXXXXXXXX0000000000000000000000000000XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX$
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~~XXXXXX~~ [company's holding company Pulse Home Products

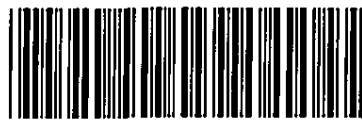
Limited†

The assistance is for the purpose of [that acquisition] XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX

XXXXXXXXXXXXXXXXXXXXX +

Post room

THURSDAY



AWIKBSJU

A01

30/08/2007

483

COMPANIES HOUSE

The assistance is to be given to (note 2) Vine Mill Limited
(company number 06322814) whose registered office is at Vine Mill, Holden Fold
Lane, Royton, Oldham, OL2 5LN

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

Please see schedule 2

The person who [has acquired] ~~1000000~~ † the shares is

† delete as
appropriate

Vine Mill Limited (company number 06322814) whose registered office is at Vine
Mill, Holden Fold Lane, Royton, Oldham, OL2 5LN

The principal terms on which the assistance will be given are

Please see schedule 3

The amount of cash to be transferred to the person assisted is £ Please see schedule 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) [I/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) [I/We have formed the opinion that the company will be unable to pay its debts as they fall due during the year immediately following that date]* (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

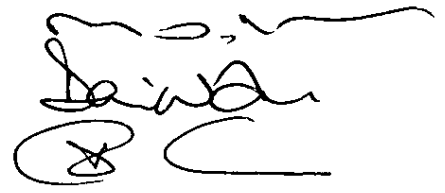
Declared at 50 Victoria Embankment

Declarants to sign below

London EC4Y 0LS

on

Day	Month	Year
22	08	2007



before me Andrew Justin Craig

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

HINARI LIMITED
(the "Company")

SCHEDULE 1
(to Form 155(6)a)

The Directors

Name	Address
David William Allen	11 Hunters Court, Stalybridge, Cheshire SK15 2UH
Deborah Susan Gough	2 Longfield Road, Shaw, Oldham OL2 7HD
Mark Andrew Weems	15 Lamerton Way, Wilmslow, Cheshire SK9 3UN

HINARI LIMITED
(the "Company")

SCHEDULE 2
(to Form 155(6)a)

The Form of the Financial Assistance

- 1 Pulse Home Products (Holdings) Limited (the "**Parent**") had negotiated
 - (a) a senior term and revolving credit agreement (the "**Senior Facilities Agreement**") entered into by the Parent (1), the companies named therein as borrowers (the "**Senior Borrowers**") (2), the companies named therein as guarantors (3), CIT Capital Finance (UK) Limited as arranger (4), the banks and financial institutions named therein as lenders (the "**Senior Lenders**") (5), CIT Capital Finance (UK) Limited as agent (the "**Senior Agent**") (6), CIT Capital Finance (UK) Limited as security trustee (the "**Security Trustee**") (7) and CIT Capital Finance (UK) Limited as issuing bank (8), pursuant to which certain senior term loan and revolving credit facilities (the "**Senior Facilities**") have been made available to the Senior Borrowers, and
 - (b) a mezzanine term loan agreement (the "**Mezzanine Facility Agreement**" together with the Senior Facilities Agreement being the "**Facilities Agreements**") entered into by the Parent (1), the company named therein as borrower (the "**Mezzanine Borrower**" and together with the Senior Borrowers being the "**Borrowers**") (2), the companies named therein as guarantors (3), CIT Capital Finance (UK) Limited as arranger (4), the banks and financial institutions named therein as lenders (the "**Mezzanine Lenders**") (5), CIT Capital Finance (UK) Limited as agent (the "**Mezzanine Agent**") (6) and the Security Trustee (7), pursuant to which a mezzanine term loan facility (the "**Mezzanine Facility**" and together with the Senior Facilities being the "**Facilities**") will be made available to the Mezzanine Borrower
- 2 As a condition to the availability of the Facilities under the Facilities Agreements, the Company will be required
 - (a) to accede to the Senior Facilities Agreement as a guarantor pursuant to an accession letter (the "**Guarantee Accession Letter**"), under which the Company, inter alia, agrees to become an Additional Guarantor thereby guaranteeing certain of the liabilities and obligations of the Obligor, under the Finance Documents,
 - (b) to accede to the Mezzanine Facility Agreement as a guarantor pursuant to an accession letter (the "**Mezzanine Guarantee Accession Letter**" and together with the Guarantee Accession Letter being the "**Guarantee Accession Letters**"), under which the Company, inter alia, agrees to become an Additional Guarantor thereby guaranteeing certain of the liabilities and obligations of the Obligor under the Mezzanine Finance Documents,
 - (c) to accede to a debenture (the "**Debenture**") made by the Parent and Vine Mill Limited ("**Bidco**") in favour of the Security Trustee pursuant to an accession deed (the "**Debenture Accession Deed**") pursuant to which the Company would covenant to pay and discharge all sums owed by each Obligor under the Finance Documents and the Mezzanine Finance Documents when they are due and payable and, by way of security thereof, to grant, inter alia, first fixed

and floating charges its assets and undertaking in favour of the Security Trustee,

- (d) to accede to an intercreditor agreement made between, amongst others, the Parent, Bidco, the Company and the Security Trustee pursuant to an accession deed (the "**Intercreditor Accession Deed**") pursuant to which the Company would agree that the liabilities owed by Bidco to the Company will be subordinated to the liabilities owed by Bidco to the Finance Parties and the Mezzanine Finance Parties

(together the "**Security Documents**"), which each secure liabilities and obligations of Bidco, which will include amounts used to finance the Acquisition. It is also required to enter into an intra-group loan agreement made between the intra-group borrowers named therein and the intra-group lenders named therein (including the Company) (the "**Intra-Group Loan Agreement**")

- 2.2 therefore the financial assistance to be provided by the Company (the "**Financial Assistance**") will take the following form

- (a) the Company entering into and performing its obligations under the Security Documents, and
- (b) the Company entering into the Intra-Group Loan Agreement and making advances thereunder to the borrowers named therein,

in each case as such document is amended, restated, varied or supplemented from time to time

(each of those documents referred to in (a) and (b) above being referred to as a "**Financial Assistance Document**" and together the "**Financial Assistance Documents**")

- 2.3 The Company will assume liabilities and obligations under each Financial Assistance Document in accordance with and subject to the terms of each such document

- 2.4 Terms not otherwise defined in this form 155(6) shall have the meanings given to those terms in the Senior Facilities Agreement

HINARI LIMITED
(the "Company")

SCHEDULE 3
(to Form 155(6)a)

The Principal Terms of Financial Assistance

1. General

- 1 1 The principal terms of each Financial Assistance Document are summarised and separately described below in relation to each individual Financial Assistance Document
- 1 2 Expressions defined in each Financial Assistance Document shall have the same meanings in that part of this schedule which relates to that particular Financial Assistance Document unless otherwise defined in this schedule 3 Clause and other document references used in each part of this schedule are to the clause and other references in the particular Financial Assistance Document to which that particular part of this schedule relates

3. Guarantee

The principal terms of the guarantee contained in each Credit Agreement to which the Company is acceding by way of the Guarantee Accession Letters are as follows

3 1 *Guarantee and indemnity*

The Company irrevocably and unconditionally jointly and severally with the other Guarantors

- (a) guarantees to each Finance Party and each Mezzanine Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents and the Mezzanine Finance Documents,
- (b) undertakes with each Finance Party and each Mezzanine Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor, and
- (c) indemnifies each Finance Party and each Mezzanine Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover

3 2 *Continuing Guarantee*

The guarantee in each Credit Agreement is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents and the Mezzanine Finance Documents, regardless of any intermediate payment or discharge in whole or in part

3.3 *Reinstatement*

If any payment by an Obligor or any discharge given by a Finance Party or a Mezzanine Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event

- (a) the liability of each Obligor shall continue as if the payment, discharge, avoidance or reduction had not occurred, and
- (b) each Finance Party and each Mezzanine Finance Party shall be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred

3.4 *Waiver of defences*

The obligations of the Company under Clause 23 of the Senior Facilities Agreement and under Clause 19 of the Mezzanine Facility Agreement will not be affected by an act, omission, matter or thing which, but for Clause 23 of the Credit Agreement and Clause 19 of the Mezzanine Facility Agreement, would reduce, release or prejudice any of its obligations under Clause 23 of the Senior Facilities Agreement and Clause 19 of the Mezzanine Facility Agreement (without limitation and whether or not known to it or any Finance Party) including

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person,
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person,
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Finance Document or a Mezzanine Finance Document or any other document or security,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any Mezzanine Finance Document or any other document or security, or
- (g) any insolvency or similar proceedings

3.5 *Guarantor Intent*

Without prejudice to the generality of Clause 23.4 (*Waiver of Defences*) of the Senior Facilities Agreement and Clause 19.4 (*Waiver of Defences*) of the Mezzanine Facility Agreement, the Company expressly confirms that it intends that the guarantee in each Credit Agreement shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and the Mezzanine Finance Documents and/or any facility or amount made available under

any of the Finance Documents and the Mezzanine Finance Documents for the purposes of or in connection with any of the following business acquisitions of any nature, increasing working capital, enabling investor distributions to be made, carrying out restructurings, refinancing existing facilities, refinancing any other indebtedness, making facilities available to new borrowers, any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, and any fees, costs and/or expenses associated with any of the foregoing

3.6 *Immediate recourse*

The Company waives any right it may have of first requiring any Finance Party or any Mezzanine Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Company under Clause 23 of the Senior Facilities Agreement and under Clause 19 of the Mezzanine Facility Agreement. This waiver applies irrespective of any law or any provision of a Finance Document or a Mezzanine Finance Document to the contrary.

3.7 *Appropriations*

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents and the Mezzanine Finance Documents have been irrevocably paid in full, each Finance Party and each Mezzanine Finance Party (or any trustee or agent on its behalf) may

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party or Mezzanine Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Company shall not be entitled to the benefit of the same, and
- (b) hold in an interest-bearing suspense account any moneys received from the Company or on account of the Company's liability under Clause 23 of the Senior Facilities Agreement and under Clause 19 of the Mezzanine Facility Agreement

3.8 *Deferral of Guarantors' rights*

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents and the Mezzanine Finance Documents have been irrevocably paid in full and unless the Agent otherwise directs, the Company will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents and the Mezzanine Finance Documents

- (a) to be indemnified by an Obligor,
- (b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents and the Mezzanine Finance Documents, and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents and the Mezzanine Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents and the Mezzanine Finance Documents by any Finance Party

If the Company receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all

amounts which may be or become payable to the Finance Parties or the Mezzanine Finance Parties by the Obligors under or in connection with the Finance Documents or the Mezzanine Finance Documents to be repaid in full on trust for the Finance Parties or Mezzanine Finance Parties and shall promptly pay or transfer the same to the Agent or the Mezzanine Agent, as applicable, or as the Agent or Mezzanine Agent may direct for application in accordance with Clause 34 (*Payment mechanics*) of the Senior Facilities Agreement and under Clause 30 (*Payment mechanics*) of the Mezzanine Facility Agreement

3 9 *Release of Guarantors' right of contribution*

If the Company ceases to be a Guarantor in accordance with the terms of the Finance Documents or the Mezzanine Finance Documents for the purpose of any sale or other disposal of it, then on the date the Company ceases to be a Guarantor

- (a) the Company will be released by each other Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Guarantor arising by reason of the performance by any other Guarantor of its obligations under the Finance Documents and/or the Mezzanine Finance Documents, and
- (b) each other Guarantor will waive any rights it may have by reason of the performance of its obligations under the Finance Documents and/or the Mezzanine Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties or the Mezzanine Finance Parties under any Finance Document or Mezzanine Finance Document or of any other security taken pursuant to, or in connection with, any Finance Document or Mezzanine Finance Document where such rights or security are granted by or in relation to the assets of the Company

3 10 *Additional security*

The guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party or any Mezzanine Finance Party

3 11 *Guarantee Limitations*

The guarantee does not apply to any liability to the extent that it would result in the guarantee in each Credit Agreement constituting unlawful financial assistance within the meaning of Section 151 of the Companies Act 1985 or any equivalent and applicable provisions under the laws of the jurisdiction of incorporation of the Company and, with respect to any Additional Guarantor, is subject to any limitations set out in the Accession Letters applicable to such Additional Guarantor

3 12 *Further Assurance*

- (a) The Company shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))
 - (i) to perfect the Security created or intended to be created under or evidenced by the Transaction Security Documents (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of

the Transaction Security) or for the exercise of any rights, powers and remedies of the Security Trustee or the Finance Parties provided by or pursuant to the Finance Documents or the Mezzanine Finance Documents or by law,

- (ii) to confer on the Security Trustee or confer on the Finance Parties Security over any property and assets of that Obligor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Transaction Security Documents, and/or
 - (iii) following the occurrence of an Event of Default which remains continuing, to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security
- (b) Any documents the Security Trustee requires an Obligor or Group Company to enter into pursuant to Clause 27 40 1 of the Senior Facilities Agreement or Clause 23 39 1 of the Mezzanine Facility Agreement shall be on terms no more onerous than the Finance Documents and the Mezzanine Finance Documents in effect at the Closing Date
- (c) The Company shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Finance Parties or the Mezzanine Finance Parties by or pursuant to the Finance Documents or the Mezzanine Finance Documents
- (d) The Company must use, and must procure that any other Group Company that is a potential provider of any Transaction Security uses, all reasonable endeavours lawfully available to avoid or mitigate the constraints on the provision of Security

4 Debenture

The principal terms of the Debenture, to which the Company is acceding by way of the Debenture Accession Deed are as follows

4 1 *Covenant to pay*

The Company covenants with the Security Trustee and the other Finance Parties that they will on demand pay and discharge the Secured Liabilities when due and payable

4 2 *Creation of Security*

(a) Land

Subject to Clause 3 17 (*Excluded Real Estate*), the Company charges

- (i) by way of legal mortgage its interest in the Land referred to opposite its name in Schedule 2 (*Land charged by way of legal mortgage*), and
- (ii) by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any other Land

(b) Shares

The Company charges by way of fixed charge

- (i) all Shares, and
 - (ii) all related Distribution Rights
- (c) Investments

The Company charges by way of fixed charge

 - (i) all Investments, and
 - (ii) all related Distribution Rights,
including those held for it by any nominee
- (d) Plant and Machinery

The Company charges by way of fixed charge all Plant and Machinery in so far as it is not charged by way of legal mortgage under Clause 3 1 (*Land*)
- (e) Book Debts

The Company charges by way of fixed charge

 - (i) all Book Debts, and
 - (ii) all benefits, rights and Security held in respect of, or to secure the payment of, the Book Debts
- (f) Non Trading Debts

The Company charges by way of fixed charge

 - (i) all Non Trading Debts, and
 - (ii) all benefits, rights and Security held in respect of, or to secure the payment of, the Non Trading Debts
- (g) Accounts held with the Security Trustee

The Company charges by way of fixed charge all amounts standing to the credit of

 - (i) each Account held with the Security Trustee, and
 - (ii) any other account in its name held with the Security Trustee or to which it is beneficially entitled
- (h) Intellectual Property Rights

The Company charges by way of fixed charge all Intellectual Property Rights, including

 - (i) the Registered Intellectual Property which belongs to it now or at any time during the Security Period, and
 - (ii) all fees, royalties and other rights of every kind deriving from the Registered Intellectual Property

- (i) Goodwill
The Company charges by way of fixed charge its goodwill
- (j) Uncalled capital
The Company charges by way of fixed charge its uncalled capital
- (k) Authorisations
The Company charges by way of fixed charge the benefit of all Authorisations held by it in relation to any Security Asset
- (l) Assigned Agreements
Subject to Clause 13 18 (*Excluded Agreements*), the Company assigns absolutely all its rights and interests under the Assigned Agreements to which it is party
- (m) Accounts held with third parties
The Company assigns absolutely or (if and to the extent that the assignment is not effective) charges by way of fixed charge all amounts from time to time standing to the credit of each account (including any Account) held with a party, other than the Security Trustee, in its name or to which it is beneficially entitled
- (n) Insurances
The Company assigns absolutely all its rights and interests in the Insurances
- (o) Contractual rights
Subject to Clause 3 18 (*Excluded Agreements*) the Company charges by way of fixed charge all its rights under any agreement to which it is a party other than the Assigned Agreements which are effectively assigned by Clause 3 12 (*Assigned Agreements*)
- (p) Other assets
The Company charges by way of floating charge all its present and future business, undertaking and assets which are not effectively mortgaged, charged by way of fixed charge or assigned under Clause 3 of the Debenture

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by the Debenture
- (q) Excluded Real Estate
 - (i) Notwithstanding the other provisions of Clause 3, no Security shall be created under the Debenture over or in respect of any interest of the Company in
 - (A) any occupational rack rent leases, or
 - (B) any Land under a lease (or a contract for a lease) which either prohibits absolutely or subject to any condition (including the consent of any third party) the Company from creating any Security over its interest in such Land (each such interest being

"Excluded Real Estate") until the relevant condition has been satisfied or waiver obtained

- (ii) In respect of each item of Excluded Real Estate, the Company undertakes to
 - (A) apply for the relevant consent or waiver of prohibition or conditions within ten Business Days of the date of the Debenture or if later, the date on which title to such Excluded Real Estate is obtained by the Company and, to use its best endeavours to obtain that consent or waiver of prohibition as soon as possible,
 - (B) keep the Security Trustee informed of its progress in obtaining such consent or waiver, and
 - (C) forthwith upon receipt of such consent or waiver, provide the Security Trustee with a copy
- (iii) Upon receipt of the relevant waiver or consent, the relevant Excluded Real Estate shall be subject to the relevant Security in favour of the Security Trustee under Clause 3.1 (*Land*). If required by the Security Trustee at any time following receipt of that waiver or consent, the Company will execute a document granting Security over that Excluded Real Estate in such form as the Security Trustee shall require
- (iv) Pending the receipt of the relevant waiver or consent, the relevant Excluded Real Estate shall be held by the Company on trust for the Security Trustee
- (r) **Excluded Contracts**
 - (i) In the event that any Assigned Agreement, Insurance or other agreement referred to in Clause 3.15 (*Contractual Rights*) (an **"Excluded Contract"**) contains a provision that either prohibits absolutely or subject to any conditions (including the consent of any third party) prohibits or restricts the Company from
 - (A) assigning all or any of its rights and interest under any Assigned Agreement under Clause 3.12 (*Assigned Agreements*), the Company shall instead charge all such rights and interest by way of a fixed charge,
 - (B) assigning or charging all or any of its rights and interest under such Assigned Agreement under Clause 3.12 (*Assigned Agreement*), paragraph (A) above or any other agreement under Clause 3.15 (*Contractual Rights*) the Company shall instead charge all such rights and interest by way of floating charge, or
 - (C) assigning or charging (by way of a fixed or floating charge) all or any of its rights and interest under such Assigned Agreement under Clause 3.12 (*Assigned Agreements*), Clause 3.15 (*Contractual Rights*) or paragraphs (A) or (B) above, the Company shall instead hold the benefit of all such rights and interest on trust for the Security Trustee
 - (ii) In respect of each Excluded Contract, the Company undertakes to

- (A) apply for the relevant consent or waiver of the prohibition conditions or restriction within 10 Business Days of the date of the Debenture or (if later) the date on which the Excluded Contract is entered into and to use its best endeavours to obtain that consent or waiver of the prohibition or restriction as soon as practical,
 - (B) keep the Security Trustee informed of its progress in obtaining such consent or waiver and related negotiations, and
 - (C) forthwith upon receipt of such consent or waiver, provide the Security Trustee with a copy
- (iii) Upon receipt of the relevant consent or waiver, the relevant Excluded Contract shall be subject to an absolute assignment under the terms of Clause 3 12 (*Assigned Agreements*) above or a charge under Clause 3 15 (*Contractual Rights*), as appropriate. If required by the Security Trustee at any time following receipt of that waiver or consent, the Company will execute an absolute assignment over that Excluded Contract in such form as the Security Trustee shall require
- (iv) On the relevant waiver or consent being obtained or the relevant condition being satisfied
 - (A) the absolute assignment in Clause 3 12 (*Assigned Agreements*) shall take effect in respect of the relevant Assigned Agreement or Insurance or the fixed charge in Clause 3 15 (*Contractual Rights*) shall take effect, as appropriate, in place of any charge or trust created under the terms of Clause 3 18 1 above and any such charge or trust shall terminate, and
 - (B) such Assigned Agreement, Insurance or other agreement shall no longer constitute an Excluded Contract

4 3 *Negative covenants*

The covenants in Clause 8 remain in force from the date of the Debenture until the expiry of the Security Period

(a) Disposals

The Company shall not enter into a single transaction or a series of transactions (whether related or not), whether voluntary or involuntary and whether at the same time or over a period of time, to sell, lease, transfer, loan (and, in the case of the Book Debts, factor or discount them), nor otherwise dispose of any Security Asset, nor enter into an agreement to make any such disposal save as expressly permitted under the terms of each of the Facility Agreements

(b) Negative pledge

The Company shall not create or permit to subsist any Security over any Security Asset except for Permitted Security

(c) Preservation of the Security Assets

The Company shall not, without the prior written consent of the Security Trustee

- (i) in relation to any Land forming part of the Security Assets
 - (A) part with possession of it, confer on any other person any right or licence to occupy it or grant any licence to assign, sub-let or create any Security over it,
 - (B) exercise any of the powers conferred by sections 99 and 100 of the Act of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases,
 - (C) vary, assign or otherwise dispose of or allow to be forfeited any leasehold interest,
 - (D) agree any rent review,
 - (E) make any structural or material alteration, or do or allow anything to be done which falls within the definition of development in section 55 of the Town and Country Planning Act 1990,
 - (F) allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor, or create or permit to arise any interest which overrides under the Land Registration Act 2002 (and the Company shall reimburse the Security Trustee for its reasonable costs of lodging (aa) a caution against first registration of the title to that Land or (bb) if that Land is unregistered, a land charge), or
 - (G) make an application, consent to or acquiesce in the application by any third party, to the Land Registry to enter any matter on the register of title

(d) Trade Marks and Patents

The Company shall not, save as permitted under the terms of the Facility Agreements

- (i) permit any Trade Mark, any Community Trade Mark or any Patent to lapse for non-use, non-payment of any renewal or other fee necessary to maintain its registration and validity or allow any thing to be done or left undone the effect of which will, or may be to, imperil or prejudice any Trade Mark, any Community Trade Mark or any Patent, its registration, subsistence, validity, reputation or integrity,
- (ii) without the prior written consent of the Security Trustee, assign, licence, sub-licence, sever, dispose of or otherwise part with control of any Registered Intellectual Property,
- (iii) change the specification of any Trade Mark, any Community Trade Mark or any Patent or permit any disclaimer, condition, restriction or memorandum to be entered on the Register of Trade Marks or the Register of Patents at the UK Intellectual Property Office, or the

Register of Community Trade Marks the effect of which will or may be to detrimentally affect the value of any Trade Mark, any Community Trade Mark or any Patent, or

- (iv) fail to continue to pursue any Trade Mark Application, Community Trade Mark Application or Patent Application to registration or fail to take any steps necessary to ensure so far as possible that any Trade Mark Application or Patent Application is accepted for registration by the UK Intellectual Property Office or the Office for the Harmonization for the Internal Market

4.4 *Indemnity*

- (a) The Company shall indemnify the Security Trustee, the other Finance Parties, any Receiver and their respective officers and employees against all actions, proceedings, demands, claims, costs, expenses, and other liabilities incurred by them in respect of all or any of the following
 - (i) any act or omission by any of them in relation to all or any of the Security Assets,
 - (ii) any payment relating to or in respect of all or any of the Security Assets which is made at any time by any of them,
 - (iii) any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, the Debenture,
 - (iv) carrying out or purporting to carry out any of the rights, powers and discretions conferred on them by or permitted under the Debenture, and
 - (v) any breach by the Company of any of its covenants or other obligations to the Security Trustee or any other Finance Party,except in the case of gross negligence or wilful misconduct on the part of that person
- (b) The Company shall pay interest at the Default Rate on the sums payable under Clause 13.2 from the date on which the liability was incurred to the date of actual payment (both before and after judgment)

4.5 *Indemnity out of the Security Assets*

The Security Trustee, the other Finance Parties, any Receiver and their respective officers and employees shall be entitled to be indemnified out of the Security Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 13.2 (*General indemnity*)

4.6 *Further action*

The Company shall, at its own expense, promptly take any action and sign or execute any further documents which the Security Trustee may require in order to

- (a) give effect to the requirements of the Debenture,
- (b) protect, preserve and perfect the Security intended to be created by or pursuant to the Debenture,

- (c) protect and preserve the ranking of the Security intended to be created by or pursuant to the Debenture with any other Security over any assets of the Company, or
 - (d) facilitate the realisation of all or any of the Security Assets or the exercise of any rights, powers and discretions conferred on the Security Trustee, any Receiver or any administrator in connection with all or any of the Security Assets,
- and any such document may (i) disapply section 93 of the Act and (ii) contain an assignment to the Security Trustee of the Book Debts in any manner reasonably required by the Security Trustee

5. Intercreditor Deed

The principal terms of the Intercreditor Deed to which the Company is acceding by way of the Intercreditor Accession Deed are as follows

5.1 Ranking

Whether secured or unsecured, the Liabilities shall rank at all times and for all purposes as follows

- (a) first, the Priority Senior Liabilities and the Hedging Liabilities, *pari passu*,
- (b) second, the Mezzanine Liabilities,
- (c) third, the Postponed Senior Liabilities,
- (d) fourth, the Junior Liabilities

5.2 Subordination

The Intragroup Creditors agree fully to subordinate their claims in respect of the Intragroup Liabilities to those of the Finance Parties and the Mezzanine Finance Parties, subject to and in accordance with the terms of the Intercreditor Agreement

5.3 Indemnity

The Intragroup Creditors agree to indemnify the Senior Finance Parties, the Mezzanine Parties and the Security Trustee for certain costs, claims, expenses and liabilities under the Intercreditor Agreement

6. Intra-Group Loan Agreement

The principal terms of the Intra-Group Loan Agreement are as follows

- (a) each Lender (including the Company) grants to each Borrower a revolving credit facility up to a maximum aggregate of £80,000,000,
- (b) sums advanced under the Intra-Group Loan Agreement may be used by Bidco to meet obligations under the Credit Agreements and other Finance Documents and Mezzanine Finance Documents as well as to pay costs and expenses incurred by it directly or indirectly in connection with the Acquisitions,

- (c) sums advanced under the Intra-Group Loan Agreement may be used by each Borrower (other than Bidco) for general working capital or commercial purposes,
- (d) no interest will be payable on any Advance made under the Intra-Group Loan Agreement save to the extent agreed in writing from time to time between the relevant Borrower and the relevant Lender
- (e) interest (if any) shall accrue from day-to-day on the basis of a 365 day year or as otherwise agreed from time to time between the relevant Lender and the Borrower or, as the case may be, between the relevant Lender and Bidco, shall be compounded quarterly and shall remain outstanding on inter-company account with payment in accordance with clause 7 of the Intra-Group Loan Agreement
- (f) sums advanced under the Intra-Group Loan Agreement are repayable on demand provided that no Lender may make such a demand until it is permitted to do so under the terms of the Finance Documents or the Mezzanine Finance Documents

HINARI LIMITED
(the "Company")

SCHEDULE 4
(to Form 155(6)a)

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

Any amounts advanced to Bidco under the Intra Group Loan Agreement up to a maximum of
£80,000,000

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The Directors
Hinari Limited
Vine Mill
Holden Fold Lane
Royton
Oldham
OL2 5LN

22 August 2007

Dear Sirs

Report of the Independent Auditor to the directors of Hinari Limited pursuant to Section 156(4) of the Companies Act 1985

We report on the attached statutory declaration dated 22 August 2007, prepared pursuant to the Companies Act 1985, in connection with the proposal that the company should give financial assistance for the purchase of 10,722,002 of the £1 00 ordinary shares of the company's holding company, Pulse Home Products Limited. This report, including the opinion, has been prepared for and only for the company and the company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

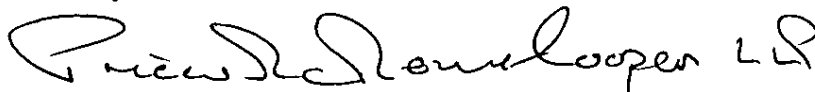
Basis of opinion

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.

Yours faithfully



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors