

COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares:

155(6)a

CP
BAM
TZW

GHFP025

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 black lettering

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

For official use

Company number

[] [] [] []

924669

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

Name of company:

- CARPETS INTERNATIONAL (UK) LIMITED (the "Company")

* Insert full name of company

X We see Appendix 1 attached

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

+ delete as appropriate

~~(The directors)~~ [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

~~(The company is engaged in the business of...)~~
~~(The company is engaged in the business of...)~~
~~(The company is engaged in the business of...)~~
in connection with the proposed acquisition of shares in the company.

(c) something other than the above

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

[company] ~~(The company is proposing to give financial assistance...)~~

The assistance is for the purpose of ~~(The assistance is for the purpose of...)~~ (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: 255,000 ordinary shares of £1 each

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

Eversheds
Cloth Hall Court
Infirmary Street
Leeds
LS1 2JB
TX 12027 Leeds-27
Ref: 457168

For official Use
General Section



LD7
COMPANIES HOUSE

0049
09/12/02

The assistance is to be given to: (note 2) CARPET HOLDINGS LIMITED (Company No: 3503892)

whose registered office is at PO Box 255, 4 Coop Place, Ropley Lane, Bradford, BD5 8XQ (the "Parent")

Please do not write in this margin

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

Handwritten initials: TLM

The assistance will take the form of:

See Appendix 2 attached

The person who (has acquired) [~~with~~ ~~the~~ ~~shares~~] the shares is:

† delete as appropriate

The Parent

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

See Appendix 3 attached

The amount of cash to be transferred to the person assisted is £ See Appendix 4 attached

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

Use complete-ly, preferably, in black type, or old block letters. Delete either (a) or (b) as appropriate

I/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 able to pay its debts as they fall due during the year immediately following that date)* (note 3)~~

Handwritten initials and signature
TLM

And I/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 12 Piedmont Center, Suite 210
Atlanta, GA 30305

Declarants to sign below

Handwritten signatures

on

Day	Month	Year
27	11	2010

before me Jeri Lynn McMahon Esquire

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

- For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 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.
- Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 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

CARPETS INTERNATIONAL (UK) LIMITED

APPENDICES TO FORM 155(6)a

APPENDIX 1

RPJ
TLM

Name: Ralph Jacob Boe
Address: ~~9669 Hantcliffe Trace~~ 200 CLIFF OVERLOOK *RPJ*
Atlanta
Georgia
USA 30350

Name: Bart Alexander McLean
Address: ~~455 Abbeywood Drive~~ 925 Red's Ridge Ct. *BA*
~~Roswell,~~ Atlanta
Georgia
USA ~~30075~~ 30327

CARPETS INTERNATIONAL (UK) LIMITED

APPENDICES TO FORM 155(6)a

APPENDIX 2

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1. The entering into of the following (or of the documents relating thereto) to which the Company is to be a party as the same may be amended varied supplemented or substituted from time to time being:
 - 1.1 a facilities agreement to be entered into between the Company (1), Carpet Holdings Limited (the "Parent") as guarantor (2), Burdale Financial Limited ("Burdale") as "Original Purchaser" (3) and Burdale as Facility Agent and Security Agent for the Participants (each as defined therein) (the "Agent") (4), pursuant to which the Participants (as defined therein) have agreed to make available certain facilities to the Company (the "Facilities Agreement") as follows:
 - 1.1.1 a receivables finance facility (the "Receivables Finance Facility") pursuant to which the Agent will from time to time on behalf of the Participants during the Purchase Availability Period purchase Receivables from the Company (each as defined therein);
 - 1.1.2 a revolving credit facility (the "Revolving Credit Facility") pursuant to which the Participants will during the Revolving Availability Period (i) make Revolving Loans available (ii) issue, or procure the issue, of L/Cs for the account of the Company and (iii) buy or sell Foreign Currency spot and/or for delivery at a future date on behalf of the Company (each as defined therein); and
 - 1.1.3 a term loan facility (the "Property Loan Facility") comprising a single Property Loan of up to the lesser of (i) 75% of the Property Valuation and (ii) £4,500,000, during the Term Availability Period (each as defined therein);together, these facilities being the "New Facilities", each of which are to be used (i) to refinance the amounts outstanding pursuant to a facility agreement dated 3 April 1998 (as amended) and made between the Company (1) the Parent as Guarantor (2) Fleet National Bank (formerly BankBoston, N.A.) (3) and the other parties named therein (ii) to pay fees, expenses and other costs arising in connection with the Facilities Agreement and (iii) to fund its general operating, working capital and other proper corporate purposes;
- 1.2 a debenture (the "Debenture") to be entered into by the Company in favour of Burdale (as Security Trustee (as defined therein));
- 1.3 an intra-group loan agreement (the "Intra-Group Loan Agreement") between the Parent as borrower and the Company as lender;
- 1.4 the Company paying various fees, costs and expenses arising in connection with its acquisition by the Parent (the "Acquisition").

CARPETS INTERNATIONAL (UK) LIMITED

APPENDICES TO FORM 155(6)a

APPENDIX 3

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TLM

1. Pursuant to the terms of the Facilities Agreement the Company will:
 - 1.1 grant a right of set-off to the Participant Parties (as defined therein) to set-off any matured obligation due from the Company under the Finance Documents (as defined therein) (to the extent beneficially owned by that Participant Party) against any matured obligation owed by that Participant Party to the Company (upon the terms and conditions of the Facilities Agreement); and
 - 1.2 guarantee to each Participant Party the payment of any amounts owed and the performance of all obligations by the Parent under any of the Finance Documents;
2. Pursuant to the Debenture, the Company will with full title guarantee and as continuing security for the payment of the Secured Liabilities create fixed and floating charges over substantially all its assets and undertaking in favour of the Security Trustee on its own behalf and on behalf of the Participants absolutely (upon the terms and conditions of the Debenture);
3. Pursuant to the Intra-Group Loan Agreement, the Company will make available to the Parent a revolving credit facility of up to £6,000,000 to be used by the Parent, among other things, in servicing and repaying any amounts owing under loan notes issued by the Parent to CGW South East Partners III, LP, (upon the terms and conditions of the Intra-Group Loan Agreement); and
4. The Company will pay certain professional fees, costs and expenses incurred directly or indirectly in connection with the Acquisition.

In entering into the various documents and transactions referred to above the Company is entering into obligations and assuming liabilities and giving security and guarantees for the purpose of reducing and discharging obligations and/or liabilities arising in connection with the Acquisition.

The Debenture is to be entered into by the Company in consideration of the provision of the New Facilities referred to above and as a condition thereof.

CARPETS INTERNATIONAL (UK) LIMITED

APPENDICES TO FORM 155(6)a

APPENDIX 4

The amount of any advances made from time to time by the Company to the Parent under the terms of the Intra-Group Loan Agreement

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1 City Square
Leeds LS1 2AL

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**Deloitte
& Touche**

The Directors
Carpets International (UK) Limited
PO Box 255
4 Coop Place
Rooley Lane
Bradford
BD5 8XQ

27 November 2002

**AUDITORS' REPORT TO THE DIRECTORS OF CARPETS INTERNATIONAL
(UK) LIMITED ("the Company") PURSUANT TO SECTION 156(4) OF THE
COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors dated November 2002 in connection with the proposal that the Company should give financial assistance for the purpose of reducing or discharging liabilities incurred in connection with the purchase of the entire issued ordinary share capital of the Company.

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 declaration as to any of the matters mentioned in section 156(2) of the Companies Act is unreasonable in all the circumstances.



Deloitte & Touche
Registered Auditors

1 City Square
Leeds
LS1 2AL