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## COMPANIES FORM No. 155(6)a

# Declaration in relation to assistance for the acquisition of shares.

# 155(6)a

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

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

~~\*/We†~~ SEE SCHEDULE 1

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

§Delete as appropriate

~~(the sole director)~~ [all the directors]§ of the above company do solemnly and sincerely declare that:

The business of the company is:

‡Delete whichever is inappropriate

~~(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 on insurance business in the United Kingdom†~~

(c) something other than the above‡

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

[company] ~~[company's holding company]~~ \_\_\_\_\_ limited‡

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the purpose of that acquisition].§~~

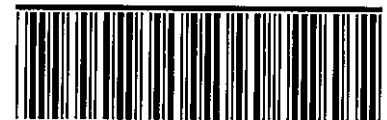
The number and class of the shares acquired or to be acquired is: 255,000 Ordinary Shares of £1 each.

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

Eversheds Solicitors  
Cloth Hall Court  
Infirmary Street  
Leeds LS1 2JB  
DX: 12027 Leeds-1  
Ref: C5.ACD.195239

For official use

General Section



A28 \*A4A2F57H\* 578  
COMPANIES HOUSE 09/04/98

The assistance is to be given to: (note 2) Carpet Holdings Limited (Reg. No: 3503892)  
whose registered office is at Toftshaw Lane, Bradford, West Yorkshire BD4 6QW  
("Holdings") and the persons referred to in Schedules 2 and 3.

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:

SEE SCHEDULE 2

The person who ~~(has acquired)~~ (will acquire)\* the shares is:

\*Delete as  
appropriate

Holdings

The principal terms on which assistance will be given are:

SEE SCHEDULE 3

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

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 date hereof 19 \_\_\_\_\_

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

~~1/~~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) ~~1/~~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) [~~It is intended to commence the winding up of the company within 12 months of that date, and 1/We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.]† (note 3)~~

And ~~1/~~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 OVERSTOCKS CLOTH HALL  
COVER HALLS

the 3 day of APRIL

One thousand nine hundred and 98

before me MICHAEL J STEVENJ

Declarants to sign below

~~A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor~~ having the powers conferred on a Commissioner for Oaths.

MICHAEL J STEVENJ

~~...~~  
KINGS COURT  
12 KING STREET  
LEEDS LS1 2HL

### 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.

**Form 155(6)a - Carpets International (UK) Limited (Company Number: 924669)**

**Schedule 1**

Ralph Jacob Boe  
9669 Huntcliff Trace  
Atlanta  
Georgia, 30350  
USA

Bart Alexander McLean  
455 Abbywood Drive  
Roswell  
Georgia, 30075  
USA

Richard Lee Cravey Jr.  
244 Peachtree Way  
Atlanta  
Georgia, 30305  
USA

**Form 155(6)a - Carpets International (UK) Limited (Company Number: 924669)**

**Schedule 2**

The assistance will take the form of:

- a) the execution by the Company of a composite trust debenture (the "Debenture") in favour of BankBoston N.A. (as security agent for itself and the other financial institutions named therein) (together the "Banks") as security for all sums and liabilities (including without limitation all legal and other costs and expenses of BankBoston N.A. (in its capacity as security agent) and the Banks or any of them together in each case with any Value Added Tax applicable thereto) whatsoever in whatever currency present or future actual or contingent which are now or may at any time hereafter become due owing or incurred by the Company and Holdings to BankBoston N.A. (in its capacity as security trustee) and the Banks or any of them whether collectively or individually arising under or in connection with the Finance Documents;
- b) the execution by the Company of an intra-group funding agreement (the "Funding Agreement").

**Definitions**

"Facility Agreement" means the facility agreement to be dated 3 April 1998 between, inter alia, the Company (as Borrower) (1) Holdings (as Guarantor) (2) BankBoston Securities Inc (as Arranger) (3) the financial institutions named herein (as Banks) (4) BankBoston N.A. (as Facility Agent) (5) BankBoston N.A. (as Security Agent) (6).

"Finance Documents" means the Facility Agreement, the Fees Letter referred to in the Facility Agreement, any documents evidencing or constituting an ancillary facility, the Security Documents (as defined in the Facility Agreement), any Accession Agreement (as defined in the Facility Agreement), any Substitution Certificate (as defined in the Facility Agreement) and the Interest Protection Agreements (as defined in the Facility Agreement) (and includes any other document designated as such by BankBoston N.A. (in its capacity as facility agent) and the Company together.

**Form 155(6)a - Carpets International (UK) Limited (Company Number: 924669)**

**Schedule 3**


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

- (i) under the terms of the Debenture the Company charges and mortgages all of its property, undertaking and assets in favour of BankBoston N.A. (as security agent for itself and the other financial institutions named therein);
- (ii) the Company agrees to repay NationsBank N.A. all sums due thereto with part of the monies it is to drawdown under the Facility Agreement;
- (iii) the Company agrees pursuant to the Funding Agreement to lend sums to Holdings on the terms set out therein in order, inter alia, to enable Holdings to meet its obligations to the Banks.

0161 829 3800

# Deloitte & Touche

## Corporate Finance

The Directors  
 Carpets International (UK) Limited   
 Telford Shaw Lane  
 Bradford  
 West Yorkshire BD4 6QW

(P.O. Box 500)  
 201 Deansgate  
 Manchester M60 2AT

Telephone: National 0161 832 3555  
 International + 44 161 832 3555  
 Fax (Gp. 3): 0161 829 3811  
 DX 14324 - Manchester 1 Exchange

Our Ref: SRC/CAB

3 April 1998

Dear Sirs

### 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 3 April 1998 in connection with the proposal that the Company should give financial assistance for the purchase of the Company's entire issued share capital.

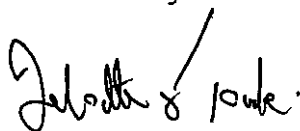
#### Bases of opinion

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.

Yours faithfully



Deloitte & Touche  
 Registered Auditors

Aberdeen, Bath, Belfast, Birmingham, Bournemouth, Bracknell, Bristol, Cambridge, Cardiff, Crawley, Dartford, Edinburgh, Glasgow, Leeds, Leicester, Liverpool, London, Manchester, Milton Keynes, Newcastle upon Tyne, Nottingham, St Albans and Southampton.

A Division of Deloitte & Touche.  
 Principal place of business at which a list of partners' names is available:  
 Stonecutter Court, 1 Stonecutter Street, London EC4A 4TR.

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