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CHFP025

COMPANIES FORM No. 155(6)b

**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

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

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

* insert full name
of company

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

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

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

For official use

Company number

04041884

Name of company

* Robert Dyas Holdings Limited (the "Company")

~~I/we~~ Alan Smith of Cider Mill House, Cider Mill Lane, Bradley Green, Worcestershire B96 6TH

† delete as
appropriate

[the sole director] ~~Alan Smith~~ of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that:

§ delete whichever
is inappropriate

The business of this company is:

- (a) ~~the business of the company is the business of the company~~
(b) ~~that of a person authorised under section 3 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom~~
(c) something other than the above§

This company is [the] ~~a~~ holding company of* Robert Dyas Limited (the "Subsidiary")
_____ which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] [_____]

~~The holding company of this company is~~

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

Weil, Gotshal & Manges
One South Place, London, EC2M 2WG,
Ref:RS:3698:39277.006.DOC458610v1

DX: 124402 London/City

For official Use
General Section



LD5
COMPANIES HOUSE
LCCC5TQ9
0351
26/03/04

and [signature] [AC]
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

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

The number and class of the shares acquired or to be acquired is: 14,122,160 ordinary shares of 5 pence
each in the capital of the Company

The assistance is to be given to: (note 2) Riverdance Acquisition Limited (company number 05042889)
whose registered office is at One South Place, London EC2M 2WG

The assistance will take the form of:

Please see Appendix 1.

The person who [has acquired] ~~will acquire~~ the shares is:

† delete as appropriate

Riverdance Acquisition Limited whose registered office is at One South Place, London EC2M 2WG

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

Please see Appendix 2

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

The amount of cash to be transferred to the person assisted is £ Please see Appendix 3.

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

Please do not
write in this
margin

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
bold block lettering

I/~~XX~~ 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) I/~~XX~~ 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) ~~I have intended to commence the winding up of this company within 12 months of that date, and I 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 I/~~XX~~ 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 GNE SOUTH PLACE,
LONDON. EC2M 2WG

Declarants to sign below

Day Month Year
on 23 03 2004

before me [Signature] Solicitor.

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

Robert Dyas Holdings Limited

Company number: 04041884

Form 155(6)b

Appendix 1

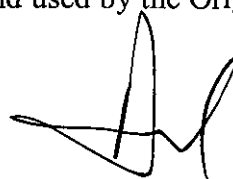
THIS IS THE APPENDIX
MARKED 'APPENDIX 1'
REFERRED TO IN THE
STATUTORY DECLARATION OF
MR SMITH MADE BEFORE
ME THIS 25th DAY OF
MARCH 2004. ANDREW COOKE,
SOLICITOR

The assistance will take the form of the execution and delivery by the Subsidiary of, and the performance of its obligations under:

- 1 A deed of accession to be entered into by the Subsidiary (the "**Senior Deed of Accession**"), pursuant to which the Subsidiary accedes to the Senior Facilities Agreement and the other Senior Finance Documents as an Additional Borrower and as an Additional Senior Guarantor. Upon execution of the Senior Deed of Accession, the Subsidiary agrees to be bound by the terms of the Senior Facilities Agreement as an Additional Borrower and Additional Guarantor. Upon execution of the Senior Deed of Accession the Subsidiary guarantees to each Senior Finance Party punctual performance by each Senior Borrower of all that Senior Borrower's obligations under the Senior Finance Documents; undertakes with each Senior Finance Party that whenever a Senior Borrower does not pay any amount when due under or in connection with any Senior Finance Document, the Subsidiary shall immediately on demand pay that amount as if it was the principal obligor; and indemnifies each Senior Finance Party immediately on demand against any cost, loss or liability suffered by that Senior Finance Party if any obligation guaranteed by it is or becomes unenforceable invalid or illegal.
- 2 A deed of accession to be entered into by the Subsidiary (the "**Mezzanine Deed of Accession**"), pursuant to which the Subsidiary accedes to the Mezzanine Facilities Agreement and the other Mezzanine Finance Documents as an Additional Mezzanine Guarantor. Upon execution of the Mezzanine Deed of Accession, the Subsidiary agrees to be bound by the terms of the Mezzanine Facilities Agreement as an Additional Mezzanine Guarantor. Upon execution of the Mezzanine Deed of Accession the Subsidiary as principal obligor guarantees to each Mezzanine Finance Party punctual performance by the Mezzanine Borrower of all the Mezzanine Borrower's obligations under the Mezzanine Finance Documents; undertakes with each Mezzanine Finance Party that whenever the Mezzanine Borrower does not pay any amount when due under or in connection with any Mezzanine Finance Document, the Subsidiary shall immediately on demand pay that amount as if it was the principal obligor; and indemnifies each Mezzanine Finance Party immediately on demand against any cost, loss or liability suffered by that Mezzanine Finance Party if any obligation guaranteed by it is or becomes unenforceable invalid or illegal.
- 3 A debenture (the "**Debenture**") to be entered into by the Subsidiary and the Security Trustee. Upon execution of the Debenture the Subsidiary as primary obligor and not merely as surety, covenants to pay, discharge and perform the Secured Liabilities in accordance with the terms of the Senior Finance Documents and Mezzanine Finance Documents or, in the absence of any express repayment terms, within three Business

Days of demand. These obligations are secured by way of fixed and floating charges over the assets and undertaking of the Subsidiary.

- 4 A deed of accession to be entered into by the Subsidiary (the "**Intercreditor Deed of Accession**"), pursuant to which the Subsidiary accedes to an intercreditor agreement dated 27 February 2004 (the "**Intercreditor Agreement**"). Upon execution of the Intercreditor Deed of Accession the Subsidiary agrees to the regulation of rights of certain creditors of Riverdance Acquisition Limited, its parent, Riverdance Holding Limited, the Company and the Subsidiary including the Lenders.
- 5 A Company Intra-Group Loan Agreement ("**Company Intra-Group Loan Agreement**") to be dated on or shortly after the date hereof entered into by the Company and the Subsidiary as lenders and Riverdance Holding Limited and Riverdance Acquisition Limited as borrowers under which the Company and the Subsidiary would make available credit facilities to such borrowers which may be used by such borrowers to assist it in meeting its payment obligations in connection with the Facilities Agreements or in connection with the Acquisition or the ongoing management of the Group.
- 6 An ancillary facilities letter (the "**Ancillary Facilities Letter**") to be entered into between the Company and Lloyds TSB Bank plc pursuant to which ancillary facilities in the maximum aggregate principal amount of £4,251,000 to be made available to the Company to meet certain ongoing ancillary financing requirements.
- 7 A counter indemnity in favour of the Lenders in respect of the Ancillary Facilities Letter.
- 8 The documents mentioned above are being entered into pursuant to the requirements of:
 - 8.1 A senior facilities agreement dated 27 February 2004 (the "**Senior Facilities Agreement**") made among, *inter alios*, Lloyds TSB Bank plc, as the Original Lender and Riverdance Acquisition Limited, as the Original Borrower pursuant to which the Original Lender would provide the following facilities:
 - 8.1.1 two term loan facilities (the "**Term Loans**") in the maximum aggregate principal amount of £5,500,000 and £18,000,000 each to be made available to the Original Borrower and used by the Original Borrower in financing, part of the purchase price payable to the Robert Dyas Shareholders and the Robert Dyas Optionholders in respect of the Acquisition, and used by the Original Borrower (a) for the purposes of refinancing certain existing indebtedness of the Company and others and (b) to pay costs and expenses incurred in connection with the Acquisition;
 - 8.1.2 a loan facility ("**Capex Facility**") in the maximum aggregate amount of £3,500,000 to be made available to the Original Borrower and used by the Original Borrower and others to finance Permitted Capex;
 - 8.1.3 a revolving credit facility (the "**Revolving Credit Facility**") in the maximum aggregate principal amount of £4,000,000 to be made available to the Original Borrower and others and used by the Original Borrower and



(AC).

others towards the general corporate and working capital purposes of the Group, and

- 8.2 A mezzanine facility agreement dated 27 February 2004 (the “**Mezzanine Facilities Agreement**”) made among, *inter alios*, Lloyds TSB Bank plc, as the Original Lender and Riverdance Holding Limited, as the Mezzanine Borrower, pursuant to which the Original Lender would provide a mezzanine term loan facility (the “**Mezzanine Facility**”) in the maximum aggregate principal amount of £8,500,000 to be made available to the Mezzanine Borrower and used by the Mezzanine Borrower in financing, directly or indirectly, the balance of the purchase price payable to the Robert Dyas Shareholders and the Robert Dyas Optionholders in respect of the Acquisition, and used by the Mezzanine Borrower (a) for the purposes of refinancing certain existing indebtedness of the Company and others and (b) to pay costs and expenses incurred in connection with the Acquisition.

(the Senior Facilities Agreement and the Mezzanine Facilities Agreement, together the “**Facilities Agreements**”)

A handwritten signature in black ink, consisting of a stylized 'D' followed by a loop and a vertical stroke.Handwritten initials 'AC' inside a rectangular box, with a period following the box.


Robert Dyas Holdings Limited

Company number: 04041884

Form 155(6)b

Appendix 2

THIS IS THE AGREEMENT
MARKED 'APPENDIX 2'
REFERRED TO IN THE
STATUTORY DECLARATION OF
MR SMITH MADE BEFORE
ME THIS 23rd day of
MARCH 2004.

 Andrew Cook
Solicitor.

1 Under the terms of the Senior Deed of Accession the Company accedes to and agrees to become an Additional Borrower and an Additional Guarantor and to be bound by the terms of the Senior Facilities Agreement. Under the terms of the Mezzanine Deed of Accession the Company accedes to and agrees to become an Additional Guarantor and to be bound by the terms of the Mezzanine Facilities Agreement. Under the terms of the Intercreditor Deed of Accession, the Company accedes to and agrees to become an Obligor and to be bound by the terms of the Intercreditor Agreement:

1.1 By executing the Senior Deed of Accession and the Mezzanine Deed of Accession, the Subsidiary irrevocably and unconditionally jointly and severally:

- (a) guarantees to each Senior Finance Party and Mezzanine Finance Party punctual performance by each Senior Borrower of all that Senior Borrower's obligations under the Senior Finance Documents and Mezzanine Finance Documents;
- (b) undertakes with each Senior Finance Party and Mezzanine Finance Party that whenever a Senior Borrower does not pay any amount when due under or in connection with any Senior Finance Document or Mezzanine Finance Document, the Subsidiary shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) indemnifies each Senior Finance Party and Mezzanine Finance Party immediately on demand against any cost, loss or liability suffered by that Senior Finance Party and Mezzanine 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 Senior Finance Party and Mezzanine Finance Party would otherwise have been entitled to recover.

2 Under the terms of the Debenture, the Subsidiary, as security for the payment, discharge and performance of all the Secured Liabilities, charges to the Security Trustee other than any subject to an Exclusion unless and until the same is Satisfied:

2.1 by way of a first legal mortgage the freehold and leasehold property specified in Schedule 1 (*Real Property*) of the Debenture (if any);

2.2 by way of first fixed charge all estates or interests in any other freehold property both present and future;

2.3 by way of first fixed charge:

- (a) any amounts owing to the Subsidiary by way of rent, licence fee, service charge, dilapidations, ground rent and rent charge in respect of the Mortgaged Property;





- (b) all fixed and other plant and machinery, computers, vehicles and office equipment owned by it and its interest in any such items in its possession (but excluding any of those items to the extent that they are part of its stock in trade);
- (c) to the extent not assigned pursuant to Clause 3.2 of the Debenture, the benefit of the Subsidiary's rights and interests in and in connection with all Insurances including all claims, the proceeds of all claims and returns of premium;
- (d) all licences both present and future held by the Subsidiary to enter upon or use land and/or to carry on the business carried on that land and the benefit of all other agreements relating to land to which the Subsidiary is or may become a party or be otherwise entitled;
- (e) all the present and future book debts of the Subsidiary (and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same);
- (f) all other debts or monetary claims of the Subsidiary, including all choses in action which may give rise to a debt (and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same);
- (g) all money from time to time deposited with or standing to the credit of any bank account of the Subsidiary with any person (including the Security Trustee and each of the other Finance Parties), or in which the Subsidiary is interested, including any rent deposit given to secure liabilities of or to the Subsidiary in relation to land, any retention or similar sum arising out of a construction contract or any other contract (and in each case, any cheque, bill, note, negotiable instrument or other document representing the same) and the Realisation Account;
- (h) all Securities and Related Rights;
- (i) its present and future uncalled capital;
- (j) its present and future goodwill;
- (k) its Intellectual Property;
- (l) its Other I.P. Rights;
- (m) the benefit of all licences, consents and authorisations (statutory or otherwise) held in connection with its business or the use of any other Security Asset and the right to recover and receive all compensation which may be payable to it in respect of them;
- (n) the benefit of any agreements entered into by or of which the Subsidiary has the benefit under which credit is provided to any person of any amount;
- (o) the benefit of:
 - (i) each of the Specified Contracts referred to in Schedule 4 of the Debenture (*The Specified Contracts*);
 - (ii) any currency or interest swap or any other interest or currency protection, hedging or financial futures transaction or arrangement whether entered into with any of the Finance Parties or any other person;




- (iii) all contracts, guarantees, appointments, warranties and other documents to which the Subsidiary is a party or in favour of the Subsidiary or of which the Subsidiary has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises;
- (iv) all of the contracts for the supply of goods and/or services by or to the Subsidiary or of which the Subsidiary has the benefit, including any contracts of hire or lease of chattels,

including, but not limited to:

- (A) the right to demand and receive all monies whatsoever payable to or for the benefit of the Subsidiary under or arising from them;
- (B) all remedies provided for in them or available at law or in equity;
- (C) the right of the Subsidiary to compel performance of them; and
- (D) all other rights, interests and benefits whatsoever accruing to or for the benefit of the Subsidiary arising from them.

2.4 The Subsidiary as security for the payment, discharge and performance of all of the Secured Liabilities, charges in favour of the Security Trustee by way of a first floating charge all its undertaking and all its other property, assets and rights whatsoever, all the stock in trade of the Subsidiary and the property, assets and rights not otherwise effectively mortgaged, charged or assigned by way of first legal or equitable mortgage, first fixed charge or first legal or equitable assignment in Clause 3 (*Fixed Security*) of the Debenture provided that none of the foregoing shall apply to the leasehold property known as Unit 1, 57-59 Crockhamwell Road, Woodley, Berkshire for so long as such property is subject to an Exclusion in respect of the floating charge created pursuant to Clause 4.1 of the Debenture which is not Satisfied.

2.5 The Subsidiary shall keep the Security Trustee, any Receiver and any delegate or sub-delegate indemnified against any failure or delay by the Subsidiary in meeting any obligation under the Debenture.

2.6 The security constituted by or pursuant to the Debenture shall be continuing security which shall extend to all the Secured Obligations, shall not be considered as satisfied or discharged by any intermediate payment or settlement of all or any of the Secured Obligations and is in addition to and independent of and shall not prejudice, affect or merge with any other security which the Security Trustee or any other of the Secured Parties may hold at any time for the Secured Obligations or any of them.

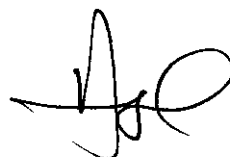
2.7 The Debenture contains a covenant for further assurances.

2.8 The Subsidiary shall:

- (a) notify the Security Trustee forthwith upon the acquisition or the entering into of any agreement by the Subsidiary or of which the Subsidiary has the benefit for the acquisition by the Subsidiary of any freehold or (if the rent payable thereunder exceeds £75,000 per annum or the premium paid for such leasehold property exceeds £75,000) leasehold property;



- (b) on demand made to the Subsidiary by the Security Trustee and at the cost of the Subsidiary execute and deliver to the Security Trustee a legal mortgage in form and substance acceptable to the Security Trustee in favour of the Security Trustee of any freehold property which becomes vested in it after the date of the Debenture or upon any Exclusion in relation to any Mortgaged Property being Satisfied.
- 3 By executing the Company Intra-Group Loan Agreement the Subsidiary, *inter alia*, agrees to make available to, *inter alia*, Riverdance Holding Limited as the Mezzanine Borrower and Riverdance Acquisition Limited, as the Senior Borrower (together the "**Borrowers**") certain loan facilities which may be used by the Borrowers to meet their obligations to pay any interest, principal, costs, fees, expense, charges and any another sums from time to time falling due in connection with the Facilities Agreements or in connection with the Acquisition or ongoing management of the Group or which the Borrowers and the Company and the Subsidiary shall otherwise agree from time to time.
- 4 By executing the Intercreditor Deed of Accession, the Subsidiary agrees, *inter alia*, to the regulation of rights of certain creditors of Riverdance Acquisition Limited, its parent, Riverdance Holding Limited, the Company and the Subsidiary including the Lenders.




Robert Dyas Holdings Limited

Company number: 04041884


Form 155(6)b

Appendix 3

THIS IS THE APPENDIX
~~THE~~ MARKED AT 'APPENDIX
3' REFERRED TO IN THE
STATUTORY DECLARATION
~~MADE BY~~ OF NEW SMITH
MADE BEFORE ME THIS
23rd DAY OF MARCH 2004.

 . ANDREW
COOKE,
SOLICITOR.

- 1 The amount of cash to be transferred to the person assisted is £2,850,000 plus any and all other amounts transferred under the Company Intra-Group Loan Agreement from time to time.



(AC).

Robert Dyas Holdings Limited

Company number: 04041884

Form 155(6)b

Definitions to Statutory Form 155(6)b

Capitalised terms in this Statutory Declaration shall have the following meanings:

“Acquisition”: the acquisition by Riverdance Acquisition Limited of all the shares of the Company pursuant to or in connection with the offer made by Riverdance Acquisition Limited to purchase such shares on the terms set out in the document setting out such offer;

“Additional Borrower”: the Company and any company which becomes a Senior Borrower including the Subsidiary, in accordance with Clause 30 (*Changes to the Obligors*) of the Senior Facilities Agreement and/or a Mezzanine Borrower in accordance with Clause 30 (*Changes to the Obligors*) of the Mezzanine Facilities Agreement;

“Additional Mezzanine Guarantor”: a company which becomes a Mezzanine Guarantor under the Mezzanine Facilities Agreement in accordance with Clause 30 (*Changes to the Obligors*) of the Mezzanine Facilities Agreement;

“Additional Senior Guarantor”: a company which becomes a Senior Guarantor under the Senior Facilities Agreement in accordance with Clause 30 (*Changes to the Obligors*) of the Senior Facilities Agreement;

“Affiliate”: in relation to any person, a subsidiary of that person or a Holding Company of that person or any other subsidiary of that Holding Company;

“Agent”: Lloyds TSB Bank plc: Capital Markets;

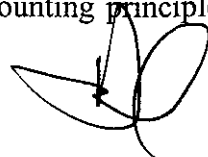
“Arranger”: Lloyds TSB Bank plc;

“Ancillary Lender”: Lloyds TSB Bank plc, any other Lender of any other bank or financial institution (approved by the Security Trustee acting reasonably) that is, or becomes, a party to an ancillary facilities document;

“Business Days”: a day (other than a Saturday or Sunday) on which banks are open for general business in London, and:

- (a) (in relation to any date for payment or purchase of a currency other than euro) the principal financial centre of the country of that currency; or
- (b) (in relation to any date for payment or purchase of euro) any TARGET Day;

“Capital Expenditure”: any expenditure or obligation in respect of expenditure which in accordance with generally accepted accounting principles in the relevant



jurisdiction of incorporation is treated as capital expenditure and including any expenditure of obligation incurred in connection with a finance or capital lease, including, or the avoidance of doubt, Permitted Capex;

“Exclusion”: a legal, valid and binding restriction on the creation of a Security Interest over an asset existing as at the date of the Debenture without the consent or action of a third party, breach of which would materially impair or destroy property or other rights of the Subsidiary in relation to or in connection with such asset other than in any such case any member of the Group or the Parent;

“Expenses”: all expenses (on a full indemnity basis) including costs, legal costs, charges, expenses and damages sustained or incurred by the Security Trustee or any Receiver at any time in connection with the Security Assets or the Secured Liabilities or in taking or perfecting the Debenture (in each case properly incurred) or in protecting, preserving, defending or enforcing the security created by the Debenture or in exercising any power under the Debenture (including any payments made on the Subsidiary’s behalf under any terms of the Debenture) or otherwise with interest from the date they are incurred;

“Finance Documents”: the Senior Facilities Agreement, the Mezzanine Facilities Agreement, the mandate letter, any accession letter, any ancillary facilities document, the company intra-group loan agreement, any compliance certificate, any fee letter, any hedging agreement, the Intercreditor Agreement, the warrant documents, any resignation letter, any selection notice, any transaction security document, any utilisation request and any other document designated as a **“Finance Document”** by the Agent and Riverdance Acquisition Limited;

“Finance Parties”: the Senior Finance Parties and the Mezzanine Finance Parties;

“Group”: Holdco and each of its Subsidiaries and shall as from Completion, include the Company and each of its Subsidiaries for the time being;

“Hedging Counterparty”: a Lender or an Affiliate of a Lender which has become a party to the Intercreditor Agreement as a Hedge Counterparty in accordance with the provisions of the Intercreditor Agreement.

“Holdco”: Riverdance Holding Limited (registered in England and Wales with company number: 05054520);

“Holding Company”: in relation to a company or corporation, any other company or corporation in respect of which it is a subsidiary;

“Insurances”: all and or any contracts and policies of insurance or assurance including (without limitation) life policies or the proceeds thereof together with all bonuses and other moneys, benefits and advantages that may become payable or accrue under them or under any substituted policy or under any new policy effected after the date of the Debenture taken out by the Subsidiary or (to the extent of its interest) in which the Subsidiary has an interest;

“Intellectual Property”:



- (a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of each member of the Group;

"Issuing Bank": Lloyds TSB Bank plc;

"Mezzanine Borrower": Riverdance Holding Limited;

"Mezzanine Finance Party": the Agent, the Arranger, the Security Trustee, or a Mezzanine Lender;

"Mezzanine Guarantor": Riverdance Acquisition Limited or an Additional Mezzanine Guarantor, unless it has ceased to be a Mezzanine Guarantor in accordance with Clause 30 of the Mezzanine Facilities Agreement (*Changes to Obligors*);

"Mezzanine Lender": the Original Lender and any bank, financial institution, trust, fund or other entity which has become a party to the Mezzanine Facilities Agreement in accordance with Clause 29 of the Mezzanine Facilities Agreement (*Changes to the lenders*) which in each case has not ceased to be a party to the Mezzanine Facilities Agreement in accordance with the terms of the Mezzanine Facilities Agreement;

"Mortgaged Property": any freehold or leasehold property the subject of the security created by the Debenture;

"Obligor": means each Borrower and each Guarantor as defined in the Intercreditor Agreement;

"Original Borrower": Riverdance Acquisition Limited (registered in England and Wales with company number: 05042889);

"Original Lender": Lloyds TSB Bank plc;

"Other I.P. Rights": all know-how, confidential information and trade secrets;

"Parent": Riverdance Group Limited (registered in England and Wales with company number: 05054519);

"Permitted Capex": Capital Expenditure incurred by Riverdance Acquisition Limited or any obligor under the Senior Facilities Agreement in respect of refurbishment or fitting out of retail shop units or the acquisition of new retail units and properties;

"Premises": all buildings and erections on or forming part of the Mortgaged Property;



"Realisation Account": the interest bearing blocked account specified by the Security Trustee opened or to be opened by the Subsidiary with the Security Trustee within 3 months of the date of the Debenture or otherwise opened by the Security Trustee;

"Receiver": a receiver, receiver and manager or administrative receiver appointed under the Debenture;

"Robert Dyas Optionholders": holders of options over the issued and allotted, and fully paid (or credited as fully paid) ordinary shares of 5 pence each in the capital of the Company granted to Robert Dyas Optionholders pursuant to the Enterprise Management Incentives Scheme adopted by the Company on 15 January 2001 as amended thereafter;

"Robert Dyas Shareholders": holders of the issued and allotted, and fully paid (or credited as fully paid) ordinary shares of 5 pence each in the capital of the Company;

"Related Rights": in relation to the Securities all dividends, interest, benefits, property, rights, accretions, moneys, advantages, credits, rebates, refunds (including rebates and refunds in respect of any tax, duties, imposts or charges) and other distributions paid or payable in respect of the Securities whether by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise;

"Satisfied": in relation to an Exclusion, the legal, valid and binding satisfaction or removal of such Exclusion as a result of the granting of consent by all relevant third parties;

"Secured Liabilities": all present and future indebtedness, monies, obligations and liabilities of the Subsidiary to the Finance Parties under the Debenture and each of the other Senior Finance Documents and Mezzanine Finance Documents in whatever currency denominated whether actual or contingent, present or future and whether owed jointly or severally or as principal or as surety together with the Finance Parties' charges and commission, interest and Expenses;

"Securities": all stocks, shares, loan notes, bonds, certificates of deposit, depository receipts, loan capital indebtedness, debentures or other securities from time to time legally or beneficially owned by the Subsidiary and including all Related Rights and all property and rights of the Subsidiary in respect of any account held by or for the Subsidiary as participant or as beneficiary of a nominee or trustee participant with any clearance or settlement system or depository or custodian or sub-custodian or broker in the United Kingdom or elsewhere;

"Security Assets": all assets of the Subsidiary which are the subject of any security created by the Debenture and including, for the avoidance of doubt, any asset subject to an Exclusion;

"Security Interest": any mortgage, charge (fixed or floating), pledge, lien, assignment or hypothecation or any other type of preferential right or arrangement (including set-off, title transfer, title retention and trust arrangements), the economic



or commercial effect of which is, in the reasonable opinion of the Security Trustee, similar to conferring security;

"Security Trustee": Lloyds TSB Bank plc: Capital Markets;

"Senior Borrower": the Original Borrower or an Additional Borrower unless it has ceased to be a Senior Borrower in accordance with Clause 30 (*Changes to the Obligors*) of the Senior Facilities Agreement;

"Senior Finance Party": the Agent, The Arranger, the Security Trustee, a Senior Lender, the Issuing Bank, any Hedge Counterparty or any Ancillary Lender;

"Senior Guarantor": Riverdance Acquisition Limited and Riverdance Holding Limited or an Additional Senior Guarantor, unless it has ceased to be a Senior Guarantor in accordance with Clause 30 of the Senior Facilities Agreement (*Changes to the Obligors*);

"Senior Lender": the Original Lender and any bank, financial institution, trust, fund or other entity which has become a party to the Senior Facilities Agreement in accordance with Clause 29 of the Senior Facilities Agreement (*Changes to the lenders*) which in each case has not ceased to be a party to the Senior Facilities Agreement in accordance with the terms of the Senior Facilities Agreement;

"Specified Contracts": each of the contracts referred to in Schedule 5 (*The Specified Contracts*) of the Debenture and each other contract, guarantee, appointment, warranty and other document referred to in Clause 3.1.3(p) (*Contracts*) of the Debenture.

[AC].



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The Director
Robert Dyas Holdings Limited
Cleeve Court
Cleeve Road
Leatherhead
Surrey. KT22 7SD

Your ref

Our ref pg/nm/843

Contact Stephen Papa
020 7311 8964

23 March 2004

Dear Sirs

Auditors' report to the director of Robert Dyas Holdings Limited ('the Company') pursuant to Section 156(4) of the Companies Act 1985

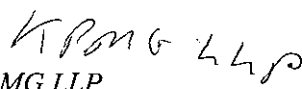
We have examined the attached statutory declaration of the director dated 23 March 2004 in connection with the proposal that Robert Dyas Limited, of which the Company is a holding company, should give financial assistance for the purchase of the ordinary shares of the Company.

This report is made solely to the Company's director 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 director 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 director as a body for our work under section 156(4) of that Act 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 director in his 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 LLP
Registered Auditor



KPMG LLP,
KPMG LLP, a UK limited liability partnership,
is a member of KPMG International, a Swiss
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