



Registration of a Charge

Company name: **LIBERTY RETAIL LIMITED**

Company number: **00042342**



X9ZKXCZU

Received for Electronic Filing: **04/03/2021**

Details of Charge

Date of creation: **26/02/2021**

Charge code: **0004 2342 0016**

Persons entitled: **ANDREW BLURTON
ANTHONY SALEM
NORMAN CARDIGAN
ROBERT UNSWORTH**

Brief description: **THE INSTRUMENT CONTAINS CHARGES (NOT EXPRESSED TO BE FLOATING CHARGES) OVER THE CHARGOR'S RIGHTS IN (AMONG OTHER THINGS) VEHICLES, LAND AND INTELLECTUAL PROPERTY, INCLUDING SPECIFICALLY THE PROPERTY AT LASENBY HOUSE, 9-14 LITTLE MARLBOROUGH STREET AND 32 KINGLY STREET, LONDON W1 WITH TITLE NUMBERS NGL929365 AND NGL932964 AND THE UNITED KINGDOM TRADE MARKS WITH NUMBERS 725765 AND 1102128. SEE THE INSTRUMENT FOR FURTHER DETAILS.**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **MAYER BROWN INTERNATIONAL LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 42342

Charge code: 0004 2342 0016

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th February 2021 and created by LIBERTY RETAIL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th March 2021 .

Given at Companies House, Cardiff on 5th March 2021

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

Dated 26 February 2021

- (1) **LIBERTY RETAIL LIMITED AND
LIBERTY FABRIC LIMITED** as Chargors
- (2) **THE PERSONS NAMED HEREIN** as Trustees

SECURITY AGREEMENT

MAYER | BROWN

L O N D O N

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PARTIES

- (1) **LIBERTY RETAIL LIMITED** a company incorporated in England and Wales with registered number 00042342 having its registered office at 210-220 Regent Street Mayfair, London, W1B 5AH and **LIBERTY FABRIC LIMITED** a company incorporated in England and Wales with registered number 00162351 having its registered office at 210-220 Regent Street Mayfair, London, W1B 5AH (each a "**Chargor**" and together, the "**Chargors**"); and
- (2) **ANDREW BLURTON** of [REDACTED] as trustee of the Liberty Retail Pension Scheme, **ANTHONY SALEM** of [REDACTED] as trustee of the Liberty Retail Pension Scheme, **NORMAN CARDIGAN** of [REDACTED] as trustee of the Liberty Retail Pension Scheme and **ROBERT UNSWORTH** of Liberty Ltd, Lasenby House, 32 Kingly Street, London, W1B 5AH as trustee of the Liberty Retail Pension Scheme and any other person or persons who is or are for the time being a trustee of a the Scheme (each, a "**Trustee**" and together, the "**Trustees**").

BACKGROUND

- (A) The Chargors are entering into this deed to secure certain obligations to the Scheme.
- (B) The Trustees and the Chargors intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION**1.1 Definitions**

In this deed, unless the context otherwise requires, the following words shall have the following meanings:

"Administrator" means a person appointed in accordance with Schedule B1 to the Insolvency Act 1986 to manage a Chargor's affairs, business and property;

"Assigned Agreements" means the agreements specified in Schedule 6 (*Insurance Policies*);

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"Business Day" means a day (other than a Saturday or Sunday) on which banks are generally open on which banks are open for general business in London;

"Charged Accounts" means each account detailed in Schedule 2 (*Charged Accounts*) and any other account with any bank, financial institution or other person in any jurisdiction now or at any time (and from time to time) owned, operated or held by any Chargor or in which any Chargor has an interest, and all moneys from time to time

standing to the credit (including any interest thereon) of such accounts and all rights in relation thereto;

"Charged Assets" means all the assets for the time being subject to the Security created by this deed (and references to the Charged Assets include references to any part of them);

"Charged Securities" means:

- (a) the securities specified in Schedule 3 (*Charged Securities*); and
- (b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "*investments*" (as defined in part II of schedule H to the Financial Services and Markets Act 2000 as in force at the date of this deed) now or in future owned (legally or beneficially) by a Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which such Chargor has an interest at any time;

"Creditors' Process" means, in relation to a Chargor, any expropriation, attachment, sequestration, distress or execution (or any analogous event in any jurisdiction) which affects any of the assets of that Chargor with an aggregate value of at least £500,000 or in relation to indebtedness of at least £500,000 (or its equivalent) and is not discharged within thirty days;

"CREST" means the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in those Regulations);

"Debts" means all book and other debts, of any kind whatsoever now or at any time hereafter (and from time to time) due, owing or payable to any Chargor or in which any Chargor has an interest and the proceeds of the same, including the benefit of any judgment or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same;

"Equipment" means all equipment, plant, machinery, tools, vehicles, furniture and other tangible moveable property now or at any time hereafter (and from time to time) owned by any Chargor, and any part thereof, together with the benefit of all contracts and warranties relating to the same;

"Event of Default" has the meaning given to that term in Clause 14 (*Events of Default*);

"Floating Charge Assets" means all the assets for the time being subject to the floating charge created by this deed (and references to the Floating Charge Assets include references to any part of it);

"Goodwill" means all goodwill now or at any time hereafter (and from time to time) of or in a Chargor;

"Group" means the Chargors and each of their Subsidiaries for the time being;

"Insolvency Event" means, in respect of a Chargor:

- (a) an 'insolvency event' as defined in section 121 of the Pensions Act 2004 or regulations made from time to time thereunder; or
- (b) the receipt by the Pension Protection Fund of an application or notification from the Trustees or the Pensions Regulator that that Chargor is unlikely to continue as a going concern, which is purported to be made in accordance with section 129 of the Pensions Act 2004 or regulations made from time to time thereunder;

"Insolvency Proceedings" means, in relation to a Chargor, any corporate action, legal proceedings or other procedure or formal step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);
- (b) a composition, compromise, assignment or arrangement with any of its creditors;
- (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of a Chargor or any of its assets;
- (d) enforcement of any Security over any assets of a Chargor; or
- (e) any other analogous step or procedure is taken in any jurisdiction

"Insurance Policies" means all contracts and policies of insurance or assurance and all moneys payable under or pursuant to such policies, now or at any time hereafter (and from time to time) taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties (including, without limitation the policies of insurance (if any) specified in Schedule 7 (*Form of Notice to Insurers*));

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of each Chargor in, or relating to:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of each Chargor (which may now or in the future subsist), (including, without limitation, the intellectual property rights (if any) specified in Schedule 4 (*Intellectual Property*));

"LPA" means the Law of Property Act 1925;

"Original Jurisdiction" means, in relation to a Chargor, the jurisdiction under whose laws that Chargor is incorporated as at the date of this deed;

"Original Senior Debenture" means the security agreement dated 31 January 2018 between, among others, the Chargors as original chargors and Ares Management Limited as security agent;

"Party" means a party to this deed;

"Pension Protection Fund" means the Board of the Pension Protection Fund as established under Part 2 of the Pensions Act 2004;

"Pensions Regulator" means the body of that name and referred to as the "Regulator" in the Pensions Act 2004;

"Permitted Disposal" has the meaning given to that term in the Senior Facilities Agreement in its form as at the date of this deed, provided that, in the case of a disposal of assets (which are Charged Assets):

- (a) pursuant to paragraph (c) of the definition of Permitted Disposal, the replacement assets are or become subject to the Security created by this deed;
- (b) pursuant to paragraph (d) of the definition of Permitted Disposal, the disposed assets remain or become subject to the Security created by this deed;
- (c) pursuant to paragraph (f) or (l) of the definition of Permitted Disposal, in relation to a Permitted Transaction (as defined in the Senior Facilities Agreement in its form as at the date of this deed) under paragraph (e) of that definition, the Trustees have given their prior written consent to such disposal;
- (d) pursuant to paragraph (p) of the definition of Permitted Disposal, the Trustees have given their prior written consent to such disposal; and
- (e) pursuant to paragraph (v) of the definition of Permitted Disposal, references in that paragraph (v) to any other paragraphs within that definition of Permitted Disposal shall be to those other paragraphs as restricted by paragraphs (a) to (c) above;

"Permitted Security" has the meaning given to that term in the Senior Facilities Agreement in its form as at the date of this deed, provided that, in respect of any Security which is Permitted Security pursuant to paragraph (t) of that definition, the Trustees have given their prior written consent to the creation of that Security;

"Permitted Share Issue" means any issuance of shares or securities that are or become subject to the Security created by this deed;

"Planning Acts" means (a) the Town and Country Planning Act 1990, (b) the Planning (Listed Buildings and Conservation Areas) Act 1990, (c) the Planning (Hazardous Substances) Act 1990, (d) the Planning (Consequential Provisions) Act 1990, (e) the Planning and Compensation Act 1991, (f) any regulations made pursuant to any of the foregoing and (g) any other legislation of a similar nature;

"Properties" means all estates or interests in any freehold and leasehold properties (whether registered or unregistered) and all commonhold or other immovable properties now or at any time hereafter (and from time to time) owned by any Chargor (including the properties which are briefly described in Schedule 1 (*Properties*

currently owned)) but excluding any occupational lease or licence in respect of Real Property which is granted for a period of less than 15 years and without payment of pay premium;

"Property Interests" means all interests in or over the Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties, in each case, now or at any time hereafter (and from time to time) owned or held by any Chargor;

"Quasi-Security" means an arrangement or transaction to:

- (a) sell, transfer or otherwise dispose of to any person who is not a member of the Group any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor or any other member of the Group;
- (b) sell, transfer or otherwise dispose of any of its receivables to any person who is not a member of the Group on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness (as defined in the Senior Facilities Agreement) or of financing the acquisition of an asset;

"Receiver" means a person appointed by the Trustees to be a receiver or receiver and manager or (if permitted by law) an administrative receiver of all or any part of the Charged Assets of any Chargor;

"Registered Design Rights" means all interests of any Chargor in respect of any design right registration or application, now or at any time hereafter including but not limited to those registrations and/or applications so detailed in Schedule 4 (*Intellectual Property*) hereof;

"Registered Trade Marks" means all interests of any Chargor in respect of any trade mark registration or application, now or at any time hereafter, including but not limited to those registrations and/or applications so detailed in Schedule 4 (*Intellectual Property*) hereof;

"Relevant Jurisdiction" means, in relation to a Chargor:

- (a) its Original Jurisdiction;
- (b) any jurisdiction where any asset subject to or intended to be subject to this Security created by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of this Security;

"Restrictions Notice" means a "restrictions notice" as defined in paragraph 1(2) of Schedule 1B Companies Act 2006;

"Schedule of Contributions" means the schedule of contributions entered into on or about the date of this deed relating to the Scheme (as amended or replaced from time to time);

"Scheme" means the Liberty Retail Pension Scheme, established by interim trust deed dated 25 April 1963 and currently governed by a definitive deed and rules dated 18 April 2008;

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of a Chargor to make the Secured Scheme Payments;

"Secured Scheme Payments" means the obligation of Liberty Retail Limited to make payment to the Scheme of the deficit contributions in a maximum aggregate amount of £1,530,000 in the amounts and at the times specified below pursuant to the Schedule of Contributions:

- (a) a payment in the aggregate amount of £1,015,000 due and payable on or before 28 February 2022; and
- (b) a payment in the aggregate amount of £515,000 due and payable on or before 28 February 2023.

"Secured Parties" means each Trustee and any Receiver and any person to whom any of them has delegated its or their powers;

"Securities Issuer" means the issuer of any Charged Securities;

"Securities System" means any securities system or other system or facility providing means for the deposit of and/or clearance of transactions in securities, whether established in the United Kingdom or elsewhere (including CREST);

"Securities System Rights" means all rights of any Chargor present or future (and from time to time) against the operator of any Securities System in relation to any Charged Securities that are held in a Securities System or against any third party through whom such Chargor holds such Charged Securities or against any custodian or participant in relation to any Charged Securities;

"Security" means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Period" means the period starting on the date of this deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

"Senior Debentures" means the Original Senior Debenture and the Supplementary Senior Debenture;

"Senior Discharge Date" means the date on which the Security Period under and as defined in each of the Senior Debentures ends;

"Senior Facilities Agreement" has the meaning given to that term in the Supplementary Senior Debenture;

"Senior Finance Documents" means the Finance Documents as defined in the Senior Facilities Agreement;

"Subsidiary" means a subsidiary within the meaning of s1162 Companies Act 2006;

"Supplementary Senior Debenture" means the additional security agreement dated 2 July 2020 between, among others, the Chargors as original chargors and Ares Management Limited as security agent;

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed or levied by any government or other taxing authority;

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under this deed;

"Trade Marks" means all interests in respect of any trade mark, whether registered or unregistered, and any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor (to the extent of its interest) in which any Chargor has an interest, including those trade marks so detailed in Schedule 4 (*Intellectual Property*);

"Uncalled Capital" means all the uncalled capital now or at any time hereafter (and from time to time) of that Chargor; and

"Warning Notice" means a "warning notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

1.2 Construction

(a) In this deed (unless the context requires otherwise) any reference to:

- (i) each Chargor, any Trustee, any Secured Party, any Administrator or Receiver or any other person shall be construed so as to include their successors in title, permitted assigns, permitted transferees (and (in the case of any Administrator or Receiver) lawful substitutes and/or replacements) to, or of, its rights and/or of obligations under this deed and shall be binding on and enforceable by any person who is for the time being a trustee of a Scheme including any person (including, if applicable, any corporate trustee) who succeeds or replaces a trustee of a Scheme (and this Clause 1.2(a)(i) shall be in addition to, and not affect, the provisions of the Trustee Act 1925 dealing with transfers of assets and liabilities from one trustee to another);
- (ii) **"assets"** includes present and future properties, revenues and rights of every description;

- (iii) a "**disposal**" includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
 - (iv) the Security constituted by this deed becoming "**enforceable**" shall mean that the Security created under this deed has become enforceable under Clause 15.1 (*Enforcement events*);
 - (v) "**including**" means including without limitation, and "includes" and "included" shall be construed accordingly and other general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
 - (vi) "**law**" includes the common law, any statute, bye-law, regulation or instrument and any kind of subordinate legislation, and any order, requirement, code of practice, circular, guidance note, licence, consent or permission made or given pursuant to any of the foregoing;
 - (vii) "**owned**" includes having legal or equitable title to or a right to have legal or equitable title transferred;
 - (viii) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - (ix) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
 - (x) a provision of law is a reference to that provision as amended or re-enacted from time to time;
 - (xi) a time of day is a reference to London time;
 - (xii) any gender includes a reference to the other genders;
 - (xiii) the singular includes a reference to the plural and vice versa; and
 - (xiv) a clause or schedule is to a clause or schedule (as the case may be) of or to this deed.
- (b) An Event of Default is "**continuing**" if it has not been waived.
 - (c) Clause and schedule headings are for ease of reference only.
 - (d) Any reference in this deed to the Senior Facilities Agreement, or any other Senior Finance Document or any other agreement or other document shall (unless the context otherwise requires and subject strictly to the definitions of Permitted Disposal, Permitted Security and Permitted Share Issue in this deed) be construed as a reference to the Senior Facilities Agreement, that Senior

Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, extended, substituted, novated or assigned (however fundamentally), whether or not as a result of any of the same:

- (i) there is an increase or decrease in any debt made available under the Senior Facilities Agreement, that Senior Finance Document or that other agreement or document or an increase or decrease in the period for which any debt is available or in which it is repayable;
- (ii) any additional, further or substituted debt to or for such debt is provided;
- (iii) any rate of interest, commission or fees or relevant purpose is changed;
- (iv) the identity of the parties is changed;
- (v) the identity of the providers of any Security is changed;
- (vi) there is an increased or additional liability on the part of any person; or
- (vii) a new agreement is effectively created or deemed to be created.

1.3 Currency symbols and definitions

"£", "GBP" and "sterling" denote the lawful currency of the United Kingdom.

1.4 Nature of security over real property

A reference in this deed to any freehold, leasehold or commonhold property includes:

- (a) all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;
- (b) the proceeds of sale of any part of that property; and
- (c) the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that property or any monies paid or payable in respect of those covenants.

1.5 Acknowledgement

- (a) Each Chargor acknowledges that the Trustees enters into this deed for itself and as trustees for the Scheme and which shall be entitled to the full benefit of this deed.
- (b) The Trustees shall not be liable for any obligation, act, failure to act or any other liability of any person which becomes a Trustee under or in connection with this deed.

2. COVENANT TO PAY

2.1 Covenant to pay

Each Chargor hereby covenants with the Trustees that it will on demand pay and discharge all Secured Liabilities when the same become due whether by acceleration or otherwise.

2.2 Potential invalidity

Neither the covenant to pay in Clause 2.1 (*Covenant to pay*) nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

3. GRANT OF SECURITY

3.1 Fixed security

As a continuing security for the payment or discharge of the Secured Liabilities, each Chargor with full title guarantee hereby:

- (a) grants to the Trustees a charge by way of legal mortgage over all its Properties which are listed in Schedule 1 (*Properties currently owned*) opposite its name, other than any Excluded Property until such time as the requisite consent or waiver has been obtained in accordance with Clause 4 (*Leasehold security restrictions*);
- (b) charges to the Trustees, by way of first fixed charge, all its:
 - (i) Properties acquired by it after the date of this deed;
 - (ii) Property Interests;
 - (iii) Equipment;
 - (iv) Charged Securities;
 - (v) Securities System Rights;
 - (vi) Intellectual Property;
 - (vii) Debts;
 - (viii) Charged Accounts;
 - (ix) Goodwill and Uncalled Capital; and
 - (x) rights, title and interest to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to Clause 3.1(a) to Clause 3.1(b) inclusive; and
- (c) assigns to the Trustees absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to:

- (i) the Insurance Policies; and
- (ii) the Assigned Agreements.

3.2 Floating security

(a) Floating charge

As a continuing security for the payment or discharge of the Secured Liabilities, each Chargor with full title guarantee hereby charges to the Trustees, by way of first floating charge, (a) all of its undertaking and assets at any time not effectively mortgaged, charged or assigned pursuant to Clause 3.1(a) to Clause 3.1(c) inclusive and (b) all its assets situated in Scotland.

(b) Qualifying floating charge

Schedule B1 to the Insolvency Act 1986 (as inserted by s248 of, and schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this deed.

(c) Automatic conversion of floating charge

- (i) Notwithstanding anything express or implied in this deed (save for Clause 3.2(g) (*Moratorium*)), and without prejudice to any law which may have similar effect, if:

- (A) any Chargor creates or attempts to create any Security (other than any Permitted Security) or any trust in favour of another person over all or any of its assets; or
- (B) any Chargor disposes or attempts to dispose of all or any of its assets other than by way of a Permitted Disposal; or
- (C) an Insolvency Event has occurred,

the floating charge created by this deed will automatically and immediately (without notice) be converted into a fixed charge over the Floating Charge Assets.

- (ii) This clause will not apply to any assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to s72 Insolvency Act 1986 by reason of such automatic conversion.

(d) Conversion of floating charge by notice

Notwithstanding anything express or implied in this deed (save for Clause 3.2(g) (*Moratorium*)), if:

- (i) an Event of Default has occurred and is continuing; or

- (ii) the Trustees consider (in their sole discretion) that any Charged Assets are in jeopardy of being seized or sold pursuant to any form of legal process,

the Trustees may at any time thereafter, by written notice to a Chargor, convert the floating charge created by this deed with immediate effect into a fixed charge over all or any of the Floating Charge Assets of the relevant Chargor specified in such notice (but without prejudice to the Trustees' rights to serve a notice in respect of any other Floating Charge Assets and any other rights of the Trustees whatsoever).

- (e) Assets acquired after any floating charge conversion

Any asset acquired by any Chargor after any conversion of the floating charge created under this deed, in accordance with Clause 3.2(c) or Clause 3.2(d) which but for such conversion would be subject to a floating charge shall, (unless the Trustees confirm in writing to the contrary) be charged to the Trustees by way of first fixed charge.

- (f) Reconversion of fixed charge assets into floating charge assets

The Trustees may at any time after any conversion of the floating charge created under this deed over any Charged Assets into a fixed charge in accordance with Clause 3.2(c) (*Automatic conversion of floating charge*) or Clause 3.2(d) (*Conversion of floating charge by notice*) reconvert such fixed charge into a floating charge by notice to the relevant Chargor.

- (g) Moratorium

- (i) Subject to Clause 3.2(g)(ii) below, the floating charge created under this deed may not be converted into a fixed charge solely by reason of:

- (A) the obtaining of a moratorium; or
- (B) anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),

under Part A1 of the Insolvency Act 1986.

- (ii) Clause 3.2(g)(i) above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

3.3 Title documents

Each Chargor shall promptly following the Senior Discharge Date (or, if later, the date of acquisition of the relevant Charged Assets) deposit with the Trustees (or as otherwise instructed by the Trustees) (and the Trustees or their nominee(s) shall during the continuance of this Security be entitled to hold):

- (a) all deeds and documents of title relating to the Charged Assets as the Trustees may from time to time reasonably require;

- (b) all certificates relating to the Charged Securities and such instruments of transfer in blank and other documents as the Trustees may from time to time reasonably require; and
- (c) in relation to any Chargor's membership interest in a company limited by guarantee, an undated letter of resignation from all the members of such company, together with an approval of membership letter in blank (signed by the directors of such company) and other documents as the Trustees may from time to time reasonably require.

3.4 Security Notices

Each Chargor shall promptly following the earlier of the Senior Discharge Date and the occurrence of an Event of Default which is continuing or, if later, within five Business Days of the acquisition of the relevant Charged Asset:

- (a) give notice substantially in the form set out in Schedule 7, Part 1 (*Form of Notice to Insurers*) to the relevant insurers of the assignment pursuant to Clause 3.1(c) (*Fixed security*) of its rights and interest in and under the Insurance Policies duly executed by or on behalf of it and use reasonable endeavours to procure that each addressee of such notice will provide within 20 Business Days of such notice an acknowledgement to the Trustees substantially in the form set out in Schedule 7, Part 2 (*Form of Acknowledgement from Insurers*);
- (b) give notice substantially in the form set out in Schedule 8, Part 1 (*Form of Notice to Counterparties of Assigned Agreements*) to the other parties to the Assigned Agreements to which it is a party of the assignment pursuant to Clause 3.1(c) (*Fixed security*) of its rights and interest in and under the Assigned Agreements duly executed by or on behalf of it and use all reasonable endeavours to procure that each addressee of such notice will provide within 20 Business Days of such notice an acknowledgement to the Trustees in substantially the form set out in Schedule 8, Part 2 (*Form of Acknowledgement from Counterparties to Assigned Agreements*); and
- (c) give notice substantially in the form set out in Schedule 9, Part 1 (*Form of Notice of Charge to Third Party Bank*) to any bank, financial institution or other person of charging to the Trustees pursuant to Clause 3.1(b)(viii) of its rights and interests under such accounts duly executed by or on behalf of it and use reasonable endeavours procure that each addressee of such notice will within 20 Business Days of such notice provide an acknowledgement to the Trustees substantially in the form set out in Schedule 9, Part 2 (*Form of Acknowledgement from Third Party Bank*).

4. LEASEHOLD SECURITY RESTRICTIONS

- (a) There shall be excluded from the Security created by this deed, and from the operation of Clause 5 (*Restrictions on dealing*), any leasehold property held by a Chargor under a lease which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its leasehold interest in that property (each an "**Excluded Property**") until the relevant condition or waiver has been satisfied or obtained.

- (b) For each Excluded Property, except to the extent such consent or waiver was requested by the Chargor prior to the date of this deed in relation to the Senior Debentures but was not obtained, the relevant Chargor undertakes to:
 - (i) within 10 Business Days of the date of this deed (in relation to Excluded Property owned at the date of this deed) or within 10 Business Days of the relevant Chargor acquiring the Excluded Property (if otherwise) apply to the reversioner of the relevant lease and if applicable the reversioner's mortgagee for either (i) consent to create a mortgage or charge over its interest in such Excluded Property or (ii) a waiver of any prohibition or conditions under such lease which precludes either absolutely or conditionally it from creating any mortgage or charge over its interest in such Excluded Property;
 - (ii) use all reasonable endeavours (but for the avoidance of doubt not requiring the payment of fees, costs and expenses in excess of fees, costs and expenses payable in accordance with usual market practice for applications of such nature) for a period of 6 months following the date of such application to obtain that consent or waiver of prohibition as soon as possible following such application;
 - (iii) upon reasonable request, keep the Trustees informed of its progress in obtaining such consent or waiver; and
 - (iv) forthwith upon receipt of such consent or waiver, provide the Trustees with a copy.
- (c) Immediately upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Trustees under Clause 3.1(a), Clause 3.1(b)(i) or Clause 3.1(b)(ii) (*Fixed security*) as the case may be. If required by the Trustees at any time following receipt of that waiver or consent, the relevant Chargor will execute a further valid fixed charge or charge by way of legal mortgage in such form as the Trustees shall require.

5. RESTRICTIONS ON DEALING

5.1 Negative pledge and restriction on disposal

Each Chargor hereby covenants with the Trustees that it will not at any time:

- (a) create or purport to create or permit to subsist any Security other than Permitted Security on or in relation to the Charged Assets; or
- (b) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, surrender or otherwise dispose of or cease to exercise control of all, or part of any interest in any Charged Assets other than by way of a Permitted Disposal.

5.2 Land Registry restriction

- (a) In respect of any Property registered at the Land Registry each Chargor hereby consents to the entry of the following restriction on the register of its title to such Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [name of Trustees] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer".

- (b) Each Chargor authorises the Trustees to make any application which they deem appropriate for the designation of this deed as an exempt information document under rule 136 of the Land Registration Rules 2003 and will use its best endeavours to assist with any such application made by or on behalf of the Trustees. Each Chargor will notify the Trustees in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this deed, following its designation as an exempt information document and will not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document.

6. DEBTS AND ACCOUNTS

6.1 Preservation of debts

Each Chargor shall not sell, factor, discount, release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Debts save as hereinafter expressly provided.

6.2 Dealings with and realisation of debts and Collection Accounts

- (a) Each Chargor shall:
 - (i) without prejudice to Clause 5.1 (*Negative pledge and restriction on disposal*) (but in addition to the restrictions in that clause), not without the prior written consent of the Trustees, sell, assign, charge, factor or discount any Debts;
 - (ii) following the occurrence of an Event of Default which is continuing after the Senior Discharge Date, collect all of its receivables promptly in the ordinary course of trading as agent for the Trustees; and
 - (iii) except where monies are required to be paid into a designated account in accordance with the terms of any Senior Finance Document, immediately upon receipt pay all monies which it receives in respect of the Debts into:
 - (A) a Charged Account; or
 - (B) following the occurrence of an Event of Default which is continuing after the Senior Discharge Date, such specially designated accounts as the Trustees may from time to time direct,

(each such account(s) together with all additions to or renewals or replacements thereof (in whatever currency) being a **"Collection**

Account") and pending such payment, hold all monies so received upon trust for the Trustees.

- (b) Each Chargor shall deal with the Debts (both collected and uncollected) and the Collection Accounts in accordance with this deed and, following the occurrence of an Event of Default which is continuing after the Senior Discharge Date, directions given in writing from time to time by the Trustees.
- (c) Each Chargor shall deliver to the Trustees such information as to the amount and nature of its receivables as the Trustees may from time to time reasonably require.

6.3 Operation of Collection Accounts

- (a) Following the occurrence of an Event of Default which is continuing after the Senior Discharge Date, no Chargor shall withdraw, attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Collection Account without the prior written consent of the Trustees and the Trustees shall be entitled (in their absolute discretion) to refuse to permit any such withdrawal or transfer.
- (b) If the right of a Chargor to withdraw the proceeds of any Debts standing to the credit of a Collection Account results in the charge over that Collection Account being characterised as a floating charge, that will not affect the nature of any other fixed security created by any Chargor under this deed on all its outstanding receivables.

6.4 Withdrawals

After the security constituted by this deed has become enforceable, each Chargor shall comply with any notice served by the Trustees on that Chargor prohibiting it from withdrawing all or any monies from time to time standing to the credit of any of its accounts except with the prior consent of the Trustees.

7. INSURANCE

- (a) Each Chargor shall at all times during the subsistence of this deed:
 - (i) maintain insurances on and in relation to the Charged Assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business; and
 - (ii) effect each of its Insurance Policies with reputable insurance companies or underwriters.
- (b) After the Senior Discharge date, if any Chargor defaults in complying with Clause 7(a), the Trustees may effect or renew any such Insurance Policy on such terms, in such name(s) and in such amount(s) as it considers appropriate to comply with the requirements of clause 7(a), and all moneys expended by the Trustees in doing so shall be reimbursed by the Chargors to the Trustees on demand and shall carry interest from the date of payment by the Trustees until reimbursed at the rate notified to the Chargor by the Trustees.

- (c) Prior to the Senior Discharge Date or, after the Senior Discharge Date provided no Event of Default is continuing, the relevant Chargor may exercise all its rights in respect of the Insurance Policies to which it is a party including receiving and exercising all rights relating to proceeds of those Insurance Policies to the extent permitted or not otherwise prohibited pursuant to the terms of this deed.

8. PROPERTIES

8.1 Maintenance

Each Chargor hereby covenants with the Trustees that it will keep all buildings on each Property and all fixtures belonging to it thereon and therein in good and substantial repair and condition.

8.2 Information

Each Chargor covenants with the Trustees that it will:

- (a) within ten Business Days after becoming aware thereof give full particulars to the Trustees of any notice, order, direction, designation, resolution or proposal having specific application to any Property or to the locality in which it is situated given or made by any planning authority or other public body or authority whatsoever; and
- (b) if required by the Trustees acting reasonably, forthwith and at the cost of such Chargor take all steps to comply with any such notice, order, direction, designation or resolution and make or join with the Trustees in making such objections or representations in respect of any such proposal as the Trustees may desire.

8.3 Compliance with obligations

Each Chargor covenants with the Trustees that it will:

- (a) observe and perform all material covenants, stipulations and conditions to which each Property or the user thereof is now or may hereafter be subjected;
- (b) perform and observe all material covenants and conditions on its part contained in any lease, agreement for lease, licence or other agreement under which any Property or part of any Property is held; and
- (c) promptly pay all taxes, fees, duties, rates, charges and other outgoings in respect of the Properties but in any event ensure payment within any applicable grace period.

8.4 Maintenance of interests in Properties

Each Chargor covenants with the Trustees that:

- (a) it shall maintain all buildings and erections forming part of the Charged Assets in a good state of repair;

- (b) it shall not, except with the prior written consent of the Trustees (such consent not to be unreasonably withheld) (or, prior to the Senior Discharge Date, as expressly permitted under the Senior Facilities Agreement):
 - (i) confer on any person any lease or tenancy of any of the Properties or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
 - (ii) confer on any person any right or licence to occupy any land or buildings forming part of the Properties; or
 - (iii) grant any licence to assign or sub-let any part of the Properties;
- (c) it shall not carry out any development within the meaning of the Planning Acts in or upon any part of the Properties without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure of, or a change of use of, any part of the Properties which would have a material and adverse effect on the value of that Property without first obtaining the written consent of the Trustees;
- (d) it shall use its reasonable endeavours to ensure, or shall use its reasonable endeavours so to procure, that no breaches of covenant arise as a result of which any lease may be liable to forfeiture or otherwise be determined; and
- (e) it shall permit the Trustees and any person nominated by them at all reasonable times with reasonable notice to enter any part of the Properties and view the state of it.

8.5 Notice of Charge

Each Chargor covenants with the Trustees that it will, if so requested by the Trustees, place and maintain on each item of Equipment, in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [description of item] and ancillary equipment is subject to a fixed charge dated [●] in favour of [name of Trustees]."

9. SECURITIES

9.1 Registration of Charged Securities

- (a) The Trustees may at any time following the occurrence an Event of Default which is continuing after the Senior Discharge Date cause any or all of the Charged Securities to be registered in the name of the Trustees or their nominee(s). Each Chargor agrees promptly to execute and deliver to the Trustees all such transfers and other documents and do all such things as may be necessary or desirable to achieve such registration.
- (b) In relation to any Charged Securities which are comprised of an interest in a company limited by guarantee, the Trustees may at any time following the

occurrence of an Event of Default which is continuing after the Senior Discharge Date require the resignation of the member(s) of the company limited by guarantee and require that the Trustees (or their nominee(s)) is admitted as a member in its place. Each Chargor which has a membership interest in a company limited by guarantee agrees to execute and deliver promptly all such letters of resignation and approval of membership letters (from the directors of such company) and do all such things as may be necessary or desirable to achieve such resignation and admission.

9.2 Additional registration obligations

Each Chargor hereby:

- (a) grants and agrees to use reasonable endeavours to procure as necessary, all consents, waivers, approvals and permissions which are necessary, under the articles of association of any Securities Issuer or otherwise, for the transfer of the Charged Securities to the Trustees (or any one of them) or its or their nominee(s) or to a purchaser upon enforcement of this deed; and
- (b) agrees to use reasonable endeavours to procure the amendment of the share transfer provisions of each Securities Issuer's articles of association in such manner as the Trustees may require in order to permit such a transfer.

9.3 Dividends and voting rights prior to enforcement

Prior to the Senior Discharge Date or, after the Senior Discharge Date provided no Event of Default is continuing:

- (a) all cash dividends or other cash distributions paid or payable in respect of the Charged Securities may be paid directly to the relevant Chargor which shall be permitted to apply such dividends or distributions as it deems fit;
- (b) any cash dividends or other cash distributions paid in respect of any of the Charged Securities and received by the Trustees or its nominee shall, on request by the relevant Chargor, be released and paid to such Chargor;
- (c) the relevant Chargor may exercise all voting and other rights and powers attaching to the Charged Securities and exercisable by the relevant Chargor provided that the exercise of such voting and other rights and powers would not (i) adversely affect the validity or enforceability of the Trustees' security under this deed or (ii) adversely affect the value of the Charged Securities; and
- (d) the Trustee will (to the extent that it has or will acquire any such rights or powers) exercise all voting and other rights and powers attaching to the Charged Securities and exercisable by the Trustees or their nominee(s) as the relevant Chargor may from time to time direct provided that acting in accordance with such directions would not (i) adversely affect the validity or enforceability of the Trustees' security under this deed or (ii) adversely affect the value of the Charged Securities.

9.4 Dividends and voting rights post enforcement

Following the occurrence an Event of Default which is continuing after the Senior Discharge Date:

- (a) all dividends and other distributions paid in respect of the Charged Securities and received by any Chargor shall be held on trust for the Trustees and forthwith paid into an account specified by the Trustees or, if received by the Trustees or their nominee(s), shall be retained by the Trustees; and
- (b) the Trustees may exercise, or direct the exercise of, all voting and other rights and powers attaching to the Charged Securities as the Trustees may in their absolute discretion think fit and each Chargor shall, and shall procure that its nominees shall, comply with any directions from the Trustees concerning the exercise of such rights and powers.

9.5 Warning Notice or Restrictions Notice

Each Chargor shall comply with any notice served on it in respect of all or any part of the Charged Securities pursuant to part 21A of the Companies Act 2006 within the timeframe specified in that notice and shall deliver a copy of any such notice to the Trustees promptly upon receipt.

9.6 Additional undertakings

Each Chargor further undertakes to the Trustees that:

- (a) it shall duly and promptly pay all calls, instalments and other moneys which may be payable from time to time in respect of the Charged Securities, it being acknowledged by the Chargors that the Trustees shall be under no liability whatsoever in respect of any such calls, instalments or other moneys;
- (b) it shall not without the Trustees' prior consent (not to be unreasonably withheld) amend, or agree to the amendment of, the memorandum or articles of association of any Securities Issuer or the rights or liabilities attaching to any of the Charged Securities;
- (c) it shall ensure (insofar as it is able by the exercise of all voting rights, powers of control and other means available to it to do so) that no Securities Issuer will:
 - (i) consolidate or sub-divide any of its Charged Securities or reduce or re-organise its share capital in any way;
 - (ii) issue any new shares or stock (other than in respect of a Permitted Share Issue); or
 - (iii) refuse to register any transfer of any of its Charged Securities which may be lodged for registration by or on behalf of the Trustees or a Chargor in accordance with this deed;
- (d) it shall promptly send to the Trustees copies of all documents received by it which are sent to it in its capacity as holder of any Charged Securities; and

- (e) it shall promptly give notice of this deed to any custodian of any Charged Securities in any form which the Trustees may reasonably require and use all reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Trustees may reasonably require.

9.7 CREST securities

Each Chargor further undertakes to the Trustees that following the occurrence an Event of Default which is continuing after the Senior Discharge Date:

- (a) in respect of any Charged Securities which are held in CREST at any time on or after the date hereof:
 - (i) deliver to the Trustees a certified signed copy of an irrevocable instruction from it to the Chargor's current registrar or CREST participant or custodian (as appropriate) or such other person as may be appointed registrar or CREST participant or custodian (as appropriate) (the "**Registrar**") to transfer to escrow all Charged Securities held in CREST, substantially in the form set out in Schedule 10, Part 1 (*Form of Irrevocable Instruction to Registrar*) or such other form as is acceptable to the Trustees (the "**Instruction**"); and
 - (ii) deliver the original signed Instruction to the Registrar and use its best endeavours to procure the delivery to the Trustees of a signed copy of an irrevocable acknowledgement of the Instruction from the Registrar substantially in the form set out in Schedule 10, Part 2 (*Form of Acknowledgement from Registrar*) or such other form as is acceptable to the Trustees;
- (b) it shall sign and return to the Trustees the endorsement on a letter from the Trustees to the relevant Chargor substantially in the form of Schedule 11 (*Form of CREST Securities letter*), completed in respect of Charged Securities held in CREST which the Trustees requires it to transfer to escrow for the Trustees or its nominee. The Chargors and the Trustees acknowledge that such letter and endorsement are expressly contemplated by this deed and are to be taken as forming a single deed with it;
- (c) it shall promptly following the request of the Trustees, procure the withdrawal of any Charged Securities requested by the Trustees from CREST and their conversion into certificated form and shall procure the deposit of all deeds and other documents of title in respect of such Charged Securities in accordance with and shall take all the steps required by Clause 3.3 (*Title documents*) in relation to those Charged Securities;
- (d) it shall give such instructions to CREST or any other relevant person and provide such documents as the Trustees may require for perfecting the security intended to be created by this deed in respect of Charged Securities held in CREST or to enable the Trustees or their nominees to comply with all its obligations in respect of any such Charged Securities and their related rights; and

- (e) it shall not take any action which is inconsistent with, or revokes or purports to revoke, (i) any custody agreement or arrangement with the Registrar (except with the prior written consent of the Trustees and subject to any conditions that may be imposed by the Trustees, including (but not limited to) the appointment of a new custodian on substantially the same terms as the custody agreement or arrangement with the Registrar) or (ii) its instruction to the Registrar in the letter executed and delivered pursuant to this Clause 9.7,

and each Chargor hereby provides to CREST the authorisations in relation to any Charged Securities held in CREST which are required by CREST under its standard terms of business from time to time, acknowledges that the Registrar holds such Chargor's rights in respect of such Charged Securities as agent and trustee on behalf of the Trustees and agrees that the Registrar may enforce such rights as trustee for the Trustees.

10. UNCALLED CAPITAL

Each Chargor further covenants with the Trustees that it will not call up, or receive in advance of calls, any Uncalled Capital and, following the Senior Discharge Date, it will apply all proceeds of any Uncalled Capital, immediately on receipt, towards the discharge of the Secured Liabilities.

11. REPRESENTATIONS AND WARRANTIES

11.1 Representations and warranties

Each Chargor represents and warrants to the Trustees as follows, at the times specified in Clause 11.2 (*Repetition*):

- (a) Status
 - (i) It is a limited liability corporation, duly incorporated and validly existing under the law of its Original Jurisdiction.
 - (ii) It has the power to own its assets and carry on its business as it is being conducted.
- (b) Binding obligations and security
 - (i) The obligations expressed to be assumed by it in this deed are legal, valid, binding and enforceable obligations.
 - (ii) Without limiting the generality of Clause 11.1(b)(i) above, this deed creates the security interests it purports to create and those security interests are valid and effective.
- (c) Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this deed and the granting of the Security hereunder do not and will not conflict with:

- (i) any law or regulation applicable to it;

- (ii) its constitutional documents; or
 - (iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.
- (d) Power and authority
 - (i) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this deed and the transactions contemplated by it.
 - (ii) No limit on its powers will be exceeded as a result of the grant of security or giving of guarantees or indemnities contemplated by this deed.
- (e) Validity and admissibility in evidence
 - (i) All Authorisations required or desirable:
 - (A) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this deed; and
 - (B) to make this deed admissible in evidence in its Relevant Jurisdictions,

have been obtained or effected and are in full force and effect.
 - (ii) All Authorisations necessary for the conduct of its business, trade and ordinary activities have been obtained or effected and are in full force and effect
- (f) No filing or stamp taxes

Under the laws of its Relevant Jurisdiction it is not necessary that this deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to this deed or the transactions contemplated by it except registration of particulars of this deed at Companies House in England and Wales under section 859A of the Companies Act 2006 and payment of associated fees which registrations, filings, taxes and fees will be made and paid promptly after the date of this deed.
- (g) Governing law and enforcement
 - (i) The choice of governing law of this deed will be recognised and enforced in its Relevant Jurisdictions.
 - (ii) Any judgment obtained in relation to this deed in England and Wales will be recognised and enforced in its Relevant Jurisdictions.
- (h) Ranking

This deed has or will have the ranking in priority which it is expressed to have in it and it is not subject to any prior ranking or pari passu ranking Security other than:

- (i) the Senior Debentures;
 - (ii) Permitted Security or Quasi-Security; or
 - (iii) security interests mandatorily preferred by applicable law (if any).
- (i) Security Assets

No Security or Quasi-Security exists over all or any of the present or future assets of any Chargor other than Permitted Security.

11.2 Repetition

The representations and warranties set out in Clause 11.1 (*Representations and warranties*) are made by each Chargor on the date of this deed and are deemed to be repeated by each Chargor on the first day of each calendar month by reference to the facts and circumstances then existing.

11.3 Reliance

Each Chargor acknowledges that the Trustees have entered into this deed in reliance on these representations and warranties.

12. NOTIFIABLE EVENTS

Each Chargor will promptly upon becoming aware of the same give the Trustees notice in writing of:

- (a) any breach of any representation or warranty set out in Clause 11.1 (*Representations and warranties*);
- (b) the occurrence of an Event of Default; or
- (c) the occurrence of any event in respect of it which would (or would if it were an employer in relation to the Scheme within the meaning set out in Section 318 of the Pensions Act 2004 and regulations made thereunder) require notification to the Pensions Regulator in accordance with Section 69 of the Pensions Act 2004 and any regulations and directions made thereunder.

13. POWER TO REMEDY

- (a) If a Chargor is at any time in breach of any of its obligations contained in this deed, the Trustees shall be entitled (but shall not be bound) to remedy such breach and each Chargor hereby irrevocably authorises the Trustees and their agents to do all things necessary or desirable in connection therewith.
- (b) The rights of the Trustees contained in this Clause 13 are without prejudice to any other rights of the Trustees hereunder and the exercise by the Trustees of

their rights under this clause shall not make any Trustee liable to account as a mortgagee in possession.

14. EVENTS OF DEFAULT

14.1 Events of Default

Each of the events set out in this Clause 14 is an **"Event of Default"**.

14.2 Scheme default

A failure by Liberty Retail Limited to make the Secured Scheme Payments to the Scheme in full in the amounts and at the times specified in the definition of Secured Scheme Payments.

14.3 Misrepresentation

A representation made or repeated by a Chargor in this deed is incorrect or misleading in any material respect when made or deemed to be repeated, unless the circumstances giving rise to the misrepresentation:

- (a) are capable of remedy; and
- (b) are remedied within 20 Business Days of the earlier of:
 - (i) the Trustees giving notice; and
 - (ii) a Chargor becoming aware of the circumstances giving rise to the misrepresentation.

14.4 Insolvency

An Insolvency Event occurs in respect of a Chargor.

14.5 Insolvency proceedings

- (a) Except as provided in Clause (b) below, any Insolvency Proceeding occurs in respect of a Chargor.
- (b) Clause (a) above does not apply to a petition for winding-up presented by a creditor which is frivolous or vexatious and is discharged, stayed or dismissed within 10 Business Days of commencement.

14.6 Creditors' process

Any Creditors' Process occurs and affects any assets of a Chargor.

14.7 Cessation of business

A Chargor ceases, or threatens to cease, to carry on its business.

14.8 Termination/winding-up of the Scheme

The Scheme terminates or enters into winding-up.

14.9 Closure of the Scheme

The Trustees exercise their powers under rule 28.5.2 of the Scheme trust deed and rules dated 18 April 2008.

14.10 Section 75 debt

Section 75 or 75A of the Pensions Act 1995 (or any replacement or successor legislation) is triggered.

14.11 Schedule of Contributions

Any breach of the restriction on distributions to shareholders set out in the Schedule of Contributions.

14.12 Effectiveness of Transaction Documents

- (a) It is or becomes unlawful for a Chargor to perform any of its obligations under this deed.
- (b) This deed ceases to be in full force and effect or the Security created by it ceases to be legal, valid, binding, enforceable or effective or is alleged by a Chargor to be ineffective.
- (c) A Chargor repudiates this deed or evidences an intention to repudiate it.

15. ENFORCEMENT

15.1 Enforcement events

- (a) The security constituted by this deed shall become immediately enforceable if an Event of Default occurs and is continuing.
- (b) After the security constituted by this deed has become enforceable, the powers of sale under the LPA and all other powers of the Trustees shall immediately be exercisable and the Trustees may in their absolute discretion enforce all or any part of the security created by this deed as it sees fit or as the Trustees direct.

15.2 Statutory power of sale

The statutory power of sale shall arise on and be exercisable at any time after the execution of this deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose), provided that the Trustees shall not exercise such power of sale until an Event of Default has occurred and is continuing.

15.3 Extension of statutory powers

- (a) Any restriction imposed by law on the power of sale (including under s103 LPA) or on the right of a mortgagee to consolidate mortgages (including under s93 LPA) does not apply to the security constituted by this deed and the Trustees or any Receiver shall have the right to consolidate all or any of the security constituted by this deed with any other Security in existence at any time and to make any applications to the Land Registry in support of the same.

- (b) Any powers of leasing conferred on the Trustees or any Receiver by law are extended so as to authorise the Trustees or any Receiver to lease, make agreements for leases, accept surrenders of leases and grant options as the Trustees or Receiver may think fit and without the need to comply with any restrictions conferred by law (including under s99 or s100 LPA).

15.4 No obligation to enquire

No person dealing with the Trustees, any Administrator or any Receiver appointed hereunder, or its agents or brokers, shall be concerned to enquire:

- (a) whether the security constituted by this deed has become enforceable;
- (b) whether any power exercised or purported to be exercised has become exercisable;
- (c) whether any money remains due under this deed;
- (d) as to the necessity or expediency of the stipulations and conditions subject to which any sale of any Charged Assets shall be made, or otherwise as to the propriety or regularity of any sale of any of the Charged Assets; or
- (e) how any money paid to the Trustees, Administrator or Receiver, or its agents or brokers is to be applied.

15.5 No liability as mortgagee in possession

None of the Trustees, any Administrator or any Receiver shall be liable:

- (a) to account as mortgagee in possession in respect of all or any of the Charged Assets; or
- (b) for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets for which a mortgagee in possession might as such be liable.

15.6 Power to dispose of chattels

After the security constituted by this deed has become enforceable, the Trustees, any Administrator or any Receiver may dispose of any chattels or produce found on any Property as agent for the relevant Chargor and, without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce the Trustees, the Administrator or the Receiver shall be indemnified by such Chargor against any liability arising from such disposal, other than any liability arising from its gross negligence, wilful misconduct or fraud.

15.7 Redemption of prior Security Interests

At any time after the occurrence of an Event of Default which is continuing the Trustees may:

- (a) redeem any prior Security;

- (b) procure the transfer thereof to itself; and/or
- (c) may settle and pass the accounts of the prior encumbrancer and any account so settled and passed shall be conclusive and binding on the relevant Chargor and all monies paid by the Trustees to the prior encumbrancer in accordance with such accounts shall as from such payment be due from such Chargor to the Trustees on current account and shall bear interest and be secured as part of the Secured Liabilities.

16. ADMINISTRATOR AND RECEIVER

16.1 Appointment of Administrator or Receiver

At any time after:

- (a) the security constituted by this deed becomes enforceable;
- (b) any corporate action or any other steps are taken or legal proceedings started by or in respect of any Chargor with a view to the appointment of an Administrator; or
- (c) at the request of the relevant Chargor, the Trustees may without further notice, under seal or by writing under hand of a duly authorised officer of the Trustees:
 - (i) appoint any person or persons to be an Administrator of any Chargor; or
 - (ii) appoint any person or persons to be a Receiver of all or any part of the Charged Assets of any Chargor; and
 - (iii) (subject to s45 Insolvency Act 1986) from time to time remove any person appointed to be Receiver and appoint another in his place.

16.2 Moratorium

The Trustees are not entitled to appoint a Receiver solely as a result of the obtaining of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),

under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

16.3 More than one appointment

Where more than one person is appointed Administrator or Receiver, they will have power to act separately (unless the appointment by the Trustees specifies to the contrary).

16.4 Additional powers

- (a) The powers of appointing an Administrator or a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Trustees under the Insolvency Act 1986 and the LPA or otherwise and shall be exercisable without the restrictions contained in s109 LPA or otherwise.
- (b) The power to appoint an Administrator or a Receiver (whether conferred by this deed or by statute) shall be and remain exercisable by the Trustees notwithstanding any prior appointment in respect of all or any part of the Charged Assets.

16.5 Agent of the relevant Chargor

- (a) Any Administrator or Receiver shall be the agent of the relevant Chargor and the relevant Chargor shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.
- (b) No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of an Administrator or Receiver.

16.6 Powers of Administrator and Receiver

A Receiver shall have (and shall be entitled to exercise), in relation to the Charged Assets over which he is appointed, and an Administrator shall have in addition to the powers he enjoys under Schedule B1 to the Insolvency Act 1986, the following powers (as the same may be varied or extended by the provisions of this deed):

- (a) (in respect of a Receiver) all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (b) all of the powers, privileges and immunities conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- (c) all of the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any relevant Chargor itself could do or omit to do; and
- (d) the power to do all things which, in the opinion of the Administrator or Receiver (as appropriate) are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Administrator or Receiver pursuant to this deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, any relevant Chargor; the collection and/or realisation of Charged Assets in such manner and on such terms as the Administrator or Receiver sees fit; and the execution of documents in the name of the relevant Chargor (whether under hand, or by way of deed or by utilisation of the company seal of such Chargor)).

17. AMOUNTS RECEIVED

17.1 Application of proceeds

All sums received by virtue of this deed by the Trustees or any Receiver shall be paid or applied in the following order of priority:

- (a) *first*, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Trustees or by any Receiver (including legal expenses);
- (b) *secondly*, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Trustees or any Receiver;
- (c) *thirdly*, in or towards payment of or provision for the Secured Liabilities; and
- (d) *fourthly*, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

17.2 S109(8) Law of Property Act 1925

Neither the Trustees nor any Receiver or Administrator shall be bound (whether by virtue of s109(8) LPA, which is hereby varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities.

17.3 Currencies of denomination

For the purpose of or pending the discharge of any of the Secured Liabilities the Trustees may convert any monies received, recovered or realised by the Trustees under this deed from their existing denominations and/or currencies of denomination into such other denominations and/or currencies of denomination as the Trustees may think fit and any such conversion shall be effected at the Trustees' then prevailing spot selling rate of exchange.

17.4 Suspense account

All monies received recovered or realised by the Trustees under this deed may at the discretion of the Trustees be credited to any interest bearing suspense or impersonal account and may be held in such account.

17.5 New accounts

If the Trustees receives notice of any subsequent charge or other interest affecting all or part of the Charged Assets (other than any Permitted Security), the Trustees may open a new account or accounts for the relevant Chargor in its books and (without prejudice to the Trustees' right to combine accounts) no money paid to the credit of such Chargor in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities. If the Trustees does not open a new account or accounts immediately on receipt of such notice then unless the Trustees gives express notice to the contrary to the relevant Chargor as from the time of receipt of such notice by the Trustees all payments made by the relevant Chargor to the Trustees in the absence of any express appropriation by such Chargor to the contrary

shall be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Liabilities.

17.6 Trustees' set-off rights

If the Trustees shall have more than one account for any Chargor in its books the Trustees may at any time after the occurrence of an Event of Default which is continuing or the Trustees have received notice of any subsequent charge or other interest affecting all or any part of the Charged Assets and without prior notice forthwith transfer all or any part of the balance standing to the credit of any such account to any other such account which may be in debit but the Trustees shall notify the relevant Chargor of the transfer having been made.

18. POWER OF ATTORNEY AND DELEGATION

18.1 Power of attorney

Each Chargor, by way of security, irrevocably and severally appoints the Trustees, and each Administrator or Receiver to be its attorney to take any action after the occurrence of an Event of Default which such Chargor is obliged to take under this deed, including under Clause 19 (*Protection of security and further assurance*) or, if no Event of Default has occurred, which such Chargor has failed to take within 10 Business Days of request. Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

19. PROTECTION OF SECURITY AND FURTHER ASSURANCE

19.1 Independent security

This deed shall be in addition to and independent of every other security or guarantee that the Trustees may at any time hold for any of the Secured Liabilities. No prior security held by the Trustees or any other Secured Party over the whole or any part of the Charged Assets shall merge in the security created by this deed.

19.2 Continuing security

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or discharge in whole or in part.

19.3 Waiver of defences

Neither the Security created by this deed nor the obligations of the Chargor under this deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Trustees or any other Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Chargor or other person;
- (b) the release of any Chargor or any other person under the terms of any composition or arrangement with any person;

- (c) the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Chargor 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 any Chargor or any other person;
- (e) any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of this deed or any other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under this deed or any other document; or
- (g) an insolvency, liquidation, administration or similar procedure.

19.4 Immediate recourse

Each Chargor waives any right it may have of first requiring the Trustees or any other Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights of Security or claim payment from any person before claiming from a Chargor under this deed. This waiver applies irrespective of any law or any provision of this deed to the contrary.

19.5 Appropriations

During the Security Period, the Trustees and each Secured Party may:

- (a) refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 17.1 (*Application of proceeds*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

19.6 Deferral of Chargor's rights

During the Security Period and unless the Trustees otherwise direct, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this deed or the enforcement of the Security created by this Deed:

- (a) to receive or claim payment from, or be indemnified by an Chargor;
- (b) to claim any contribution from any guarantor of, or provider of Security in respect of, any Chargor's obligations under this deed;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under this deed or of any

guarantee or Security taken pursuant to, or in connection with, this deed by any Secured Party;

- (d) to exercise any right of set off against any Chargor; and/or
- (e) to claim or prove as a creditor of any Chargor in competition with any Secured Party.

19.7 No waivers; rights cumulative

No failure to exercise, nor delay in exercising, on the part of the Trustees, any right or remedy under this deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy preclude any further or other exercise, or the exercise of any other right or remedy. The rights and remedies of the Trustees provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.

19.8 Further assurance

- (a) Each Chargor must, promptly upon request by the Trustees or any Receiver or Administrator, at its own expense, take whatever action the Trustees or a Receiver or Administrator may reasonably require for:
 - (i) creating, perfecting or protecting any security intended to be created by or pursuant to this deed;
 - (ii) facilitating the realisation of any Charged Asset;
 - (iii) exercising any right, power or discretion conferred on the Trustees, or any Receiver or any Administrator or any of their respective delegates or sub-delegates in respect of any Charged Asset; or
 - (iv) creating and perfecting security in favour of the Trustees (equivalent to the security intended to be created by this deed) over any assets of any Chargor located in any jurisdiction outside England and Wales.
- (b) This includes:
 - (i) the re-execution of this deed;
 - (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Trustees or to their nominee (provided always that no absolute transfer of title of any Intellectual Property shall be required prior to the occurrence of an Event of Default); and
 - (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Trustees (or the Receiver or Administrator, as appropriate) may acting reasonably think expedient.

19.9 Register of Trade Marks

Each Chargor as registered proprietor appoints the Trustees as its agent to apply for the particulars of this deed and of the Secured Parties' interest in the Registered Trade Marks to be entered in the Register of Trade Marks under s25(1) Trade Marks Act 1994, and such other registers as the Trustees consider appropriate, and each Chargor agrees to execute all documents and forms required to enable those particulars to be entered on the Register of Trade Marks or any such other registers.

19.10 Register of Design Rights

Each Chargor as registered proprietor appoints the Trustees as its agent to apply for the particulars of this deed and of the Secured Parties' interest in the Registered Design Rights to be registered under s19(1) Registered Designs Act 1949, and entered in such other registers as the Trustee consider appropriate, and each Chargor agrees to execute all documents and forms required to enable those particulars to be entered on any such registers.

20. INDEMNITY

20.1 Indemnity

Each Chargor shall indemnify and keep indemnified the Trustees, each other Secured Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:

- (a) any act or omission by any of them in relation to all or any of the Charged Assets;
- (b) any payment relating to or in respect of all or any of the Charged Assets which is made at any time by any of them;
- (c) any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this deed;
- (d) investigating any event which it reasonably believes is an Event of Default in relation to a Chargor;
- (e) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- (f) the taking, holding, protection or enforcement of this Security;
- (g) instructing lawyers, accountants, tax advisers, surveyors, a financial adviser or other professional advisers or experts as permitted under this deed;
- (h) acting as Receiver or delegate under the this deed;
- (i) exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this deed; and

- (j) any breach by the relevant Chargor of any of its covenants or other obligations to the Trustees or any other Secured Party.

20.2 Indemnity out of the Charged Assets

The Trustees, the other Secured Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 20.1 (*Indemnity*) and shall have a lien on this Security and the proceeds of the enforcement of this Security for all moneys payable to it.

20.3 Liability of Chargors related to Charged Assets

Notwithstanding anything contained in this deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Charged Assets. Neither the Trustees nor any other Secured Party or Receiver is under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

20.4 Continuing protection

The provisions of this Clause 20 shall continue in full force and effect notwithstanding any release or discharge of this deed or the discharge of any Receiver from office.

21. COSTS AND EXPENSES

21.1 Transaction expenses

The Chargors shall, promptly, and in any event within three Business Days of demand, pay the Trustees the amount of all costs and expenses (including legal fees) reasonably incurred by any of them (and, if applicable, by any Receiver or person to whom its or their powers have been delegated) in connection with the negotiation, preparation, printing, execution and perfection of:

- (a) this deed and any other documents referred to in this deed; and
- (b) any other related documents executed after the date of this deed.

21.2 Amendment costs

If any Chargor requests an amendment, waiver or consent, the Chargors shall, within three Business Days of demand, reimburse the Trustees for the amount of all costs and expenses (including legal fees) reasonably incurred by them (and, if applicable, by any Receiver or person to whom its or their powers have been delegated) in responding to, evaluating, negotiating or complying with that request or requirement.

21.3 Enforcement, preservation and release costs

The Chargors shall, within three Business Days of demand, pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation or release of any rights under this deed and any proceedings instituted by or against a Secured Party as a consequence of taking or holding this Security or enforcing these rights.

21.4 Stamp taxes

The Chargors shall pay and, within three Business Days of demand, indemnify each Secured Party against any loss it incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of this deed.

21.5 Value added taxes

- (a) Any amount payable under this deed by a Chargor is exclusive of any value added tax or any other Tax of a similar nature which might be chargeable in connection with that amount. If any such Tax is chargeable, the relevant Chargor must pay to the Secured Parties (in addition to and at the same time as paying that amount) an amount equal to the amount of that Tax.
- (b) If a Chargor is required by this deed to reimburse or indemnify a Secured Party for any cost or expense, the relevant Chargor shall reimburse or indemnify (as the case may be) that Secured Party for the full amount of such cost or expense, including such part thereof as a value added tax or any other Tax of a similar nature, save to the extent that that Secured Party reasonably determines that they it is entitled to a credit or repayment in respect of such Tax from the relevant tax authority.

21.6 Tax gross-up

- (a) The Chargors must make all payments to be made by it under this deed without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) If a Chargor is aware or becomes aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Trustees.
- (c) If a Tax Deduction is required by law to be made by a Chargor or the Trustees, the amount of the payment due from that Chargor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) If a Chargor is required to make a Tax Deduction, that Chargor must make the minimum Tax Deduction required by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (e) Within 30 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, a Chargor must deliver to the Trustees evidence satisfactory to it (acting reasonably) that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.

22. PAYMENTS

22.1 Funds

Payments under this deed to the Trustees must be made for value on the due date at such times and in such funds as the Trustees may specify to the Chargors as being

customary at the time for the settlement of transactions in the relevant currency in the place for payment.

22.2 Currency

Any amount payable under this deed is payable in Sterling.

22.3 No set-off or counterclaim

All payments made by a Chargor under this deed shall be calculated and must be made without (and be free and clear of any deduction for) set-off or counterclaim.

22.4 Business Days

If a payment under this deed is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

23. AMENDMENTS AND WAIVERS

Any term of this deed may be amended or waived only with the written consent of the Trustees and the Chargors.

24. ACKNOWLEDGEMENT BY THE CHARGORS

The Parties agree that each Trustee is entering into this deed as trustee of the Scheme it purports to be a trustee of and not in any other capacity and with the intent (so far as the trustee can or may) of binding any other person for the time being filling the office of trustee in that capacity, but not further or otherwise or, with respect to any person who has been a trustee of the Scheme, as the case shall be, at any time after such person has ceased to be such trustee of the Scheme. The Parties further agree that the liability of any Trustee is limited to the extent of the Scheme's assets from time to time, and that nothing in this deed shall oblige any Trustee (or any other person who becomes a trustee of the Scheme) to make any payment out of the assets which may from time to time be held or owned by it which are not part of the Scheme's assets.

25. MISCELLANEOUS

25.1 Benefit of Deed

The benefit of this deed will be held by the Trustees and the other Secured Parties without preference or priority amongst themselves as security for the Secured Liabilities.

25.2 Certificates conclusive

A certificate or determination by the Trustees as to any amount or rate under this deed shall be conclusive evidence of that amount or rate in the absence of any manifest error.

25.3 Notice of assignment

This deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other member of the Group.

25.4 Financial collateral

- (a) To the extent that the Charged Assets constitute "financial collateral" and this deed and the obligations of the Chargors under this deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 no. 3226)), the Trustees shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (b) For the purpose of Clause 25.4(a), the value of the financial collateral appropriated shall be such amount as the Trustees reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

25.5 Severability

If any of the provisions of this deed is or becomes invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected or impaired thereby.

25.6 S2(1) Law of Property (Miscellaneous Provisions) Act 1989

The terms of this deed and of any side letters between any parties in relation to this deed are incorporated in this deed to the extent required to ensure that any purported disposition of Charged Assets contained in this deed is a valid disposition in accordance with Section 2(1) Law of Property (Miscellaneous Provisions) Act 1989.

25.7 Third party rights

- (a) Each Secured Party, any Receiver and their respective officers, employees and agents may enforce any term of this deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this deed. As contemplated by Clause 1.2(a)(i), any person who is for the time being a trustee of a Scheme may enforce or enjoy the benefit of any term of this deed pursuant to the Contracts (Rights of Third Parties) Act 1999.
- (b) Notwithstanding any term of any this deed, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this deed without the consent of any person who is not a Party.

25.8 Perpetuity period

The perpetuity period applicable to all trusts declared by this deed shall be 125 years.

25.9 Joint and several liability

The covenants, agreements, obligations and liabilities of the Chargors contained in this deed or implied on their part are joint and several and shall be construed accordingly.

25.10 Trustee Act 2000

The Chargors and the Trustees agree that the Trustees shall not be subject to the duty of care imposed on the trustees by the Trustee Act 2000.

26. DEMANDS AND NOTICES

26.1 Communications in Writing

Any communication to be made under or in connection with this deed shall be made in writing and, unless otherwise stated, shall be made by email or if expressly stated, by way of letter.

26.2 Electronic communication

Any communication or document to be made or delivered by one Party to another under or in connection with this deed can be made or delivered by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) to the email address identified with its name (in the execution pages) below and a Party shall notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

- (a) Any such electronic communication or delivery as specified in Clause 26.2(a) to be made between a Chargor and the Trustees may only be made in that way to the extent that those two Parties agree that unless and until notified to the contrary, this is to be an accepted form of communication or delivery.
- (b) Any such electronic communication or document as specified in Clause 26.2(a) made or delivered by one Party to another will be effective only when actually received (or made available) in readable form and in the case of any electronic communication or document made or delivered by a Chargor to a Trustee only if it is addressed in such a manner that such Trustee shall specify for this purpose.
- (c) Any electronic communication or document which becomes effective, in accordance with Clause 26.2(b) above, after 5:00 p.m. in the place in which the Party to whom the relevant communication or document is sent or made available has its address for the purpose of this deed shall be deemed only to become effective on the following day.
- (d) Any reference in this Deed to a communication being sent or received or a document being delivered shall be construed to include that communication or document being made available in accordance with this Clause 26.2.

26.3 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this deed is:

- (a) in the case of each Chargor, that identified with its name (in the execution pages) below;

- (b) in the case of the Trustees, those identified with their names (in the execution pages) below,

or any substitute address, or department or officer as the Party may notify to the other Parties by not less than five Business Days' notice.

26.4 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this deed will only be effective (if not delivered in accordance with Clause 26.2 (*Electronic communication*)):

- (i) if delivered by hand, at the time of delivery;
 - (ii) if sent by pre-paid first class post, two Business Days after the date of posting; and
 - (iii) if sent by air mail, five Business Days after the date of posting,

and, if a particular department or officer is specified as part of its address details provided under Clause 26.3 (*Addresses*) of this Deed, if addressed to that department or officer.

- (b) If not delivered in accordance with Clause 26.2 (*Electronic communication*), any communication or document to be made or delivered to a Trustee will be effective only when actually received by that Trustee and then only if it is expressly marked for the attention of the department or officer identified with that Trustee's signature below (if applicable) (or any substitute department or officer as that Trustee shall specify for this purpose).

26.5 English language

- (a) Any notice given under or in connection with this deed must be in English.
- (b) All other documents provided under or in connection with this deed must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Trustees, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

27. ASSIGNMENT AND TRANSFER

27.1 Assignment by Trustees

- (a) A Trustee may not assign any or all of its rights and transfer any or all of its obligations under this deed without the consent of each Chargor being required, save as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004.
- (b) Each Chargor acknowledges that:

- (i) the rights and obligations of the Trustees under this Deed may be transferred in whole or in part to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004; and
- (ii) the rights and obligations under this deed shall be binding upon and enure for the benefit of any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme.

27.2 Assignment by Chargor

No Chargor may assign any of its rights or transfer any of its obligations under this deed or enter into any transaction which would result in any of these rights or obligations passing to another person.

28. RELEASE OF SECURITY

28.1 Release

- (a) The Trustees shall at the request and cost of the Chargors, take whatever action is necessary to release or re-assign from the security created pursuant to this deed any relevant Charged Assets which are subject to a Permitted Disposal, including providing a letter on non-crystallisation if requested.
- (b) Subject to Clause 28.3 (*Discharge conditional*), upon the expiry of the Security Period (but not otherwise) the Trustees shall at the request and cost of the Chargors, take whatever action is necessary to release the Charged Assets from the security constituted by this deed.

28.2 Avoidance of payments and reinstatement

If any payment by an Chargor or any discharge given by a Secured Party (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is (a) capable of being avoided or reduced (in the opinion of the Trustees) or (b) avoided or reduced in each case as a result of insolvency or any similar event, then:

- (a) the liability of each Chargor will continue as if the payment, discharge, avoidance or reduction had not occurred;
- (b) each Secured Party will be entitled to recover the value or amount of that security or payment from each Chargor, as if the payment, discharge, avoidance or reduction had not occurred; and
- (c) the Trustees shall be entitled to enforce this deed subsequently as if such payment, discharge, avoidance or reduction had not occurred.

28.3 Discharge conditional

Any release, discharge or settlement between any Chargor and the Trustees or any other Secured Party shall be deemed conditional upon no payment or security received by the Trustees or such other Secured Party in respect of the Secured Liabilities being avoided

or reduced or ordered to be refunded pursuant to any provision of any enactment relating to insolvency, bankruptcy, winding-up, administration or receivership and, notwithstanding any such release, discharge or settlement:

- (a) the Trustees or their nominee shall be at liberty to retain this deed and the security created by or pursuant to this deed, including all certificates and documents relating to the Charged Assets or any part thereof, for such period as the Trustees shall deem necessary to provide the Trustees with security against any such avoidance or reduction or order for refund; and
- (b) the Trustees shall be entitled to recover the value or amount of such security or payment from the Chargor concerned subsequently as if such settlement, discharge or release had not occurred and each Chargor agrees with the Trustees accordingly and charges the Charged Assets and the proceeds of sale thereof with any liability under this clause, whether actual or contingent.

29. **GOVERNING LAW**

This deed is governed by, and shall be construed in accordance with, English law.

30. **ENFORCEMENT**

30.1 **Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) (a "**Dispute**").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

This Clause 30.1 is for the benefit of the Trustees only. As a result, the Trustees shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Trustees may take concurrent proceedings in any number of jurisdictions.

31. **COUNTERPARTS**

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument.

IN WITNESS whereof this deed has been executed by each Chargor and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Trustees.

SCHEDULE 1
PROPERTIES CURRENTLY OWNED

Part 1
Part A: Registered Land

Registered land			
Chargor	Address	Administrative area	Title number
Liberty Retail Limited	Lasenby House, 9-14 Little Marlborough Street and 32 Kingly Street, London W1	City of Westminster	NGL929365 and NGL932964

Part 2
Part B: Unregistered Land

None at the date of this deed.

SCHEDULE 2
CHARGED ACCOUNTS

Account Holder	Account Number	Account Bank	Account bank branch address and sort code
Liberty Retail Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Retail Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Retail Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Retail Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Retail Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Retail Limited	██████	Investec Bank PLC	N/A
Liberty Retail Limited	██████	Investec Bank PLC	N/A
Liberty Fabric Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Fabric Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Fabric Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Fabric Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Fabric Limited	██████	Barclays Bank PLC	1 Churchill Place, London E14 5HP ██████
Liberty Fabric Limited	██████	Investec Bank PLC	n/a

SCHEDULE 3
CHARGED SECURITIES

Chargor	Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital	% of issued share capital
Liberty Retail Limited	Liberty Fabric Limited	Ordinary £0.05 shares	1,120	1,120	100%
Liberty Fabric Limited	Liberty Investment Limited	Ordinary £1 Shares	4	4	100%
Liberty Retail Limited	Liberty Lease Limited	Ordinary £1 Shares	100	100	100%
Liberty Fabric Limited	Liberty Fabric Sales Limited	Ordinary £0.05 shares	1,120	56	100%

SCHEDULE 4
INTELLECTUAL PROPERTY

Part 1
Part A: Trade Marks

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	2420433	Argentina	Liberty of London	25
Liberty Retail Ltd	2296020	Argentina	Liberty	25
Liberty Retail Ltd	2296021	Argentina	Liberty	24
Liberty Retail Ltd	A37195	Australia	Liberty	25
Liberty Retail Ltd	A361873	Australia	Liberty	03
Liberty Retail Ltd	A4762	Australia	Liberty	24
Liberty Retail Ltd	A4797	Australia	Liberty	27
Liberty Retail Ltd	A307490	Australia	Liberty	24
Liberty Retail Ltd	A307638	Australia	Liberty	25
Liberty Retail Ltd	A428085	Australia	Liberty	27
Liberty Retail Ltd	1826170	Australia	IPHIS 9 Flowers	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	830435	Austria	Liberty	14
Liberty Retail Ltd	8718	Bahamas	Liberty	38
Liberty Retail Ltd	22437	Bahrain	Liberty	24
Liberty Retail Ltd	0374837	Benelux	Liberty	03, 06, 08, 09, 16, 18, 20, 21,

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
				24, 25, 26, 28, 34
Liberty Retail Ltd	830435	Benelux	Liberty	14
Liberty Retail Ltd	630	Bermuda	Liberty	31
Liberty Retail Ltd	387898	Canada	Liberty	24, 27
Liberty Retail Ltd	17957	Canada	Liberty	25
Liberty Retail Ltd	208285	Canada	Liberty of London	24, 25
Liberty Retail Ltd	1157208	Chile	Liberty	25
Liberty Retail Ltd	926427	Chile	Liberty of London	25
Liberty Retail Ltd	603149	Chile	Liberty	24
Liberty Retail Ltd	809448	China	Liberty	24
Liberty Retail Ltd	8197463	China	Liberty of London (Stylised)	25
Liberty Retail Ltd	4964337	China	Escutcheon Device	09
Liberty Retail Ltd	4964335	China	Escutcheon Device	16
Liberty Retail Ltd	4964333	China	Escutcheon Device	20
Liberty Retail Ltd	4964331	China	Escutcheon Device	24
Liberty Retail Ltd	4964338	China	Escutcheon Device	04

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	4964336	China	Escutcheon Device	14
Liberty Retail Ltd	4964334	China	Escutcheon Device	18
Liberty Retail Ltd	4964332	China	Escutcheon Device	21
Liberty Retail Ltd	1331391	China	IPHIS 9 Flowers	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	23334	Cyprus	Liberty	24
Liberty Retail Ltd	23335	Cyprus	Liberty	25
Liberty Retail Ltd	VR191900815	Denmark	Liberty	25
Liberty Retail Ltd	815	Egypt	Liberty	24
Liberty Retail Ltd	004696167	European Union	Liberty of London	03, 04, 09, 14
Liberty Retail Ltd	009910183	European Union	Tana Lawn	24, 25, 42
Liberty Retail Ltd	010075811	European Union	Liberty London	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28, 35
Liberty Retail Ltd	010075794	European Union	Liberty Shield Escutcheon & 1875 Device	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28, 35
Liberty Retail Ltd	010231447	European Union	Bourton (Figurative)	09, 11, 14, 16, 18, 20, 21, 24, 25, 27
Liberty Retail Ltd	000207712	European Union	Liberty	03, 05, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28, 30, 35, 36, 37, 40, 42

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	000207761	European Union	Tana Lawn	18, 24, 25
Liberty Retail Ltd	002506780	European Union	Ianthe Device	16, 18, 24, 25
Liberty Retail Ltd	001622745	European Union	Liberty	35
Liberty Retail Ltd	002506806	European Union	Hera Device	16, 18, 24, 25
Liberty Retail Ltd	003069895	European Union	Liberty of London	16, 18, 20, 21, 24, 25, 27, 28, 35
Liberty Retail Ltd	001331391	European Union	IPHIS 9 Flowers	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	1431243	European Union	Liberty London Shield	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28, 35
Liberty Retail Ltd	830435	France	Liberty	14
Liberty Retail Ltd	1646812	France	Liberty	03, 08, 09, 16, 18, 20, 21, 24, 25, 26, 28, 34
Liberty Retail Ltd	830435	Germany	Liberty	14
Liberty Retail Ltd	4078	Gibraltar	Liberty	03
Liberty Retail Ltd	GGGT2464	Guernsey	Liberty	03
Liberty Retail Ltd	GT2805	Guernsey	Liberty	25
Liberty Retail Ltd	1994/02982	Hong Kong	Liberty	25
Liberty Retail Ltd	223/80	Hong Kong	Liberty	24

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	1213	India	Liberty	24
Liberty Retail Ltd	1431243	International (MAP)	Liberty London Shield	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28, 35
Liberty Retail Ltd	1331391	International (MAP)	IPHIS 9 Flowers	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	1139908	International (MAP)	Liberty London	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28
Liberty Retail Ltd	41204	Ireland	Liberty	25
Liberty Retail Ltd	830435	Italy	Liberty	14
Liberty Retail Ltd	1331391	Japan	IPHIS 9 Flowers	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	1557815	Japan	Liberty	24, 25
Liberty Retail Ltd	1976484	Japan	Liberty of London	21, 24, 25
Liberty Retail Ltd	2286634	Japan	Liberty	16
Liberty Retail Ltd	2713515	Japan	Liberty	14, 18, 25, 26
Liberty Retail Ltd	2113844	Japan	Liberty	14, 16, 20, 21, 24, 27
Liberty Retail Ltd	2454408	Japan	Liberty Art	03
Liberty Retail Ltd	2575483	Japan	Liberty Art	24
Liberty Retail Ltd	4146386	Japan	Liberty Art	14, 25, 26

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	2457745	Japan	Liberty Art	25
Liberty Retail Ltd	2713744	Japan	Liberty Art	16
Liberty Retail Ltd	2489060	Japan	Liberty Art	16, 20
Liberty Retail Ltd	2715610	Japan	Liberty Art	14, 18, 21
Liberty Retail Ltd	1153246	Japan	Liberty	24
Liberty Retail Ltd	4056908	Japan	Tana Lawn and in Katakana	24
Liberty Retail Ltd	2252389	Japan	Liberty	24, 26
Liberty Retail Ltd	2409501	Japan	Liberty of London and in Katakana	18, 25
Liberty Retail Ltd	4699520	Japan	Liberty of London	16, 18, 20, 21, 24, 25, 27, 28
Liberty Retail Ltd	2713246	Japan	Liberty	03, 04
Liberty Retail Ltd	2287045	Japan	Liberty	14, 16, 20, 21, 24
Liberty Retail Ltd	2385422	Japan	Liberty	14
Liberty Retail Ltd	505897	Japan	Liberty	14, 24, 25, 26
Liberty Retail Ltd	1428795	Japan	Liberty	24
Liberty Retail Ltd	5328898	Japan	Liberty of London Escutcheon	03, 16, 18, 20, 21, 24, 25
Liberty Retail Ltd	5234162	Japan	Liberty of London	03, 16, 18, 20, 21, 24, 25

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
			Escutcheon Device	
Liberty Retail Ltd	5254793	Japan	Liberty of London & Escutcheon	04, 09, 14
Liberty Retail Ltd	TM3344	Jersey	Liberty	03
Liberty Retail Ltd	TM4438	Jersey	Liberty	25
Liberty Retail Ltd	34083	Kuwait	Liberty	24
Liberty Retail Ltd	N/048560	Macau	Liberty of London	25
Liberty Retail Ltd	M/075285	Malaysia	Liberty	24
Liberty Retail Ltd	M/075286	Malaysia	Liberty	25
Liberty Retail Ltd	159123	New Zealand	Liberty	27
Liberty Retail Ltd	119622	New Zealand	Liberty	25
Liberty Retail Ltd	119574	New Zealand	Liberty	24
Liberty Retail Ltd	136907	New Zealand	Liberty	03
Liberty Retail Ltd	17372	New Zealand	Liberty	24, 25
Liberty Retail Ltd	127204	Norway	Liberty	27
Liberty Retail Ltd	6288	Norway	Liberty	25, 26
Liberty Retail Ltd	104411	Norway	Liberty	24

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	306534	Norway	Liberty	09
Liberty Retail Ltd	17118	Qatar	Liberty	24
Liberty Retail Ltd	124330	Republic of Korea	Liberty	24, 26
Liberty Retail Ltd	40-0870734	Republic of Korea	Liberty of London	25
Liberty Retail Ltd	40-0721016	Republic of Korea	Escutcheon Device	04, 09, 14, 16, 20, 24, 25
Liberty Retail Ltd	40-0710299	Republic of Korea	Escutcheon Device	03, 18, 21
Liberty Retail Ltd	40-0775269	Republic of Korea	Escutcheon Device	03, 18, 21
Liberty Retail Ltd	1331391	Republic of Korea	IPHIS 9 Flowers	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	1139908	Republic of Korea	Liberty London	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28
Liberty Retail Ltd	325965	Russian Federation	Liberty of London	03, 04, 09, 14, 16, 18, 20, 21, 24, 25
Liberty Retail Ltd	143106437	Saudi Arabia	Liberty of London	25
Liberty Retail Ltd	141800666	Saudi Arabia	Liberty	24
Liberty Retail Ltd	T4809994Z	Singapore	Liberty & Device	25
Liberty Retail Ltd	T7772665E	Singapore	Liberty	24
Liberty Retail Ltd	T0420014I	Singapore	Liberty of London	03
Liberty Retail Ltd	T7772057F	Singapore	Liberty	25

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	1139908	Singapore	Liberty London	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28
Liberty Retail Ltd	77/2137	South Africa	Liberty	24
Liberty Retail Ltd	1467/17/1	South Africa	Liberty	24
Liberty Retail Ltd	1467/17/3	South Africa	Liberty	27
Liberty Retail Ltd	1467/17/2	South Africa	Liberty	25
Liberty Retail Ltd	3364	Sri Lanka	Liberty	24, 25
Liberty Retail Ltd	289708	Switzerland	Liberty	22, 23, 24, 25, 26, 27
Liberty Retail Ltd	397179	Switzerland	Liberty	03, 21
Liberty Retail Ltd	01262067	Taiwan	Liberty London of	03, 04, 09, 14, 16, 18, 20, 21, 24, 25
Liberty Retail Ltd	01262068	Taiwan	Escuthcheon Device	03, 04, 09, 14, 16, 18, 20, 21, 24, 25
Liberty Retail Ltd	650361	Taiwan	Liberty	37
Liberty Retail Ltd	74002	Turkey	Liberty	24, 25
Liberty Retail Ltd	22583	UAE	Liberty	24
Liberty Retail Ltd	98365	UAE	Liberty London of	35
Liberty Retail Ltd	164623	UAE	Liberty London of	25

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	725765	United Kingdom	Libertas & Shield Device	24
Liberty Retail Ltd	1102128	United Kingdom	Liberty & Feather Device	24
Liberty Retail Ltd	1102129	United Kingdom	Liberty & Feather Device	25
Liberty Retail Ltd	1143910	United Kingdom	Liberty	28
Liberty Retail Ltd	1143904	United Kingdom	Liberty	09
Liberty Retail Ltd	1143906	United Kingdom	Liberty	18
Liberty Retail Ltd	1143907	United Kingdom	Liberty	20
Liberty Retail Ltd	1143908	United Kingdom	Liberty	21
Liberty Retail Ltd	1143909	United Kingdom	Liberty	26
Liberty Retail Ltd	1157243	United Kingdom	Liberty	16
Liberty Retail Ltd	402714	United Kingdom	Liberty	11, 16, 20, 24, 25, 26
Liberty Retail Ltd	2164424	United Kingdom	Liberty	18
Liberty Retail Ltd	1493543	United Kingdom	Liberty	16
Liberty Retail Ltd	1578847	United Kingdom	Liberty	21
Liberty Retail Ltd	963572	United Kingdom	Liberty	03
Liberty Retail Ltd	2332947	United Kingdom	Liberty & Co	16, 18, 20, 21, 24, 25, 27, 28, 35

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	1052181	United Kingdom	Liberty	25
Liberty Retail Ltd	394070	United Kingdom	Liberty	25
Liberty Retail Ltd	2321797	United Kingdom	Liberty London of	16, 18, 20, 21, 24, 25, 27, 28, 35
Liberty Retail Ltd	2243390	United Kingdom	Liberty London of	35
Liberty Retail Ltd	2243388	United Kingdom	Liberty	35
Liberty Retail Ltd	1047090	United Kingdom	Liberty	25
Liberty Retail Ltd	28520	United Kingdom	Liberty & Lotus Device	24
Liberty Retail Ltd	1301803	United Kingdom	Liberty	29
Liberty Retail Ltd	2645009	United Kingdom	The Beauty Lottery	16, 28, 41
Liberty Retail Ltd	3402038	United Kingdom	Liberty	03, 09, 14, 16, 18, 24, 25, 30, 33, 35
Liberty Retail Ltd	3408592	United Kingdom	Tana Lawn	24, 25
Liberty Retail Ltd	3259699	United Kingdom	Liberty London Shield	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28, 35
Liberty Retail Ltd	3052055	United Kingdom	Flowers of Liberty	09, 16, 18, 21, 24, 25, 28, 29, 30
Liberty Retail Ltd	3056928	United Kingdom	Liberty Art Fabrics	24
Liberty Retail Ltd	3057457	United Kingdom	Liberty Tana	24

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	3057475	United Kingdom	Liberty Art Silk	24
Liberty Retail Ltd	3081642	United Kingdom	Nancy's Nails / Nancys Nails (Series of 2)	03
Liberty Retail Ltd	3131736	United Kingdom	Liberty Flowers	03, 04, 07, 08, 09, 11, 14, 16, 18, 20, 21, 22, 24, 25, 28, 29, 30
Liberty Retail Ltd	3131740	United Kingdom	Liberty Christmas	03, 04, 08, 09, 11, 14, 16, 18, 20, 21, 22, 24, 25, 28, 29, 30
Liberty Retail Ltd	3131339	United Kingdom	IPHIS 5 Flowers Device	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	3131343	United Kingdom	IPHIS 3 Flowers Device	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	3131351	United Kingdom	IPHIS Zip Pull Device	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	3165072	United Kingdom	IPHIS 9 Flowers	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	5899540	United States of America	Liberty London Shield	03, 04, 08, 09, 14, 16, 18, 20, 21, 23, 24, 25, 26, 27, 28, 35
Liberty Retail Ltd	4658061	United States of America	Liberty London	03, 04, 08, 09, 14, 16, 18, 20, 21, 24, 25, 26, 27, 28
Liberty Retail Ltd	5494426	United States of America	IHPIS 9 Flowers	09, 14, 16, 18, 21, 24, 25
Liberty Retail Ltd	1580218	United States of America	Liberty	27
Liberty Retail Ltd	0092086	United States of America	Liberty	21

Proprietor	TM Number	Jurisdiction	Mark Text	Classes
Liberty Retail Ltd	0120598	United States of America	Liberty	24
Liberty Retail Ltd	1273604	United States of America	Liberty	25
Liberty Retail Ltd	1417106	United States of America	Liberty	03, 09, 16, 18, 20, 21, 24, 25, 26, 28, 34
Liberty Retail Ltd	1421978	United States of America	Liberty	24
Liberty Retail Ltd	0052153	United States of America	Liberty	24
Liberty Retail Ltd	0233637	United States of America	Tana	42
Liberty Retail Ltd	0412538	United States of America	Liberty	25

Part 2
Part B: Domain Names

None at the date of this deed.

Part 3
Part C: Designs

Proprietor/ ADP Number	TM Number	Jurisdiction	Title	Indication of Product
Liberty Retail Limited	002479634- 0001	European Union	IPHIS Design	Fabric Patterns

Part 4
Insurance Policies

None at the date of this deed.

SCHEDULE 5
ASSIGNED AGREEMENTS

None as at the date of this deed.

**SCHEDULE 6
INSURANCE POLICIES**

Chargor	Insurer	Policy number
Liberty Retail Limited	AIG	33543037

SCHEDULE 7
FORM OF NOTICE TO INSURERS

Part 1
Form of Notice to Insurers

From: [relevant Chargor] (the "**Company**")

To: [insurer]

[●] 20[●]

Dear Sirs

We refer to the [*describe policy and its number*] (the "**Policy**").

We hereby give notice that, pursuant to a security agreement dated [●] 20[●] (the "**Security Agreement**"), we have assigned to [*Trustees*] (the "**Trustees**") all our right, title, interest and benefit in and to the Policy.

We irrevocably authorise and instruct you from time to time:

- (a) to disclose to the Trustees without any reference to or further authority from us (and without any enquiry by you as to the justification for each disclosure), such information relating to the Policy as the Trustees may at any time and from time to time request;
- (b) once you receive notice from the Trustees that the security constituted by the Security Agreement has become enforceable, to hold all sums from time to time due and payable by you to us under the Policy to the order of the Trustees;
- (c) once you receive notice from the Trustees that the security constituted by the Security Agreement has become enforceable, to pay or release all or any part of the sums from time to time due and payable by you to us under the Policy only in accordance with the written instructions given to you by the Trustees from time to time;
- (d) once you receive notice from the Trustees that the security constituted by the Security Agreement has become enforceable, to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Security Agreement, the sums payable to us from time to time under the Policies or the debts represented thereby which you receive at any time from the Trustees without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
- (e) to send copies of all notices and other information given or received under the Policy to the Trustees.

Once you receive notice from the Trustees that the security constituted by the Security Agreement has become enforceable, we are not permitted to receive from you, otherwise than through the Trustees, any amount in respect of or on account of the sums payable to us from time to time under the Policy or to agree any amendment or supplement to, or waive any obligation under, the Policy without the prior written consent of the Trustees.

This notice may only be revoked or amended with the prior written consent of the Trustees.

Please confirm by completing the enclosed acknowledgement and returning it to the Trustees (with a copy to us) that:

- (a) you accept the instructions and authorisations contained in this notice;
- (b) you have not, at the date this notice is returned to the Trustees, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of, the rights of the Company under or in respect of the Policy and you will notify the Trustees promptly if you should do so in future;
- (c) once you receive notice from the Trustees that the security constituted by the Security Agreement has become enforceable, you will pay or release all or part of the amounts from time to time due and payable by you under the Policy in accordance with the written instructions given to you by the Trustees from time to time;
- (d) you will not exercise any right to terminate, cancel, vary (other than a variation which is of an administrative or technical nature and which is not adverse to the interests of the Secured Parties) or waive the Policies or take any action to amend or supplement (other than an amendment or supplement which is of an administrative or technical nature and which is not adverse to the interests of the Secured Parties) the Policies without first giving 14 days' written notice to the Trustees; and
- (e) that the Trustees's interest as mortgagee is noted on the Policy. This notice is governed by English law.

Yours faithfully

for and on behalf of
[*relevant Chargor*]

Part 2
Form of Acknowledgement from Insurers

From: [insurer]

To: [Trustees] (the "Trustees")

[●] 20[●]

Dear Sirs

We acknowledge receipt of a notice dated [●] (the "Notice") and addressed to us by [] (the "Company") regarding the Policy (as defined in the Notice).

- (a) we accept the instructions and authorisations contained in this notice;
- (b) we have not, at the date of this acknowledgement, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of, the rights of the Company under or in respect of the Policy and we will notify the Trustees promptly if you should do so in future;
- (c) once we receive notice from the Trustees that the security constituted by the Security Agreement has become enforceable, we will pay or release all or part of the amounts from time to time due and payable by us under the Policy in accordance with the written instructions given to us by the Trustees from time to time;
- (d) we will not exercise any right to terminate, cancel, vary (other than a variation which is of an administrative or technical nature and which is not adverse to the interests of the Secured Parties) or waive the Policies or take any action to amend or supplement (other than an amendment or supplement which is of an administrative or technical nature and which is not adverse to the interests of the Secured Parties) the Policies without first giving 14 days' written notice to the Trustees; and
- (e) the Trustees' interest as mortgagee is noted on the Policy.

This letter is governed by English law.

Yours faithfully

[insurer]

SCHEDULE 8
FORM OF NOTICE TO COUNTERPARTIES OF ASSIGNED AGREEMENTS

Part 1
Form of Notice to Counterparties of Assigned Agreements

From: [*relevant Chargor*]

To: [counterparty]

[•] 20[•]

Dear Sirs

We refer to the [*describe relevant Assigned Agreement*] (the "**Agreement**").

We hereby notify you that, pursuant to a security agreement dated [•] 20[•] (the "**Security Agreement**"), we have assigned to [*Trustees*] (the "**Trustees**") absolutely (subject to a proviso for reassignment on redemption) all our right, title, interest and benefit in and to the Agreement.

We further notify you that:

- (a) we may not agree to amend, modify or terminate the Agreement without the prior written consent of the Trustees;
- (b) subject to paragraph (a) above you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Trustees. Thereafter we will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Trustees;
- (c) you are authorised to disclose information in relation to the Agreement to the Trustees on request;
- (d) you must pay all monies to which we are entitled under the Agreement direct to the Trustees (and not to us) unless the Trustees otherwise agrees in writing; and
- (e) the provisions of this notice may only be revoked with the written consent of the Trustees.

Please sign and return the enclosed copy of this notice to the Trustees (with a copy to us) by way of confirmation that:

- (i) you agree to the terms set out in this notice and to act in accordance with its provisions; and
- (ii) you have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party.

This notice is governed by English law.

Yours faithfully

for and on behalf of
[Chargor]

Part 2
Form of Acknowledgement from Counterparties of Assigned Agreements

From: [counterparty]

To: [Trustees]

Copy to: [relevant Chargor]

[●] 20[●]

We hereby acknowledge receipt of the notice dated [●], a copy of which is attached to the acknowledgment (the "**Notice**") and confirm the matters set out in paragraphs (i) and (ii) of the Notice.

for and on behalf of
[counterparty]

SCHEDULE 9
FORM OF NOTICE OF CHARGE TO THIRD PARTY BANK

Part 1
Form of Notice of Charge to Third Party Bank

To: [name and address of third party bank]

Attention: [●]

20[●]

Dear Sirs

We hereby give you notice that by a security agreement dated [●] 20[●] (the "**Security Agreement**") (a copy of which is attached) we have charged to [Trustees] (the "**Trustees**") all our right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts in our name with you together with all interest credited thereto and the debts represented by those

sums:

[●] (together the "**Accounts**")

We hereby irrevocably instruct and authorise you:

1. to credit to each Account all interest from time to time earned on the sums of money held in that Account;
2. to disclose to the Trustees, without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Accounts and the sums in each Account as the Trustees may, at any time and from time to time, request you to disclose to it;
3. to hold all sums from time to time standing to the credit of each Account in our name with you to the order of the Trustees;
4. to pay or release all or any part of the sums from time to time standing to the credit of each Account in our name with you in accordance with the written instructions of the Trustees at any time and from time to time; and
5. to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Trustees without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions.

[Please note we are not permitted to withdraw any amount from the Account without the prior written consent of the Trustees.]¹

OR

[By counter-signing this notice, the Trustees confirms that we may make withdrawals from the Accounts until such time as the Trustees shall notify you in writing that their permission is withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Trustees.]²

These instructions cannot be revoked or varied without the prior written consent of the Trustees.

This notice is governed by English law.

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to

the Trustees with a copy to ourselves.

Yours faithfully

By:
for and on behalf of
[*relevant Chargor*]

¹ Use if Blocked Account.

² Use if Trading Account.

Part 2
Form of Acknowledgement from Third Party Bank

To: [name and address of Trustees]

20[●]

Dear Sirs

We confirm receipt of a notice dated [●] 20[●] (the "**Notice**") from [relevant Chargor] (the "**Company**") of a charge, upon the terms of a Security Agreement dated [●] 20[●], over all the Company's right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts with us in the name of the Company together with interest relating thereto:

[●] (together the "**Accounts**")

We confirm that:

1. we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms;
2. we have not received notice of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest;
3. we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off or combination or counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums;
4. [we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories;]³

OR

5. [until you notify us in writing that withdrawals are prohibited, the Company may make withdrawals from the Accounts; upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories; and]⁴

³ For Blocked Accounts

⁴ For Trading Account

6. we will not seek to modify, vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent.

This letter shall be governed by English law.

Yours faithfully

for and on behalf of
[*third party bank*]

SCHEDULE 10
FORM OF IRREVOCABLE INSTRUCTION TO REGISTRAR

Part 1
Form of Irrevocable Instruction to Registrar

To: [Registrar]

[•] 20[•]

Dear Sirs

We advise that we have created a [legal mortgage/equitable charge] in favour of [Trustees] (the "**Trustees**") over all shares in [•] which are currently held on our behalf [by [•]] or we may acquire (the "**Securities**").

We hereby irrevocably direct and authorise you to:

- (a) immediately on your being notified of our acquisition of any Securities in [•] and on being instructed to do so in writing by the Trustees (but not otherwise) transfer such Securities to an escrow balance in the CREST account you hold for us for the Trustees as escrow agent or as it may direct and in the meantime to hold all such Securities on trust for the Trustees; and
- (b) not transfer any such Securities to any person (including ourselves) or deal with them in any way, except as instructed in writing by the Trustees and we hereby irrevocably direct and authorise you to act in accordance with any such instructions from the Trustees.

These instructions may not be revoked or varied without the prior written consent of the Trustees.

Please could you confirm to the Trustees in the attached form that you will act in accordance with the terms of this letter.

This letter shall be governed by English law.

Yours faithfully

By
for and on behalf of
[relevant Chargor]

Part 2
Form of Acknowledgement from Registrar

From: [Registrar]

To: [Trustees]

[●] 20[●]

Dear Sirs

We refer to the letter from [relevant Chargor] (the "**Company**") to us dated [●] 20[●], a copy of which we attach (the "**Letter**").

We hereby irrevocably undertake to you that we will:

- (a) act in accordance with the terms of the Letter;
- (b) transfer all Securities (as defined in the Letter) currently held on behalf of the Company [by [●]] to an escrow balance in the CREST account we hold for it for you as escrow agent;
- (c) upon being instructed by you in writing, transfer any Securities [in [●]] acquired after the date of this acknowledgement to an escrow balance in the CREST account we hold for the Company for you as escrow agent; and
- (d) in the meantime hold all such Securities on trust for you and to your order, unless you agree otherwise in writing.

We also hereby irrevocably undertake to you that we will hold all documentation (including share certificates) held by us in respect of any Securities [in the capital of [●]] on trust for you and to your order, unless you agree otherwise in writing.

This letter shall be governed by English law.

Yours faithfully

for and on behalf of
[Registrar]

SCHEDULE 11
FORM OF CREST SECURITIES LETTER

From: *[Trustees]*

To: *[relevant Chargor]*

[●] 20[●]

Dear Sirs

We refer to the Security Agreement executed by you in our favour prior to our signing this letter under which you created an equitable charge in our favour over the Securities brief particulars of which are set out in the Schedule to this letter (the "**Securities**").

By this letter, which is expressly contemplated by the Security Agreement and is to be taken as forming a single agreement with it, we instruct you to give or cause to be given, and you confirm that you shall forthwith give or cause to be given to Euroclear UK & Ireland Limited ("**Euroclear UK & Ireland**") as Operator of the CREST system, all necessary instructions in accordance with Euroclear UK & Ireland's specifications and requirements, and take or procure to be taken such action as shall be required to be taken, to ensure the transfer today of all the Securities into an escrow balance in your member account [●] in respect of which we/our nominee [●] Nominees Limited (participant ID [●]) are/is named as escrow agent. It is acknowledged and agreed that the transfer to escrow will in the shared note field refer to flag 5 which shall be entered by any party to the CREST transfer who is entitled to enter the same.

Pending the transfer in CREST to the escrow balance, by signing and returning this letter, you will thereby transfer and confirm the transfer to [us/[●] Nominees Limited] of your entire interest in the Securities subject to the terms of the Security Agreement referred to above. We acknowledge that the interest and rights conferred upon [us/[●] Nominees Limited] by such action in relation to the Securities concerned are held and exercisable by [us/[●] Nominees Limited] subject to the terms of the membership agreement with Euroclear UK & Ireland.

It is hereby certified that the transfer of the Securities and of any interest in the Securities is transferred by way of security for a loan.

We enclose a duplicate of this letter for your files.

This letter shall be governed by English law.

Yours faithfully

for and on behalf of
[Trustees]

Endorsement

We, the undersigned, being the Chargor referred to above, agree, confirm and declare as set out above.

Yours faithfully

for and on behalf of
[*relevant Chargor*]

EXECUTION PAGES

THE CHARGORS

SIGNED as a deed by)	
)	
Adil Mehboob Khan)	<div>DocuSigned by: [Redacted]</div>
_____,)	
Director, and)	Signature
)	
Robert Unsworth)	<div>DocuSigned by: [Redacted]</div>
_____,)	
Director, duly authorised for and on behalf)	Signature
of LIBERTY RETAIL LIMITED:)	

Notices

Address: 210-220 Regent Street, Mayfair, London, W1B 5AH

Attention: Rob Unsworth

Email: [Redacted]

SIGNED as a deed by)	
)	
Adil Mehboob-Khan)	<div>DocuSigned by: [Redacted]</div>
_____,)	
Director, and)	Signature
)	
Robert Unsworth)	<div>DocuSigned by: [Redacted]</div>
_____,)	
Director, duly authorised for and on behalf)	Signature
of LIBERTY FABRIC LIMITED:)	

Notices

Address: 210-220 Regent Street, Mayfair, London, W1B 5AH

Attention: Rob Unsworth

Email: [Redacted]

THE TRUSTEES

ANDREW BLURTON

Signature:

Notices

Address:

Attention:

ANDREW BLURTON

Email:

ANTHONY SALEM

Signature:.....

Notices

Address:

Attention:

Email:

NORMAN CARDIGAN

Signature:....



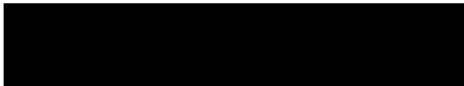
Notices

Address:



Attention: **NORMAN CARDIGAN**

Email:



ROBERT UNSWORTH

Signature:

Notices

Address: LIBERTY , GREAT MARLBOROUGH STREET , LONDON W1B 5AH

Attention: ROBERT UNSWORTH

Email: