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COMPANIES FORM No. 395

Particulars of a mortgage or charge

013767/760
395

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this margin

Pursuant to section 395 of the Companies Act 1985

CHA 116

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

To the Registrar of Companies

For official use

Company number

1711

237511

Name of company

* Arcadia Group Limited (the "Company")

* insert full name
of company

Date of creation of the charge

18th December 2002

Description of the instrument (if any) creating or evidencing the charge (note 2)

Deed of accession to a composite guarantee and debenture dated 10
September 2002 (together, the "Composite Guarantee and Debenture")

Amount secured by the mortgage or charge

Please see annexure 1

Names and addresses of the mortgagees or persons entitled to the charge

The Governor and Company of the Bank of Scotland, New Ueberior House, 11
Earl Grey Street, Edinburgh EH3 9BN acting in its capacity as security
trustee for the Security Beneficiaries (the "Security Trustee")

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

DLA
101 Barbirolli Square
Manchester
M2 3DL

MANDP2012DP01.1fd

Time critical reference

For official use
Mortgage Section

Post room



JMA
COMPANIES HOUSE

JCDJYG24

0350
23/12/02

Please see annexure 2

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legibly, preferably
in black type, or
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Particulars as to commission allowance or discount (note 3)

NIL

Signed

DWA

Date

23 December 2002

On behalf of ~~[company]~~ [mortgagee/chargee] †

† delete as
appropriate

NOTES

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

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Particulars of a mortgage or charge (continued)

Continuation sheet No 1
to Form No 395 and 410 (Scot)

CHA 116

Please complete
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bold block lettering

Company Number

237511

Name of Company

Arcadia Group Limited (the "Company")

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

The Composite Guarantee and Debenture contains, inter alia, the following provisions:

1. Save as expressly permitted by the terms of the Facilities Agreement or the Composite Guarantee and Debenture, the Company covenants with the Security Trustee that, during the continuance of the security created by the Composite Guarantee and Debenture, it shall not without the prior written consent of the Security Trustee:

- 1.1 create or permit to subsist any Encumbrance (other than a Permitted Encumbrance) upon any of the Charged Assets; and
- 1.2 sell, transfer, lease, lend or otherwise dispose of, whether by a single transaction or a number of transactions and whether related or not, the whole or any part of the Charged Assets save for a Permitted Disposal,

provided that if the Agent has given its consent pursuant to the terms of the Facilities Agreement, the consent of the Security Trustee shall be deemed to have been given.

2. Whilst a Declared Default is continuing, the Company will not attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in the Collections Accounts without the prior consent of the Security Trustee and the Security Trustee shall be entitled in its absolute discretion to refuse to permit any such withdrawal or transfer. If there shall from time to time be any credit balance on any other account of the Company with the Security Trustee into which proceeds of Receivables are paid or transferred, the Security Trustee shall be entitled where a Declared Default is outstanding to refuse to permit such credit balance to be utilised or withdrawn by the Company (whether in whole or in part) for so long as any of the Secured Obligations are outstanding.

3. The security constituted by the Composite Guarantee and Debenture shall become immediately enforceable upon the occurrence of an Event of Default which is continuing and the power of sale and other powers conferred by section 101 of the Act, as varied or amended by the Composite Guarantee and Debenture, shall be immediately exercisable upon and at any time after the occurrence of any Event of Default which is continuing. After the security constituted by the Composite Guarantee and Debenture has become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of such security in such manner as it sees fit.

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

**Please complete
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Particulars of a mortgage or charge (continued)

Continuation sheet No 2
to Form No 395 and 410 (Scot)

CHA 116

Please complete
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Company Number

237511

Name of Company

Arcadia Group Limited (the "Company")

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

4. At any time after the security constituted by the Composite Guarantee and Debenture becomes enforceable, or if so requested by the Company by written notice at any time, the Security Trustee may without further notice appoint any person (or persons) to be a Receiver of all or any part of the Charged Assets and/or of the income thereof.

5. The Security Trustee and each Security Beneficiary shall have the right at any time or times to set off any matured obligations due from the Company under the Banking Documents (to the extent beneficially owned by the Security Trustee or such Security Beneficiary) against any matured obligation owed by the Security Trustee or such Security Beneficiary to the Company, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee or such Security Beneficiary may convert either obligation at a market rent in its usual course of business for the purpose of the set-off.

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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ARCADIA GROUP LIMITED

Annexure 1 to form M395

Amount secured by mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Charging Company to the Security Trustee and the Security Beneficiaries (or any of them) under the Banking Documents, to which such Charging Company is a party, **provided** that no obligation or liability shall be included in the definition of "**Secured Obligations**" to the extent that, if it were so included, the Composite Guarantee and Debenture (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985 or any other applicable financial assistance legislation,

(the "**Secured Obligations**").

Capitalised terms have the meanings given to them in the schedule.

ARCADIA GROUP LIMITED

Annexure 2 to form M395

Short particulars of the property mortgaged or charged

1. As a continuing security for the payment of the Secured Obligations, the Company, with full title guarantee, charges, and agrees to charge, in favour of the Security Trustee the following assets which are at any time owned by the Company, or in which the Company is from time to time interested:
 - 1.1 by way of first fixed charge all plant, machinery, computers, vehicles, office and other equipment and the benefit of all contracts, licences and warranties relating to the same;
 - 1.2 by way of first fixed charge all its right, title, interest and benefit in and to the Collections Accounts, all monies standing to the credit of the Collections Accounts, all interest accrued on monies standing to the credit of the Collections Accounts and all rights of the Company to repayment of any of the foregoing;
 - 1.3 by way of first fixed charge all Intellectual Property;
 - 1.4 by way of first fixed charge the benefit of all licences, consents, agreements and authorisations held or utilised by the Company in connection with its business or the use of any of its assets;
 - 1.5 to the extent not effectively assigned under clause 4.2 (*Assignment*) of the Composite Guarantee and Debenture, by way of first fixed charge all Receivables;
 - 1.6 by way of first fixed charge all the goodwill and uncalled capital of the Company; and
 - 1.7 by way of first fixed equitable charge all the Charged Shares together with all the Related Rights from time to time accruing thereto.
2. As a continuing security for the payment of the Secured Obligations, the Company, with full title guarantee, assigns and agrees to assign absolutely by way of security for the Secured Obligations in favour of the Security Trustee:
 - 2.1 all the rights, title, interest and benefit of the Company in and to the Receivables provided that, prior to the occurrence of a Declared Default that is continuing, the Company may exercise its rights in respect of its Receivables; and
 - 2.2 all the rights and interests of the Company in respect of Insurances and all proceeds thereof provided that, prior to the occurrence of a Declared Default that is continuing, the Company may exercise its rights in respect of such Insurances and proceeds,subject in each case to a proviso for re-assignment on redemption.

3. As further continuing security for the payment of the Secured Obligations, the Company charges with full title guarantee in favour of the Security Trustee by way of first floating charge all its assets and undertaking whatsoever and wheresoever situated both present and future not effectively charged by way of first fixed mortgage or charge pursuant to the provisions of clause 4.1 of the Composite Guarantee and Debenture, including, without prejudice to the generality of the foregoing, heritable property and all other property and assets in Scotland.

Capitalised terms have the meanings given to them in the schedule.

ARCADIA GROUP LIMITED

Schedule of defined terms

"Agent" means The Governor and Company of the Bank of Scotland, in its capacity as agent for the Banks;

"Amendment Agreement" means the amendment agreement dated 11 December 2002 and made between the Principal Borrower (1), the Agent (2), the Security Trustee (3) and the Banks (4);

"Ancillary Bank" means The Governor and Company of the Bank of Scotland;

"Banking Documents" means the Facilities Agreement, the Group Banking Documents, the Security Documents, the Intercreditor Deed any documentation entered into in relation to the Hedging Arrangements and any documents supplemental to any of the foregoing (including, without limitation, any documentation pursuant to which any Group Company becomes subject to the provisions of any such document(s)) (each a **"Banking Document"**);

"Banks" has the meaning ascribed thereto in the Facilities Agreement;

"Charged Assets" means all property and assets from time to time charged by or pursuant to the Composite Guarantee and Debenture;

"Charged Shares" means:

- (i) the Shares;
- (ii) all rights of whatever nature which the Company may now have or hereafter acquire as against CREST in respect of any Charged Shares including (but without limitation) any rights which the Company may have (i) under any agreement with CREST or CRESTCo Limited and/or (ii) to require delivery by CREST of any Charged Shares to, or to the order of, the Company; and
- (iii) all rights of whatever nature which the Company may now have or hereafter acquire as against a custodian in respect of any Charged Shares held in such custodian's account with CREST including (but without limitation) any rights which the Company may have (i) under any agreement with such custodian relating to the use of such account and/or (ii) to require delivery by such custodian of any Charged Shares to, or to the order of, the Company;

"Charging Companies" means the Initial Charging Company and any company which accedes to the terms of the Composite Guarantee and Debenture pursuant to the terms of a duly executed Deed of Accession (each a **"Charging Company"**);

"Collections Accounts" has the meaning ascribed to that term in clause 12.1.2.1 of the Composite Guarantee and Debenture;

"CREST" means the clearance system operated by CREST Co Limited;

"Declared Default" means an Event of Default that is continuing and in respect of which notice has been given by the Agent to the Principal Borrower in accordance with clause 24.2 of the Facilities Agreement;

"Deed of Accession" means a deed of accession to the Composite Guarantee and Debenture in the form set out at schedule 5 thereto;

"Encumbrance" includes (a) any mortgage, pledge, lien, charge, standard security, assignation, assignment by way of security, hypothecation or other security interest securing any obligation of any person, (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to affect the discharge of any such money owed or payable to any person or (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect;

"Event of Default" means any of the events specified in clause 24 of the Facilities Agreement;

"Facilities Agreement" means the facilities agreement dated 10 September 2002 and made between, inter alia, the Principal Borrower (1), the Agent (2), the Security Trustee (3) and the Banks (4) as the same may be amended, varied or supplemented from time to time including, without limitation, pursuant to the terms of the Amendment Agreement;

"Group" means, at any time, the Principal Borrower and its Subsidiaries at such time (each a **"Group Company"**);

"Group Banking Documents" has the meaning ascribed thereto in the Facilities Agreement;

"Hedging Arrangements" has the meaning ascribed thereto in the Facilities Agreement;

"Initial Charging Company" means Taveta Investments Limited (company number 4464926);

"Insurances" means the policies of insurance in which the Company has an interest from time to time save for third party liability insurances;

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Company, in or relating to registered and unregistered trade marks and service marks, patents, registered designs, utility models, applications for any of the foregoing, trade names, copyrights, design rights, unregistered designs, inventions, confidential information, know-how, registerable business names and any other rights of every kind deriving from or through the exploitation of any of the aforementioned rights of the Company;

"Intercreditor Deed" means the intercreditor deed dated 10 September 2002 and made between the Principal Borrower (1), the Agent (2), the Banks (3), the Security Trustee (4) and the Subordinated Bondholders named therein (5);

"Investments" means shares, certificates of deposit, debentures and other investments as defined in part II of schedule II to the Financial Services and Markets Act 2000;

"Permitted Disposals" means any disposal permitted by clause 22.4 of the Facilities Agreement;

"Permitted Encumbrances" has the meaning ascribed thereto in the Facilities Agreement;

"Principal Borrower" means Taveta Investments Limited, a company registered in England under number 4464926 whose registered office is situate at 129-137 Marylebone Road, London NW1 5QD;

"Receivables" means:

- (i) all present and future book and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts recoverable or receivable by the Company from other persons or due or

owing to the Company (whether actual or contingent and whether arising under contract or in any other manner whatsoever);

- (ii) the benefit of all rights and remedies relating to any of the foregoing including, without limitation, claims for damages and other remedies for non-payment of the same, all entitlements to interest, negotiable instruments, guarantees, indemnities, Encumbrances, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights; and
- (iii) all proceeds of any of the foregoing;

"Receiver" means any receiver, receiver and manager or administrative receiver appointed by the Security Trustee under the Composite Guarantee and Debenture;

"Related Rights" means, in relation to any Investments or Charged Shares, all dividends, distributions and other income paid or payable on the relevant Investment or Charged Shares (as the case may be), together with (a) all shares or other property derived from the relevant Investment or Charged Shares (as the case may be) and (b) all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to the relevant Investment or Charged Shares (whether by way of conversion, redemption, bonus, preference, option or otherwise);

"Security Beneficiaries" means the Agent, the Security Trustee and the Banks (each a **"Security Beneficiary"**);

"Security Documents" means the documents which are from time to time entered into by any Group Company in favour of the Security Trustee (or any Security Beneficiary), as security for any and all monies and liabilities due, owing or incurred by any Group Company to the Security Beneficiaries (or any of them) (each a **"Security Document"**);

"Shares" means all shares stocks, shares, debentures, bonds, warrants, coupons or other securities and Investments owned by the Company; and

"Subsidiary" means:

- (i) a subsidiary as defined in section 736 of the Companies Act 1985; and
- (ii) a subsidiary undertaking as defined in section 258 and schedule 10A of the Companies Act 1985;

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 00237511

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEED OF ACCESSION TO A COMPOSITE GUARANTEE AND DEBENTURE DATED 10 SEPTEMBER 2002 DATED THE 18th DECEMBER 2002 AND CREATED BY ARCADIA GROUP LIMITED FOR SECURING ALL PRESENT AND FUTURE OBLIGATIONS AND LIABILITIES OF EACH CHARGING COMPANY TO THE SECURITY TRUSTEE AND THE SECURITY BENEFICIARIES (OR ANY OF THEM) UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 23rd DECEMBER 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 2nd JANUARY 2003.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —