

MG01

Particulars of a mortgage or charge



IRIS
LASERFORM

260748/52

A fee is payable with this form.

We will not accept this form unless you send the correct fee

Please see 'How to pay' on the last page.



What this form is for

You may use this form to register
particulars of a mortgage or charge
in England and Wales or Northern
Ireland



What this form is NOT

You cannot use this form
particulars of a charge for
company. To do this, please
use form MG01s

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25/02/2011

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COMPANIES HOUSE

1 Company details

Company number 0 7 4 8 7 2 3 9

Company name in full HS 524 LIMITED (the "Chargor")

For official use

→ Filling in this form
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Date of creation of charge

Date of creation 22 02 2011

3 Description

Please give a description of the instrument (if any) creating or evidencing the
charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description Accession deed dated 22 February 2011 between (1) the Chargor, (2) Aurora
Fashions Holdings Limited and (3) Kaupthing Bank hf (the "Security
Trustee") (the "Accession Deed"), in respect of a group guarantee and
debenture dated 2 March 2009 and made between (1) the companies listed in
Part 1 of Schedule 1 thereto and (2) the Security Trustee (the
"Debenture")

4 Amount secured

Please give us details of the amount secured by the mortgage or charge.

Amount secured All present and future obligations and liabilities
(whether actual or contingent and whether owned
jointly or severally or alone or in any other
capacity whatsoever) and whether as principal or
surety of each present or future Charging Company
to the Security Trustee and/or the other Secured
Parties (or any of them) under or pursuant to the
Guarantee or Deed of Indemnity together with all
interest accruing thereon (the "Secured
Obligations")

All capitalised terms used in this form are defined
in the Appendix to this form.

Continuation page
Please use a continuation page if
you need to enter more details

MG01**Particulars of a mortgage or charge****5****Mortgagee(s) or person(s) entitled to the charge (if any)**

	Please give the name and address of the mortgagee(s) or person(s) entitled to the charge	Continuation page Please use a continuation page if you need to enter more details
Name	Kaupthing Bank hf (the "Security Trustee")	
Address	Borgartun 26, 105 Reykjavik	
	Iceland	
Postcode	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
Name	<input type="text"/>	
Address	<input type="text"/>	
Postcode	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	

6**Short particulars of all the property mortgaged or charged**

	Please give the short particulars of the property mortgaged or charged	Continuation page Please use a continuation page if you need to enter more details
Short particulars	As specified in the continuation page to this form.	

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Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his-

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered

Commission allowance or discount

N/A

8

Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

9

Signature

Please sign the form here

Signature

Signature

X *the Regal LLP* X

This form must be signed by a person with an interest in the registration of the charge

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name **Fiona Patterson**

Company name
Eversheds LLP

Address **One Wood Street**

Post town **London**

County/Region

Postcode

E	C	2	V		7	W	S
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Country

DX **DX 154280 Cheapside 8**

Telephone **0845 497 9797**



Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register
- ☒ You have included the original deed with this form
- ☒ You have entered the date the charge was created
- ☒ You have supplied the description of the instrument
- ☒ You have given details of the amount secured by the mortgagee or chargee.
- ☒ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☒ You have entered the short particulars of all the property mortgaged or charged
- ☒ You have signed the form
- ☒ You have enclosed the correct fee



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge.

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff.

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N.R. Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

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1. Pursuant to the terms of the Accession Deed, the Chargor unconditionally and irrevocably undertakes to and agrees with the Security Trustee to observe and be bound by the Debenture and grants to the Security Trustee, the charges, mortgages, assignments and other security which are stated to be created or granted by the Debenture, as if it had been an original party to the Debenture as one of the Charging Companies
- 2 **Fixed Charges**

Pursuant to the terms of the Debenture, the Chargor charges and agrees to charge all of its present and future right, title and interest and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

 - 2.1 **First legal mortgage on Real Property** - by way of first legal mortgage (a) all Real Property (if any) as specified in Part 1 of Schedule 2 of the Debenture (*Details of Security Assets*), and (b) all other Real Property (if any) at the date of the Debenture vested in, or charged to, any Charging Company not already charged under clause 5.1(a)(1) of the Debenture (as described in clause 2.1(a) above),
 - 2.2 **First legal mortgage in respect of other Real Property** - by way of first legal mortgage (a) all other Real Property and interests in Real Property not charged under clause 5.1(a) of the Debenture (as described in clause 2.1 above), (b) all licences to enter upon or use land and the benefit of all other agreements relating to land, and (c) the proceeds of sale of all Real Property,
 - 2.3 **First fixed charge in respect of plant and machinery** - by way of first fixed charge all plant and machinery not charged under clauses 5.1(a) or 5.1(b) of the Debenture (as described in clauses 2.1 and 2.2 above) and the benefit of all contracts, licences and warranties relating to the same;
 - 2.4 **First fixed charge in respect of other chattels** - by way of first fixed charge (a) all computers, vehicles, office equipment and other equipment not charged under clause 5.1(c) of the Debenture (as described in clause 2.3 above), and (b) the benefit of all contracts, licences and warranties relating to the same, other than any which are for the time being part of any Charging Company's stock-in-trade or work-in-progress;
 - 2.5 **First fixed charge in respect of Charged Securities** - by way of first fixed charge (a) the Charged Securities referred to in part 2 of Schedule 2 (*Details of Security Assets*), and (b) all other Charged Securities (not charged by clause 5.1(e)(i) of the Debenture (as described in clause 2.5(a) above), and in each

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- case together with (a) all Related Rights from time to time accruing to those Charged Securities and (b) all rights which such Charging Company may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;
- 2 6 **First fixed charge in respect of Collection Accounts** - by way of first fixed charge (a) the Collection Accounts and all monies at any time standing to the credit of the Collection Accounts, and (b) all accounts of the Chargor with any bank, financial institution or other person at any time (not charge by clause 5.1(f) of the Debenture (as described in this clause 2.6) and all monies at any time standing to the credit of such accounts (other than the Cash Collateral Accounts), in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;
- 2.7 **First fixed charge in respect of Intellectual Property** - by way of first fixed charge (a) the Intellectual Property (if any) specified in part 4 of Schedule 2 (*Details of Security Assets*) of the Debenture, and (b) all other Intellectual Property (if any) not charged by clause 5.1(g)(i) of the Debenture (as described in clause 2 7(a) above);
- 2 8 **First fixed charge in respect of any Assigned Asset** - by way of first fixed charge any Assigned Asset not effectively assigned under clause 5.2 (*Security assignments*) of the Debenture;
- 2 9 **First fixed charge in respect of licences, consents, agreements and Authorisations** - by way of first fixed charge, to the extent not otherwise charged or assigned under the Debenture, the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets;
- 2.10 **First fixed charge in respect of letters of credit, bills of exchange and other negotiable instruments** - by way of first fixed charge, to the extent not otherwise charged or assigned under the Debenture, any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by the Chargor; and
- 2 11 **First fixed charge in respect of goodwill and uncalled capital** - by way of first fixed charge all of the goodwill and uncalled capital of the Chargor

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3 Assignments by way of security

Pursuant to the terms of the Accession Deed, the Chargor acceded to the Debenture as if it had been an original party to the Debenture as one of the Charging Companies, the Chargor assigns and agrees to assign absolutely to the Security Trustee (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and in relation to the following assets.

3.1 Relevant Contracts - all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising therefrom;

3.2 Insurances - to the extent capable, (a) all Insurances specified in part 6 of Schedule 2 (Details of Security Assets) of the Debenture, and (b) all other Insurances not assigned by clause 5.2(b)(i) of the Debenture (as defined in clause 3.2(a) above), and all claims under the Insurances and all proceeds of the Insurances (other than the Key-man Policies); and

3.3 Receivables - all other Receivables not assigned under clause 5.2(a) or 5.2(b) of the Debenture (as defined in clause 3.1 and 3.2 above).

To the extent that any Assigned Asset defined in clause 5.2(b) of the Debenture (as defined in clause 3.2 above) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Insurances.

3.4 Assigned Assets - The Security Trustee is not obliged to take any steps necessary to preserve any Assigned Asset, to enforce any term of a Relevant contract against any person or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to the Debenture

4. Floating Charge

4.1 Pursuant to the terms of the Accession Deed, the Chargor acceded to the Debenture as if it had been an original party to the Debenture as one of the Charging Companies and the Chargor charges in favour of the Security Trustee, by way of first floating charge:

4.1.1 all of its present and future assets and undertakings, wherever located, not otherwise effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 5.1 (Fixed Charges) of the Debenture (as defined in clause 2 above), clause 5.2 (Security

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assignments) of the Debenture (as described in clause 3 above) or any other provision of the Debenture; and

4.1 2 whether or not effectively so charged or assigned, the heritable property and all other property and assets in Scotland.

5. Conversion of Floating Charge

5 1 The Security Trustee may, by written notice to the Chargor, convert the floating charge created under the Debenture into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if.

5.1 1 a Default has occurred and is continuing; or

5 1.2 the Security Trustee (acting reasonably) considers any Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

5.2 In relation to small companies, the floating charge created under the Debenture by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

5.3 Automatic Conversion of a floating charge

The floating charge created under the Debenture shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge.

5.3.1 in relation to any Security Asset which is subject to a floating charge if:

5.3 1.1 the Chargor creates (or attempts or purports to create) any Security (other than a Permitted Security) on or over the relevant Security Asset without the prior written consent of the Security Trustee;

5.3.1 2 any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and

5.3 2 over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Security

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Trustee receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986).

5.4 Clause 7.3 (Automatic conversion) of the Debenture (as described in clause 5.3 above) 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 section 72 of the Insolvency Act 1986 by reason of such automatic conversion.

5.5 The giving notice by the Security Trustee pursuant to clause 7.1 (Conversion by notice) of the Debenture (as described in clause 5.1 above) in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Trustee to serve similar notices in respect of any other class of assets or of any other right of the Security Trustee and/or the other Secured Parties.

6 Continuing Security

6.1 Pursuant to the terms of the Deed of Accession, the Debenture Security in continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. The Debenture shall remain in full force and effect as a continuing security for the duration of the Security Period.

7 Negative Pledge

7.1 The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Trustee:

7.1.1 create or permit to subsist any Security or Quasi-Security on any Security Asset except a Permitted Security; or

7.1.2 sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset (except for a Permitted Disposal or a Permitted Transaction)

8 Accession Deed Specific Security

8.1 Pursuant to the terms of the Accession Deed, and without limiting the generality of clause 2(a) (Accession) of the Accession Deed or of the Debenture, the Chargor, with full title guarantee, charges and assigns (and agrees to charge and assign

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to the Security Trustee for the payment and discharge of the Secured Obligations charges all its right, title and interest in and to the following:

- 8.1 1 by way of first legal mortgage all the freehold and leasehold Real Property (if any) vested in or charged to the Chargor (including, without limitation, the property specified in part 1 of Schedule 1 (*Details of Security Assets owned by Acceding Company*) of the Accession Deed (if any);
- 8.1 2 by way of first fixed charge (a) all the Charged Securities (including, without limitation, those specified against its name in part 2 of Schedule 1 (*Details of Security Assets owned by Acceding Company*) of the Accession Deed (described in Schedule 1 below); together with (b) all Related Rights from time to time accruing to them;
- 8.1 3 by way of first fixed charge each of its accounts with any bank or financial institution at any time (including, without limitation, those specified in part 3 of Schedule 1 (*Details of Security Assets owned by Acceding Company*) of the Accession Deed and all monies at any time standing to the credit of such accounts;
- 8.1 4 by way of first fixed charge all Intellectual Property (including, without limitation, the Intellectual Property specified in part 4 of Schedule 1 (*Details of Security Assets owned by Acceding Company*) of the Accession Deed (if any);
- 8.1 5 by way of absolute assignment the Relevant Contracts (including, without limitation, those specified in part 5 of Schedule 1 (*Details of Security Assets owned by Acceding Company*) of the Accession Deed (if any), all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising from them, and
- 8.1 6 by way of absolute assignment the Insurances (including, without limitation, those specified in part 6 of Schedule 1 (*Details of Security Assets owned by Acceding Company*) of the Accession Deed(if any), all claims under the Insurances and all proceeds of the Insurances.

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SCHEDULE 1

Details of Charged Securities

Acceding Company	Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
HS 524 Limited	Karen Millen Holdings Limited	Ordinary shares	1	£1 00

Definitions

9. All capitalised terms used in this form are defined in the Appendix to this form

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APPENDIX

DEFINITIONS AND CONSTRUCTION

Definitions

In this form and its Appendices the following definitions apply:

"Acceding Company" means the Chargor.

"Accession Deed" means an accession deed substantially in the form set out in Schedule 6 (*Form of Accession Deed*) in the Debenture.

"Administrators" means Neville Kahn, Lee Manning and Philip Bowers of Deloitte LLP, whose office is at 66 Shoe Lane, London, EC4A 3WA in their capacity as joint administrators for the Companies in Administration.

"Agent" has the meaning given to it in the Senior Facilities Agreement.

"Assigned Asset" means the Security Assets expressed to be assigned pursuant to clause 5.2 (*Security assignments*) of the Debenture.

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

"Cash Collateral Accounts" means each:

(a) Mandatory Prepayment Account; and

(b) each Holding Account,

(each as defined in the Senior Facilities Agreement and including but not limited to the accounts (if any) specified as such in part 3 of Schedule 2 of the Debenture).

"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of Charged Securities.

"Charged Securities" means:

(a) the securities specified in part 2 Schedule 2 (*Details of Security Assets*) of the Debenture,

(b) including, without limitation to, the securities specified in Schedule 1 of the Accession Deed; and

(c) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or

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"investments" (as defined in part II of Schedule II to the Financial Services and Markets Act 2000 as in force at 2 March 2009) as at 2 March 2009 or in future owned (legally or beneficially) by the 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

"Charging Companies" means

(a) the Original Charging Companies; and

(b) any other company which acceded to the Debenture pursuant to an Accession Deed

"Chargor" has the meaning given to it on page 1 of this form.

"Closing Date" means 2 March 2009

"Collection Accounts" has the meaning given to it in clause 12.8(a)(ii) of the Debenture.

"Companies in Administration" means those companies listed in part 2 of Schedule 1 of the Debenture.

"Debenture" has the meaning given to it on page 1 of this form.

"Debenture Security" means the Security created or evidenced by or pursuant to the Debenture or any Accession Deed.

"Deed of Indemnity" means the deed of indemnity dated on or about the date of the Debenture between (1) the First Ranking Creditors and (2) the Purchasers (as defined therein) granted in connection with the sale by the Administrators of the business and assets of the companies in Administration to Aurora Fashions Holdings Limited.

"Default" means any amounts become due and payable under the Deed of Indemnity or the Guarantee and are not paid within 3 business days of demand.

"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Trustee.

"Finance Document" has the meaning given to it in the Senior Facilities Agreement.

"First Ranking Creditors" has the meaning given to it in the Intercreditor Agreement.

"Guarantee" means the guarantee contained in clause 2 (Guarantee and indemnity) in the Debenture is given subject to, and with the benefit of, the provisions set out in schedule 2 (The Guarantee) of the

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Debenture. The guarantee is given by each Charging Company separately and jointly with every other Charging Company.

"Group" has the meaning given to it in the Senior Facilities Agreement.

"Holding Account" has the meaning given to it in the Senior Facilities Agreement.

"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of a Charging Company, or in which a Charging Company from time to time has an interest (including, without limitation the policies of insurance (if any) specified in part 6 of Schedule 2 (Details of Security Assets) of the Debenture.

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

(a) any patents, registered and unregistered trade marks and service marks, registered designs, utility models, trade names, copyrights, design rights, unregistered designs, inventions, confidential information, know-how, registrable business names, database rights, domain names; and

(b) the benefit of all applications for, all rights to use, and any other rights of every kind deriving from or through the exploitation of, any of assets mentioned in paragraph (a) of this definition

"Key-man Policies" means each key-man life assurance policy (in form and substance reasonably satisfactory to the Agent and with such insurer as the Agent may reasonably approve) taken out and maintained by an Obligor incorporated in England and Wales in respect of the death and disability and/or critical illness of the following individuals and in not less than the following respective amounts and terms:

Name of individual	Amount (£)	Term
Derek Lovelock	1,000,000	Until 31 August 2019
Margaret Lustman	500,000	3 years from the Closing Date
Richard Glanville	500,000	3 years from the Closing Date
Mike Shearwood	750,000	3 years from the

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		Closing Date
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and any substitute or replacement policy entered into relating to the same.

"Mandatory Prepayment Account" has the meaning given to it in the Senior Facilities Agreement.

"Obligor" has the meaning given to it in the Senior Facilities Agreement.

"Original Charging Companies" means the companies specified in part 1 Schedule 1 (The Original Charging Companies) of the Debenture.

"Permitted Disposal" means any sale, lease, licence, transfer or other disposal which is on arm's-length terms:

(a) of trading stock or cash made by any member of the Group in the ordinary course of trading of the disposing entity;

(b) of any asset by a member of the Group (the "Disposing Company") to another member of the Group (the "Acquiring Company"), but if:

(i) the Disposing Company is an Obligor, the Acquiring Company must also be an Obligor;

(ii) the Disposing Company had given Security over the asset, the Acquiring Company must give equivalent Security over that asset; and

(iii) the Disposing Company is a Guarantor (as defined in the Senior Facilities Agreement) the Acquiring Company must be a Guarantor guaranteeing at all times an amount no less than that guaranteed by the Disposing Company;

(c) of any asset by a Disposing Company to an Acquiring Company where the Acquiring Company is not an Obligor provided that the Disposing Company has obtained the prior written consent of the agent to such disposal in the form of a Consent Request (as defined in the Senior Facilities Agreement);

(d) provided no Default has occurred which is continuing, of assets (other than shares, businesses, Real Property, Intellectual Property or other assets the subject of a fixed charge under the Transaction Security) the proceeds of which are applied in exchange for other assets comparable or superior as to type, value or quality as soon as possible but in any event within six months of receipt or such longer period as the Majority Lenders may agree provided that the aggregate amount of all such Disposal Proceeds shall not exceed £500,000 in any Financial Year (as defined in the Senior Facilities Agreement) and such

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Disposal Proceeds shall during such period be retained in a Holding Account (as defined in the Senior Facilities Agreement);

(e) of obsolete or redundant vehicles, plant and equipment for cash;

(f) of Cash Equivalent Investments (as defined in the Senior Facilities Agreement) for cash or in exchange for other Cash Equivalent Investments;

(g) constituted by a licence of intellectual property rights permitted by clause 23.28 (Intellectual Property) which, shall include, for the avoidance of doubt, the licence of Intellectual Property in the ordinary course of the business of the Group;

(h) arising as a result of any Permitted Security;

(i) provided no Default has occurred which is continuing of assets (other than shares, businesses, Real Property, Intellectual Property, Joint Ventures or other assets the subject of a fixed charge under the Transaction Security) for cash where the value of any single item does not exceed £500,000 and the aggregate value of such disposals does not exceed £1,000,000 (or its equivalent) in any Financial Year of the Parent

"Permitted Security" means:

(a) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any member of the Group;

(b) any netting or set-off arrangement entered into by <my member of the Group as part of Agreed Ancillary Arrangements (as defined in the Senior Facilities Agreement);

(c) any Security or Quasi-Security over or affecting any asset acquired by a member of the Group after the Closing Date if:

(i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by a member of the Group;

(ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Group; and

(iii) the Security or Quasi-Security is removed or discharged within 60 days of the date of acquisition of such asset;

(d) any Security or Quasi-Security over or affecting any asset of any company which becomes a member of the Group after the Closing Date,

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Particulars of a mortgage or charge

6

Short particulars of all the property mortgaged or charged

Please give us the short particulars of the property mortgaged or charged

Short particulars

where the Security or Quasi-Security is created before the date on which that company becomes a member of the Group if

(i) the Security or Quasi-Security was not created in contemplation of the acquisition of that company;

(ii) the principal amount secured has not been increased in contemplation of or since the acquisition that company; or

(iii) the Security or Quasi-Security is removed or discharged within 60 days of the date of that company becoming a member of the Group;

(e) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangement having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group;

(g) any Quasi-Security arising as a result of a disposal which is a Permitted Disposal;

(h) any Security or Quasi-Security arising as a consequence of any finance or capital lease permitted pursuant to paragraph (f) of the definition of "Permitted Financial Indebtedness" in the Senior Facilities Agreement,

(i) any Security entered into pursuant to any Finance Document;

(j) any Security securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by any member of the Group other than any permitted under paragraphs (a) to (i) above does not exceed £500,000 (or its equivalent in other currencies); and

(k) any Security arising pursuant to the Administrators' Security Document (as defined in the Senior Facilities Agreement).

"Permitted Transaction" means:

(a) any Disposal required by the terms of the Finance Documents;

(b) the solvent liquidation or reorganisation of any member of the Group approved by the Agent, or

(c) any loan, Disposal or acquisition between Obligors in order to minimise the Group's liabilities in respect of Tax (as defined in the Senior Facilities Agreement) approved by the Agent

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Particulars of a mortgage or charge

6

Short particulars of all the property mortgaged or charged

Please give us the short particulars of the property mortgaged or charged

Short particulars

"Quasi-Security" has the meaning given to that term in clause 23.16 (Negative Pledge) of the Senior Facilities Agreement;

"Real Property" means all the estates and interests in freehold, leasehold and other immovable property (wherever situated) as at 2 March 2009 or in future belonging to any Charging Company, or in which any Charging Company has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 of Schedule 3 (Details of Security Assets) of the Debenture, together with:

(a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon,

(b) all easements, rights and agreements in respect thereof;

(c) the benefit of all covenants given in respect thereof.

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, any Charging Company (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

(a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and

(b) all proceeds of any of the foregoing

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

"Related Rights" means, in relation to any Charged Security:

(a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition; and

(b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise

"Relevant Contract" means:

(a) any Approved Hedging Arrangements (as defined in the Senior Facilities Agreement), and

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Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give us the short particulars of the property mortgaged or charged.

Short particulars

(b) each agreement specified in part 5 of schedule 2 (*Details of Security Assets*) of the Debenture or specified in any Accession Deed as a "Material Contract", together with each other agreement supplementing or amending or novating or replacing the same.

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) and whether as principal or surety of each present or future Charging Company to the Security Trustee and to the other Secured Parties (or any of them) under or pursuant to the Guarantee or Deed of Indemnity together with all interest accruing thereon

"Secured Party" means the First Ranking Creditors, the Security Trustee, Administrators and any Receiver or Delegate.

"Security" has the meaning given to it in the Senior Facilities Agreement

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Debenture.

"Security Period" means the period beginning on the date of the Debenture and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid or discharged in full

"Security Trustee" has the meaning given to it on page 2 of this form

"Senior Facilities Agreement" means the senior sterling term and revolving facilities agreement dated the same date as the Debenture and made between (1) Aurora Fashions Holdings Limited as Parent, (2) Aurora Fashions Finance Limited as Company, (3) the companies listed in part 1 of schedule 1 to it as Original Borrowers, (4) the companies listed in part 1 of schedule 1 to it as Original Guarantors, (5) Kaupthing Bank hf as Arranger, (6) the banks and financial institutions listed in part 2 of schedule 1 to it as Original Lender, (7) Kaupthing Bank hf as Agent and (8) the Security Trustee, pursuant to which the Original Lenders agreed to make certain facilities available to the Borrowers.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 7487239
CHARGE NO. 2**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT AN ACCESSION DEED DATED 22
FEBRUARY 2011 AND CREATED BY HS 524 LIMITED FOR
SECURING ALL MONIES DUE OR TO BECOME DUE FROM
EACH PRESENT OR FUTURE CHARGING COMPANY TO THE
SECURITY TRUSTEE AND/OR THE OTHER SECURED PARTIES
(OR ANY OF THEM) ON ANY ACCOUNT WHATSOEVER UNDER
THE TERMS OF THE AFOREMENTIONED INSTRUMENT
CREATING OR EVIDENCING THE CHARGE WAS REGISTERED
PURSUANT TO CHAPTER 1 PART 25 OF THE COMPANIES ACT
2006 ON THE 25 FEBRUARY 2011

GIVEN AT COMPANIES HOUSE, CARDIFF THE 1 MARCH 2011

