



**Registration of a Charge**

Company name: **EDINBURGH WOOLLEN MILL LIMITED (THE)**

Company number: **SC024081**

Received for Electronic Filing: **14/03/2019**



X816W2XD

---

**Details of Charge**

Date of creation: **11/03/2019**

Charge code: **SC02 4081 0035**

Persons entitled: **BARCLAYS BANK PLC (AS SECURITY AGENT FOR THE SECURED PARTIES)**

Brief description: **N/A**

**Contains floating charge(s) (floating charge covers all the property or undertaking of the company).**

**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.**





## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 24081

Charge code: SC02 4081 0035

The Registrar of Companies for Scotland hereby certifies that a charge dated 11th March 2019 and created by EDINBURGH WOOLLEN MILL LIMITED (THE) was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th March 2019 .

Given at Companies House, Edinburgh on 14th March 2019

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



**EDINBURGH WOOLLEN MILL LIMITED (THE)**

**BARCLAYS BANK PLC**

---

**BOND AND FLOATING  
CHARGE**

**This Bond and Floating  
Charge is subject to the  
terms of a ranking deed  
dated the date hereof**

---

## Contents

Clause	Page
1	DEFINITIONS AND INTERPRETATION.....1
2	BOND .....4
3	FLOATING CHARGE .....4
4	NEGATIVE PLEDGE AND RANKING OF FLOATING CHARGE.....4
5	SET-OFF .....5
6	ENFORCEMENT .....5
7	OFFICE OF RECEIVER.....7
8	APPLICATION OF ENFORCEMENT PROCEEDS .....7
9	PROTECTION OF SECURITY.....8
10	FURTHER ASSURANCE.....9
11	MANDATE AND ATTORNEY.....10
12	EXPENSES .....10
13	INDEMNITY .....11
14	AVOIDANCE OF PAYMENTS .....11
15	ASSIGNATION BY THE SECURITY AGENT .....11
16	RELEASES.....12
17	NOTICES.....12
18	COUNTERPARTS AND DELIVERY .....12
19	GOVERNING LAW AND JURISDICTION.....13
20	CONSENT TO REGISTRATION.....13

This Floating Charge is delivered on

11 March

2019

Between

- (1) **EDINBURGH WOOLLEN MILL LIMITED (THE)**, a company incorporated under the Companies Acts with registered number SC024081 and having its registered office at Waverley Mills, Langholm, Dumfriesshire, DG13 OEB (**Borrower**); and
- (2) **BARCLAYS BANK PLC**, a company incorporated under the Companies Acts with registered number 01026167 and having its registered office at 1 Churchill Place, London, E14 5HP as security agent for the Secured Parties as defined in the Facility Agreement referred to below (**Security Agent**, which term shall include any person appointed as a security agent or as an additional trustee in accordance with the terms of the Ranking Deed)

**NOW IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:-**

## **1 DEFINITIONS AND INTERPRETATION**

### **1.1 In this Instrument:-**

**Administrator** means any administrator appointed pursuant to this Instrument

**Debts** means all book and other debts due to the Borrower and their proceeds (both collected and uncollected)

**Default Rate** means the rate of interest referred to in clause 11.3 (*Default interest*) of the Facility Agreement

**Event of Default** has the meaning given to it in the Facility Agreement

**Facility Agreement** means the Facility Agreement between the Company and others as Original Borrowers, the Company and others as Original Guarantors, Barclays Bank PLC, Santander UK PLC and The Royal Bank of Scotland plc as Mandated Lead Arrangers, Barclays Bank PLC, Santander UK PLC and The Royal Bank of Scotland plc as Original Lenders, Barclays Bank PLC as Agent and Security Agent and dated on or about the date of this Instrument under which the Lenders agree to make available to the Borrowers a revolving credit facility

**Financial Collateral** shall have the meaning given to that expression in the Financial Collateral Regulations

**Financial Collateral Regulations** means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003 No. 3226)

**Finance Documents** has the meaning given to it in the Facility Agreement

**Finance Parties** has the meaning given to it in the Facility Agreement

**Ranking Deed** has the meaning given to it in the Facility Agreement

**Receiver** means any receiver, manager or administrative receiver appointed by the Security Agent in respect of any of the Secured Assets

**Security** has the meaning given to it in the Facility Agreement

**Secured Assets** means the whole of the property (including uncalled capital) which is or may be from time to time while this Instrument is in force comprised in the property and undertaking of the Borrower

**Secured Obligations** means, in respect of any Borrower, all monies and liabilities now or after the date of this Instrument due, owing or incurred by that Borrower to:

- (a) the Finance Parties (or any of them) under the Finance Documents (or any of them); and
- (b) the Bilateral Lender under the Bilateral Documents,

in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Finance Party under any Finance Document and a Bilateral Lender under any Bilateral Document, except for any obligation which, if it were included here, would constitute unlawful financial assistance, or its equivalent in any other jurisdiction

**Secured Parties** has the meaning given to it in the Ranking Deed

**Security Period** means the period beginning on the date of this Instrument and ending on the date on which the Security Agent is satisfied that the Secured Obligations have been irrevocably and unconditionally satisfied in full and all facilities made available by:

- (a) the Finance Parties (or any of them) under the Finance Documents (or any of them) and
- (b) a Bilateral Lender under all Bilateral Documents,

have been cancelled and

**Security Financial Collateral Arrangements** shall have the meaning given to that expression in the Financial Collateral Regulations.

- 1.2 Unless otherwise defined in this Instrument, a term defined in the Facility Agreement and/or the Bilateral Documents has the same meaning when used in this Instrument or any notices, acknowledgements or other documents issued under or in connection with this Instrument.
- 1.3 References in this Instrument to a **fixed security** shall be construed as a reference to a fixed security as defined by Section 70 of the Insolvency Act 1986 as in force at the date of this Instrument.

- 1.4 Clause 1.2 (*Construction*) of the Facility Agreement is incorporated in this Instrument as if set out here in full but so that each reference in that clause to **this Agreement** shall be read as a reference to this Instrument.
- 1.5 Unless a contrary indication appears, any reference in this Instrument to:-
- (a) **the Borrower, the Security Agent, the Finance Parties** and the **Secured Parties** shall be construed so as to include their respective successors in title, assignees and permitted transferees and, in the case of the Security Agent, shall include any person for the time being the Security Agent under the Finance Documents; and
  - (b) **a person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).
- 1.6 Unless any provision of this Instrument or the context otherwise requires, any reference in this Instrument to a provision of law is a reference to that provision as amended or re-enacted.
- 1.7 In this Instrument the singular includes the plural and *vice versa*. Clause headings are for ease of reference only and a reference to a Clause is to be construed as a reference to a clause of this Instrument.
- 1.8 Any reference to, or to any specified provision of, this Instrument, any other Finance Document or any other document shall be construed as reference to, or to such specified provision of, this Instrument, such other Finance Document or such other document as in force for the time being and as amended, novated, supplemented, extended or restated (which, as the Borrower specifically agrees and acknowledges in relation to the Finance Documents may include, without limitation (i) any increase or reduction in any amount made available under the Finance Documents and/or any alteration and/or any addition to the purposes for which any such amount or increased or reduced amount may be used; (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made available under the Finance Documents; (iii) any rescheduling of the indebtedness incurred under the Finance Documents or change in the final repayment of such indebtedness, whether in isolation or in connection with any of the foregoing; (iv) any substitution of any existing borrower under the Finance Documents for any other borrower and/or any addition of any new borrowers under the Finance Documents and (v) any combination of any of the foregoing) in each case in accordance with the terms thereof or, as the case may be, with the agreement of the relevant parties and (where any consents are required to be obtained as a condition to such amendment, novation, supplement, extension or restatement being permitted) with the requisite consents.
- 1.9 Any appointment of a Receiver under Clause 6 (*Enforcement*) may be made by any successor or permitted assignee or transferee of the Security Agent and the Borrower hereby irrevocably appoints each such successor or assignee or transferee to be its attorney in the terms and for the purposes stated in Clause 11 (*Mandate and Attorney*).

- 1.10 The provisions of this Instrument shall continue notwithstanding the earlier termination of the Facility Agreement or the Facility Agreement being declared void. If the Facility Agreement is terminated or declared void, any reference in this Instrument to the Facility Agreement (or a provision thereof) shall be construed as a reference to the Facility Agreement or that provision in its form as at the date of this Instrument as subsequently amended, supplemented, varied or replaced by the parties thereto and for these purposes the provisions of the Facility Agreement shall be deemed to be valid and binding and this Instrument shall not in any way be affected or impaired if any provisions of the Facility Agreement are or become invalid, illegal or unenforceable.
- 1.11 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this Instrument which is accordingly a qualifying floating charge.
- 1.12 If there is a conflict between any of the terms of this Instrument and the terms of the Facility Agreement, the terms of the Facility Agreement shall prevail.
- 1.13 This Instrument is subject to the terms of the Ranking Deed.

## **2 BOND**

The Borrower undertakes to the Security Agent for itself and as trustee for the Secured Parties that it will pay or discharge to the Security Agent all the Secured Obligations on demand in writing when the Secured Obligations become due for payment or discharge in accordance with the terms of the Finance Documents and/or Bilateral Documents.

## **3 FLOATING CHARGE**

The Borrower as security for the payment and discharge of all the Secured Obligations hereby grants in favour of the Security Agent a floating charge over the Secured Assets.

## **4 NEGATIVE PLEDGE AND RANKING OF FLOATING CHARGE**

- 4.1 The Borrower shall not create or permit to subsist any Security over any of its assets.
- 4.2 The Borrower shall not:
- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by any other member of the Group;
  - (b) sell, transfer or otherwise dispose of any of its receivables 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 or of financing the acquisition of an asset.

- 4.3 Clauses 4.1 and 4.2 do not apply to any Security or arrangement which is permitted in accordance with the terms of the Facility Agreement.
- 4.4 Any fixed security granted by the Borrower in favour of the Security Agent (whether before or after the date of execution of this Instrument) shall rank in priority to the floating charge created by this Instrument.
- 4.5 In the event that the Borrower grants or creates any fixed security or floating charge in breach of any prohibition on granting further charges or with the consent of the Security Agent but with no written agreement of the Security Agent as to the ranking of them, this Instrument shall rank in priority to that fixed security or floating charge.

## **5 SET-OFF**

A Finance Party or a Bilateral Lender may, set off any matured obligation due from a Borrower under the Finance Documents (to the extent beneficially owned by that Finance Party or Bilateral Lender) against any matured obligation owed by that Finance Party to that Borrower, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. A Finance Party or a Bilateral Lender shall not be obliged to exercise its rights under this Clause 5, which shall be without prejudice and in addition to any right of set-off, compensation, combination of accounts, lien or other right to which it is at any time otherwise entitled (whether by operation of law, contract or otherwise).

## **6 ENFORCEMENT**

- 6.1 In addition to any statutory provisions concerning enforceability or attachment the floating charge created by this Instrument shall become enforceable upon and the Security Agent's powers of appointment and other rights and powers shall become exercisable at any time after:-

- (a) the occurrence of an Event of Default which is continuing; or
- (b) the receipt of any request from the board of directors of the Borrower; or
- (c) the taking (or purported taking) by any person of any step towards the winding up or dissolution of the Borrower or towards the appointment of any administrator, trustee, administrative receiver, receiver, liquidator or the like to the Borrower or the whole or any part of its property

and the Security Agent may then (or as soon thereafter as permitted by law) by instrument in writing appoint any person or persons (if more than one with power to act both jointly and separately) to be an administrator of the Borrower or (subject, if applicable, to Section 72A of the Insolvency Act 1986) a receiver of the Secured Assets. In addition, and without prejudice to the foregoing provisions of this Clause 6.1, in the event that any person appointed to be a Receiver shall be removed by a court or shall otherwise cease to act as such, then the Security Agent shall be entitled so to appoint another person as Receiver in his place.

6.2 An Administrator shall have and be entitled to exercise, in addition to and without limiting all the powers of an administrator under the Insolvency Act 1986, all the powers of a receiver under Schedule 2 of the Insolvency Act 1986 and a Receiver shall have and be entitled to exercise, in addition to and without limiting all the powers of a receiver under Schedule 2 of the Insolvency Act 1986, all the powers of an administrative receiver set out in Schedule 1 of the Insolvency Act 1986 together with (in either case) the power to exercise any powers or rights incidental to ownership of the Secured Assets, including (as regards shares and other securities) any voting rights or rights of enforcing the same together with power to:-

- (a) implement and exercise all or any of the Borrower's powers and/or rights and/or obligations under any contract or other agreement forming a part of the Secured Assets;
- (b) make any arrangement or compromise which he shall think expedient of or in respect of any claim by or against the Borrower;
- (c) promote or procure the formation of any new company or corporation;
- (d) subscribe for or acquire for cash or otherwise any share capital of such new company or corporation in the name of the Borrower and on its behalf and/or in the name(s) of a nominee(s) or trustee(s) for it;
- (e) sell, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or realise the Secured Assets or any part thereof to any such new company or corporation and accept as consideration or part of the consideration therefor in the name of the Borrower and on its behalf and/or in the name(s) of any nominee(s) or trustee(s) for it, any shares or further shares in any such company or corporation or allow the payment of the whole or any part of such consideration to remain deferred or outstanding by way of loan or debt or credit;
- (f) sell, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or realise on behalf of the Borrower any such shares or deferred consideration or part thereof or any rights or benefits attaching thereto;
- (g) convene an extraordinary general meeting of the Borrower;
- (h) acquire any property on behalf of the Borrower;
- (i) do all such other acts and things as he may consider necessary or desirable for protecting or realising the Secured Assets, or any part thereof, or incidental or conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of or pursuant to this Instrument and exercise in relation to the Secured Assets, or any part thereof, all such powers and authorities and do all such things as he would be capable of exercising or doing if he were the absolute beneficial owner of the same and use the name of the Borrower for all and any of the purposes aforesaid;

subject always to the rights of the Security Agent as holder of the floating charge created by this Instrument.

- 6.3 To the extent that Secured Assets constitute Financial Collateral and are subject to a Security Financial Collateral Arrangement created by or pursuant to this Instrument, the Security Agent shall have the right, at any time after this Instrument becomes enforceable, to appropriate all or any part of those Secured Assets in or towards the payment or discharge of the Secured Obligations. The value of any Secured Assets appropriated in accordance with this Clause 6.3 shall be the price of those Secured Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Security Agent may select (including independent valuation). The Borrower agrees that the methods of valuation provided for in this Clause 6.3 are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations. To the extent that Secured Assets constitute Financial Collateral, the Borrower agrees that such Secured Assets shall be held or designated so as to be under the control of the Security Agent for all purposes of the Financial Collateral Regulations.

## **7 OFFICE OF RECEIVER**

- 7.1 Any Receiver appointed under Clause 6 (*Enforcement*) shall be the agent of the Borrower for all purposes and (subject to the provisions of the Insolvency Act 1986) the Borrower alone shall be responsible for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and for his remuneration and his costs, charges and expenses and the Security Agent shall not incur any liability for those (either to the Borrower or any other person) by reason of the Security Agent making his appointment as such Receiver or for any other reason whatsoever.
- 7.2 Any Receiver appointed under Clause 6 (*Enforcement*) shall be entitled to remuneration for his services and the services of his firm appropriate to the responsibilities involved. Subject to Section 58 of the Insolvency Act 1986, the remuneration of the Receiver may be fixed by the Security Agent (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise and may include remuneration in connection with claims, actions or proceedings made or brought against the Receiver by the Borrower or any other person or the performance or discharge of any obligation imposed upon him by statute or otherwise) but such remuneration shall be payable by the Borrower alone and the amount of such remuneration shall form part of the Secured Obligations and accordingly be secured on the Secured Assets under the floating charge constituted by this Instrument.

## **8 APPLICATION OF ENFORCEMENT PROCEEDS**

- 8.1 All monies received by the Security Agent or any Receiver under or by virtue of this Instrument following enforcement of the security hereby granted or of any security interest constituted pursuant hereto shall be applied in accordance with the Ranking Deed.

- 8.2 Nothing contained in this Instrument shall limit the right of the Receiver or the Security Agent (and the Borrower acknowledges that the Receiver and the Security Agent are so entitled) if and for so long as the Receiver or the Security Agent, in their discretion, shall consider it appropriate, to place all or any monies arising from the enforcement of the security interest hereby granted or any security created pursuant to this Instrument into a suspense account, without any obligation to apply the same or any part thereof in or towards the discharge of any of the Secured Obligations.

## **9 PROTECTION OF SECURITY**

- 9.1 The security created by and any security interest constituted pursuant to this Instrument shall be a continuing security notwithstanding any settlement of account or other matter or thing whatsoever and in particular (but without prejudice to the generality of the foregoing) shall not be considered satisfied by an intermediate repayment or satisfaction of part only of the Secured Obligations and shall continue in full force and effect until total and irrevocable satisfaction of all the Secured Obligations.
- 9.2 The Security created by or under this Instrument is in addition to and is not in any way prejudiced by any guarantee or security now or subsequently held by any Finance Party.
- 9.3 No failure to exercise, nor any delay in exercising, on the part of the Security Agent or any Receiver, any right or remedy under this Instrument shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Instrument are cumulative and not exclusive of any rights or remedies provided by law.
- 9.4 A waiver given or consent granted by the Security Agent under this Instrument will be effective only if given in writing and then only in the instance and for the purpose for which it is given.
- 9.5 Each of the provisions in this Instrument shall be severable and distinct from one another and if at any time any one or more of such provisions is or becomes or is declared null and void, invalid, illegal or unenforceable in any respect under any law or otherwise howsoever, the validity, legality and enforceability of the remaining provisions of this Instrument shall not in any way be affected or impaired by that occurrence.
- 9.6 If the Security Agent or any other Finance Party receives or is deemed to be affected by notice, whether actual or constructive, of any subsequent security or other interest affecting any part of the Secured Assets and/or the proceeds of sale(s) thereof, the Security Agent and each other Finance Party may open a new account or accounts in the name of the Borrower. If the Security Agent or such other Finance Party does not open a new account or accounts, it shall nevertheless be treated as if it had done so at the time when it receives or was deemed to have received notice and as and from that time all payments made by the Borrower to the Security Agent (whether in its capacity as trustee or otherwise) or to another Finance Party shall be credited or be treated as having been credited to the new account or accounts and shall not operate to reduce the amount for which this Instrument is security.

9.7 Neither the security created by, nor any security interest constituted pursuant to, this Instrument nor the rights, powers, discretions and remedies conferred upon the Security Agent by this Instrument or by law shall be discharged, impaired or otherwise affected by reason of:-

- (a) any present or future security, guarantee, indemnity or other right or remedy held by or available to the Security Agent being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Security Agent from time to time exchanging, varying, realising, releasing or failing to perfect or enforce any of the same; or
- (b) the Security Agent compounding with, discharging or releasing or varying the liability of, or granting any time, indulgence or concession to, the Borrower or any other person or renewing, determining, varying or increasing any accommodation or transaction in any manner whatsoever or concurring in accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from the Borrower or any other person; or
- (c) any act or omission which would not have discharged or affected the liability of the Borrower had it been a principal debtor instead of cautioner or by anything done or omitted which but for this provision might operate to exonerate the Borrower from the Secured Obligations; or
- (d) any legal limitation, disability, incapacity or other similar circumstance relating to the Borrower.

9.8 The Security Agent shall not be obliged, before exercising any of the rights, powers or remedies conferred upon it by or pursuant to this Instrument or by law, to:-

- (a) take any action or obtain judgement or decree in any court against the Borrower; or
- (b) make or file any claim to rank in a winding-up or liquidation of the Borrower; or
- (c) enforce or seek to enforce any other security taken, or exercise any right or plea available to the Security Agent, in respect of any of the Borrower's obligations under the Facility Agreement.

## **10 FURTHER ASSURANCE**

10.1 The Borrower shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, standard securities, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s):

- (a) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this Instrument or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to this Instrument or by law;

- (b) to confer on the Security Agent or confer on the Finance Parties Security over any property and assets of the Borrower located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Instrument; and/or
  - (c) (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this Instrument.
- 10.2 The Borrower shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Finance Parties by or pursuant to this Instrument.
- 10.3 Any document required to be executed by the Borrower under this Clause 10 will be prepared at the cost of the Borrower.

## **11 MANDATE AND ATTORNEY**

- 11.1 The Borrower hereby irrevocably appoints the Security Agent and any Receiver to be its mandatary and attorney for it and on its behalf and in its name or otherwise and as such to create or constitute any deed, or to make any alteration or addition or deletion in or to, any documents which the Security Agent or the Receiver may require for perfecting or protecting the title of the Security Agent or the Receiver to the Secured Assets or for vesting any of the Secured Assets in the Security Agent or the Receiver or its nominees or any purchaser and to re-deliver the same thereafter and otherwise generally to sign, seal and deliver and perfect any fixed security, floating charge, transfer, disposition, assignation, security and/or assurance or any writing, assurance, document or act which may be required or may be deemed proper by the Security Agent or the Receiver on or in connection with any sale, lease, disposition, realisation, getting in or other enforcement by the Security Agent or the Receiver of all or any of the Secured Assets.
- 11.2 The Borrower hereby ratifies and confirms and agrees to ratify and confirm whatever any such mandatary or attorney shall do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 11.

## **12 EXPENSES**

- 12.1 The Borrower binds and obliges itself for the whole expenses of completing and enforcing the security granted by this Instrument and the expenses of any discharge thereof.

- 12.2 All costs, charges and expenses incurred and all payments made by the Security Agent or any Receiver under this Instrument in the lawful exercise of the powers conferred by this Instrument, whether or not occasioned by any act, neglect or default of the Borrower, shall carry interest from the date of the same being incurred or becoming payable at the Default Rate. The amount of all such costs, charges, expenses and payments and all interest thereon and all remuneration payable under this Instrument shall be payable by the Borrower on demand and shall be a Secured Liability. All such costs, charges, expenses and payments shall be paid and secured as between the Security Agent or any Receiver and the Borrower on the basis of a full and unqualified indemnity.

### **13 INDEMNITY**

The Security Agent, every Receiver and every attorney, manager, agent or other person appointed by the Security Agent or any such Receiver in connection with this Instrument shall be entitled to be indemnified out of the Secured Assets in respect of all liabilities and expenses incurred by it or him in the execution or purported execution of any of the powers, authorities or discretions vested in it or him pursuant to this Instrument and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Secured Assets (save in the case of the gross negligence or wilful default of them) and the Security Agent and any Receiver may retain and pay all sums in respect of the same out of any monies received under the powers conferred by this Instrument.

### **14 AVOIDANCE OF PAYMENTS**

Any amount which has been paid by the Borrower to the Security Agent, a Receiver or any Finance Party and which is, in the opinion of the Security Agent, capable of being reduced or restored or otherwise avoided, in whole or in part, in the liquidation or administration of the Borrower shall not be regarded as having been irrevocably paid for the purposes of this Instrument.

### **15 ASSIGNATION BY THE SECURITY AGENT**

The Security Agent may assign and transfer all of its rights and obligations under this Instrument to a replacement Security Agent appointed in accordance with the terms of the Ranking Deed. Upon such assignation and transfer taking effect, the replacement Security Agent shall be and be deemed to be acting for itself and as trustee for the Secured Parties for the purposes of this Instrument in place of the previous Security Agent.

**16 RELEASES**

Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of the Borrower, take whatever action is necessary to release and reassign to the Borrower:

- (i) its rights arising under this Instrument;
- (ii) the Secured Assets from the Security created by and under this Instrument,

and return all documents or deeds of title delivered to it under this Instrument.

**17 NOTICES**

All notices, requests, demands and other communications to be given under this Instrument shall be given and/or be deemed to be given in the same manner as notices to be given under the Facility Agreement and the terms of clause 34 (*Notices*) of the Facility Agreement shall apply *mutatis mutandis* to this Instrument as though that clause were set out in full in this Instrument.

**18 COUNTERPARTS AND DELIVERY**

18.1 This Instrument may be executed in any number of counterparts and by the parties on separate counterparts.

18.2 Where executed in counterpart:

- (a) this Instrument shall not take effect until all of the counterparts have been delivered;
- (b) each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and
- (c) the parties may choose to evidence the date of delivery of this Instrument by inserting this on the front page of this Instrument.

18.3 If this Instrument is not executed in counterparts, this Instrument shall be delivered on the date inserted on the front page of this Instrument or, if no such date is inserted, the date on which the last party signed this Instrument.

18.4 The parties to this Instrument, in accordance with section 2(1) of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 (the **Counterparts Act**), nominate Addleshaw Goddard LLP to take delivery of all counterparts of this Instrument. The parties agree that the provisions of section 2(3) of the Counterparts Act shall not apply to any counterpart of this Instrument.

**19 GOVERNING LAW AND JURISDICTION**

This Instrument shall be governed by, and construed in all respects in accordance with, the law of Scotland and, for the benefit of the Security Agent, the Borrower irrevocably submits to the non-exclusive jurisdiction of the Scottish courts but without prejudice to the ability of the Security Agent to proceed against the Borrower in any other appropriate jurisdiction.

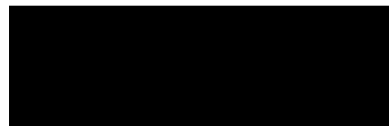
**20 CONSENT TO REGISTRATION**

A certificate signed by any official, manager or equivalent account officer of the Security Agent shall, in the absence of manifest error, conclusively determine the Secured Obligations at any relevant time and shall constitute a balance and charge against the Borrower, and no suspension of a charge or of a threatened charge for payment of the balance so constituted shall pass nor any sist of execution thereon be granted except on consignment. The Borrower hereby consents to the registration of this Instrument and of any such certificate for preservation and execution:

IN WITNESS WHEREOF these presents consisting of this and the preceding <sup>12</sup> ~~11~~ pages are executed as follows:-

**THE BORROWER**

Subscribed for and on behalf of  
**Edinburgh Woollen Mill Limited (The)**  
 at CARLISLE  
 on 7th MARCH 2019



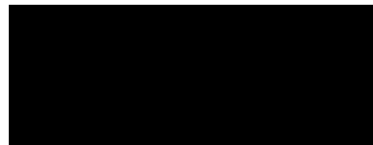
Director/Secretary/Authorised Signatory

ROBERT NGIL GOMOND

Full Name

in the presence of

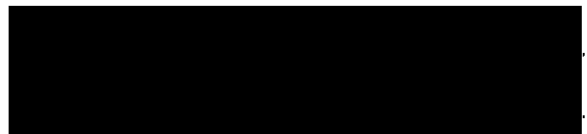
Witness signature



Full name

FRED RIGGS

Address



THE SECURITY AGENT

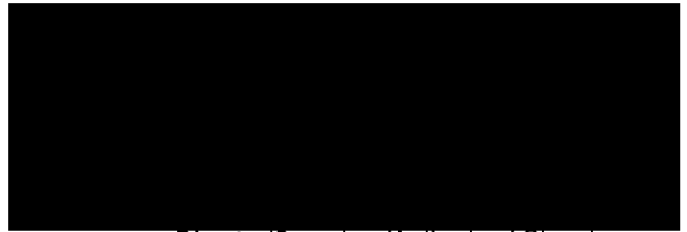
Subscribed for and on behalf of  
**Barclays Bank plc**  
at LONDON  
on 7<sup>th</sup> MARCH 2019

in the presence of

Witness signature

Full name

Address



Director/Secretary/Authorised Signatory

ALEXANDROS TOSIS SCALIN

Full Name



JOSE MARIA RONNA

Barclays Bank PLC

1 Churchill Place

Canary Wharf

London