Company name: HOUSE OF FRASER (STORES) LIMITED
Company number: SC010677

Received for Electronic Filing: 02/08/2018

Details of Charge

Date of creation: 01/08/2018
Charge code: SC01 0677 0041
Persons entitled: HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED
Brief description: ALL AND WHOLE THE TENANT’S INTEREST IN THE LEASE OF THE RETAIL UNIT AT LOCH LOMOND SHORES, BEN LOMOND WAY, BALLOCH, BEING THE SUBJECTS REGISTERED IN THE LAND REGISTER OF SCOTLAND UNDER TITLE NUMBER DMB70238

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 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.

Certified by: SCOTT PETERKIN
CERTIFICATE OF THE
REGISTRATION OF A CHARGE

Company number: 10677

Charge code: SC01 0677 0041

The Registrar of Companies for Scotland hereby certifies that a charge dated 1st August 2018 and created by HOUSE OF FRASER (STORES) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd August 2018.

Given at Companies House, Edinburgh on 3rd August 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006.
HOUSE OF FRASER (STORES) LIMITED  
as Chargor

and

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED  
as Security Agent for the Secured Parties

STANDARD SECURITY

in respect of the tenant\'s interest in the lease of the retail unit at Loch Lomond Shores, Ben Lomond Way, Balloch, being the subjects registered in the Land Register of Scotland under Title Number DMB70238

Certified a true copy
Glasgow, 30th May 2011

for and on behalf of Burness Paull LLP
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STANDARD SECURITY

by

(1) HOUSE OF FRASER (STORES) LIMITED incorporated in Scotland (Registered Number SC010677) whose registered office is at Granite House, 31 Stockwell Street, Glasgow G1 4NZ (the "Chargor")

in favour of

(2) HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (Registered Number 06447535) whose registered office is at 8 Canada Square, London E14 SHQ as security trustee for itself and the other Secured Parties (as defined below) (the "Security Agent")

NOW IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:

I DEFINITIONS AND INTERPRETATION

I.1 In this Security:

"Default Rate" means the rate at which interest is payable under Clause 12.3 (Default Interest) of the Facilities Agreement;

"Existing Security" means:

(a) the English law governed debenture dated 11 August 2015 between the Security Agent and certain companies listed therein as supplemented by a supplemental mortgage dated 22 March 2016 between the Security Agent and certain companies listed therein;

(b) the Scots law bond and floating charge dated 5 August 2015 granted by the Chargor in favour of the Security Agent, and

(c) Scots law standard security dated 5 August 2015 in relation to the Security Subjects granted by the Chargor in favour of the Security Agent;

"Facilities Agreement" means the facilities agreement dated 29 July 2015 (as amended and/or amended and restated from time to time) and made between, among others, House of Fraser (UK & Ireland) Limited as Parent, certain entities listed as Original Borrowers, House of Fraser (UK & Ireland) Limited and certain other entities as Original Guarantors, HSBC Bank plc as Arranger, the Agent, the Security Agent and the financial institutions named therein as Original Lenders (in each case as defined therein);
“Intercreditor Agreement” has the meaning given to that term in the Facilities Agreement;

“Secured Liabilities” means all present and future monies, debts, liabilities and obligations due, owing or incurred at any time of any member of the Group to the Security Agent (whether for its own account or as trustee for the Secured Parties) or any other Secured Party (both actual and contingent and whether incurred solely or jointly with any other person and as principal or surety or in any other capacity, including any liability in respect of any further advances made under the Senior Secured Finance Documents) including without limitation any amounts (such as post-insolvency interest) that would be included in any thereof for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings, under the Senior Secured Finance Documents;

“Secured Parties” has the meaning given to that term in the Intercreditor Agreement;

“this Security” means these presents, as amended, supplemented, novated, extended or restated from time to time;

“Senior Secured Finance Documents” means the Senior Secured Finance Documents (as defined in the Intercreditor Agreement) and the Super Senior Secured Finance Documents (as defined in the Intercreditor Agreement); and

the “Security Subjects” means ALL and WHOLE the tenant’s interest in the lease of the retail unit at Loch Lomond Shores, Ben Lomond Way, Balloch, being the subjects registered in the Land Register of Scotland under Title Number DMB70238, together with the Charger’s whole right, title and interest, present and future, therein and thereto.

1.2 Construction

In this Security, unless a contrary intention appears, a reference to:

1.2.1 an “agreement” includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);

1.2.2 an “amendment” includes any amendment, supplement, variation, novation, modification, replacement or restatement and “amend”, “amending” and “amended” shall be construed accordingly;

1.2.3 “assets” includes present and future properties, revenues and rights of every description;

1.2.4 “including” means including without limitation and “includes” and “included” shall be construed accordingly;
1.2.5  "losses" includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and "loss" shall be construed accordingly;

1.2.6  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);

1.2.7  a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

1.2.8  a "fixed security" means a fixed security as defined by Section 486 of the Companies Act 1985; and (i) a matter not prohibited by the Senior Secured Finance Documents includes a matter being permitted under, or not prohibited by, the Senior Secured Finance Documents; and

1.2.9  a matter not prohibited by the Senior Secured Finance Documents includes a matter being permitted under or not prohibited by, the Senior Secured Finance Documents.

1.3  Other References

1.3.1  In this Security, unless a contrary intention appears, a reference to:

(a) any Secured Party, the Chargor or any other person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors in title, permitted assignees and transferees and in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Senior Secured Finance Documents;

(b) any Senior Secured Finance Document or other agreement or instrument is to be construed as a reference to that agreement or instrument as amended supplemented, varied, extended, restated, replaced or novated, including by way of increase of the facilities or addition of new facilities made available under them or accession or retirement of the parties to those agreements but excluding any amendment or novation made contrary to any provision of any Senior Secured Finance Document;

(c) any clause or schedule is a reference to, respectively, a clause of and schedule to this Security and any reference to this Security includes its schedules; and
(d) a provision of law is a reference to that provision as amended or re-enacted.

1.3.2 The index to and the headings in this Security are inserted for convenience only and are to be ignored in construing this Security.

1.3.3 Words importing the plural shall include the singular and vice versa.

1.4 If the Security Agent considers that an amount paid to it or any Secured Party is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Security.

1.5 Incorporation by reference

Unless the context otherwise requires or unless otherwise defined in this Security, words and expressions defined in the Intercreditor Agreement have the same meanings when used in this Security.

1.6 Intercreditor Agreement

This Security is subject to the Intercreditor Agreement and in the event of conflict between the provisions of this Security and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

1.7 Third party rights

1.7.1 Unless expressly provided to the contrary in a Senior Secured Finance Document, this Security does not confer on any person who is not a Party (other than any nominee specified by the Security Agent) any right to enforce or otherwise invoke this Security or any part of it under the Contract (Third Party Rights) (Scotland) Act 2017.

1.7.2 Notwithstanding any term of any Senior Secured Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Security at any time.

1.8 Existing Security

The Chargor and the Security Agent agree that the terms of this Security shall not result in any breach of the terms of the Existing Security.

2 BOND

The Chargor as primary obligor covenants with and undertakes to the Security Agent (for the benefit of itself and the other Secured Parties) that it will pay the Secured
Liabilities on demand of the Security Agent, provided that the relevant Secured Liabilities owed by it have fallen due for payment.

3. CHARGE

The Chargor hereby in security of the Secured Liabilities grants a standard security in favour of the Security Agent over the Security Subjects.

4. STANDARD CONDITIONS

The Standard Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970, and any lawful variation thereof operative for the time being, shall apply and the Chargor agrees that the Standard Conditions shall be varied to the effect that:

4.1 the Chargor shall not create or agree to create any subsequent security over the Security Subjects or any part thereof except with the prior written consent of the Security Agent;

4.2 the insurance to be effected in terms of Standard Condition 3(a) shall provide cover to the extent of the reinstatement value of the Security Subjects and not their open market value; and

4.3 wherever and to the extent that the Standard Conditions are inconsistent with the terms of the Facilities Agreement, the terms of the Facilities Agreement shall prevail and that to such extent the Standard Conditions shall be varied by the terms of the Facilities Agreement.

5. ENFORCEMENT

5.1 Enforceable

Upon the occurrence of an Event of Default and for so long as such Event of Default is continuing (without further notice to the Chargor) the Chargor, shall be held to be in default within the meaning of Standard Condition 9(1)(b) of the Standard Conditions.

5.2 Application of proceeds

All monies received by the Security Agent under or by virtue of this Security following enforcement of the security hereby granted or of any security interest constituted pursuant hereto shall be applied in the order and manner specified by the Intercreditor Agreement notwithstanding any purported appropriation by the Chargor.

5.3 Monies on suspense account

5.3.1 Until the Secured Liabilities are paid in full, the Security Agent may place and keep (for such time as it shall determine) any money received, recovered
or realised pursuant to this Security or on account of the Chargor's liability in respect of the Secured Liabilities in an interest bearing separate suspense account (to the credit of either the Chargor or the Security Agent as the Security Agent shall think fit) and any receiver or the Security Agent may retain the same for the period which he or the Security Agent consider expedient without having any obligation to apply all or any part of that money in or towards discharge of the Secured Liabilities.

5.3.2 If the security created under this Security is enforced at a time when no amount is due under the Senior Secured Finance Documents but at the time when amounts may or will become due, the Security Agent may pay the proceeds of recoveries into a suspense account.

5.4 Balance

The rights powers and discretions conferred on the Security Agent under this Clause are subject only to his/her obligation to account to the Chargor or any other person entitled thereto for any balance of the Security Subjects or their proceeds remaining in his/her hands after the Secured Liabilities have been fully and unconditionally paid and discharged.

5.5 Third parties

5.5.1 No purchaser from or other person dealing with the Security Agent in relation to the Security Subjects shall be concerned to enquire whether any of the powers exercised or purported to be exercised by him/her hereunder has become exercisable, whether any of the Secured Liabilities remains outstanding, how the funds of a purchase are applied or generally as to the propriety or validity of the exercise or purported exercise of any power hereunder.

5.5.2 The receipt or discharge of the Security Agent shall be an absolute discharge to any purchaser or other person dealing with the Security Agent in relation to the Security Subjects and any such purchaser or third party shall not have any obligation to enquire after or see to the application of any payments made by it to the Security Agent or at its direction.

6 NOTICE OF SUBSEQUENT CHARGE

If the Security Agent receives notice of any subsequent Security affecting all or any part of the Security Subjects (except as permitted by all the Finance Documents) it may open a new account for the Chargor in its books. If it does not do so then (unless it gives express notice to the contrary to the Chargor), as from the time it receives that notice, all payments made by the Chargor to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities.
7 CHANGES TO PARTIES

7.1 No assignments or transfers by Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Security.

7.2 Assignment by the Security Agent

The Security Agent may at any time assign or otherwise transfer all or any part of its rights under this Security in accordance with the Senior Secured Finance Documents.

7.3 Changes to Parties

The Chargor authorises and agrees to changes to parties under the Senior Secured Finance Documents and authorises the Security Agent to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

8 COSTS AND EXPENSES

8.1 Initial Expenses

The Company shall within three Business Days of demand pay (or procure payment to) to the Security Agent the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by any of them (and by any Delegate) in connection with:

8.1.1 the negotiation, preparation, execution, completion and perfection of this Security and any other documents or notices referred to in, or related or incidental to, this Security; and

8.1.2 any amendment, waiver or consent relating to this Security (and documents, matters or things referred to in this Security),

in each case subject to any limits that may be agreed from time to time in writing between the Security Agent and the Company.

8.2 Enforcement Expenses

The Chargor shall, within three Business Days of demand, pay to the Security Agent the amount of all costs and expenses (including legal fees and together with any applicable VAT) incurred by it in connection with the enforcement of or the preservation of any rights under any Senior Secured Finance Document and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Security created hereunder or enforcing these rights.
8.3 Stamp Duties, etc

The Chargor shall pay and, within three Business Days of demand, indemnify each Secured Party against any cost, loss or liability that Secured Party incurs in relation to all stamp duty, registration and other similar taxes payable in respect of this Security.

8.4 Default Interest

If not paid when due, the amounts payable under this Clause 8 shall carry interest compounded with monthly rests at the Default Rate (after as well as before judgment), from the date of demand and shall form part of the Secured Liabilities.

9 PROTECTION OF SECURITY AGENT

9.1 No Liability

The Security Agent shall not be liable in respect of any of the Security Subjects or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless directly caused by its or his gross negligence or wilful misconduct under the Senior Secured Finance Documents. The Security Agent shall not be under any obligation in relation to the security subjects as a consequence of this Security and the Chargor shall at all times remain liable to perform all obligations in respect of the Security Subjects.

9.2 Security Agent

9.2.1 The provisions set out in Clause 16 (The Security Agent) of the Intercreditor Agreement shall govern the rights, duties and obligations of the Security Agent under this Security.

9.2.2 The Security Agent shall not be obliged to perform any obligation of the Chargor, make any payment, make any enquiry as to the nature of sufficiency of any payment received by it or the Chargor, present or take any claim or take any other action to collect or enforce the payment of any amount to which it or the Chargor may be entitled, or exercise any rights which the Chargor may be entitled.

9.3 Cumulative Powers

The powers which this Security confers on the Security Agent and the other Secured Parties are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Security Agent and the other Secured Parties may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Security Agent and the other Secured Parties-
will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

9.4 Indemnity

The Chargor will indemnify the Security Agent, or its Delegates against all losses, costs and liabilities incurred by the Security Agent as a result of a breach by any Chargor of any its obligations under this Security (after the applicable grace period has expired) (otherwise, in each case, than by reason of the relevant Security Agent’s or Delegate’s gross negligence or wilful misconduct). All sums the subject of this indemnity will be payable by the relevant Chargor to the Security Agent or other relevant party on demand and if not so paid will bear interest at the Default Rate from the date of such demand by the Security Agent until the date of payment. Any unpaid interest will be compounded monthly.

10 NOTICES

10.1 Communications in writing

Any communication to be made under or in connection with this Security shall be made in writing and, unless otherwise stated, may be made by fax or letter.

10.2 Addresses

The address and fax number (and the department or officers, if any, for whose attention the communication is to be made) of each party to this Security for any communication or document to be made or delivered under or in connection with this Security is:

10.2.1 The Security Agent

Address: 8 Canada Square
London
E14 5HQ

Facsimile: +44 (0) 20 7991 4350

Attention of: CTLA Trustee Services Administration

Email: CTLA.trustee.admin@hsbc.com

10.2.2 The Chargor

Address: House of Fraser
Store Support Centre
27 Baker Street
London W1U 8AH
United Kingdom
Facsimile: 020 7003 4921

Attention: The Finance Director and the Company Secretary

or in the case of any person who becomes a party after the date of this Security, notified
in writing to the Security Agent on or prior to the date on which it becomes a party,

or any substitute address, fax number or department or officer as the party may notify
to the Security Agent (or the Security Agent may notify to the other parties, if a change
is made by the Security Agent) by not less than five Business Days' notice.

10.3 Delivery

10.3.1 Any communication or document made or delivered by one person to another
under or in connection with this Security will only be effective:

(a) if by way of fax, when received in legible form; or

(b) if by way of letter, when it has been left at the relevant address or
seven Business Days after being deposited in the post postage
prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address
details provided under Clause 10.2, if addressed to that department or officer.

10.3.2 Any communication or document to be made or delivered to the Security
Agent will be effective only when actually received by the Security Agent
and then only if it is expressly marked for the attention of the department or
officer identified with the Security Agent's signature below (or any substitute
department or officer as the Security Agent shall specify for this purpose).

11 RELEASE

Once all the Security Liabilities have been irrevocably paid in full and none of the
Security Agent or any Secured Party has any actual or contingent liability to advance
further monies to, or incur liability on behalf of, the Chargor, or as otherwise permitted
or required pursuant to the terms of the Senior Secured Finance Documents, the
Security Agent and each Secured Party shall, at the request and cost of the Chargor,
take action which may be necessary to release or re-assign the Security Subjects from
the security constituted by this Security, in each case subject to Clause 1.4 and without
recourse to, or any representation or warranty by, the Security Agent or any of its
nominees.
12 COUNTERPARTS

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

Where executed in counterparts:

12.2.1 this Security will not take effect until each of the counterparts has been delivered;

12.2.2 where any counterpart is being held as undelivered, delivery will take place on the date of delivery agreed between the parties (the “agreed date”). The agreed date will be inserted in the testing clause of this Security; and

12.2.3 section 2(3) of the Legal Writings (Counterparts and Delivery) (Scotland) Act is hereby excluded and shall not apply to the execution arrangements in respect of this Security.

13 GOVERNING LAW AND JURISDICTION

This Security 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 Chargor 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 Chargor in any other appropriate jurisdiction.
14. WARRANDICE AND CONSENT TO REGISTRATION

14.1 The Chargor hereby grants warrandice.

14.2 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 Liabilities at any relevant time and shall constitute a balance and charge against the Chargor, 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 consignation. The Chargor hereby consents to the registration of this Security and of any such certificate for preservation:

IN WITNESS WHEREOF these presents consisting of this and the preceding 11 pages are executed in counterpart as follows and DELIVERED on 27 July 2018:

THE CHARGOR

SUBSCRIBED for and on behalf of the said HOUSE OF FRASER (STORES) LIMITED
at 65 Fleet St, London, EC4Y 1HS
on 26 July 2018
by

[Signature]

Print Full name

before this witness:

[Signature]

Print Full Name

Address:

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London
EC4Y 1HS

[Signature]

Witness
THE SECURITY AGENT

SUBSCRIBED for and on behalf of the said HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED

at LONDON

on 26/07/16

by

Luke Ashley
Authorized Signatory

Print Full Name:

before this witness:

Andrea Stevenson
Authorized Signatory

Print Full Name:

Address:

HSBC Bank plc
8 Canada Square
London
E14 5HQ

________________________
Attorney/Director

________________________
Witness

Live: 42465668 v.3