

623280/13

In accordance with Sections 859A and 859J of the Companies Act 2006

MR01

Particulars of a charge



A fee is payable with this form
Please see 'How to pay' on the last page

You can use the form
Please go to www.gov.uk

What this form is for
You may use this form to register a charge created or evidenced by an instrument

What this form is for
You may not use this form to register a charge created or evidenced by an instrument. Use form MR02

WEDNESDAY



A14 *A2G7Q84W* 04/09/2013 #23
COMPANIES HOUSE

please
gov.uk

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record.

1 Company details

Company number: 0 7 8 9 5 1 6 0

Company name in full: Barratts Trading Limited

0014 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 Charge creation date

Charge creation date: d2 d9 m0 m8 y2 y0 y1 y3

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge

Name: Apperley Securities Limited as security trustee

Name

Name

Name

If there are more than four names, please supply any four of these names then tick the statement below

I confirm that there are more than four persons, security agents or trustees entitled to the charge

MR01

Particulars of a charge

4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

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

Description

None

5

Fixed charge or fixed security

✓ Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box
 Yes
 No

6

Floating charge

✓ Is the instrument expressed to contain a floating charge? Please tick the appropriate box
 Yes Continue
 No Go to Section 7
Is the floating charge expressed to cover all the property and undertaking of the company?
 Yes

7

Negative Pledge

✓ Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box
 Yes
 No

MR01

Particulars of a charge.

8	Trustee statement ①	
<input type="checkbox"/> You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge		① This statement may be filed after the registration of the charge (use form MR06)

9	Signature	
Please sign the form here		
Signature	Signature X <i>Walker Morris LLP</i> X	
This form must be signed by a person with an interest in the charge		

MR01

Particulars of a charge

Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name GQB/RED 498-3

Company name Walker Morris LLP

Address Kings Court

12 King Street

Post town Leeds

County/Region

Postcode

L	S	1	2	H	L
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Country

DX DX 12051 Leeds 24

Telephone 0113 2832500

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 a certified copy of the instrument with this form
- You have entered the date on which the charge was created
- You have shown the names of persons entitled to the charge
- You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- You have given a description in Section 4, if appropriate
- You have signed the form
- You have enclosed the correct fee
- Please do not send the original instrument, it must be a certified copy

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 filed on paper.

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number. 7895160

Charge code: 0789 5160 0014

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th August 2013 and created by BARRATTS TRADING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th September 2013

Dx

Given at Companies House, Cardiff on 5th September 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 29 August 2013

BARRATTS TRADING LIMITED (1)

and

APPERLEY SECURITIES LIMITED (2)

SUPPLEMENTAL FIXED CHARGE

WALKER MORRIS LLP
Kings Court
12 King Street
LEEDS
LS1 2HL
Tel 0113 2832500
Fax 0113 2459412
Ref PMC/BKR/RED 498-3

We certify that, save for material redacted pursuant to section 859A of the Companies Act 2006, this copy instrument is a correct copy of the original instrument

Walker Morris LLP
WALKER MORRIS LLP
BEN ROSEN 130830
Solicitor

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THIS DEED is made on 29 August 2013

BETWEEN

- (1) **BARRATTS TRADING LIMITED** (Registered No 07895160) whose registered office is at BPL House, 880 Harrogate Road, Apperley Bridge, Bradford, West Yorkshire BD10 0NW (the **Chargor**), and
- (2) **APPERLEY SECURITIES LIMITED** (Registered No 08460342) whose registered office is at BPL House, 880 Harrogate Road, Apperley Bridge, Bradford, West Yorkshire BD10 0NW as security trustee for itself and the other Finance Parties (in this capacity, the **Security Trustee**)

BACKGROUND

The Chargor enters into this Deed to further secure the repayment and satisfaction of the Secured Liabilities

IT IS AGREED AS FOLLOWS

1 INTERPRETATION

1.1 In this Deed

Account Bank means Barclays Bank plc, 1 Park Row, Leeds LS1 5SU and, in connection with the Irish € denominated account only, Barclays Bank Ireland plc, 2 Park Place, Dublin 2, Ireland,

Accounts means the Blocked Account and each Lock Box Account

Agency and Security Trust Deed means an agreement dated on or around the date of this Deed between (amongst others) (1) Apperley Securities Limited (as Agent), (2) the Security Trustee, (3) the Parent and (4) the Chargor,

Beales Concession Agreement means a concession agreement dated 26 November 2012 between (1) J E Beale plc (Registered No 00120002) and (2) the Chargor regarding the sale in certain "Beales" department stores of the Chargor's stock by J E Beale plc, pursuant to which the proceeds of sale of the stock less agreed costs of sale are payable by J E Beale plc to the Chargor,

Beales Receivables means all sums payable to the Chargor under the Beales Concession Agreement,

Blocked Account means an account at the Account Bank designated as the "Concession Receivables Blocked Account" Sort Code [REDACTED] Account Number [REDACTED] referable to the Chargor or any additional or substitute designated account(s) opened by the Chargor for the holding or deposit of the Debenhams Receivables, the Beales Receivables, the Rangespan Receivables, the Tesco Receivables and the Retail Partner Receivables (if any) and mandated in favour of and otherwise controlled by and/or blocked to the order of the Security Trustee or, as the case may be, on and subject to the terms of the Agency and Security Trust Deed (including any sub-delegate or substitute),

Business means the retail and online footwear and accessory businesses and related activities carried out by the Chargor in the UK and Ireland,

Business Day means a day (excluding Saturday and Sunday and statutory holidays) on which commercial banks are generally open for business in London,

Business Operational Cash & Receivables means, other than the Debenhams Receivables, the Beales Receivables, the Rangespan Receivables, the Tesco Receivables and the Retail Partner Receivables (if any) and the Permitted Cash Collateral, all cash and other sums (including merchant card service receipts, refunds and rebates) paid, released or refunded to or otherwise received or receivable by, or for the account of, the Chargor in the course of operating the Business,

Costs means all costs, charges or expenses on a full indemnity basis of any kind including, costs and damages in connection with litigation, professional fees, disbursements and any value added tax to be charged on those costs, charges, expenses and disbursements,

Debenhams Agreements means the Debenhams Concession Agreement and the Debenhams Online Concession Agreement,

Debenhams Concession Agreement means a concession agreement dated 6 September 2012 between (1) the Chargor and (2) Debenhams Retail plc (Registered No 00083395) regarding the sale in certain "Debenhams" stores of the Chargor's stock by Debenhams Retail plc,

Debenhams Online Concession Agreement means a concession agreement dated 20 March 2012 between (1) Debenhams Retail plc and (2) the Chargor regarding the sale online of the Chargor's stock by Debenhams Retail plc, pursuant to which the proceeds

of sale of the stock less agreed costs of sale are payable by Debenhams Retail plc to the Chargor,

Debenhams Receivables means all sums payable to the Chargor under the Debenhams Agreements,

Deposit means the amount standing to the credit of each Account from time to time (including accrued interest) and shall include, where the context requires, any portion of such amount,

Finance Documents means

- (a) the Parent Loan Agreement,
- (b) the Investor Loan Agreement,
- (c) the Security Documents,
- (d) any other document under which a member of the Group owes money to a Finance Party (other than in the Finance Party's capacity as shareholders of that member of the Group or any holding company of that member of the Group), and
- (e) any other loan, loan note or other credit facility under which a member of the Group is a borrower and where the document governing the terms of such loan, loan note or credit facility is designated as a 'Finance Document' by agreement between the Security Trustee and the relevant Group member from time to time for the purposes of this Deed,

Finance Parties means

- (a) the Parent as lender under the Parent Loan Agreement,
- (b) each party to the Investor Loan Agreement other than the Obligors,
- (c) the Security Trustee, and
- (d) any lender under any other loan, loan note or other credit facility under which any member of the Group is a borrower and where the document governing the terms of such loan, loan note or credit facility is designated as a 'Finance Document' by agreement between the Security Trustee and the relevant Group member from time to time for the purposes of this Deed,

and **Finance Party** means any of them and shall include their permitted transferees, successors and assigns,

Financial Collateral has the meaning given to that expression in the Financial Collateral Regulations,

Financial Collateral Regulations means the Financial Collateral Arrangements (No 2) Regulations 2003,

Group means the Chargor, Stormflow and each of their Subsidiaries from time to time (if any),

Interest means interest at the rate charged by any of the Finance Parties to the Chargor under a Finance Document from time to time,

Investor Loan Agreement means a term loan facility agreement of up to £4,218,676 originally dated 7 February 2013 (as amended and restated on or around the date of this Deed) between (1) the Chargor (2) those persons detailed in Schedule 1 thereto as Lenders (3) Apperley Securities Limited (as Agent) and (4) the Security Trustee,

Lock Box Accounts means collectively the following accounts at the Account Bank

- (e) a sterling denominated account designated as the "£ Cash Lock Box Account" Sort Code [REDACTED] Account Number [REDACTED]
- (f) a euro denominated account in Ireland designated as the "€ Cash Lock Box Account" Sort Code [REDACTED] Account Number [REDACTED] and
- (g) a euro denominated account in the UK designated as the "€ Cash Lock Box Account" Sort Code [REDACTED] Account Number [REDACTED]

in each case referable to the Chargor or any additional or substitute account(s) opened by the Chargor for the holding or deposit of Business Operational Cash & Receivables and being mandated in favour of and otherwise controlled by and/or blocked to the order of the Security Trustee or, as the case may be, on and subject to the terms of the Agency and Security Trust Deed (including any sub-delegate or substitute),

Parent means Redbreak Limited (Registered No 07858367),

Parent Loan Agreement means the loan agreement in respect of an intercompany loan of up to £5,003,178 originally dated 13 January 2012 (as amended and restated on 31

July 2013) between (1) the Parent and (2) the Chargor, together with any related or replacement agreement under which monies are advanced or re-advanced to the Chargor by the Parent,

Permitted Cash Collateral means cash collateral held or to be held by or to the order of HMRC, a bank or other financial institution in respect of the provision of standby letters of credit, a duty deferment bond and forward exchange contracts with the bank's reported exposure being a maximum aggregate amount of £500,000 (five hundred thousand pounds sterling) provided that the aggregate cash collateral described in this paragraph does not exceed £3,000,000 (three million pounds) with the ability, in each case, to cash back the provision of such facilities,

Permitted Security Document means

- (a) each Security Document, subject to the priorities in the Agency and Security Trust Deed,
- (b) a deed of charge over credit balances granted by the Chargor in favour of Barclays Bank plc dated 28 February 2012 subject to the priorities in the deed of postponement noted in paragraph (c) below (or any replacement deed of postponement (or similar)),
- (c) a deed of postponement entered into between (1) Barclays Bank plc (2) the Chargor (3) Arnold Securities Limited and (4) GB Europe Management Services Limited dated 7 February 2013 (or any replacement deed of postponement (or similar)),
- (d) all those rent deposit deeds granted by the Chargor in favour of Threadneedle Pensions Limited dated 29 August 2012,
- (e) a rent deposit deed granted by the Chargor in favour of NTRS Nominees Limited, a company incorporated under the laws of Ireland (Registered No 27567) in respect of a lease of No 1 Post Office Buildings, Henry Street, Dublin 1 dated 3 April 2013,
- (f) any Retail Partner Receivables Fixed Charge, subject to the priorities in the Agency and Security Trust Deed, and
- (g) the Agency and Security Trust Deed,

Permitted Security Interest means any Security Interest arising pursuant to a Permitted Security Document,

Rangespan Receivables means all sums payable to the Chargor under the Rangespan Supplier Participation Agreement,

Rangespan Supplier Participation Agreement means a supplier participation agreement entered into between (1) the Chargor and (2) Rangespan Limited (Registered No 07497613) dated 27 February 2013 regarding the provision of services by Rangespan Limited in respect of selected products of the Chargor for sale on www.argos.co.uk,

Receivables means the Beales Receivables, the Debenhams Receivables, the Rangespan Receivables, the Retail Partner Receivables (if any) and the Tesco Receivables,

Receiver includes a receiver (whether or not an administrative receiver), a receiver and manager and a manager,

Retail Partner means a retailer who enters into a Retail Partner Agreement with the Chargor,

Retail Partner Agreement means any concession, participation or partnering agreement similar to the Debenhams Agreements, the Beales Concession Agreement, the Rangespan Supplier Participation Agreement or the Tesco Partner Listing Agreement regarding the provision of services by a third party in respect of selected products of the Chargor for sale in a third party store and/or on a third party website,

Retail Partner Receivables means all sums payable to the Chargor under a Retail Partner Agreement,

Retail Partner Receivables Fixed Charge means any first fixed charge on the Retail Partner Receivables to be given by the Chargor in favour of the Security Trustee pursuant to a deed of fixed charge on receivables,

Secured Liabilities means all monies, debts and liabilities from time to time due, owing or incurred by the Chargor to the Finance Parties (other than in their capacity as shareholders of the Chargor or any holding company of the Chargor) of any kind and in any currency (whether incurred alone or jointly with another, whether actual or contingent, and whether as principal or surety), including any monies, debts and

liabilities of the Chargor to a third party which have been assigned or novated to or otherwise vested in a Finance Party and the charges, commission, Costs and Interest of the Finance Parties and references to the Secured Liabilities include references to any of them,

Security Assets means all the rights, title and interests of the Chargor in each Deposit, each Account and the Receivables, together with all interest thereon, all rights, benefits and proceeds thereof and all related assets, claims and property from time to time which are the subject of any Security Interest created or purported to be created by this Deed,

Security Documents means any document entered into by any person from time to time creating any Security Interest, directly or indirectly, for the Secured Liabilities including this Deed,

Security Financial Collateral Arrangement has the meaning given to that expression in the Financial Collateral Regulations,

Security Interest means any mortgage, charge, assignment, pledge, lien, right of set off, hypothecation, encumbrance, priority or other security interest (whether fixed or floating) including any 'hold-back' or 'flawed asset' arrangement together with any preferential right, retention of title, deferred purchase, leasing, sale or purchase, sale and leaseback, arrangement, trust, agreement, declaration of trust, trust arising by operation of law, any option or agreement for any of the same or any arrangement which has substantially the same commercial or substantive effect as the creation of security,

Security Period means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied that the Secured Liabilities have been irrevocably and unconditionally satisfied in full and that no further Secured Liabilities are capable of arising,

Stormflow means Stormflow Limited (Registered No 07858196),

Subsidiary means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and **Subsidiaries** shall be construed accordingly,

Tesco Partner Listing Agreement means a partner listing agreement entered into between (1) the Chargor and (2) Tesco Stores Limited (Registered No 00515900) dated

1 May 2013 regarding the sale by the Chargor of certain of its products on www tesco com, and

Tesco Receivables means all sums payable to the Chargor under the Tesco Partner Listing Agreement

1 2 In this Deed

1 2 1 any reference to any assets includes present and future assets and any substitutes thereof, unless the context otherwise requires,

1 2 2 any reference to the Account includes any substitutes, renewals, redesignations and renumberings thereof from time to time,

1 2 3 any reference, express or implied, to any enactment includes references to any amendment, consolidation, extension or re-enactment from time to time, and/or to any orders, regulations, instruments or other legislation subordinate to that enactment and/or any permission of whatever kind given under that enactment,

1 2 4 the headings do not affect its interpretation,

1 2 5 any obligation to commit or not to commit any act or thing shall be deemed to include a like obligation to procure or not to permit any such act or thing,

1 2 6 any reference to, and the definition of, any document, instrument and agreement (including this Deed) is a reference to such document, instrument or agreement as it may be amended, supplemented, modified, varied, novated and replaced (in whole or in part) from time to time,

1 2 7 any reference to any party or person includes any person deriving title from it or any successor, transferee or assignee,

1 2 8 references to the **Security Trustee** include, where the context so permits, references to any delegate of any such person,

1 2 9 any reference to a **person** includes any individual, company, corporation, partnership, firm, joint venture, association, organisation, trust, state or state agency (in each case, whether or not having a separate legal personality),

1 2 10 save where the context requires otherwise, words in the singular shall import the plural and vice versa,

1 2 11 words denoting one gender include each gender and all genders,

1 2 12 references to Clauses are references to the Clauses of this Deed (unless the context requires otherwise) are included for ease of reference only,

1 2 13 the word **including** shall be construed to mean **including without limitation**

2 COVENANT TO PAY

The Chargor covenants with the Security Trustee that it will on demand in writing made to it by the Security Trustee for itself and/or on behalf of each Finance Party (provided such sums, obligations or liabilities are due and payable) pay and discharge to the Security Trustee the Secured Liabilities PROVIDED ALWAYS that payment of the Secured Liabilities direct to the relevant Finance Party in accordance with the provisions applicable to the relevant indebtedness will (subject to the provisions of clauses 18 and 24 below) be a good discharge of this covenant to the extent of such payment

3 SECURITY

3 1 The Chargor covenants to discharge on demand when due the Secured Liabilities and as a continuing security for the payment and discharge of the Secured Liabilities and in the manner specified in Clause 3 2, charges by way of first fixed charge in favour of the Lender

3 1 1 each Deposit,

3 1 2 the Blocked Account,

3 1 3 each Lock Box Account,

3 1 4 the Beales Receivables,

3 1 5 the Debenhams Receivables,

3 1 6 the Rangespan Receivables,

3 1 7 the Retail Partner Receivables, and

3 1 8 the Tesco Receivables,

together with all interest thereon, all rights, benefits and proceeds thereof and all related assets, claims and property from time to time

3 2 Every disposition effected by this Deed is made with full title guarantee. The other terms of this Deed do not limit or extend any of the covenants implied by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 but create separate and independent obligations having effect cumulatively with those implied covenants.

3 3 The charges created by Clause 3 1 of this Deed may be enforced when

3 3 1 any of the Secured Liabilities is not paid and/or discharged in accordance with the terms of this Deed, or

3 3 2 the Chargor so requests the Security Trustee in writing (whether or not the Security Trustee has taken possession of the Security Assets) to appoint any person or persons (including a manager or official of the Security Trustee) to be a Receiver in respect of the Security Assets.

4 STATUS OF DEPOSIT

4 1 The provisions of this Clause 4 are without prejudice to the fixed charges over the Security Assets in Clause 3.

4 2 Unless and until all Secured Liabilities have been fully ascertained and fully repaid and discharged and the Chargor shall have no further actual or contingent liability under the Finance Documents, each Deposit shall not be repayable (in whole or in part) by the Security Trustee to the Chargor (or any other person) without the prior written consent of the Security Trustee (acting in accordance with, and subject to, the Agency and Security Trust Deed).

4 3 Unless and until all Secured Liabilities have been fully ascertained and fully repaid and discharged and the Chargor shall have no further actual or contingent liability under the Finance Documents, the Chargor shall not be entitled to withdraw any Deposit (or any part thereof) without the prior written consent of the Security Trustee (acting in accordance with, and subject to, the Agency and Security Trust Deed).

4 4 Acting at all times in accordance with, and subject to, the Agency and Security Trust Deed, the Security Trustee may, and is irrevocably authorised, without prior notice to the Chargor at any time or times without restriction to exercise in relation to any Deposit (or any part thereof) all rights of consolidation or combination of accounts and

to set off the whole or any part of a Deposit (whether or not then matured or payable) against any or all of the Secured Liabilities whether or not the Secured Liabilities shall have become due (and for this purpose the Security Trustee may estimate the amount of the Secured Liabilities and may retain any Deposit or any part thereof until the Secured Liabilities shall have been ascertained and thereafter apply any Deposit or any part thereof in or towards satisfaction of the Secured Liabilities in such order as the Security Trustee thinks fit)

4 5 The existence of any fixture on a Deposit shall not prejudice the rights of the Security Trustee under this Clause 4 and/or any other provision of this Deed. In particular, the Security Trustee shall not be obliged to delay the exercise of any of its rights over a Deposit until the expiry of any relevant fixture period and, upon such exercise, it may unilaterally terminate such fixture and adjust any interest payable by it accordingly.

4 6 If any monies forming part of a Deposit shall be subject to the terms which constitute or would, but for this Clause 4, constitute a time deposit, such monies shall, subject to Clause 4 4, be re-deposited for such periods and on such terms as may be agreed between the Security Trustee and the Chargor and, failing agreement, at the Security Trustee's absolute discretion. All monies so re-deposited shall constitute a Deposit.

5 APPLICATION OF SECURITY ASSETS

All moneys received, collected or realised by the Security Trustee or any Receiver in connection with the enforcement of the charges created by Clause 3 1 shall be applied in and toward the discharge of the Secured Liabilities subject to, and in accordance with the Agency and Security Trust Deed.

6 REPRESENTATIONS AND WARRANTIES

The Chargor makes the representations and warranties set out in this Clause 6 to the Security Trustee. The representations and warranties so set out are made on the date of this Deed and are deemed to be repeated by the Chargor daily throughout the Security Period with references to the facts and circumstances then existing.

6 1 Except pursuant to this Deed and any Permitted Security Interest, the Chargor is the sole, lawful and beneficial owner of all the Security Assets free from encumbrances,

6 2 The Chargor has and will at all times have the necessary power to enable it to enter into and perform the obligations expressed to be assumed by it under this Deed,

6.3 This Deed constitutes the Chargor's legal, valid, binding and enforceable obligations and is an effective and enforceable security over the Security Assets and every part of them,

6.4 All necessary authorisations to enable and entitle the Chargor to enter into this Deed have been obtained and are in full force and effect and will remain in such force and effect at all times during the subsistence of the security constituted by this Deed,

6.5 The Chargor has not sold or agreed to sell or otherwise disposed of, or agreed to dispose of, the benefit of all or any part of the Chargor's right, title and interest in and to the Security Assets, save as previously disclosed in writing to and consented to in writing by the Security Trustee, or as otherwise permitted by this Deed or a Finance Document

7 NEGATIVE PLEDGE

The Chargor shall not, otherwise than

7.1 in favour of the Security Trustee, or

7.2 with the prior written consent of the Security Trustee and in accordance with and subject to any conditions which the Security Trustee may attach to such consent,

create, grant, extend or permit to subsist any Security Interest (other than a Permitted Security Interest) over the Security Assets (or any part thereof) or permit or agree to any variation of the rights attaching to the Security Assets (or any part thereof)

8 ACCOUNTS AND RECEIVABLES

8.1 The Chargor undertakes to the Security Trustee that during the Security Period

8.1.1 it shall promptly realise and get in all of the Receivables and hold the same and the proceeds thereof on trust for the Security Trustee and pay or procure the payment thereof into the Blocked Account or such bank or other accounts as may be required by the Security Trustee from time to time,

8.1.2 it shall procure that all Business Operational Cash & Receivables are paid directly into the relevant Lock Box Accounts or such bank or other accounts as may be required by the Security Trustee from time to time in accordance with the usual business practices of the Chargor,

- 8 1 3 it shall not without the prior consent of the Security Trustee sell, assign, factor, discount, release, exchange, compound, set-off, grant time or indulgence in respect of or in any other manner deal with all or any of such Receivables except as expressly permitted under this Deed and the Beales Concession Agreement, the Debenhams Agreements, the Rangespan Supplier Participation Agreement, any Retail Partner Agreement or the Tesco Partner Listing Agreement (as applicable),
- 8 1 4 the Blocked Account and the Receivables shall be blocked to the order of and under the control of the Security Trustee in accordance with the Agency and Security Trust Deed, and
- 8 1 5 if so required by the Security Trustee and without prejudice to Clause 17, immediately execute a legal assignment of the Receivables to the Security Trustee in such terms as the Security Trustee may require and give notice of such assignment to the relevant third party
- 8 2 For the avoidance of doubt, whilst the Chargor may request the release of a specified sum from the Lock Box Accounts and/or the Blocked Account to a general operating account of the Business, any release of cash shall be subject to the Security Trustee's control and express written instructions of the Security Trustee to the Account Bank
- 8 3 The Chargor shall, at the request of the Security Trustee, procure that notice of the Security Interests created by this Deed and/or instructions relating to the payment of any Receivables to be revocable only by the Security Trustee are given to the Account Bank and/or, in respect of any Receivables, any relevant third party in form and substance satisfactory to the Security Trustee

9 APPROPRIATION

To the extent that any Deposit constitutes Financial Collateral and the charges created by this Deed and the Chargor's obligations under it constitute a Security Financial Collateral Arrangement, the Security Trustee shall have the right, at any time after this Deed has become enforceable (and subject to the Agency and Security Trust Deed), to appropriate all or any part of a Deposit in or towards the payment and/or discharge of the Secured Liabilities in such order as the Security Trustee in its absolute discretion may from time to time determine. The value of any Deposit appropriated in accordance with this Clause shall be, in the case of cash, the amount of cash appropriated. The Chargor agrees that the method of valuation provided for in this Clause is commercially reasonable for the purposes of the Financial Collateral Regulations.

10 POWER OF ATTORNEY

The Chargor hereby irrevocably appoints each of the Security Trustee and any Receiver appointed by the Security Trustee severally to be the attorney of the Chargor and in the Chargor's name and on its behalf and as its act and deed to sign, seal, execute, deliver, perfect and do all such documents and things as may be, or as the Security Trustee or any such Receiver may consider to be, requisite for carrying out any obligations imposed on the Chargor under this Deed. The Chargor hereby undertakes to ratify and confirm all things done and documents executed by the Security Trustee or any such Receiver in the exercise of the power of attorney conferred by this Clause.

11 CONSOLIDATION OF SECURITIES

Subsection (1) of Section 93 of the Law of Property Act 1925 shall not apply to this Deed.

12 EFFECTIVENESS OF SECURITY

12.1 The Security Interests constituted by this Deed

12.1.1 shall be in addition to and shall be independent of every other Security Interest which the Security Trustee may at any time hold for any of the Secured Liabilities,

12.1.2 shall not merge with any prior Security Interest held by the Security Trustee over the whole or any part of the Security Assets, and

12.1.3 shall remain in full force and effect as a continuing security unless and until the Security Trustee discharges it.

12.2 The rights of the Security Trustee under this Deed are in addition to and not in substitution for any other Security Interest which the Security Trustee may now or at any time in the future hold for all or any of the Secured Liabilities and may be enforced without the Security Trustee first having recourse to any such security and without taking steps or proceedings against any person.

12.3 Nothing contained in this Deed is intended to, or shall operate so as to, prejudice or affect any bill, note, guarantee, mortgage, debenture, pledge, charge or other security of any kind whatsoever which the Security Trustee may have for the Secured Liabilities or any of them or any right, remedy or privilege of the Security Trustee thereunder.

13 PROTECTION OF THIRD PARTIES

13 1 No person (including any purchaser, mortgagor or mortgagee) dealing with the Security Trustee shall be concerned to enquire

13 1 1 whether all or some part of the Secured Liabilities has become due, or

13 1 2 whether a demand for such Secured Liabilities has been duly made, or

13 1 3 whether any power which the Security Trustee or Receiver is purporting to exercise has become exercisable, or

13 1 4 whether any money remains due to the Finance Parties, or

13 1 5 how any money paid to the Finance Parties or Receiver is to be applied

14 REMEDIES, TIME OR INDULGENCE

14 1 The rights, powers and remedies provided by this Deed are cumulative and are not, nor are they to be construed as, exclusive of any powers and remedies provided by law

14 2 No failure on the part of the Security Trustee to exercise, or delay on the part of the Security Trustee in exercising any of the rights, powers and remedies provided by this Deed or by law shall operate as a waiver thereof, nor shall any single or partial waiver preclude any further or other exercise of any such rights, powers and remedies

15 PROVISIONS SEVERABLE

Each of the provisions contained in this Deed shall be severable and distinct from one another and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable under the laws of any jurisdiction, the validity, legality and enforceability of each of the remaining provisions of this Deed under the laws of any jurisdiction shall not in any way be affected, prejudiced or impaired thereby

16 NOTICES

16 1 All notices or other communications under or in connection with this Deed shall be given in writing or by facsimile Any notice will be deemed to be given as follows

16 1 1 if in writing, when delivered, and

16 1 2 if by facsimile, when received

However, a notice given in accordance with the above but received on a day that is not a Business Day or after business hours in the place of receipt will only be deemed to be given on the next Business Day in that place

16.2 The Chargor's address for notices as at the date of this Deed is

BPL House
880 Harrogate Road
Apperley Bridge
Bradford
West Yorkshire
BD10 0NW

or as the Chargor may notify to the Security Trustee by not less than five Business Days' notice

16.3 The Security Trustee's address for notices as at the date of this Deed is

BPL House
880 Harrogate Road
Apperley Bridge
Bradford
West Yorkshire
BD10 0NW

or as the Security Trustee may notify to the Chargor by not less than five Business Days' notice

17 FURTHER ASSURANCE

The Chargor shall, at its own expense, take whatever action (including, without limitation, payment of all stamp duties and other registration fees) the Security Trustee may require for

17.1 perfecting or protecting the security intended to be created by this Deed over the Security Assets (or any part thereof), and

17.2 facilitating the realisation of the Security Assets (or any part thereof) or the exercise of any right, power or discretion exercisable by the Security Trustee or any of its delegates or sub-delegates in respect of the Security Assets (or any part thereof), including the execution of any transfer, conveyance, assignment or assurance of any property whether

to the Security Trustee or to its nominees, and the giving of any notice, order or direction and the making of any registration, which in any such case, the Security Trustee may think expedient

18 AVOIDANCE OF PAYMENTS

- 18 1 No assurance, security or payment which may be avoided under the law or subject to an order of the court made under any law relating to bankruptcy, insolvency, administration or winding-up, including the Insolvency Act 1986, and no release, settlement or discharge given or made by a Finance Party on the faith of any such assurance, security or payment, prejudices or affected the rights of any Finance Party
- 18 1 1 to recover any monies from the Chargor (including any monies which it is compelled to refund under Chapter X (Malpractice before and during liquidation, penalisation of companies and company officers, investigations and prosecutions) of the Insolvency Act 1986 and any Costs payable by it incurred in connection with such process), or
- 18 1 2 to enforce the security constituted by this Deed to the full extent of the Secured Liabilities,
- 18 2 The Security Trustee may at its discretion retain the security so created as security for the Secured Liabilities for a period of one month plus any statutory period within which any such assurance, security or payment can be avoided or invalidated notwithstanding any release, settlement, discharge or arrangement given or made by any Finance Party
- 18 3 If at any time within the period referred to in clause 18 2 any person takes any step whatsoever relating to (i) the winding-up or administration of the Chargor, or (ii) any arrangement with the creditors of the Chargor, the Security Trustee may retain the whole or any part of the security constituted by this Deed for such further period as the Security Trustee may in its discretion think fit. Such security will be deemed to have been held and remain held by the Security Trustee as security for the payment to the Finance Parties of the Secured Liabilities

19 OPENING A NEW ACCOUNT

If the Security Trustee receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent assignment, charge or other interest affecting any interest in the Security Assets or any part thereof, the Security Trustee may open a new account with the Chargor. If the Security Trustee does not open a new account, it shall nevertheless be treated as

if it had done so at the time when it received or was deemed to have received notice. As from that time all payments made to the Security Trustee will be credited or be treated as having been credited to the new account and will not operate to reduce any amount for which this Deed is security.

20 SUSPENSE ACCOUNT

All monies received, recovered or realised by the Security Trustee in the exercise of any powers conferred by this Deed may, in the Security Trustee's discretion (and subject to the Agency and Security Trust Deed), be credited by it to any suspense or impersonal account and may be held in such account so long as the Security Trustee thinks fit pending the application from time to time of such monies (and any interest thereon) in or towards the discharge of the Secured Liabilities.

21 CERTIFICATE

The certificate of the Security Trustee as to any amount claimed under this Deed shall, in the absence of manifest error, be conclusive evidence of the amount due.

22 RELEASE

Upon the expiry of the Security Period (but not otherwise), the Security Trustee shall, at the request and cost of the Chargor, take whatever action is necessary to release the Security Assets from the Security Interests constituted by this Deed.

23 COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same document and either party may enter into this Deed by executing a counterpart.

24 SET-OFF

The Chargor agrees that, subject to the Agency and Security Trust Deed, any Finance Party may at any time after this Deed has become enforceable without notice or further demand combine or consolidate all or any of its then existing accounts including any accounts in the name of the relevant Finance Party or of the Chargor (whether current, deposit, loan or any other nature whatsoever whether subject to notice or not and whether in sterling or in any other currency) and set-off or transfer any sum standing to the credit of any one or more of those accounts in or towards satisfaction of the Secured Liabilities.

25 ASSIGNMENT

25.1 The Security Trustee shall have a full and unfettered right to assign or transfer all or any of its rights under this Deed

25.2 The Chargor may not assign, transfer, novate or dispose of any of their rights and obligations under this Deed

26 GOVERNING LAW

This Deed, including any non-contractual obligations arising out of or in connection with it, is governed by English law

27 THIRD PARTY RIGHTS

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed but this does not affect any right or remedy of a third party which exists or is available apart from that Act (including, without limitation, any right or remedy arising by virtue of an assignment of the benefit of this Deed or any part of this Deed which is permitted in accordance with its terms)

IN WITNESS WHEREOF this Deed has been executed and delivered as a deed on the date stated at the beginning of this Deed and the parties to this Deed intend that it takes effect as a deed notwithstanding the fact that the Security Trustee may only execute this Deed under hand, or not at all

EXECUTED AS A DEED)

by BARRATTS TRADING)

LIMITED)

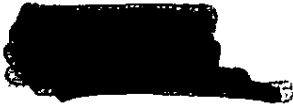
acting by a director *John Weaving,*)

in the presence of)

Director



Witness Signature



Witness Name

BEN ROSEN

Witness Address

WALKER MORRIS LLP
KINGS STREET
LEEDS
LS1 2HL
DX 12051 LEEDS 24

Witness Occupation

Solicitor

EXECUTED AS A DEED)

by APPERLEY)

SECURITIES LIMITED)

acting by ~~Director~~ *h attorney,*)
John WEAVING,
in the presence of)



Director Attorney

W.M.

Witness Signature



Witness Name

Ben RUDEN

Witness Address

WALKER MORRIS LLP
KINGS STREET
LEEDS
LS1 2HL
DX 12051 LEEDS 24

Witness Occupation

Senior