



Registration of a Charge

Company name: **HARRODS LIMITED**

Company number: **00030209**

Received for Electronic Filing: **16/08/2016**



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Details of Charge

Date of creation: **16/08/2016**

Charge code: **0003 0209 0012**

Persons entitled: **BARCLAYS BANK PLC (AND ITS SUCCESSORS IN TITLE AND PERMITTED TRANSFEREES)**

Brief description: **HARRODS STORE AT 87-135 BROMPTON ROAD, LONDON SW1X 7XL (TITLE NUMBER BGL5852), LOWER BASEMENT, BASEMENT & GROUND FLOORS OF TREVOR HOUSE, 96-104 BROMPTON ROAD, LONDON, SW3 1ER (TITLE NUMBERS NGL802630 AND NGL830120) AND FORMER KNIGHTSBRIDGE CROWN COURT, ONE HANS COURT, KNIGHTSBRIDGE, LONDON SW1X 0LG (TITLE NUMBER BGL12893)**

Contains fixed charge(s).

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.**

Certified by: **LINKLATERS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 30209

Charge code: 0003 0209 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th August 2016 and created by HARRODS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th August 2016 .

Given at Companies House, Cardiff on 17th August 2016

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

Certified that, save for material redacted pursuant to section 859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Linklaters LLP

SECURITY AGREEMENT

dated 16 August 2016

created by

HARRODS LIMITED
as the Chargor

in favour of

BARCLAYS BANK PLC
acting as Security Agent

Linklaters

Ref: L-234830

Linklaters LLP

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THIS DEED is dated 16 August 2016 and made between:

- (1) HARRODS LIMITED of 87/135 Brompton Road, London, SW1X 7XL with company number 00030209 as chargor (the "**Chargor**"); and
- (2) BARCLAYS BANK PLC as security agent for the Secured Parties (the "**Security Agent**").

Background

- (A) Pursuant to a security agreement dated 29 April 2015 between Harrods Holdings Limited, Harrods Corporate Management Limited, Harrods Property Limited and Harrods Limited as chargors and the Security Agent (the "**Original Security Agreement**"), the Real Property (as defined below) together with other property, assets and undertakings of the chargors described in the Original Security Agreement were charged to the Security Agent to secure the payment and discharge of the Secured Liabilities.
- (B) Pursuant to (a) contract(s) for sale dated on or around the date of this agreement, Harrods Property Limited has transferred its interest in the Real Property to the Chargor (the "**Transfer**").
- (C) In connection with the Transfer, the Security Agent has, pursuant to a deed of release of part dated on or around the date of this deed, released the security over the Real Property charged to it under the Original Security Agreement.
- (D) The Chargor intends to charge the Real Property to the Security Agent to secure the payment and discharge of the Secured Liabilities.
- (E) The Security Agent and the Chargor intend this document to take effect as a deed (even though the Security Agent only executes it under hand).
- (F) The Security Agent holds the benefit of this Deed for the Secured Parties on the terms of the Finance Documents.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"**Administrator**" means an administrator appointed under Schedule B1 to the Insolvency Act.

"**Delegate**" means a delegate or sub-delegate appointed by the Security Agent or a Receiver in accordance with this Deed.

"**Enforcement Event**" means the Agent giving notice to the Company pursuant to Clause 25.15 (*Acceleration*) of the Facility Agreement.

"**Facility Agreement**" means the facility agreement dated 29 April 2015 between, among others, the Company, certain Subsidiaries of the Company as guarantors, Barclays Bank PLC as Arranger, the Lenders named in that agreement and Barclays Bank PLC as Agent and Security Agent.

"**Finance Document**" means the Facility Agreement, any Hedging Agreement, any Fee Letter, any Accession Letter and any Transaction Security Document referred to as such in the Facility Agreement and any other document designated as such by the Agent and the Company.

"Finance Party" means the Security Agent, the Agent, an Arranger or a Lender as described in the Facility Agreement.

"Fixtures" means fixtures, fittings and fixed plant, machinery and apparatus.

"Head Lease" means any lease pursuant to which title to any Real Property is vested in the Chargor.

"Insolvency Act" means the Insolvency Act 1986.

"Law of Property Act" means the Law of Property Act 1925.

"Majority Senior Creditors" shall have the meaning given to that term in the Facility Agreement.

"Party" means a party to this Deed.

"Real Property" means, in relation to the Chargor, all its right, title and interest from time to time in and to the property listed in Schedule 2 (*Real Property*), all Fixtures from time to time on that property (other than any tenant's fixtures and fittings), and all Related Rights.

"Receiver" means a receiver and manager or other receiver appointed in respect of all or any part of the Security Assets and shall, if allowed by law, include an administrative receiver.

"Related Rights" means, in relation to any asset:

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Security Asset;
- (b) any moneys or proceeds paid or payable deriving from that Security Asset;
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Security Asset;
- (d) any awards or judgments in favour of the Chargor in relation to that Security Asset; and
- (e) any other assets deriving from, or relating to, that Security Asset.

"Secured Liabilities" means all present and future liabilities and obligations at any time due, owing or incurred by each Obligor to any Secured Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity.

"Secured Parties" means each Finance Party and Hedge Counterparty from time to time party to the Finance Documents and any Receiver or Delegate.

"Security Assets" means the assets which from time to time are, or expressed to be, the subject of the Security Interests or any part of those assets.

"Security Interests" means all or any of the Security created or expressed to be created in favour of the Security Agent by or pursuant to this Deed.

1.2 Incorporation of defined terms

Unless a contrary indication appears, terms defined in the Facility Agreement have the same meaning in this Deed.

1.3 Construction

- (a) Any reference in this Deed to a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated.
- (b) The provisions in Clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed, except that references to the Facility Agreement shall be construed as references to this Deed.

1.4 Third Party Rights

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

1.5 Disposition

The terms of the other Finance Documents are incorporated into each Finance Document to the extent required for any disposition or purported disposition of all or any part of any Real Property or any other relevant Security Asset contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2. SECURITY INTERESTS

2.1 Creation of Security Interests

The Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, charges in favour of the Security Agent by way of first legal mortgage, the Real Property.

2.2 Consents

If the consent of any party to a document is required to create fixed security over, or an assignment of, the rights of the Chargor under that document:

- (a) the Chargor shall promptly notify the Security Agent;
- (b) until the consent of the relevant party has been obtained, this Deed shall secure all amounts which the Chargor may receive, or has received, under that document but exclude any fixed security over, or any assignment of, those rights;
- (c) if the Security Agent so requires and notifies the Chargor in writing accordingly, the Chargor shall use reasonable endeavours for a period of 45 days (or such shorter period as the Chargor and the Security Agent agree (each acting reasonably)) to obtain the consent of the relevant party to the creation of fixed security over or, as the case may be, an assignment of, those rights under this Deed as soon as reasonably practicable. If the Chargor has used its reasonable endeavours, but has not by the end of the period referred to above been able to procure the consent of the relevant party to the creation of such fixed security or, as the case may be, assignment, the obligation to procure such consent shall cease on the expiry of the period referred to above; and

- (d) on the date on which the consent of the relevant party is obtained, the fixed security over, or, in respect of an asset expressed to be subject to an assignment, the assignment of, those rights under this Deed shall attach to those rights.

2.3 **No other prejudicial conduct**

Save as permitted by the Facility Agreement, the Chargor shall not do, or permit to be done, anything which could reasonably be expected to adversely prejudice the Security Interests.

3. **RESTRICTIONS ON DEALING WITH SECURITY ASSETS**

3.1 **Negative pledge**

The Chargor shall not create or permit to subsist any Security or Quasi Security over any Security Asset, except as permitted by the Facility Agreement.

3.2 **Disposals**

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any Security Asset, except as permitted by the Facility Agreement.

4. **FURTHER ASSURANCE**

- (a) The Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, 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)):

- (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security Interests) or for the exercise of any rights, powers and remedies of the Security Agent or the Secured Parties provided by or pursuant to the Finance Documents or by law; and/or
- (ii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Interests.

- (b) The Chargor shall use its reasonable endeavours to 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 Secured Parties by or pursuant to this Deed.

5. **REAL PROPERTY**

5.1 **Real Property**

The Chargor shall, in respect of the Real Property:

- (a) promptly apply to the Land Registry for registration of it as proprietor of the Real Property;
- (b) promptly apply to the Land Registry to register the Security created by Clause 2.1 (*Creation of Security Interests*);

- (c) promptly apply to the Land Registry requesting:
 - (i) a restriction in the form specified by the Security Agent; and
 - (ii) the obligation to make further advances,
to be entered on the register of the title to that Real Property in respect of the Security created by Clause 2.1 (*Creation of Security Interests*);
- (d) promptly pay all applicable registration fees; and
- (e) promptly deal with any requisitions by the Land Registry relating to that Real Property and keep the Security Agent informed as to the progress of any such application for registration, the nature of any such requisitions and its response,

or, if the Security Agent gives notice to the Chargor that the Security Agent will submit the relevant forms to the Land Registry, the Chargor shall promptly provide the Security Agent with all duly completed forms reasonably requested by the Security Agent and all applicable registration fees.

5.2 Title Information Document

On completion of the registration of any Security Interest pursuant to this Clause 5, the Chargor shall promptly supply to the Security Agent a copy of the relevant Title Information Document issued by the Land Registry or, as the case may be, Certificate of Registration of Land Charge issued by the Land Charges Registry.

5.3 Protection of assets

Subject to the terms of the Finance Documents, the Chargor shall (subject to fair wear and tear) keep in good and substantial repair and condition all the Real Property which is a Security Asset where failure to do so has a Material Adverse Effect.

5.4 Compliance with obligations

Subject to the terms of the Finance Documents, the Chargor shall comply with any covenants, stipulations, conditions, licences, consents and any other statutory, regulatory or contractual obligations relating to the Real Property or its use.

5.5 Leases

Subject to the terms of the Finance Documents, the Chargor shall:

- (a) observe and perform in all material respects all covenants, stipulations and obligations binding upon it as lessee under any Head Lease and any Occupational Lease;
- (b) diligently enforce all material covenants, stipulations and obligations benefiting it as lessor under any Head Lease or Occupational Lease;
- (c) other than as permitted by the Finance Documents, not amend, waive, release or vary any provision of, or exercise any option or power to break, terminate, forfeit or extend (or agree to do any of the foregoing) any Head Lease or Occupational Lease;
- (d) not do or permit to be done anything under any Head Lease which may result in its forfeiture;

- (e) promptly notify the Security Agent of anything which may result in the forfeiture or termination of any Head Lease or Occupational Lease; and
- (f) other than as permitted by the Finance Documents, not grant any new Occupational Lease or exercise any of the powers of leasing or agreeing to lease any Real Property vested in or conferred on mortgagors by law.

5.6 **Power to remedy**

- (a) If the Chargor does not comply with any provision of this Clause 5 and such non-compliance is not remedied within 15 Business Days of the earlier of (A) the Security Agent giving notice to the Chargor and (B) the Chargor becoming aware of the failure to comply, the Security Agent, or any agent, contractor or other person required by the Security Agent, may take any action reasonably required by the Security Agent to comply with any such provision.
- (b) The cost and expense of any action referred to in paragraph (a) above shall be borne by the Chargor.

6. **ENFORCEMENT OF SECURITY INTERESTS**

6.1 **When enforceable**

The Security Interests shall be immediately enforceable on and at any time after the occurrence of an Enforcement Event.

6.2 **Enforcement action**

At any time after the Security Interests have become enforceable, the Security Agent may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit or as directed by the Majority Senior Creditors.

6.3 **Law of Property Act powers**

At any time after the Security Interests have become enforceable, the powers, authorities and discretions conferred by the Law of Property Act on mortgagees, including the power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act, as varied and extended by this Deed, shall be immediately exercisable.

7. **LAW OF PROPERTY ACT**

7.1 **Section 101**

The power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act on mortgagees, as varied and extended by this Deed, shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on the date of this Deed and shall be exercisable in accordance with Clause 6.3 (*Law of Property Act powers*).

7.2 **Section 103**

Section 103 (*Regulation of exercise of power of sale*) of the Law of Property Act shall not apply to this Deed.

7.3 **Section 93**

Section 93 (*Restriction on consolidation of mortgages*) of the Law of Property Act shall not apply to this Deed.

7.4 Sections 99 and 100

At any time after the Security Interests have become enforceable, the Security Agent may make any lease or agreement for lease, accept any surrender of lease and grant any option as it sees fit and without the need to comply with any provision of section 99 (*Leasing powers of mortgagor and mortgagee in possession*) or section 100 (*Powers of mortgagor and mortgagee in possession to accept surrenders of leases*) of the Law of Property Act.

8. APPOINTMENT OF RECEIVERS AND ADMINISTRATORS

8.1 Appointment of Receivers

If:

- (a) requested by the Chargor; or
- (b) the Security Interests have become enforceable,

without any notice or further notice, the Security Agent may, by deed or otherwise in writing signed by the Security Agent or any person authorised for this purpose by the Security Agent, appoint one or more persons to be a Receiver of all or any part of the Security Assets. The Security Agent may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Agent appoints more than one person as Receiver, the Security Agent may give those persons power to act either jointly or severally.

8.2 Agent of Chargor

Any Receiver shall be the agent of the Chargor for all purposes. The Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults, save in the case of any fraud, gross negligence or wilful misconduct of any such Receiver.

8.3 Remuneration of Receivers

The Security Agent may determine the remuneration of any Receiver and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the Law of Property Act shall not apply. The Security Agent may direct payment of that remuneration out of moneys it receives as Receiver. The Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of the Receiver, save in the case of any fraud, gross negligence or wilful misconduct of the Security Agent.

9. RIGHTS AND LIABILITIES OF SECURITY AGENT AND RECEIVERS

9.1 Rights of Receivers

Any Receiver appointed pursuant to Clause 8 (*Appointment of Receivers and Administrators*) shall have:

- (a) the rights set out in Schedule 1 (*Rights of Receivers*); and
- (b) the rights, powers, privileges and immunities conferred by law, including:
 - (i) in the case of an administrative receiver, the rights, powers, privileges and immunities conferred by the Insolvency Act on administrative receivers duly appointed under the Insolvency Act; and

- (ii) in all other cases, the rights, powers, privileges and immunities conferred by the Law of Property Act and the Insolvency Act on receivers or receivers and managers.

9.2 **Rights of Security Agent**

At any time after the Security Interests have become enforceable, to the fullest extent permitted by law, any rights conferred by any Finance Document or by law upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have appointed a Receiver of all or any part of the Security Assets.

9.3 **Delegation**

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent thinks fit and the Security Agent may pass confidential information to any such delegate.

9.4 **Possession**

If the Security Agent, any Receiver or any Delegate takes possession of the Security Assets, it may at any time relinquish possession. Neither the Security Agent, any Receiver nor any Delegate shall be liable, by reason of viewing or repairing any of the present or future assets of the Chargor, as a mortgagee in possession.

9.5 **Security Agent's liability**

Neither the Security Agent, any Receiver nor any Delegate shall, either by reason of taking possession of the Security Assets or for any other reason and whether as mortgagee in possession or otherwise, be liable for:

- (a) any costs, losses, liabilities or expenses relating to the realisation of any Security Assets; or
- (b) any act or omission of the Security Agent, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Security Assets or in connection with the Finance Documents,

in each case, unless directly caused by its fraud, gross negligence or wilful misconduct.

10. **ORDER OF APPLICATION**

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security Interests shall be held by the Security Agent on trust for application at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law, in the order set out in the Facility Agreement.

11. **POWER OF ATTORNEY**

11.1 **Appointment**

The Chargor by way of security irrevocably appoints the Security Agent, each Receiver and each Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (a) to do anything which the Chargor is obliged to do under any Finance Document to which it is party but, following the expiry of any time period permitted for performance, has failed to do by the date it was obliged to do so (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations 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))); and
- (b) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document or under any law.

11.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 11.1 (*Appointment*) save in the case of any fraud, gross negligence or wilful misconduct of any such attorney.

12. PROTECTION OF THIRD PARTIES

No purchaser or other person dealing with the Security Agent, any Receiver or its agents shall be concerned to enquire:

- (a) whether the powers conferred on the Security Agent, any Receiver or its agents have arisen;
- (b) whether the powers conferred on the Security Agent, any Receiver or its agents have become exercisable;
- (c) whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- (d) whether the Security Agent, any Receiver or its agents is acting within such powers;
- (e) whether any money remains due under the Finance Documents and the receipt in writing of the Security Agent, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- (f) as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- (g) as to the application of any money paid to the Security Agent, any Receiver or its agents.

13. SAVING PROVISIONS

13.1 Continuing Security

Subject to Clause 14 (*Discharge of Security*), the Security Interests are continuing Security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

13.2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or Obligor or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation or otherwise, without limitation, then the liability of the Chargor and Obligor and the Security Interests will continue or be reinstated as if the discharge, release or arrangement had not occurred.

13.3 Waiver of defences

Neither the obligations of the Chargor under this Deed nor the Security Interests will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Finance Document or any of the Security Interests (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, the Chargor, any other Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Chargor, any other Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor, any other Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

13.4 Chargor intent

Without prejudice to the generality of Clause 13.3 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security Interests shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such

facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

13.5 Immediate recourse

The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

13.6 Appropriations

Until all amounts which may be or become payable by the Obligors or the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Liabilities have terminated, each Secured Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

13.7 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Obligors or the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Liabilities have terminated and unless the Security Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under the Finance Documents:

- (a) to be indemnified by another Obligor;
- (b) to claim any contribution from any guarantor of any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any other Obligor to make any payment, or perform any obligation, in respect of which the Obligor or the Chargor had given a guarantee, undertaking or indemnity;
- (e) to exercise any right of set-off against any other Obligor; and/or
- (f) to claim or prove as a creditor of any other Obligor in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors or the Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 10 (*Order of application*).

13.8 Additional security

The Security Interests are in addition to and are not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Party.

13.9 Tacking

Each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

14. DISCHARGE OF SECURITY

14.1 Final redemption

- (a) Subject to Clause 14.2 (*Retention of security*), if the Security Agent (acting on the instructions of the Majority Senior Creditors, each acting reasonably) is satisfied that all amounts which may be or become payable by the Obligors or the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and that all facilities which might give rise to Secured Liabilities have terminated, the Security Agent shall, at the request and cost of the Chargor (and without any further instruction or direction from any other Finance Party), release, reassign or discharge (as appropriate) the Security Assets from the Security Interests.
- (b) Subject to Clause 17.2 (*Retention of security*), the Security Agent shall, at the request and cost of the Chargor (and without any further instruction or direction from any other Finance Party), release, reassign or discharge (as appropriate) from the Security Interests any Security Asset which is subject to a disposal or transfer by the Chargor permitted under the Facility Agreement.

14.2 Retention of security

If the Security Agent (acting on the instructions of the Majority Senior Creditors, each acting reasonably) considers that any amount paid or credited to any Secured Party under any Finance Document has been or is reasonably likely to be avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid.

15. PAYMENTS

15.1 Undertaking to pay

The Chargor shall pay each of the Secured Liabilities when due in accordance with its terms.

15.2 Demands

Any demand for payment made by any Secured Party shall be valid and effective even if it contains no statement of the relevant Secured Liabilities.

15.3 Payments

All payments by the Chargor under this Deed shall be made to such account, with such financial institution and in such other manner as the Security Agent may direct.

15.4 Continuation of accounts

- (a) At any time after a Secured Party has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Security Assets of the Chargor, that Secured Party may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).
- (b) If that Secured Party does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of the Chargor to that Secured Party shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Liabilities as at the time the relevant notice was received or deemed to have been received.

15.5 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Finance Documents but any such amount will become due, the Security Agent or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

16. REMEDIES, WAIVERS AND DETERMINATIONS

16.1 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, Receiver or Delegate, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Finance Party, Receiver or Delegate shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Act.

16.2 Certificates and Determinations

Any certification or determination by the Security Agent or any Receiver of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

17. SEPARATE AND INDEPENDENT OBLIGATIONS

The Security created by the Chargor by or in connection with any Finance Document is separate from and independent of the Security created or intended to be created by any other Obligor or other security provider by or in connection with any Finance Document.

18. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

19. **GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

20. **ENFORCEMENT**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 20 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

This Deed has been delivered on the date stated at the beginning of this Deed.

SCHEDULE 1
RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 8 (*Appointment of Receivers and Administrators*) shall have the right, either in its own name or in the name of the Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(a) **Enter into possession**

to take possession of, get in and collect all or any part of the Security Assets;

(b) **Carry on business**

to manage and carry on any business of the Chargor;

(c) **Contracts**

to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which the Chargor is a party;

(d) **Deal with Security Assets**

to sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Security Assets (including any Fixtures, which may be sold separately from the related Real Property) to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments or deferred);

(e) **Hive down**

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or any rights attaching thereto;

(f) **Borrow money**

to borrow or raise money either unsecured or on the security of all or any part of the Security Assets (either in priority to the Security Interests or otherwise);

(g) **Lend money**

to lend money or advance credit to any person;

(h) **Covenants and guarantees**

to enter into bonds, covenants, guarantees, indemnities and other commitments;

(i) **Dealings with tenants**

to grant leases, tenancies, licences and rights of user, grant renewals and accept surrenders of leases, tenancies, licences or rights of user, and otherwise to reach agreements and make arrangements with, and to make allowances to, any lessees, tenants or other persons;

(j) **Rights of ownership**

to manage and use all or any part of the Security Assets and to exercise and do all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Security Assets;

(k) Protection of Security Assets

to insure all or any part of the Security Assets, to carry out decorations, repairs, alterations, improvements and additions to all or any part of the Security Assets (including the development or redevelopment of any Real Property), to commence and/or complete any building operation, to apply for and maintain any planning permission, building regulation approval or any other authorisation and to purchase or otherwise acquire or do anything in connection with all or any part of the Security Assets;

(l) Legal actions

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Security Assets or any business of the Chargor;

(m) Claims

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Security Assets or any business of the Chargor;

(n) Redemption of Security

to redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Security Assets and to settle the accounts of any person with an interest in all or any part of the Security Assets;

(o) Employees

to appoint, hire and employ officers, employees, contractors, agents, advisors and others and to discharge any such persons and any such persons appointed, hired or employed by the Chargor;

(p) Delegation

to delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate;

(q) Insolvency Act

to exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed;

(r) Receipts

to give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Security Assets; and

(s) **Other powers**

to do anything else it may think fit for the realisation of all or any part of the Security Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document to which the Chargor is party, the Law of Property Act or the Insolvency Act.

SCHEDULE 2
REAL PROPERTY

Name of Chargor

Harrods Limited

Property	Title No.
Harrods Store at 87-135 Brompton Road, London, SW1X 7XL	BGL5852 (Freehold)
Lower Basement, basement & ground floors of Trevor House, 96-104 Brompton Road, London, SW3 1ER	NGL802630 and NGL830120 (Leasehold)
Former Knightsbridge Crown Court, One Hans Crescent, Knightsbridge, London SW1X 0LG	BGL12893 (Freehold)

SIGNATURES

Executed as a Deed by **Harrods Limited** acting by
JOHN EDGAR, a director, in the
presence of:



.....
Director



.....
Name of Witness

DAN WEBSTER

Address of Witness: 68 MARKLATHAM RD
LONDON
W14 5YU
Occupation of Witness:
SOLICITOR

Executed as a Deed by **Barclays Bank PLC** acting
by _____, a director, in the
presence of:

.....
Director

.....
Name of Witness

Address of Witness:
Occupation of Witness:

SIGNATURES

Executed as a Deed by **Harrods Limited** acting by _____, a director, in the presence of:

.....
Director

.....
Name of Witness

Address of Witness:

Occupation of Witness:



Executed as a Deed by **Barclays Bank PLC** acting by CHLOE KETCHUM, a director, in the presence of:

.....
Director *ATORSEY*

.....
Name of Witness *PHILIP PARK*

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BN

Address of Witness:

Occupation of Witness: *BANKER*