

MG01

Particulars of a mortgage or charge



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A fee is payable with this form.

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Please see 'How to pay' on the last page



What this form is for

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



What this form is NOT for

You cannot use this form to register particulars of a charge on a company. To do this, use form MG01s

FRIDAY



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L248CDY8

15/03/2013

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COMPANIES HOUSE

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1

Company details

Company number

0 0 9 7 2 1 0 7

Company name in full

DFS Furniture Company Limited (the "Chargor")

16 For official use

Filling in this form

Please complete in typescript or in bold black capitals

All fields are mandatory unless specified or indicated by *

2

Date of creation of charge

Date of creation

d0 d8 m0 m3 y2 y0 y1 y3

3

Description

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

Description

Group Debenture dated 8 March 2013 (the "Debenture") and entered into between the Chargor, DFS Furniture Holdings plc, DFS Trading Limited and Lloyds TSB Bank plc (the "Security Agent")

4

Amount secured

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

Amount secured

The "Secured Obligations" which are defined in the Debenture as

(a) all the Secured Liabilities, and

(b) all other present and future obligations at any time due, owing or incurred by any member of the Group and by each Debtor to any Secured Party under the Senior Finance Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity

(For definitions of capitalised terms used in this Form MG01, please see the continuation pages to Part 6 of this Form MG01)

Continuation page

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

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

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Continuation page

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

Name Lloyds TSB Bank plc

Address Wholesale Loans Agency, 1st Floor, 10 Gresham Street

London

Postcode E C 2 V 7 A E

Name

Address

Postcode

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Continuation page

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

Short particulars

(For definitions of capitalised terms used in this Form MG01, please see the continuation pages of Part 6 attached hereto)

PART 1: Short Particulars of all the property mortgaged or charged**1. FIXED SECURITY****1.1 Fixed charges**

Subject to Clause 4 3 (*Existing Debenture Fixed charges and security assignments*) of the Debenture (as set out in paragraph 1 3 of this Part 6), the Chargor has charged all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest

(a) by way of legal mortgage and with full title guarantee.

(i) the Real Property specified in part 1 of schedule 2 (*Details of Security Assets*) of the Debenture; and

(ii) all other Real Property at the date of the Debenture vested in the Chargor (not charged by Clause 4 1(a) (i) of the Debenture (as set out in paragraph 1 1(a) (i) of this Part 6)),

(Please see continuation pages 1 to 22 of this Part 6 of this Form MG01 attached hereto)

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Short particulars	<p>(b) by way of fixed charge</p> <p>(1) all other Real Property not charged by Clause 4 1(a) of the Debenture (as set out in paragraph 1 1(a) of this Part 6), and</p> <p>(11) the proceeds of sale of all Real Property;</p> <p>(c) by way of fixed charge all plant and machinery (not charged by Clause 4 1(a) or 4 1(b) of the Debenture (as set out in paragraph 1 1(a) and 1 1(b) of this Part 6)) and the benefit of all contracts, licences and warranties relating to the same which do not contain any prohibitions on charging;</p> <p>(d) by way of fixed charge</p> <p>(1) all computers, vehicles, office equipment and other equipment (not charged by Clause 4 1(c) of the Debenture (as set out in paragraph 1 1(c) of this Part 6)), and</p> <p>(11) the benefit of all contracts, licences and warranties relating to the same which do not contain any prohibitions on charging;</p> <p>(e) by way of fixed charge</p> <p>(1) the Charged Securities (if any) referred to in part 2 of schedule 2 (Details of Security Assets) of the Debenture, and</p> <p>(11) all other Charged Securities (not charged by Clause 4 1 (e) (1) of the Debenture (as set out in paragraph 1 1(e) (1) of this Part 6),</p> <p>in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments,</p> <p>(f) by way of fixed charge</p> <p>(1) the Cash Collateral Accounts and all monies at any time standing to the credit of the Cash Collateral Accounts; and</p> <p>(11) the Collection Accounts and all monies at any time standing to the credit of the Collection Accounts (but excluding the accounts (if any) specified against its name in part 3A of Schedule 2 (Details of Security Assets) of the Debenture, and</p> <p>(111) all accounts of the Chargor with any bank, financial institution or other person at any time (not charged by Clauses 4 1(f) (1) and 4 1(f) (11) of the Debenture (as set out in paragraph 1 1(f) (1) and 1 1(f) (11) of this Part 6)) and all monies at any time standing to the credit of such accounts (but excluding the accounts (if any) specified against its name in part 3A of Schedule 2</p>	

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Particulars of a mortgage or charge

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Short particulars	<p style="text-align: center;">(<i>Details of Security Assets</i>) of the Debenture),</p> <p>in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing,</p> <p>(g) by way of fixed charge (to the extent they are capable of being charged) -</p> <p>(1) all of its right, title and interest from time to time in the Intellectual Property owned by it including that specified in part 4 of schedule 2 (<i>Details of Security Assets</i>) of the Debenture, and</p> <p>(11) all of its right, title and interest from time to time in any Intellectual Property owned by it not charged by Clause 4 1(g)(1) of the Debenture (as set out in paragraph 1 1(g)(1) of this Part 6),</p> <p>(h) to the extent that any Assigned Asset is not effectively assigned under Clause 4 2 (<i>Security assignments</i>) of the Debenture (as set out in paragraph 1 2 of this Part 6) provided that they do not require any third party consent and the Chargor has used its reasonable endeavours to procure such consent but such consent has not been granted, by way of fixed charge such Assigned Asset,</p> <p>(1) by way of fixed charge (to the extent not otherwise charged or assigned in the Debenture provided that they do not require any third party consent and the Chargor has used its reasonable endeavours to procure such consent but such consent has not been granted)</p> <p>(1) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets (but for the avoidance of doubt this shall not be deemed to include a lease of any Leasehold Restricted Property), and</p> <p>(11) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it, and</p> <p>(j) by way of fixed charge all of the goodwill and uncalled capital of the Chargor</p> <p>1.2 Security assignments</p> <p>Subject to Clause 4 3 (<i>Existing Debenture Fixed charges and security assignments</i>) of the Debenture (as set out in paragraph 1 3 of this Part 6), the Chargor has assigned absolutely (subject to a proviso for reassignment on redemption and obtaining third party consent where necessary and where the Chargor has used its reasonable endeavours to procure such consent but such consent has not been granted) all of its present and future right, title and</p>

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Particulars of a mortgage or charge

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Short particulars	<p>interest in and to</p> <p>(a) the Relevant Contracts, all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising from them;</p> <p>(b) each of the following</p> <p>(i) all Insurances (if any) specified in part 6 of Schedule 2 (<i>Details of Security Assets</i>) of the Debenture, and</p> <p>(ii) all other Insurances (not assigned by Clause 4 2(b) (1) of the Debenture (as set out in paragraph 1 2(b) (1) of this Part 6)),</p> <p>and all claims under the Insurances and all proceeds of the Insurances, and</p> <p>(c) all other Receivables (not assigned under Clauses 4 2(a) or 4 2(b) of the Debenture (as set out in paragraph 1 2(a) and 1 2(b) of this Part 6))</p> <p>To the extent that any Assigned Asset described in Clause 4 2(b) of the Debenture (as set out in paragraph 1 2(b) of this Part 6) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Assigned Asset</p> <p>1.3 Existing Debenture: Fixed charges and security assignments</p> <p>The Chargor has acknowledged that the security created for the payment of the Secured Obligations created pursuant to Clause 4 1 (<i>Fixed charges</i>) of the Debenture (as set out in paragraph 1 1 of this Part 6) and Clause 4 2 (<i>Security assignments</i>) of the Debenture (as set out in paragraph 1 2 of this Part 6) is subject to the Existing Debenture and the Intercreditor Agreement and that the application of proceeds pursuant to the Debenture and the Existing Debenture is provided for in the Intercreditor Agreement</p> <p>1.4 Intellectual property restricting charging</p> <p>(a) There shall be excluded from the charge created by Clause 4 1 (<i>Fixed charges</i>) of the Debenture (as set out in paragraph 1 1 of this Part 6) and from the operation of Clause 20 (<i>Further Assurances</i>) of the Debenture (as set out in paragraph 6 of this Part 6) any Intellectual Property in which the Chargor has an interest under any licence or other agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) the Chargor from creating any charge over its interest in that Intellectual Property (each an "Excluded Intellectual Property") until the relevant condition or waiver has been satisfied or obtained</p> <p>(b) For each Excluded Intellectual Property, the Chargor undertakes to apply for the relevant consent or waiver of prohibition or condition within fourteen days of the date of the Debenture and upon receipt of the relevant waiver or</p>	

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consent, the relevant formerly Excluded Intellectual Property shall stand charged to the Security Agent under Clause 4 1 (*Fixed charges*) of the Debenture (as set out in paragraph 1 1 of this Part 6)

2. FLOATING CHARGE

2.1 Floating charge

Subject to Clause 5 2 (*Existing Debenture. Floating charge*) of the Debenture (as set out in paragraph 2 2 of this Part 6), the Chargor has charged by way of floating charge all of its present and future

(a) (other than Real Property), assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge or assigned pursuant to Clause 4 1 (*Fixed charges*) of the Debenture (as set out in paragraph 1 1 of this Part 6), Clause 4 2 (*Security assignments*) of the Debenture (as set out in paragraph 1 2 of this Part 6) or any other provision of the Debenture, which shall include any Leasehold Restricted Property provided that in respect of any such property, should a notice be served or proceedings commenced by any landlord (or other third party) to re-enter, determine or forfeit the relevant lease as a result (direct or indirect) of the lease being subject to the floating charge, the Security Agent will (at the expense and cost of the Chargor) release the relevant property from the floating charge except that if, in the reasonable opinion of the Security Agent, such release would prejudice the floating charges under the Debenture being qualifying floating charges for the purpose of the Insolvency Act 1986, the Security Agent may require the Chargor to use reasonable endeavours to obtain the relevant landlord (or other third party) consent to the floating charge where the relevant lease provides that the landlord (or other third party) will not unreasonably withhold its consent to charging the property,

(b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland; and

(c) Real Property, and any interest in Real Property which is not charged pursuant to Clause 4 1 (*Fixed charges*) of the Debenture (as set out in paragraph 1 1 of this Part 6)

2.2 Existing Debenture: Floating charge

The Chargor has acknowledged that the security created for the payment of the Secured Obligations created pursuant to Clause 5 1 (*Floating charge*) of the Debenture (as set out in paragraph 2 1 of this Part 6) is subject to the Existing Debenture and the Intercreditor Agreement and that the application of proceeds pursuant to the Debenture and the Existing Debenture is provided for in the Intercreditor Agreement

3. CONVERSION OF A FLOATING CHARGE

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3.1 Conversion by notice

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

- (a) an Event of Default has occurred and is continuing, or
- (b) the Security Agent (acting reasonably) considers those assets specified in the notice to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy

3.2 Small companies

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

3.3 Automatic conversion

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

- (a) in relation to any Security Asset which is subject to a floating charge if
 - (1) the Chargor creates (or attempts or purports to create) any Security (other than as permitted under the Credit Facility Documents) on or over the relevant Security Asset without the prior written consent of the Security Agent, or
 - (11) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset, and
- (b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Security Agent receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986)

3.4 Scottish property

Clause 6.3 (Automatic Conversion) of the Debenture (as set out in paragraph 3.3 of this Part 6) will not apply to any assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such automatic conversion

3.5 Partial conversion

The giving of a notice by the Security Agent pursuant to Clause 6.1

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(Conversion by notice) of the Debenture (as set out in paragraph 3.1 of this Part 6) in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent under the Debenture to serve similar notices in respect of any other class of assets or of any other right of the Security Agent and/or the other Secured Parties

4. CONTINUING SECURITY

4.1 Continuing security

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

4.2 Additional and separate security

The Debenture is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Agent and/or any other Secured Party may at any time hold for any Secured Obligation.

4.3 Right to enforce

The Debenture may be enforced against the Chargor without the Security Agent and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it.

5. UNDERTAKINGS BY THE CHARGOR

5.1 Negative pledge and Disposals

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

- (a) create or permit to subsist any Security or Quasi-Security on any Security Asset other than as created by the Debenture and except as permitted under the Senior Finance Documents,
- (b) sell, transfer, assign, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset (except as permitted under the Senior Finance Documents), or
- (c) take any action to prejudice its Intellectual Property or the right to receive any fees, royalties and other income derived under licences or agreements relating to Intellectual Property.

6. FURTHER ASSURANCES

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Short particulars	<p>6.1 General</p> <p>(1) Subject to the Agreed Security Principles, 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))</p> <p>(A) to perfect the Security created or intended to be created under or evidenced by the Debenture Security (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 Debenture Security) or for the exercise of any rights, powers and remedies of the Security Agent, any Receiver or the Secured Parties provided by or pursuant to the Debenture or by law,</p> <p>(B) to confer on the Security Agent or confer on the Secured Parties Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Debenture Security, and/or</p> <p>(C) following the occurrence of an Acceleration Event, to facilitate the realisation of the assets which are, or are intended to be, the subject of the Debenture Security</p> <p>(11) Subject to the Agreed Security Principles, the Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to the Debenture Security</p> <p>(111) The Chargor shall use, and shall procure that any other member of the Restricted Group (as defined in the Facility Agreement) that is a potential provider of Transaction Security (as defined in the Facility Agreement) uses, all reasonable endeavours lawfully available to avoid or mitigate the constraints on the provision of the Security provided for in the Agreed Security Principles</p> <p>6.2 Senior Finance Documents</p> <p>Subject to the Agreed Security Principles, the Chargor shall (and DFS Furniture Holdings plc shall procure that each member of the Restricted Group shall) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to the Debenture</p>

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Short particulars	<p>6.3 Specific security</p> <p>Without prejudice to the generality of Clause 20 (Further assurances) of the Debenture (as set out in paragraph 6 of this Part 6), the Chargor will promptly upon request by the Security Agent execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under the Debenture (including any fixed security arising or intended to arise pursuant to Clause 6 (Conversion of a floating charge) of the Debenture (as set out in paragraph 3 of this Part 6))</p> <p>6.4 Security over Intellectual Property</p> <p>(a) Unless the Security Agent elects to undertake records in accordance with Clause 20 4(b) of the Debenture (as set out in paragraph 6 4(b) of this Part 6), as soon as is reasonably practicable, and in any event within 6 months following the date of the Debenture, the Chargor shall, at its own cost, do all things reasonably necessary to record, register, complete and perfect the Secured Parties' interests in its Intellectual Property granted under the Debenture, including registering with the appropriate national or supra-national intellectual property registry or office all necessary documents, forms and particulars required by such registry or office in order to record, register, complete or perfect such interest over any existing and future registrations and applications for any registered Intellectual Property (including registrations and applications for trade marks, registered design rights, copyrights and patents).</p> <p>(b) In the event that the Chargor fails to perform its obligations under Clause 20 4(a) of the Debenture (as set out in paragraph 6 4(a) of this Part 6) as soon as is reasonably practicable and in any event within 6 months following the date of the Debenture, without prejudice to the power of attorney granted in Clause 21 of the Debenture (as set out in paragraph 7 of this Part 6), the Chargor, by way of security, has irrevocably and severally appointed the Security Agent, and any person nominated for the purpose by the Security Agent (in writing and signed by an officer of the Security Agent) as its attorney (with full power of substitution and delegation) to carry out in its name and on its behalf any obligation(s) of the Chargor under Clause 20 4(a) of the Debenture (as set out in paragraph 6 4(a) of this Part 6)</p> <p>(c) In the event that the Security Agent elects to carry out any of the Chargor's obligations under Clause 20 4(a) of the Debenture (as set out in paragraph 6 4(a) of this Part 6), the Chargor has agreed to execute all documents and forms and do any and all other things necessary and reasonably requested by the Security Agent to record, register, complete and perfect the Secured Parties' interests in the Chargor's Intellectual Property granted under the Debenture</p> <p>7. POWER OF ATTORNEY</p> <p>The Chargor, by way of security, has irrevocably and severally</p>

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appointed the Security Agent, each Receiver and any Delegate to be its attorney to take any action on enforcement of the Debenture Security which the Chargor is obliged to take under the Debenture, including under Clause 20 (*Further assurances*) of the Debenture (as set out in paragraph 6 of this Part 6) or, prior to enforcement of the Debenture Security which the Chargor has failed to take in which case the power of attorney in respect thereof is limited to dealing with the breach. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this paragraph

PART 2: DEFINITIONS

Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and the following words when used in this MG01 (including the attached Appendices) shall have the following meanings:

"Acceleration Event" means a Credit Facility Acceleration Event, a Senior Note Acceleration Event or a Pari Passu Debt Acceleration Event,

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

"Acquisition Agreement" means together:

- (a) the agreement dated on or around 17 April 2010 relating to the sale and purchase of the issued shares in DFS Furniture Company Limited by DFS Furniture Holdings plc (previously named Diamond Bidco Limited),
- (b) the founder agreement dated on or around the date hereof and made between DFS Furniture Holdings plc (previously named Diamond Bidco Limited), Lord Graham Kirkham and FullCircle Future Limited (CRN 05167384) (being the **"Future Arrangements Deed"**),

"Acquisition Document" means the Acquisition Agreement and the Disclosure Letter;

"Additional Borrower" means a company which becomes an Additional Borrower in accordance with Clause 31 (*Changes to Obligors*) of the Facility Agreement,

"Additional Credit Facility" has the meaning given to that term in the Intercreditor Agreement,

"Additional Credit Facility Agreement" means any credit facility agreement entered into between the Debtors and a Finance Party evidencing the Additional Credit Facility,

"Additional Credit Facility Lender" means a lender under the Additional Credit Facility Agreement,

"Additional Guarantor" means a company which becomes an Additional

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Short particulars	<p>Guarantor in accordance with Clause 31 (<i>Changes to the Obligors</i>) of the Facility Agreement,</p> <p>"Additional Liabilities" means, in relation to any Liability, any money, debt or liability due, owing or incurred under or in connection with</p> <ul style="list-style-type: none"> (a) any refinancing, deferral or extension of such Liability, (b) any further advance which may be made under any document, agreement or instrument supplemental to any original finance document under or in connection with which such Liability was incurred or created together with any related interest, fees and costs; (c) any claim for damages or restitution in the event of rescission of such Liability or otherwise in connection with any relevant agreement, deed, document or instrument relating to such Liability, (d) any claim against any Debtor or Intra-Group Borrower flowing from any recovery by a Debtor or Intra-Group Borrower or any liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer of a payment or discharge in respect of such Liability on the grounds of preference or otherwise, and (e) any amount (such as post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings, <p>"Agent" means Lloyds TSB Bank plc,</p> <p>"Agreed Security Principles" means the principles set out in schedule 14 (<i>Agreed Security Principles</i>) of the Facility Agreement,</p> <p>"Amendment and Restatement Agreement" means the agreement dated 8 March 2013 between among others, the Note Issuer, the RCF Agent and the Security Agent, pursuant to which the Intercreditor Agreement is amended and restated,</p> <p>"Ancillary Lender" has the meaning given to it in the Intercreditor Agreement,</p> <p>"Arranger" means an Arranger under and as defined in the Facility Agreement and any other person who becomes a party to the Intercreditor Agreement as an Arranger pursuant to Clause 19 (<i>Changes to the Parties</i>) of the Intercreditor Agreement,</p> <p>"Arranger Liabilities" has the meaning given to it in the Intercreditor Agreement,</p> <p>"Assigned Assets" means the Security Assets expressed to be assigned pursuant to Clause 4.2 (<i>Security assignments</i>) of the Debenture (as set out in paragraph 1.2 of this Part 6),</p>	

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"Auditors" has the meaning given to it in the Intercreditor Agreement,

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

"Borrower" means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with Clause 31 (*Changes to the Obligors*) of the Facility Agreement,

"Cash Collateral Accounts" means an interest-bearing account

- (a) held in London by a Borrower with the Agent or the Security Agent,
- (b) identified in a letter between the Parent and the Agent as a Mandatory Prepayment Account (as such term is defined in the Facility Agreement),
- (c) subject to Security in favour of the Security Agent which Security is in form and substance satisfactory to the Agent and Security Agent, and
- (d) from which no withdrawals may be made by any members of the Group except as contemplated by the Facility Agreement,

as the same may be redesignated, substituted or replaced from time to time,

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

"Charged Securities" means

- (a) the securities (if any) specified in part 2 of schedule 2 (*Details of Security Assets*) of the Debenture, and
- (b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of the Debenture) now or in future owned (legally or beneficially) by the Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time,

"Collection Account" means in relation to the Chargor

- (a) the account (if any) specified against its name in part 3 of schedule 2 (*Details of Security Assets*) of the Debenture as a Collection Account,
- (b) such specially designated account(s) with the Security Agent as the Security Agent may from time to time direct, or
- (c) such other account(s) with such other bank as the Security Agent may from time to time direct,

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Short particulars	Please give the short particulars of the property mortgaged or charged	
	<p>together with all additions to or renewals or replacements thereof (in whatever currency),</p> <p>"Company" means DFS Furniture Company Limited,</p> <p>"Credit Facility" has the meaning given to that term in the Intercreditor Agreement,</p> <p>"Credit Facility Acceleration Event" means</p> <ul style="list-style-type: none"> (a) on or prior to the RCF Discharge Date, the RCF Agent exercising any of its rights under Clause 28 20 (Acceleration) of the Facility Agreement but including, without limitation, the making of a demand in respect of any amounts placed on demand, and (b) after the RCF Discharge Date, if applicable, the Creditor Representative in relation to any Credit Facility exercising any of its rights (other than a right to place amounts on demand but including, without limitation, the making of a demand in respect of any amounts placed on demand) under any acceleration provision(s) of the Credit Facility Documents, <p>"Credit Facility Document" means</p> <ul style="list-style-type: none"> (a) on or prior to the RCF Discharge Date, (i) each "Finance Document" under, and as defined in, the Facility Agreement and (ii) if applicable, any document or agreement entered into by a member of the Group and a Finance Party setting out in the terms of the Additional Credit Facility Lender, and (b) after the RCF Discharge Date, if applicable, each document or instrument entered into between a member of the Group and a Finance Party setting out the terms of any loan, credit or debt facility or securities which creates or evidences any Credit Facility, <p>"Credit Facility Lender Liabilities" means the Liabilities owed by the Debtors to the Credit Facility Lenders under or in connection with the Credit Facility Documents, together with any related Additional Liabilities (but excluding any Hedging Liabilities),</p> <p>"Credit Facility Lenders" means</p> <ul style="list-style-type: none"> (a) on or prior to the RCF Discharge Date, the RCF Lenders and if applicable, each Additional Credit Facility Lender; and (b) after the RCF Discharge Date, each Lender (under and as defined in the Credit Facility Documents), Issuing Bank and Ancillary Lender, <p>"Creditors" means the Primary Creditors (as defined in the Intercreditor Agreement), the Structural Creditors (as defined in the Intercreditor Agreement) and the Intra-Group Lenders (as defined in the Intercreditor Agreement),</p>	

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Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

"Creditor Representative" means

- (a) in relation to the RCF Lenders, the RCF Agent,
- (b) in relation to the Credit Facility Lenders under any other Credit Facility, the facility agent in respect of that Credit Facility,
- (c) in relation to the Senior Noteholders, the Senior Note Trustee;
- (d) in relation to any Pari Passu Creditors, the person which has acceded to the Intercreditor Agreement as Creditor Representative of those parties, and
- (e) in relation to any Hedge Counterparty, each Hedge Counterparty shall be its own Creditor Representative,

"Creditor Representative Liabilities" means all present and future liabilities and obligations, actual and contingent, owed by the Debtors to the Creditor Representatives under or in connection with the Senior Finance Documents and the Pari Passu Documents, together with any related Additional Liabilities,

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

"Debt Documents" means each of the Intercreditor Agreement, the Amendment and Restatement Agreement, the RCF Finance Documents, the Credit Facility Documents, the Senior Note Documents, the Pari Passu Debt Documents, the Hedging Agreements, the Transaction Security Documents, the Structural Debt Documents, the Intra-Group Debt Documents and any other document designated as such by the Security Agent and the Parent,

"Debtor" means each

- (a) Original Debtor (which, for the avoidance of doubt, includes, without limitation, each Borrower and Guarantor under the Facility Agreement from time to time (as those terms are defined therein)), and
- (b) any person which becomes a Party as a Debtor in accordance with the terms of Clause 19 (*Changes to the Parties*) of the Intercreditor Agreement;

"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Agent or by a Receiver;

"Designated Super Senior Amount" means a notice substantially in the form set out in Schedule 6 (*Form of Designated Super Senior Amount Notice*) of the Intercreditor Agreement,

"Disclosure Letter" has the meaning given to that term in the Acquisition Agreement;

"Enforcement" has the meaning given to that term in the Intercreditor

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>Agreement;</p> <p>"Event of Default" means any event or circumstance specified as such in any of the Facility Agreement, the Credit Facility Documents, the Senior Note Indenture or the Pari Passu Debt Documents,</p> <p>"Existing Debenture" means the debenture dated 29 July 2010 under which each Original Chargor, pursuant to the terms of the Facility Agreement, granted in favour of the Security Agent, for itself and on behalf of each of the Secured Parties, security interests over all or substantially all of its assets and undertaking;</p> <p>"Existing Hedging Agreement" means</p> <ul style="list-style-type: none"> (a) the master agreement in the form of the 1992 ISDA Master Agreement dated 31 March 2005 and as may be amended from time to time and entered into by Lloyds TSB Bank plc (as an Original Hedge Counterparty) and DFS Furniture Company Limited (as an Original Debtor) together with the schedules and confirmations entered into or to be entered into; (b) the master agreement in the form of the 2002 ISDA Master Agreement dated 6 July 2012 and as may be amended from time to time and entered into by The Royal Bank of Scotland plc (as a New Hedge Counterparty) and DFS Furniture Holdings PLC (as an Original Debtor) together with the schedule and confirmations entered into or to be entered into, and (c) the master agreement in the form of the 2002 ISDA Master Agreement dated 26 March 2012 and as may be amended from time to time and entered into by Abbey National Treasury Services PLC (as a New Hedge Counterparty) and DFS Furniture Holdings PLC (as an Original Debtor) together with the schedule and confirmations entered into or to be entered into, <p>in each case, for the purposes of hedging that at the time such Hedging Agreement is entered into is permitted under the terms of the Credit Facility Documents in place at that time and not prohibited under the terms of the Senior Note Documents in place at that time or the Pari Passu Debt Documents in place at that time to share in the Transaction Security,</p> <p>"Facility Agreement" means the GBP 30,000,000 multi-currency revolving facility agreement dated 22 July 2010 between, among others, DFS Furniture Holdings plc as Parent, DFS Furniture Company Limited as the Company, the entities listed therein as Original Borrowers, the entities listed therein as Original Guarantors, Lloyds TSB Bank plc as Arranger, the financial institutions listed therein as Original Lenders and Lloyds TSB Bank plc as Agent and Security Agent (as amended and restated from time to time),</p> <p>"Finance Party" means</p> <ul style="list-style-type: none"> (a) on or prior to the RCF Discharge Date, any RCF Finance Party, and (b) after the RCF Discharge Date, has the meaning given to the term "Finance Party" in the relevant Credit Facility Documents, 	

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
Short particulars	Please give the short particulars of the property mortgaged or charged	
	<p>"Group" means the Parent and each of its Restricted Subsidiaries for the time being,</p> <p>"Guarantor" means an Original Guarantor or Additional Guarantor, unless it has ceased to be a Guarantor in accordance with Clause 31 (<i>Changes to the Obligors</i>) of the Facility Agreement,</p> <p>"Hedge Counterparty" means</p> <ul style="list-style-type: none"> (a) any Original Hedge Counterparty, and (b) any New Hedge Counterparty, <p>which in each case has not ceased to be a Hedge Counterparty in accordance with the Intercreditor Agreement,</p> <p>"Hedging Agreement" means</p> <ul style="list-style-type: none"> (a) any Existing Hedging Agreement, and (b) any master agreement together with schedule and confirmation or any other agreement entered into or to be entered into between a Debtor and a Hedge Counterparty, for the purposes of hedging that at the time such Hedging Agreement is entered into is permitted under the terms of the Credit Facility Documents in place at that time and not prohibited under the terms of the Senior Note Documents or the Pari Passu Debt Documents in place at that time to share in the Transaction Security, <p>"Hedging Liabilities" means all present and future moneys, debts and liabilities due, owing or incurred from time to time by any Debtor to any Hedge Counterparty under or in connection with any Hedging Agreement and the guarantee and indemnity referred to in Clause 6 (<i>Guarantee and Indemnity</i>) of the Intercreditor Agreement whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise), together with any related Additional Liabilities,</p> <p>"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of the Chargor, or in which the Chargor from time to time has an interest excluding any third party liability insurance, but including, without limitation the policies of insurance (if any) specified in part 6 of Schedule 2 (<i>Details of Security Assets</i>) to the Debenture,</p> <p>"Intellectual Property" means all legal and equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Chargor in, or relating to</p> <ul style="list-style-type: none"> (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, trade secrets, confidential information, know-how and all other intellectual property rights and interests (which subsist now or in the future), whether registered or unregistered, together with the goodwill and reputation in any such rights and including other 	

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Particulars of a mortgage or charge

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Please give the short particulars of the property mortgaged or charged

Short particulars

rights and forms of protection of a similar nature or effect anywhere in the world, and

- (b) the benefit of all applications and rights to apply for the registration of such assets (which may now or in the future subsist),

(including, without limitation, the intellectual property rights (if any) specified in part 4 of Schedule 2 (*Details of Security Assets*) to the Debenture),

"Intercompany Loan" means any loan which evidences Intra-Group Liabilities,

"Intercreditor Agreement" means the intercreditor agreement dated 29 July 2010 between, among others, DFS Furniture Holdings plc as the Parent and Note Issuer, Lloyds TSB Bank plc as the RCF Agent, Deutsche Trustee Company Limited as Senior Note Trustee, the financial institutions listed therein as RCF Finance Parties, the financial institutions listed therein as Original Hedge Counterparties, the companies listed therein as Original Intra-Group Lenders, the companies listed therein as Original Intra-Group Borrowers, the persons listed therein as Original Structural Creditors, the subsidiaries listed therein as Original Debtors and Lloyds TSB Bank plc as Security Agent (as each term is defined therein), as amended and restated on or about the date of the Debenture;

"Interest Rate Hedging Liabilities" means the Liabilities owed by the Debtors to any Hedging Counterparty in respect of the Interest Rate Hedging Transactions under or in connection with any Hedging Agreement (whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise),

"Interest Rate Hedging Transaction" has the meaning given to that term in the Intercreditor Agreement,

"Intra-Group Borrowers" means

- (a) each Original Intra-Group Borrower (as such term is defined in the Facility Agreement), and
- (b) each member of the Group who has had loans or credit made available to it by an Intra-Group Lender and which becomes a party as an Intra-Group Lender in accordance with the terms of Clause 19 (*Changes to the Parties*) of the Intercreditor Agreement,

which in each case has not ceased to be an Intra-Group Borrower in accordance with the Intercreditor Agreement,

"Intra-Group Debt Documents" means all documents, agreements and instruments evidencing any Intra-Group Liabilities,

"Intra-Group Lenders" means

- (a) each Original Intra-Group Lender, and

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Particulars of a mortgage or charge

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- (b) each member of the Group which has made a loan available to, granted credit to or made any other financial arrangement having similar effect with another member of the Group and which becomes a party as an Intra-Group Lender in accordance with the terms of Clause 19 (*Changes to the Parties*) of the Intercreditor Agreement,

which in each case has not ceased to be an Intra-Group Lender in accordance with the Intercreditor Agreement,

"Intra-Group Liabilities" means the Liabilities owed by any member of the Group to any of the Intra-Group Lenders, together with any related Additional Liabilities,

"Issuing Bank" has the meaning given to that term in the Intercreditor Agreement,

"Leasehold Restricted Property" means a leasehold property vested in the Chargor from time to time where the relevant lease either (i) requires the consent of the relevant landlord or another third party to charge or mortgage the property or (ii) prohibits charging or mortgaging the property absolutely,

"Liabilities" means all present and future moneys, debts, liabilities and obligations due at any time of any member of the Group to any Creditor under the Debt Documents, both actual and contingent and whether incurred solely or jointly with any other person or in any other capacity, together with any related Additional Liabilities,

"New Hedge Counterparty" means any person which becomes Party as a New Hedge Counterparty pursuant to Clause 19.3 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement,

"Non-Super Senior Hedging Liabilities" means the Interest Rate Hedging Liabilities to the extent they are not Priority Interest Rate Hedging Liabilities,

"Note Issuer" means DFS Furniture Holdings plc,

"Obligor" means a Borrower or Guarantor (as such terms are defined in the Facility Agreement),

"Original Borrowers" means DFS Furniture Holdings plc, DFS Furniture Company Limited and DFS Trading Limited,

"Original Chargors" means DFS Furniture Holdings plc, DFS Furniture Company Limited and DFS Trading Limited,

"Original Debtors" means DFS Furniture Holdings plc, DFS Furniture Company Limited and DFS Trading Limited,

"Original Guarantors" means DFS Furniture Holdings plc, DFS Furniture Company Limited and DFS Trading Limited,

"Parent" means DFS Furniture Holdings plc,

"Pari Passu Creditors" means the lenders or other creditors in respect of

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Particulars of a mortgage or charge

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any Pari Passu Debt and the Creditor Representative in relation to that Pari Passu Debt;

"Pari Passu Debt" means the Liabilities (that are not subordinated in right of payment to any Super Senior Liabilities or Senior Note Liabilities) owed by the Debtors in respect of any loan, credit or debt facility, notes, indenture or security which are permitted, under the terms of the Senior Note Documents, the Credit Facility Documents and any existing Pari Passu Debt Documents, to share in the Transaction Security with the rights and obligations of Pari Passu Creditors as provided for in the Intercreditor Agreement, provided that the Pari Passu Creditors (or their Pari Passu Debt Representative) have acceded to the Intercreditor Agreement in accordance with Clause 19.3 (New Pari Passu Creditors and Creditor Representatives) of the Intercreditor Agreement (excluding, for the avoidance of doubt, Credit Facility Lender Liabilities and Senior Note Liabilities), together with any related Additional Liabilities,

"Pari Passu Debt Acceleration Event" means the Creditor Representative in relation to any Pari Passu Debt (or any of the other Pari Passu Creditors) exercising any acceleration rights (howsoever described) or any acceleration provisions being automatically invoked in each case under the Pari Passu Debt Documents,

"Pari Passu Debt Documents" means each document or instrument entered into between any members of the Restricted Group and a Pari Passu Creditor setting out the terms of any loan, credit or debt facility, notes, indenture or security which creates or evidences any Pari Passu Debt,

"Pari Passu Debt Representative" means each creditor representative for any tranche of Pari Passu Creditors which has acceded to the Intercreditor Agreement as a Creditor Representative of such Parties,

"Priority Interest Rate Hedging Liabilities" means in respect of a Hedge Counterparty which has been allocated, a Designated Super Senior Amount, the Interest Rate Hedging Liabilities of that Hedge Counterparty up to but not exceeding the Designated Super Senior Amount;

"Quasi Security" means any transaction in which a member of the Restricted Group agrees to

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or any other member of the Restricted Group;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms,
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness (as such term is defined in the Facility Agreement) or of financing the acquisition of an

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Please give the short particulars of the property mortgaged or charged

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asset,

"RCF Agent" means the facility agent under the Facility Agreement,

"RCF Discharge Date" means the date on which all RCF Liabilities have been fully and finally discharged to the satisfaction of the RCF Agent, whether or not as the result of an enforcement, and the RCF Finance Parties are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents,

"RCF Finance Documents" has the meaning given to the term "Finance Document" in the Facility Agreement, but excluding the Hedging Agreements,

"RCF Finance Parties" means each "Finance Party" referred to in the Facility Agreement, other than the Hedge Counterparties,

"RCF Lenders" means each "Finance Party" referred to in the Facility Agreement, other than the Hedge Counterparties;

"RCF Liabilities" means the Liabilities owed by the Debtors to the RCF Finance Parties under the RCF Finance Documents, together with any related Additional Liabilities (but excluding any Hedging Liabilities),

"Real Property" means all estates and interests in freehold and leasehold property (but excluding any Leasehold Restricted Property) situated in England and Wales now or in future belonging to the Chargor, or in which the Chargor has an interest at any time (including the registered and unregistered land in England and Wales specified in part 1 of Schedule 2 (Details of Security Assets) to the Debenture), together with

- (a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon,
- (b) all easements, rights and agreements in respect thereof, and
- (c) the benefit of all covenants given in respect thereof,

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

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

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Security Agent under the Debenture,

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

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6	Short particulars of all the property mortgaged or charged
Short particulars	Please give the short particulars of the property mortgaged or charged
	<p>(a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition, and</p> <p>(b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;</p> <p>"Relevant Contract" means</p> <p>(a) each Acquisition Document,</p> <p>(A) each Intercompany Loan, and</p> <p>(B) each Hedging Agreement,</p> <p>together with each other agreement supplementing or amending or novating or replacing the same,</p> <p>"Restricted Subsidiary" has the meaning given to such term in the Facility Agreement or, following the RCF Discharge Date, in the Senior Note Indenture,</p> <p>"Secured Liabilities" means the Credit Facility Lender Liabilities, the Creditor Representative Liabilities, the Senior Note Liabilities, the Pari Passu Debt and the Hedging Liabilities,</p> <p>"Secured Parties" means the Super Senior Creditors, the Senior Noteholders, the Pari Passu Creditors, the Creditor Representatives, the Arrangers, the Security Agent and any Receiver or Delegate from time to time but, in the case of each Creditor Representative, Arranger, Super Senior Creditor or Pari Passu Creditor, only if it is a party to the Intercreditor Agreement or has acceded to the Intercreditor Agreement, in the appropriate capacity, pursuant to clause 20.13 (Creditor/Creditor Representative Accession Undertaking) of the Intercreditor Agreement,</p> <p>"Security" means a mortgage, charge, pledge, assignment, transfer, lien, right of set-off, retention or extended retention of title provision, or any other security interest securing any obligation of any person or any other agreement or arrangement having the effect of giving security or preferential ranking to a creditor, or any other agreement or arrangement having a similar effect,</p> <p>"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Debenture,</p> <p>"Security Period" means the period beginning on the date of the Debenture and ending on the date on which</p> <p>(a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and</p> <p>(b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Senior Finance Documents;</p>

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
Short particulars	Please give the short particulars of the property mortgaged or charged	
	<p>"Senior Finance Documents" means the Credit Facility Documents, the Senior Note Documents, the Hedging Agreements and the Pari Passu Debt Documents; and</p> <p>"Senior Note Acceleration Event" means the Senior Note Trustee or any of the Senior Noteholders exercising any acceleration rights (howsoever described) or any acceleration provisions being automatically invoked in each case under section 6.02 of the Senior Note Indenture,</p> <p>"Senior Note Creditors" means the Senior Noteholders and the Senior Note Trustee,</p> <p>"Senior Note Documents" means</p> <ul style="list-style-type: none"> (a) the Senior Note Indenture, (b) the Senior Notes; (c) the Intercreditor Agreement, (d) the Senior Note Guarantees, and (e) the Transaction Security Documents <p>"Senior Note Guarantees" means the "Note Guarantees" as defined in the Senior Note Indenture,</p> <p>"Senior Note Indenture" means the senior secured note indenture dated on or around the Effective Date (as defined in the Amendment and Restatement Agreement) between, among others, the Note Issuer and the Senior Note Trustee, as amended from time to time,</p> <p>"Senior Note Liabilities" means the Liabilities owed by the Note Issuer and the Debtors to the Senior Note Creditors under the Senior Note Documents, together with any related Additional Liabilities (but excluding any Hedging Liabilities),</p> <p>"Senior Note Trustee" means the senior note trustee under the Intercreditor Agreement;</p> <p>"Senior Noteholders" means the "Holders" as defined in the Senior Note Indenture,</p> <p>"Senior Notes" means (i) the £200,000,000 aggregate principal amount of 7% senior secured fixed rate notes due 2018 and (ii) the £110,000,000 senior secured floating rate notes due 2018 issued by the Note Issuer pursuant to the terms of the Senior Note Indenture and any additional notes issued from time to time under the Senior Note Indenture, together with any Additional Liabilities,</p> <p>"Structural Debt Documents" means all documents, agreements and instruments evidencing any Structural Liabilities,</p> <p>"Structural Liabilities" means all Liabilities of any Debtor to any Structural Creditor (as defined in the Intercreditor Agreement) together with any related Additional Liabilities;</p>	

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Particulars of a mortgage or charge

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Please give the short particulars of the property mortgaged or charged

Short particulars

"Super Senior Creditors" means the Credit Facility Lenders, the Super Senior Hedge Counterparties and their respective Creditor Representatives,

"Super Senior Hedge Counterparty" means a Hedge Counterparty to the extent they are owed Super Senior Hedging Liabilities;

"Super Senior Hedging Liabilities" means all Hedging Liabilities excluding Non-Super Senior Hedging Liabilities owed by the Debtors to the Super Senior Hedge Counterparties,

"Super Senior Liabilities" means (i) the Credit Facility Lender Liabilities, (ii) the Creditor Representative Liabilities owed to the Credit Facility Agent (as such term is defined in the Intercreditor Agreement), (iii) the Arranger Liabilities, and (iv) the Super Senior Hedging Liabilities,

"Transaction Security" means the Security created or expressed to be created in favour of the Security Agent under or pursuant to the Transaction Security Documents, and

"Transaction Security Documents" means:

- (a) each "Transaction Security Document" as defined in the Facility Agreement,
- (b) any other document entered into at any time by any of the Debtors creating any Security in favour of any of the Secured Parties as security for any of the Secured Obligations, and
- (c) any Security granted under any covenant for further assurance in any of the documents set out in paragraphs (a) and (b) above,

which in each case, to the extent legally possible

- (i) is created in favour of the Security Agent as trustee for the other Secured Parties in respect of their Liabilities, or
- (ii) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Security Agent as trustee for the Secured Parties is created in favour of
 - (A) all the Secured Parties in respect of their Liabilities, or
 - (B) the Security Agent under a parallel debt structure for the benefit of all the Secured Parties.

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Particulars of a mortgage or charge

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

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

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

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

Commission, allowance or discount Nil

8 Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 870).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 866). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

9 Signature

Please sign the form here

Signature

Signature

X *Latham & Watkins*

X

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

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Presenter information

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

Contact name James Smye/Maud Holma

Company name Latham & Watkins

Address 99 Bishopsgate

Post town London

County/Region

Postcode E C 2 M 3 X F

Country England

DX Reference 028878-0091

Telephone 020 7710 4746



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

For companies registered in England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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



Further information

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

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



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 972107
CHARGE NO. 16**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A GROUP DEBENTURE DATED 8
MARCH 2013 AND CREATED BY DFS FURNITURE COMPANY
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME
DUE FROM ANY MEMBER OF THE GROUP AND BY EACH
DEBTOR TO ANY SECURED PARTY ON ANY ACCOUNT
WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED
INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS
REGISTERED PURSUANT TO CHAPTER 1 PART 25 OF THE
COMPANIES ACT 2006 ON THE 15 MARCH 2013

GIVEN AT COMPANIES HOUSE, CARDIFF THE 19 MARCH 2013



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**