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COMPANIES FORM No. 395

Particulars of a mortgage or charge

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158242

395

CHFP025

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write in
this margin

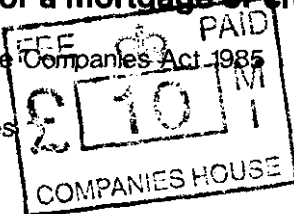
Please complete
legibly, preferably
in black type, or
bold block lettering

*insert full name
of Company

A fee of £10 is payable to Companies House in respect
of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)



For official use

Company number

16 11 99

2903586

Name of company

* New World Holdings Limited (the "Chargor").

Date of creation of the charge

5 August 1999

Description of the instrument (if any) creating or evidencing the charge (note 2)

Debenture containing fixed and floating charges granted by the Chargor
in favour of The Governor and Company of the Bank of Scotland (the
"Debenture").

Amount secured by the mortgage or charge

See Part II of the attached Schedule

Names and addresses of the mortgagees or persons entitled to the charge

The Governor and Company of the Bank of Scotland ("BoS")
PO Box 267
38 Threadneedle Street
London

Postcode EC2P 2EH

Presentor's name address and
reference (if any):

Lovell White Durrant
65 Holborn Viaduct
London EC1A 2DY
Tel: 0171 236 0066

A7/CLR/MF/574836

Time critical reference

For official Use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

As specified in Parts III and IV of the attached Schedule.

NB The attached Schedule contains covenants and restrictions on the Chargor which protect and further define the charges and which must be read as part of the charges created.

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

N/A

Signed

Date

On behalf of [company] [mortgagee/chargee] †

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF4 3UZ

SCHEDULE TO FORM 395

Part I Definitions

"Assets"	shall mean the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of the Chargor;
"Debenture Date"	shall mean 5 August 1999;
"Facility Letter"	shall mean the terms of any facility letter entered into at the time of the Debenture or thereafter by any member of the Group with BoS which is currently in full force and effect;
"Group"	shall mean Stores Group Plc (registered under the laws of England and Wales with registered number 2351719) and all of its Subsidiaries;
"Secured Liabilities"	shall mean all or any monies and liabilities which will for the time being (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to BoS by the Chargor, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not BoS shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which BoS may in the course of its business charge or incur in respect of any of those matters or for keeping the Chargor's account, and so that interest shall be computed and compounded according to the usual BoS rates and practice as well after as before any demand made or decree obtained under the Debenture;

Part II Amount secured by mortgage or charge

The Chargor covenanted that it will on demand in writing pay or discharge the Secured Liabilities.

Part III Particulars of property mortgaged or charged

1. By Clause 3.1 of the Debenture the Chargor charged to **BoS** as a continuing security and with full title guarantee for the payment or discharge of the Secured Liabilities:-
 - (a) by way of legal mortgage all the freehold and leasehold property vested in it at the Debenture Date whether or not the title to the property is registered at H.M. Land Registry together with all buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property;
 - (b) by way of fixed charge:-
 - (i) all future freehold and leasehold property belonging to the Chargor together with all buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property;
 - (ii) all interests of the Chargor in or over land at the Debenture Date or thereafter or the proceeds of sale of it and all licences of the Chargor to enter upon or use land

at the Debenture Date or thereafter and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property charged under the Debenture;

- (c) all the Chargor's goodwill and uncalled capital for the time being;
- (d) all stocks, shares and other securities owned (at law or in equity) by the Chargor at the Debenture Date or thereafter and all rights and interests accruing or offered at any time in relation to them, all rights and interests in and claims under all policies of insurance and assurance held or to be held by or insuring to the benefit of the Chargor and the benefit of all rights and claims to which the Chargor is at the Debenture Date or may be entitled under any contracts;
- (e) all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copyright, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Chargor or in which it may have an interest and the benefit of all agreements entered into at the Debenture Date or thereafter relating to the use of or licensing or exploitation of any such rights (owned by the Chargor or others) and all fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world at the Debenture Date or thereafter;
- (f) all book and other debts and monetary claims of the Chargor whether payable at the Debenture Date or in the future and the benefit of all rights and claims of the Chargor against third parties relating to them and capable of being satisfied by the payment of money (save as charged under sub-clause 3.1.2.4 of the Debenture);
- (g) all plant and machinery not otherwise charged under Clause 3 of the Debenture and all other chattels of the Chargor at the Debenture Date or thereafter (excluding any of the same for the time being forming part of the Chargor's stock in trade or work in progress);
- (h) all bank accounts, cash at bank and credit balances of the Chargor with any bank or other person whatsoever at the Debenture Date or thereafter and all rights relating or attaching to them (including the right to interest); and
- (i) by way of floating charge all the Assets not effectively otherwise charged by Clause 3 of the Debenture including (without limitation) any immovable property of the Chargor in Scotland and any Assets in Scotland falling within any of the types mentioned in sub-clause 3.1.2 of the Debenture.

Part IV **Covenants and restrictions**

1. By sub-clause 3.1.3 of the Debenture the Chargor is prohibited from creating any fixed security or mortgage or any other floating charge over the Assets having priority over or ranking pari passu with the floating charge created by sub-clause 3.1.3 of the Debenture (otherwise than in favour of **BoS**) and the Chargor will have no power without the consent of **BoS** to part with or dispose of any part of those Assets except by way of sale in the ordinary course of its business.

2. By sub-clause 3.2 of the Debenture **BoS** may at any time, by notice to the Chargor after (1) the occurrence of an Event of Default (as that term is defined in the Facility Letter) or (2) after a breach by the Chargor of any of its obligations under this Debenture immediately convert the floating charge created under sub-clause 3.1.3 of the Debenture into a fixed charge over any Assets (except those in Scotland) specified in that notice and the floating charge will, without notice from **BoS**, automatically be converted with immediate effect into a fixed charge:-
 - (a) in respect of any Assets which become subject to a fixed charge in favour of any other person or to a disposition otherwise than by way of sale in the ordinary course of the Chargor's business or as permitted under the terms of the Debenture immediately upon such charge or disposition;
 - (b) in respect of all the Assets charged under sub-clause 3.1.3 of the Debenture if and when the Chargor ceases to carry on business or to be a going concern; and
 - (c) in respect of all Assets on the making of an order for the compulsory winding-up of the Chargor or on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Chargor or on the presentation of a petition for the making of an administration order in relation to the Chargor or on the presentation of an application for a warrant of execution, writ of fieri facias, garnishee order or charging order.
3. By sub-clause 3.3 of the Debenture, clause 3.2 of the Debenture will not apply to any assets situated in Scotland.
4. By sub-clause 3.4 of the Debenture save where the provisions of sub-clause 3.4 are inconsistent with or conflict with the terms of the Facility Letter (in which case the Facility Letter shall prevail to the extent of any such inconsistency or conflict) the Chargor will not without the previous written consent of **BoS**:-
 - (a) create or attempt to create or permit to subsist any mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or encumbrance on any Asset charged under the Debenture; or
 - (b) dispose of or part with possession in any way (except on the determination of any lease, tenancy or licence) or share occupation of any Asset; or
 - (c) in any way dispose of the equity of redemption of any such Asset or any interest in any such Asset.
5. By clause 3.8 of the Debenture the Chargor will pay into its account with **BoS** (or as **BoS** may direct) all moneys which it receives in respect of any policies of insurance or assurance, fees, royalties, income or book or other debts or any other of the rights and claims charged to **BoS** under sub-clause 3.1.2 of the Debenture and until such payment hold all moneys so received upon trust for **BoS** and will not without the prior written consent of **BoS** charge, factor, discount, or assign any of those policies, fees, royalties, income, debts, rights or claims in favour of any other person or purport to do so.
6. By clause 10.1 of the Debenture no statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies of the whole or any part of the freehold and leasehold property charged under the Debenture will be capable of being exercised by the Chargor without the previous written consent of **BoS**.
7. By clause 10.2 of the Debenture the Chargor shall not be entitled to part with possession (otherwise than on the determination of any lease, tenancy or licence) of any property charged by the Debenture, or to share the occupation thereof with any other person or persons, or to surrender or

purport to surrender or permit to be forfeited the lease of any leasehold property charged by the Debenture without such consent as aforesaid.

8. By sub-clause 14.1 of the Debenture the Chargor agrees that any moneys from time to time standing to its credit on any account with **BoS** may be retained as cover for and at any time without notice to the Chargor applied by **BoS** in or towards payment or satisfaction of any moneys or liabilities at the Debenture or thereafter from time to time due, owing or incurred by the Chargor to **BoS** in whatsoever manner whether payable at the Debenture Date or not, whether actually or contingently, whether solely or jointly with any other person and whether as principal or surety.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 02903586

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 5th AUGUST 1999 AND CREATED BY NEW WORLD HOLDINGS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 16th AUGUST 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 20th AUGUST 1999.

P.
JK.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



C O M P A N I E S H O U S E