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CHWP000

COMPANIES FORM No. 466(Scot)

Particulars of an instrument of alteration to a floating charge created by a company registered in Scotland

466

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

Please do not write in this margin

Pursuant to section 410 and 466 of the Companies Act 1985

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

* insert full name of company

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

For official use

Company number

26

SC021928

Name of company

* House of Fraser Limited (the "Chargor")

Date of creation of the charge (note 1)

5 January 2009

Description of the instrument creating or evidencing the charge or of any ancillary document which has been altered (note 1)

Debenture including a floating charge (the "Debenture")

Names of the persons entitled to the charge

GE Capital Global Consumer Finance Limited (the "Security Agent")

Short particulars of all the property charged

1. The Chargor, subject to the Senior Security, with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 and as continuing security for the payment, discharge and performance of all the Secured Obligations, charges and agrees to charge all the present and future right, title and interest of the Chargor in and to the following assets which are at any time owned by the Chargor, or in which the Chargor from time to time has an interest:

(a) by way of mortgage:

(i) the Property (if any) specified in part 1 of schedule 2 of the Debenture (none specified);

Please see continuation form.

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

Karen McGrath
KMM/BA0348.001099
McGrigors, Princes Exchange
1 Earl Grey Street, Edin EH3 9AQ
DX 723301 - Edinburgh (43)

For official use (02/06)

Charges Section

Post room

FRIDAY



STR4BV20

SCT

17/06/2011

1142

COMPANIES HOUSE

Names, and addresses of the persons who have executed the instrument of alteration (note 2)

1 Highland Group Holdings Limited, 27 Baker Street, London, W1U 8AH as Parent;
2 House of Fraser (Funding) plc, 27 Baker Street, London, W1U 8AH as Senior Notes Issuer, Original Intra-Group Lender, Original Intra-Group Borrower, Original Debtor and Storecard Guarantor;
3 Barclays Bank Plc, 5 The North Colonnade, Canary Wharf, London E14 4BB as the RCF Agent and the Security Agent;
4 Deutsche Trustee Company Limited, Winchester House, 5th Floor, 1 Great Winchester Street, London, EC2N 2DB as Senior Notes Trustee;
Please see continuation form.

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write in
this margin*

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

Date(s) of execution of the instrument of alteration

Intercreditor Agreement dated 31 May 2011 (the "Intercreditor Agreement")

A statement of the provisions, if any, imposed by the instrument of alteration prohibiting or restricting the creation by the company of any fixed security or any other floating charge having, priority over, or ranking pari passu with the floating charge

Security: Debtors' Obligations

No Debtor [which includes the Chargor under the Definitions set out below] shall (and the Parent shall procure that no member of the Group will) grant to any of the Secured Parties the benefit of any Security in respect of that Secured Party's Secured Liabilities, in addition to the Transaction Security, unless (A) the granting of such Security is permitted by the Senior Notes Documents, the Credit Facility Documents, the Pari Passu Debt Documents and the Junior Priority Debt Documents and (B) to the extent legally possible, at the same time it is also granted either:

(a) to the Security Agent as trustee for the other Secured Parties in respect of the Secured Liabilities; or
(b) 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:

(i) to the other Secured Parties in respect of the Secured Liabilities; or

(ii) to the Security Agent under a parallel debt or independent creditor structure for the benefit of the other Secured Parties,

and ranks in the same order of priority as that contemplated in clause 3.1 of the Intercreditor Agreement [which is set out in these paragraphs and the paragraph headed "Transaction Security" below].

Please see continuation form.

Short particulars of any property released from the floating charge

N/A

The amount, if any, by which the amount secured by the floating charge has been increased

N/A

A statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

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legibly, preferably
in black type, or
bold block lettering*

Transaction Security

- (a) The Transaction Security created pursuant to the Transaction Security Documents shall rank and secure on a first ranking basis the Super Senior Liabilities, the Senior Notes Liabilities and the Pari Passu Debt, pari passu and without any preference between them (but only to the extent that such Transaction Security is expressed to secure those Liabilities);
- (b) the Storecard Security Documents will secure on a second ranking basis, the Storecard Liabilities;
- (c) the Transaction Security created pursuant to the Transaction Security Documents shall rank and secure on a third ranking basis, but after the Storecard Discharge Date, on a second ranking basis, the Junior Priority Liabilities.

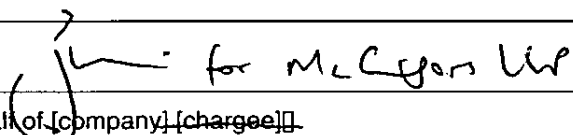
in each case irrespective of:

- (i) the order of execution, creation, registration, notice, enforcement or otherwise;
- (ii) the date on which any Liability arose;
- (iii) any fluctuation in the amount, or any intermediate discharge in whole or in part, of any Liability.

Continuation of the statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

*Please do not
write in
this margin*

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

Signed  Date 16/06/11

On behalf of [company] [chargee]

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

Notes

1. A description of the instrument e.g. "Instrument of Charge" "Debenture" etc as the case may be, should be given. ☐ delete as appropriate
For the date of creation of a charge see section 410(5) of the Companies Act.
2. In accordance with section 466(1) the instrument of alteration should be executed by the company, the holder of the charge and the holder of any other charge (including a fixed security) which would be adversely affected by the alteration.
3. A certified copy of the instrument of alteration, together with this form with the prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of execution of that instrument.
4. A certified copy must be signed by or on behalf of the person giving the certification and where this is a body corporate it must be signed by an officer of that body.
5. A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is: Companies Registration Office, 139 Fountainbridge, Edinburgh EH3 9FF
DX 235 Edinburgh or LP - 4 Edinburgh 2

Short particulars of all the property charged

(Continued from Form 466)

- (i) all other Property (if any) at the date of the Debenture vested in or charged to the Chargor (not charged by clause 4.1(a)(i) of the Debenture (paragraph 1(a)(i) above));
- (b) by way of charge:
 - (i) all other Property and all interests in Property (not charged by clause 4.1(a)(i) of the Debenture (paragraph 1(a) above));
 - (i) all licences to enter upon or use land and the benefit of all other agreements relating to land;
- (c) by way of fixed charge all plant and machinery (not charged under clause 4.1(a) or 4.1(b) of the Debenture (paragraphs 1(a) or 1(b) above)) and the benefit of all and the benefit of all contracts, licences and warranties relating to the same;
- (d) by way of fixed charge:
 - (i) all computers, vehicles, office equipment and other equipment (not charged by clause 4.1(c) of the Debenture (paragraph 1 (c) above));
 - (ii) the benefit of all contracts, licences and warranties relating to the same, other than any which is for the time being part of the Chargor's stock-in-trade or work-in-progress;
- (e) by way of fixed charge:
 - (i) all the Charged Securities referred to in part 1 of schedule 2 of the Debenture (none specified); and
 - (ii) all other Charged Securities (not charged by clause 4.1(e) of the Debenture (paragraph 1(e)(i) above)),

in each case, together with (1) all Related Rights from time to time accruing to those Charged Securities and (2) 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;

- (f) by way of fixed charge:
 - (i) the Security Accounts and all monies at any time standing to the credit of the Security Accounts; and
 - (ii) all monies standing to the credit of the Chargor from time to time on any and all accounts with any bank, financial institution or other person not otherwise charged by clause 4.1(f)(i) of the Debenture (paragraph 1(f)(i) above),

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 or repayment of any of the foregoing;

- (g) by way of fixed charge:
 - (i) the Intellectual Property (if any) specified in part 3 of schedule 2 of the Debenture (none specified) and/or in a schedule to a Deed of Accession;
 - (ii) all other Intellectual Property not charged by clause 4.1(g)(i) of the Debenture (paragraph 1(g) (i) above);
- (h) to the extent that any of the Assigned Assets are not effectively assigned under clause 4.2 of the Debenture (paragraph 2 below) by way of fixed charge those Assigned Assets:
- (i) by way of charge (to the extent not otherwise charged or assigned in the Debenture:
 - (i) 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; and
 - (ii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it; and
- (j) by way of charge all of the goodwill and uncalled capital of the Chargor.

2. The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all the Chargor's present and future right, title and interest in and to:

- (a) the Relevant Contracts, all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising therefrom;
- (b) the Insurances, all claims under the Insurances and all proceeds of the Insurances;
- (c) all other Receivables not otherwise assigned under clause 4.2(a) or 4.2(b) of the Debenture (paragraph 2(a) or 2(b) above).

To the extent that any Assigned Asset described in Clause 4.2(b) of the Debenture (paragraph 2(b) above) 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 the Insurances.

3. The Chargor charges and agrees to charge by way of floating charge, all of the Chargor's present and future:

- (a) assets and undertaking (wherever located) which are not effectively charged by way of fixed mortgage or charge or assigned pursuant to the provisions of clause 4.1 of the Debenture (paragraph 1 above) or clause 4.2 of the Debenture (paragraph 2 above) or any other provision of the Debenture; and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.

Definitions

Note these only apply to this section of the form.

"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 of the Debenture'

"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 specified in part of schedule 2 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 in force at the date of the Debenture) now or in future owned (legally or beneficially) by the Chargor, held by any nominee on its behalf or in which the Chargor has an interest at any time;

"Deed of Accession" means a deed of accession to the Debenture in the form set out in schedule 7 of the Debenture;

"Finance Parties" means GE Capital Bank Limited (company number 1456283) , GE Money Card Services Limited (a company registered in the Republic of Ireland with company number 66460) and the Security Agent;

"Guarantee and Indemnity" means the guarantee and indemnity of even date with the Debenture and made between the companies named therein as Original Guarantors and the Finance Parties;

"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;

"Intellectual Property" means all intellectual and industrial property rights anywhere in the world, including, without limitation, any invention, patent, design or utility model rights, any copyright and trade marks, service marks, domain names, database rights, topography rights, know how or trade secrets, and any other rights of a similar nature whether or not any of the same are registered, and the right to apply for any of them;

"Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) at the date of the Debenture, or at any time thereafter, belonging to the Company, or in which the Company has an interest at any time, 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;
- (c) all proceeds of sale of that property; and
- (d) 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;

"Related Rights" means, in relation to any Charged Securities:

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Securities or any asset referred to in paragraph (b) below;
- (b) all rights, monies or property accruing or offered at any time in relation to the Charged Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Relevant Contracts" means each of the agreements specified in part 3 of schedule 2 of the Debenture or in a schedule to a Deed of Accession together with each document supplementing or amending or novating or replacing the same;

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Chargor to the Security Agent (whether on its own account or on behalf of the Finance Parties) and/or the other Finance Parties (or any of them) under or pursuant to the Guarantee and Indemnity (including all monies covenanted to be paid under the Debenture), provided that no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that, if it were so included, the Debenture (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985;

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Accounts" means (i) the specially designated account(s) with the Security Agent as the Security Agent may from time to time direct, or (ii) such other account(s) with such other bank as the Security Agent may from time to time direct, into which the Chargor will pay all monies it receives in respect of the Receivables in accordance with clause 10.6(a) (ii) of the Debenture (together with all additions to or renewals or replacements thereof (in whatever currency));

"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; and

"Senior Security" has the meaning given to that term in the Debenture.

Names, and addresses of the persons who have executed the instrument of alteration (note 2)
(Continued from Form 466)

- 5 Barclays Corporate, 1 Churchill Place, London, E14 5HP as an RCF Lender and an Arranger;
- 6 Deutsche Bank AG, London Branch, Winchester House, 5th Floor, 1 Great Winchester Street, London, EC2N 2DB as an RCF Lender and an Arranger;
- 7 HSBC Bank Plc, 8 Canada Square, London, E14 5HQ as an RCF Lender and an Arranger;
- 8 Lloyds TSB Bank Plc, 33 Old Broad Street, London, EC2N 1HZ as an RCF Lender and an Arranger;
- 9 House of Fraser (Funding) plc, 27 Baker Street, London, W1U 8AH as Senior Notes Issuer, an Original Intra-Group Lender and an Original Debtor;
- 10 Highland Group Holdings Limited, 27 Baker Street, London, W1U 8AH as an Original Intra-Group Lender, Original Intra-Group Borrower and Storecard Guarantor;

- 11 Highland Acquisitions Limited, 27 Baker Street, London, W1U 8AH as an Original Intra-Group Lender, Original Intra-Group Borrower, Original Debtor and Storecard Guarantor;
- 12 House Of Fraser (Stores) Limited having its registered office at Granite House, 31 Stockwell Street, Glasgow, G1 4RZ as an Original Intra-Group Lender, Original Intra-Group Borrower, Original Debtor and Storecard Guarantor;
- 13 House Of Fraser (Finance) Limited, 27 Baker Street, London, W1U 8AH as an Original Intra-Group Lender, Original Intra-Group Borrower and Original Debtor;
- 14 House Of Fraser (Storecard) Limited, 27 Baker Street, London, W1U 8AH as an Original Intra-Group Lender, Original Intra-Group Borrower and Original Debtor;
- 15 The Chargor having its registered office at 31 Stockwell Street, Glasgow, G1 4RZ as an Original Intra-Group Lender, Original Intra-Group Borrower, Original Debtor and Storecard Guarantor;
- 16 Highland Group Holdings Limited, 27 Baker Street, London, W1U 8AH as an Original Intra-Group Lender, Original Intra-Group Borrower and Original Debtor;
- 17 Santander Cards UK Limited, 2 Triton Square, Regent's Place, London, NW1 3AN as a Storecard Finance Party;
- 18 Santander Cards Ireland Limited as a Storecard Finance Party;
- 19 Santander Global Consumer Finance Limited, 2 Triton Square, Regents Place, London, NW1 3AN as a Storecard Finance Party; and
- 20 Santander Global Consumer Finance Limited, 2 Triton Square, Regents Place, London, NW1 3AN as Storecard Security Agent,

each capacity as defined in the Intercreditor Agreement as defined below.

A statement of the provisions, if any, imposed by the instrument of alteration prohibiting or restricting the creation by the company of any fixed security or any other floating charge having, priority over, or ranking pari passu with the floating charge

(Continued from Form 466)

Security and guarantees: Secured Parties

Other than as set out in Clause 4.3 (*Security: Ancillary Lenders*) of the Intercreditor Agreement, the Secured Parties may take, accept or receive the benefit of:

- (a) any Security from any member of the Group [which includes the Chargor under the Definitions set out below] in respect of the Secured Liabilities in addition to the Transaction Security if (except for any Security permitted under Clause 4.3 (*Security: Ancillary Lenders*)) of the Intercreditor Agreement and to the extent legally possible, at the same time it is also granted to either:
 - (i) to the Security Agent as agent or trustee for the other Secured Parties in respect of the Secured Liabilities; or
 - (ii) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Security Agent as agent or trustee for the Secured Parties:

(A) to the other Secured Parties in respect of the Secured Liabilities; or

(B) to the Security Agent under a parallel debt structure, joint and several creditor structure or agency structure for the benefit of the other Secured Parties,

and ranks in the same order of priority as that contemplated in clause 3.1 (*Transaction Security*) of the Intercreditor Agreement [which is set out in the paragraph headed "Transaction Security", below], *provided that* all amounts received or recovered by any Secured Party with respect to such Security are immediately paid to the Security Agent and held and applied in accordance with Clause 17 (*Application of Proceeds*) of the Intercreditor Agreement.

Definitions

Please note these apply to the whole of this form except for the Short Particulars of All Property Charged section of this form.

"Acceleration Event" means a Credit Facility Acceleration Event, a Senior Notes Acceleration Event, a Pari Passu Debt Acceleration Event or a Junior Priority Debt Acceleration Event;

"Additional Liabilities" means, in relation to any Liability, any money, debt or liability due, owing or incurred under or in connection with:

- (a) any refinancing, novation, 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;

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company;

"Arranger" means an Arranger under and as defined in the RCF Facility Agreement and any other person who becomes a party to the Intercreditor Agreement as an Arranger pursuant to Clause 21 (*Changes to the Parties*) of the Intercreditor Agreement;

"Credit Facility" means:

- (a) on or prior to the RCF Discharge Date, the RCF Facility Agreement; and
- (b) after the RCF Discharge Date, any credit facility that meets the requirements of a "Credit Facility" under and as defined in the Senior Notes Documents which is entitled, under the terms of the Senior Notes Documents and (if applicable) the

Credit Facility Documents, to share in the Transaction Security with the rights and obligations of Credit Facility Lenders as provided for in the Intercreditor Agreement, and in respect of which creditors, facility agent and arrangers have acceded to the Intercreditor Agreement in accordance with Clause 21.2 (*New Credit Facility Lenders and Creditor Representatives*) of the Intercreditor Agreement and which is permitted by the terms of the Senior Notes Documents to rank senior to the Senior Notes Liabilities with respect to the proceeds of any Enforcement (as defined in the Intercreditor Agreement) of the Transaction Security;

"Credit Facility Acceleration Event" means:

- (a) on or prior to the RCF Discharge Date, the RCF Agent exercising any of its rights under clause 26.19 (*Acceleration*) of the RCF Facility Agreement 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 including, without limitation, the making of a demand in respect of any amounts placed on demand under any acceleration provision(s) of the relevant Credit Facility Documents;

"Credit Facility Document" means:

- (a) on or prior to the RCF Discharge Date, each "Finance Document" under, and as defined in, the RCF Facility Agreement; 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, secures, guarantees or evidences any Credit Facility,

all terms have the meanings given to them in the Intercreditor Agreement;

"Credit Facility Lenders" means:

- (a) on or prior to the RCF Discharge Date, the RCF Lenders (being each "Lender" as referred to in the RCF Facility Agreement); and
- (b) after the RCF Discharge Date, each Lender (under and as defined in the Credit Facility Documents) and Ancillary Lender (as defined in the Intercreditor Agreement);

"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);

"Creditor" means the Primary Creditors, the Storecard Creditors, the Junior Priority Creditors, the Shareholder Creditors and the Intra-Group Lenders;

"Creditor/Creditor Representative Accession Undertaking" 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 Notes Trustee;

- (d) in relation to any Pari Passu Creditors, the Pari Passu Debt Representative;
- (e) in relation to any Hedge Counterparty, each Hedge Counterparty shall be its own Creditor Representative;
- (f) in relation to the Storecard Finance Parties, the Storecard Security Agent; and
- (g) in relation to any Junior Priority Creditors, the Junior Priority Debt Representative;

"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 Notes Trustee;
- (d) in relation to any Pari Passu Creditors, the Pari Passu Debt Representative;
- (e) in relation to any Hedge Counterparty, each Hedge Counterparty shall be its own Creditor Representative;
- (f) in relation to the Storecard Finance Parties, the Storecard Security Agent; and
- (g) in relation to any Junior Priority Creditors, the Junior Priority Debt 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 Debt Documents, together with any related Additional Liabilities. For the avoidance of doubt, Creditor Representative Liabilities does not include any amount in respect of principal, interest, redemption, prepayment premium or similar amounts under the Secured Debt Documents;

"Debtor" means each:

- (a) Original Debtor (which for the avoidance of doubt, includes, without limitation, each Borrower and Guarantor under the RCF 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 21 of the Intercreditor Agreement (*Changes to the Parties*).

"Debtor Accession Deed" means:

- (a) a deed substantially in the form set out in Schedule 2 (*Form of Debtor Accession Deed*); or
- (b) (only in the case of a member of the Group which is acceding as a borrower or a guarantor under a Credit Facility) an Accession Deed (as defined in the relevant Credit Facility);

"Debt Documents" means each of the Intercreditor Agreement, the RCF Finance Documents, the Credit Facility Documents, the Senior Notes Documents, the Pari Passu Debt Documents, the Hedging Agreements, the Transaction Security Documents, the Storecard Documents, the Junior Priority Debt Documents, the Shareholder Debt Documents, the Intra-Group Debt Documents and any other document designated as such by the Security Agent and the Parent, all terms where not defined herein, have the meanings given to them in the Intercreditor Agreement;

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

"Distress Event" means any of:

- (a) an Acceleration Event; or
- (b) the enforcement of any Transaction Security or Storecard Security;

"Distressed Disposal" means a disposal of an asset subject to the Transaction Security or Storecard Security of a member of the Restricted Group which is:

- (a) being effected at the request of the Instructing Group in circumstances where the Transaction Security has become enforceable;
- (b) being effected by enforcement of the Transaction Security or Storecard Security; or
- (c) being effected, after the occurrence of a Distress Event, by a Debtor to a person or persons which is not a member of the Restricted Group (where each such term not defined herein shall have the meaning given to it in the Intercreditor Agreement);

"Enforcement" means the enforcement of the Transaction Security or Storecard Security, the requesting of a Distressed Disposal and/or the release of claims and/or Transaction Security and/or Storecard Security on a Distressed Disposal under Clause 16.2 (*Distressed Disposals*) of the Intercreditor Agreement, the giving of instructions as to actions in respect of any Transaction Security and/or Storecard Security following an Insolvency Event under Clause 12.7 (*Security Agent Instructions*) of the Intercreditor Agreement and the taking of any other actions consequential on (or necessary to effect) the enforcement of the Transaction Security and/or Storecard Security;

"Finance Party" means:

- (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.

"Group" means the Parent and each of its Subsidiaries as at 31 May 2011;

"Hedge Counterparty" means Bank of Scotland plc and HSBC Bank plc and any New Hedge Counterparty which has not ceased to be a Hedge Counterparty in accordance with the Intercreditor Agreement.

"Hedging Agreement" means 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, 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 and not prohibited under the terms of the Senior Notes Documents, to share in the Transaction Security;

"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, together with any related Additional Liabilities;

"Holding Company" has the meaning given to that term in the RCF Facility Agreement and, after the RCF Discharge Date, any Credit Facility Document;

"Insolvency Event" means, in relation to any Debtor (or any member of the Group which is required to accede to the Intercreditor Agreement as a Debtor but has failed to do so):

- (a) any resolution is passed or order made for the winding up, dissolution, administration or reorganisation of that member of the Group (other than in respect of a solvent winding up, dissolution, administration or reorganisation of that member of the Group), a moratorium is declared in relation to any indebtedness of that member of the Group or an administrator is appointed to that member of the Group;
- (b) any composition, compromise, assignment or arrangement is made with its creditors generally;
- (c) the appointment of any liquidator, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer in respect of that member of the Group or all or substantially all of that member of the Group's assets; or
- (d) enforcement of any Security over all or substantially all of the assets of that member of the Group, or any analogous procedure or step is taken in any jurisdiction (where each such term;

"Instructing Group" has the meaning given to that term in the Intercreditor Agreement;

"Intra-Group Borrowers" means each member of the Restricted Group who has had loans or credit or each other financial arrangement having similar effect made available to it by an Intra-Group Lender and which becomes a party as an Intra-Group Borrower in accordance with the terms of Clause 21 (*Changes to the Parties*), which 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
- (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 21 (*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.

"Junior Priority Creditor" means the lenders or other creditors in respect of any Junior Priority Debt and the Junior Priority Debt Representative(s);

"Junior Priority Debt" means the 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 Notes Documents and the Credit Facility Documents, to share in the Transaction Security with the rights and obligations of Junior Priority Creditors as provided for in the Intercreditor Agreement, provided that the Junior Priority Creditors (or a trustee on their behalf) have acceded to the Intercreditor Agreement in accordance with Clause 21.3 (*New Pari Passu Creditors and Creditor Representatives*) of the Intercreditor Agreement, together with any related Additional Liabilities;

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

"Junior Priority Debt Documents" means each document or instrument entered into between any members of the Restricted Group and a Junior Priority Creditor setting out the terms of any loan, credit or debt facility, notes, indenture or security which creates or evidences any Junior Priority Debt, all terms as defined in the Intercreditor Agreement;

"Junior Priority Debt Representative" means any creditor representative for the Junior Priority Creditors which has acceded to the Intercreditor Agreement as a Creditor Representative (as defined therein) of those parties;

"Junior Priority Liabilities" means the Liabilities owed by the Parent and the Debtors to the Junior Priority Creditors under the Junior Priority Debt Documents, together with any related Additional Liabilities (but excluding any Hedging Liabilities (as defined in the Intercreditor Agreement));

"Liabilities" means all present and future moneys, debts, liabilities and obligations due at any time of any member of the Restricted 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 Lender or Affiliate of a Lender (or person who was, at the time of entry into the relevant Hedging Agreement, a Lender or an Affiliate of the Lender) which becomes Party as a New Hedge Counterparty pursuant to Clause 21.15 (*Creditor/Creditor Representative Accession Undertaking*);

"Original Debtor" means the companies listed in Part 4 of Schedule 1 (*The Parties*) to the Intercreditor Agreement as debtors, together with the Parent and the Senior Notes Issuer;

"Original Intra-Group Borrowers" means the companies listed in Part 2 of Schedule 1 (*The Parties*) to the Intercreditor Agreement as intra-group borrowers;

"Original Intra-Group Lenders" means the companies listed in Part 1 of Schedule 1 (*The Parties*) to the Intercreditor Agreement as intra-group lenders;

"Parent" means Highland Group Holdings Limited, a company incorporated in England and Wales under Registered Number 05845860 and having its registered office at 27 Baker Street, London, W1U 8AH;

"Pari Passu Creditors" means the lenders or other creditors in respect of any Pari Passu Debt and the Pari Passu Debt Representative(s);

"Pari Passu Debt" means the Liabilities (that are not subordinated in right of payment to any Super Senior Liabilities or Senior Notes 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 Notes Documents and the Credit Facility 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 a trustee on their behalf) have acceded to the Intercreditor Agreement in accordance with Clause 21.5 (*Change of Senior Creditor*) of the Intercreditor Agreement (excluding, for the avoidance of doubt, Credit Facility Lender Liabilities and Senior Notes Liabilities), together with any related Additional Liabilities, all terms as defined in the Intercreditor Agreement;

"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, all terms as defined in the Intercreditor Agreement;

"Pari Passu Debt Representative" means any creditor representative for the Pari Passu Creditors which has acceded to the Intercreditor Agreement as a Creditor Representative (as defined therein) of those parties;

"Party" means a party to the Intercreditor Agreement;

"Primary Creditors" means the Super Senior Creditors, the Senior Notes Creditors and the Pari Passu Creditors;

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

"RCF Discharge Date" means the first date on which all RCF Liabilities have been fully and finally discharged to the satisfaction of the RCF Agent (acting reasonably), 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 RCF Finance Documents;

"RCF Facility Agreement" means the facility agreement comprising a £70,000,000 revolving credit facility (which may subsequently be increased by an additional £40,000,000) made between the Obligors (as defined therein), the RCF Finance Parties and others dated on or about the date of the Intercreditor Agreement;

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

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

"RCF Lenders" means each "Lender" referred to in the RCF Facility Agreement;

"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);

"Receiver" means an administrator, a receiver and manager or (if the Security Agent so specifies in the relevant appointment) receiver in each case appointed under the Debenture.

"Restricted Group" means the Parent and each Restricted Subsidiary (as defined in the RCF Facility Agreement or, following the RCF Discharge Date, in the Senior Notes Indenture);

"Secured Debt Documents" means the RCF Finance Documents, the Credit Facility Documents, the Hedging Agreements, the Senior Notes Documents, the Pari Passu Debt Documents and the Junior Priority Debt Documents.

"Secured Liabilities" means the Credit Facility Lender Liabilities, the Creditor Representative Liabilities, the Senior Notes Liabilities, the Pari Passu Debt, the Hedging Liabilities and the Junior Priority Liabilities;

"Secured Parties" means the Super Senior Creditors, the Senior Notes Creditors, the Pari Passu Creditors, the Junior Priority Creditors, the Arrangers, the Security Agent and any Receiver or Delegate from time to time but, in the case of a Senior Notes Trustee, Arranger, Super Senior Creditor or Pari Passu Creditor or Junior Priority 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 21.15 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement, all terms as defined in the Intercreditor Agreement;

"Security" means a mortgage, standard security, charge, pledge, assignment, assignation, 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;

"Senior Noteholders" means the "Holders" as defined in the Senior Notes Indenture;

"Senior Notes" means the Sterling GBP 250,000,000 aggregate principal amount of 8.875% senior secured notes due 2018 issued by the Senior Notes Issuer pursuant to the terms of the Senior Notes Indenture and any additional notes issued from time to time under the Senior Notes Indenture, together with any Additional Liabilities, all terms as defined in the Intercreditor Agreement;

"Senior Notes Acceleration Event" means the Senior Notes Trustee or any of the Senior Noteholders exercising any acceleration rights (however described) or any acceleration provisions being automatically invoked in each case under section 6.02 (*Acceleration*) of the Senior Notes Indenture;

"Senior Notes Creditors" means the Senior Noteholders and the Senior Notes Trustee;

"Senior Notes Documents" means:

- (a) the Senior Notes Indenture;
- (b) the Senior Notes;
- (c) the Intercreditor Agreement;
- (d) the Senior Notes Guarantees; and
- (e) the Transaction Security Documents;

"Senior Notes Guarantees" means the guarantees of the Senior Notes pursuant to the Senior Notes Indenture;

"Senior Notes Indenture" means the senior secured note indenture dated as of 31 May 2011 between, among others, the Senior Notes Issuer and the Senior Notes Trustee, as amended from time to time;

"Senior Notes Issuer" means House of Fraser (Funding) plc, a company registered in England and Wales under Company Number 07591937 and having its registered office at 27 Baker Street, London, W1U 8AH;

"Senior Notes Liabilities" means the Liabilities owed by the Senior Notes Issuer and the Debtors to the Senior Notes Creditors under the Senior Notes Documents, together with any related Additional Liabilities (but excluding any Hedging Liabilities(as defined in the Intercreditor Agreement));

"Senior Notes Trustee" means Deutsche Trustee Company Limited, a company registered in England and Wales under Company Number 00338230 and having its registered office at Winchester House, 1 Great Winchester Street, London, EC2N 2DB;

"Senior Notes Trustee Amounts" means the amounts in Clause 22.11 (*Payments*) of the Intercreditor Agreement;

"Shared Assurance" means any guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, the benefit of which (however conferred) is, to the extent legally possible, given all the Secured Parties in respect of their Secured Liabilities;

"Shareholder Creditors" means any direct or indirect shareholder (or affiliate who is not a member of the Group) of the Parent (and their respective transferees and successors) which has made a loan or financial accommodation to the Parent or another member of the Group, which is not prohibited under the terms of the Credit Facility Documents, the Senior Notes Documents, the Pari Passu Debt Documents and the Junior Priority Debt Documents and which accedes to the Intercreditor Agreement by executing a Creditor/Creditor Representative Accession Undertaking (as defined in the Intercreditor Agreement) in accordance with the Intercreditor Agreement and which has not ceased to

be a Shareholder Creditor in accordance with the Intercreditor Agreement, all terms as defined in the Intercreditor Agreement;

"Shareholder Debt Documents" means all documents, agreements and instruments evidencing any Shareholder Liabilities;

"Shareholder Liabilities" means all Liabilities of any Debtor to any Shareholder Creditor together with any related Additional Liabilities;

"Storecard Creditors" means the Storecard Security Agent and the Storecard Finance Parties;

"Storecard Discharge Date" means the date on which the Storecard Liabilities have been fully and finally discharged to the satisfaction of the Storecard Creditors, whether or not as a result of an enforcement and the Storecard Creditors are under no further obligations under the Storecard Documents;

"Storecard Debenture" means the debenture dated 5 January 2009, entered into by Highland Acquisitions Limited, the Parent, House of Fraser (Stores) Limited and the Chargor in favour of the Storecard Security Agent (as defined therein);

"Storecard Documents" means:

- (a) the Storecard Relationship Agreement; and
- (b) the Storecard Security Documents;

"Storecard Finance Parties" means Santander Cards UK Limited a company registered in England and Wales under Company Number 01456283, Santander Cards Ireland Limited a company registered in the Republic of Ireland under Company Number 66460 and the Storecard Security Agent;

"Storecard Guarantee" means the guarantee dated 12 November 2008 and entered into by Highland Acquisitions Limited, the Parent, House of Fraser (Stores) Limited and the Chargor in favour of the Storecard Finance Parties (as defined therein);

"Storecard Liabilities" means the Liabilities owed by Storecard Obligors under the Storecard Documents together with any Additional Liabilities;

"Storecard Obligors" means each member of the Group which has entered into any of the Storecard Documents;

"Storecard Relationship Agreement" means the storecard relationship agreement entered into on 8 November 2007 between House of Fraser (Finance Limited), the Chargor, James Beattie Limited and the Storecard Finance Parties (as defined therein), as amended by a side letter dated 1 July 2010;

"Storecard Security" means the Security (as defined in the Intercreditor Agreement) created or expressed to be created in favour of the Storecard Security Agent under or pursuant to the Storecard Debenture (as defined in the Intercreditor Agreement).

"Storecard Security Agent" means Santander Global Consumer Finance Limited, a company registered in England and Wales under Company Number 00048468 and having its registered office at 2 Triton Square, Regents Place, London, NW1 3AN;

"Storecard Security Documents" means the Storecard Debenture and the Storecard Guarantee;

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

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

"Super Senior Liabilities" means the Credit Facility Lender Liabilities and the 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 RCF Facility Agreement or, after the RCF Discharge Date, the Credit Facility;
- (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 or independent creditor structure for the benefit of all the Secured Parties.



FILE COPY

**CERTIFICATE OF THE REGISTRATION
OF AN ALTERATION TO A FLOATING CHARGE**

COMPANY NO. 21928

CHARGE NO. 26

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT
OF ALTERATION DATED 31 MAY 2011

WERE DELIVERED PURSUANT TO SECTION 878 OF THE
COMPANIES ACT 2006
ON 17 JUNE 2011

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 5
JANUARY 2009

BY HOUSE OF FRASER LIMITED

IN FAVOUR OF
GE CAPITAL GLOBAL CONSUMER FINANCE LIMITED

FOR SECURING ALL SUMS DUE OR TO BECOME DUE

GIVEN AT COMPANIES HOUSE, EDINBURGH 20 JUNE 2011



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES