

## ESCROW AGREEMENT

From:

Lowland Homes Limited (company number 05565259)  
Colegrove House  
70 Berners Street  
London  
W1T 3NL  
(the **Seller**)

and

J9 Properties Limited (company number 08532556)  
Second Floor  
22 Cross Keys Close  
London  
W1U 2DW  
(the **Buyer**)

To:

Olswang LLP (company number OC343050)  
90 High Holborn  
London  
WC1V 6XX  
(the **Escrow Agent**)

// March 2015

Dear Sirs

**Escrow agreement for the contract for the sale and purchase of North West House, 119-127 Marylebone Road, London NW1 5PY**

We refer to the contract for the sale and purchase of North West House, 119-127 Marylebone Road, London NW1 5PY between the Buyer and the Seller of today's date (the **Agreement**). Capitalised terms used and not defined in this letter have the same meaning as in the Agreement. This is the Escrow Agreement referred to in the Agreement and sets out the terms on which you will act as our escrow agents in relation to the Escrow Account.

### 1. **ESCROW ACCOUNT**

In accordance with the Agreement, we irrevocably, unconditionally and jointly authorise and instruct you to hold in your Lloyds Bank (the **Bank**) client account the Retained Sum on the terms and conditions of this letter. That account is the **Escrow Account** for the purpose of the Agreement.

The Retained Sum (being the sum of £750,000) will today be credited by the Seller to the Escrow Account in accordance with clause 19 of the Agreement.

### 2. **INSTRUCTIONS**

2.1 We jointly authorise and instruct you to:

- 2.1.1 hold any amount standing to the credit of the Escrow Account, including all interest but less any amount debited to that account by the Bank in respect of its fees and charges, to our joint order (the **Escrow Amount**);
  - 2.1.2 to transfer or otherwise deal with any Escrow Amount, and to operate the Escrow Account, only as we instruct you in accordance with paragraph 3 or as otherwise expressly provided in this letter; and
  - 2.1.3 to ensure that while the Escrow Account is in credit, the bank mandate governing that account provides for sums to be withdrawn from it only with the authorisation of you or as otherwise expressly provided in this letter.
- 2.2 We also jointly authorise and instruct you to:
- 2.2.1 deduct from the monies standing to the credit of the Escrow Account and pay any charges, fees, costs and expenses levied by the Bank arising out of or in connection with this letter or the opening, operation and/or closing of the Escrow Account (including the costs of any transfer of funds to or from the Escrow Account);
  - 2.2.2 withdraw from the monies standing to the credit of the Escrow Account a sum equal to any tax, together with any penalties and interest related to that tax, or any withholding in respect of tax, on the interest earned on monies standing to the credit of the Escrow Account and pay such sum to the relevant tax authority;
  - 2.2.3 make any other deduction, payment, withdrawal or withholding (whether on account of tax, other liabilities or otherwise arising out of or in connection with this letter or the opening, operation and/or closing of the Escrow Account) from the monies standing to the credit of the Escrow Account; and
  - 2.2.4 do anything else, required by any law, regulation or court order in connection with this letter or the opening, operation and/or closing of the Escrow Account (or, if so required by any law, regulation or court order, refrain from making any payment or doing anything else, otherwise required by this letter).
- 2.3 If either of you reasonably believes that it has received conflicting notices, claims, demands or instructions or for any other reason is unable to determine who is entitled to receive any part of the Escrow Amount, or in the event of any dispute or disagreements as to the Escrow Agents' rights or obligations under this letter, either of you may elect, by notice to the other parties, to refuse to make any payment from the Escrow Amount:
- 2.3.1 until you have received joint written instructions from both the Seller and the Buyer; or
  - 2.3.2 until directed by a final order or judgment from a court or tribunal of competent jurisdiction in respect of there is no right of appeal (or the time allowed for appeals has elapsed ignoring any extensions of time the court may be able to grant).
- 2.4 Except in accordance with the above arrangements or in accordance with an order of a court of competent jurisdiction, you will not permit any withdrawal to be made from the Escrow Account,
- 2.5 We agree that no legal, beneficial or other interest in the Escrow Amount will vest in either of us and neither of us will have any entitlement (whether contractual or otherwise) to

receive all or any part of the Escrow Amount, until we instruct you in accordance with paragraph 3 or as otherwise expressly provided in this letter.

- 2.6 For the purposes of this letter, any notice or determination given by the Bank of the amount of interest paid on any sum in the Escrow Account will be conclusive and final and binding on the parties for all purposes.

### **3. FORM OF INSTRUCTIONS**

- 3.1 Any instruction relating to the Escrow Account must be given by letter or fax in the form, with any differences as you consider in your sole discretion are not material, set out in Schedule 1 and signed:

3.1.1 by any one of the authorised signatories of the Buyer whose names and specimen signatures are set out in Schedule 2 or by any other authorised signatory of the Buyer specified by notice given in accordance with paragraph 3.2; and

3.1.2 by any one of the authorised signatories of the Seller whose names and specimen signatures are set out in Schedule 3 or by any other authorised signatory of the Seller specified by notice given in accordance with paragraph 3.2.

Any instruction may consist of separate documents in the same form, each signed in accordance with this paragraph.

- 3.2 Either the Buyer or the Seller may make any change to the authorised signatories specified by it or them by notice to you, signed by each of the current authorised signatories of that party, except that the notice need not be signed by any authorised signatory to be removed. The notice must include a specimen of the signature of the additional signatory.
- 3.3 You may rely without enquiry on any instruction (including a fax) which appears on its face to be signed on behalf of the Buyer and/or the Seller in accordance with this paragraph 3. You need not enquire as to whether any amount which you are instructed to pay has been correctly calculated or whether it is properly payable under the terms of the Agreement.
- 3.4 You will provide us (or instruct the Bank to provide us) with information as to the balance for the time being credited to the Escrow Account and the interest accrued on it as either of us may reasonably request.

### **4. ALTERNATIVE ARRANGEMENTS**

If you no longer wish to hold the Escrow Account, you may give each of us 60 days' written notice. On receipt of that notice we will promptly make alternative arrangements for the account. You will continue to hold and operate the Escrow Account on the terms of this letter until those alternative arrangements have been put in place.

### **5. LIMITATION OF LIABILITY**

- 5.1 Your obligations under this letter are limited to those expressly set out in it.
- 5.2 When instructed as set out in paragraph 2 to pay any sum out of the Escrow Account, it will be enough that you instruct the Bank to do so. You will:
- 5.2.1 not be required to make any payment from the Escrow Account if it would result in the account being in debit; nor

- 5.2.2 will not have any obligation with respect to funds not received into the Escrow Account, whether or not due or payable under the Agreement, or for any funds lost through the default or failure of the Bank.
- 5.3 Neither you (nor any of your members, partners, directors, employees, representatives and agents (as the case may be)) will be responsible or liable for any failure to maximise the amount of interest or other amounts earned on all or part of the monies standing to the credit of the Escrow Account or for the payment of (or for checking the amount of) any charges, fees, costs or expenses levied by the Bank or any tax or other liabilities.
- 5.4 Neither you, nor your members, partners, directors, employees, representatives or agents will be responsible or liable for:
- 5.4.1 any delay or failure on the part of the Bank in executing any instruction or for any loss which the Buyer or the Seller may suffer as a result of any default on the part of the Bank;
- 5.4.2 any loss or damage suffered by any person as a result of the insolvency, bankruptcy, winding up, administration, reorganisation or any other event relating to the Bank or any third party;
- 5.4.3 will have any obligation with respect to funds not received into the Escrow Account, whether or not due or payable under the Agreement, or for any funds lost through the default or failure of the Bank;
- 5.4.4 for any delay in making or taking, or any failure to make or take, any payment from the Escrow Account in the circumstances set out in paragraph 2.3;
- 5.4.5 for any delay in acting or failure to act on any notice not received by you;
- 5.4.6 in respect of the forgery or invalidity of, or the lack of due authority with respect to, or the falsity of any statement contained in, any written notice or instruction given or purporting to be given to you under this letter or the Agreement if you believe in good faith (with or without having made enquiries) that the notice or instruction is genuine and signed by or on behalf of the proper person(s);
- 5.4.7 for any act done or omitted to be done in reliance by either of you in good faith; nor
- 5.4.8 without limiting this paragraph 5, if you incorrectly determine that a matter has occurred or that sufficient evidence of any matter has been furnished to either of you, that a provision of this letter has been complied with or that a particular act or course of conduct is necessary or desirable, provided only that you have not been guilty of fraud in making that determination.
- 5.5 You may each take steps to satisfy yourselves that any receipt or payment made or to be made into or out of the Escrow Account complies with all applicable money laundering and other regulations and laws (including being satisfied as to the source of funding of the Escrow Account) and of your policies on anti-money laundering. You will not be responsible or liable for any delay or failure in executing any instructions or requirement to act under this letter until you are satisfied.

- 5.6 You will for the purposes of your duties under this letter be entitled to assume without enquiry that this letter and the Agreement are valid and binding in accordance with their terms.

## 6. INDEMNITY

In consideration of you operating the Escrow Account in accordance with the provisions of this letter, we jointly and severally agree and undertake to indemnify you and each of your members, partners, directors, employees, representatives and agents (as the case may be) (the **Indemnified Parties**) and to hold you and the Indemnified Parties both harmless and indemnified on demand against any and all actions, proceedings, claims, demands, losses, costs, expenses, charges and other liabilities (including, without limitation, the Bank's charges incurred in opening and/or operating the Escrow Account and any liability to any form of tax) (together the **Liabilities**) which either you or the Indemnified Parties may suffer or incur either directly or indirectly arising out of or in connection with this letter and/or the opening, operation and/or closing of the Escrow Account, except to the extent that the Liabilities result directly from your own fraud or wilful misconduct (or those of any of your Indemnified Parties (as the case may be)).

## 7. NOTICES

- 7.1 Any notice, consent or other communication given under this letter must be in writing, and in English, and signed by or on behalf of the party giving it, and be sent by hand, or by pre-paid special delivery post (or pre-paid international recorded airmail if sent internationally) as follows:

to: **the Buyer**

for the attention of: Dominic Chappell

address: Colegrove House  
70 Berners Street  
London  
W1T 3NL

with a copy (which will not constitute notice) to David Roberts at David.Roberts@olswang.com;

to: **the Seller**

for the attention of: Alexander Dellal

address: Second Floor  
22 Cross Keys Close  
London  
W1U 2DW

with a copy (which will not constitute notice) to Richard Tyler at Richard.Tyler@Mishcon.com

to: **Olswang LLP**

for the attention of: David Roberts

address: 90 High Holborn  
London  
WC1V 6XX

with a copy (which will not constitute notice) to David Roberts at  
David.Roberts@olswang.com.


- 7.2 Any of the parties to this letter may from time to time notify the others of any other person, address or fax number for the receipt of notices or copy notices. The change will take effect five Business Days after notice of the change is received or (if later) on the date (if any) specified in the notice as the date on which the change is to take place.

**8. GENERAL**

- 8.1 This letter is binding on and will enure for the benefit of, and be enforceable by, the respective successors and assigns of the parties to it. However, the Seller will not assign, transfer or create security over, all or any of our rights or obligations under this letter without the prior written consent of the Buyer. Any purported assignment, transfer or security without that consent will be of no effect.
- 8.2 A person who is not a party to this letter will have no right (whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise) to enforce or benefit from any term of this letter except for each of you (and in respect of the indemnity in paragraph 6 and the provisions in paragraphs 5.3 and 5.4 each of your respective members, partners, directors, employees, representatives and agents (as the case may be)) who will each be entitled to enforce the terms of this letter. The consent of any person who is not a party to this letter is not required to amend, rescind or terminate this letter.
- 8.3 We declare that the instructions and authorisations given in this letter are irrevocable.
- 8.4 This letter and any disputes or claims arising out of or in connection with its subject matter or formation (including non-contractual disputes and claims) will be governed by, construed and enforced in accordance with English law. Each of the parties irrevocably agrees that the English courts will have exclusive jurisdiction to settle any disputes or claims which may arise out of or in connection with this letter or its subject matter (including non-contractual disputes or claims).

Please confirm that you agree to accept our instructions to act as our Escrow Agent on the terms of this letter by signing and returning the enclosed copy of this letter.

Yours faithfully



.....  
for and on behalf of **LOWLAND HOMES  
LIMITED**

.....  
for and on behalf of **J9 PROPERTIES  
LIMITED**

## SCHEDULE I - FORM OF JOINT INSTRUCTION

For the attention of [     ]  
Olswang LLP  
90 High Holborn  
London  
WC1V 6XX

Dear Sirs

**Escrow Agreement from [     ] to you dated [     ] 20[     ] (the Escrow Agreement)**

You established an Escrow Account in your name in connection with contract for the sale and purchase of North West House, 119-127 Marylebone Road, London NW1 5PY (the **Agreement**). Terms used and not defined in this letter have the same meaning as in the Escrow Agreement or the Agreement.

We irrevocably instruct you to authorise the Bank to transfer from the Escrow Account on or as soon as practicable after [date] [£[     ]] [the entire balance standing to the credit of that account] [together with all interest accrued on it,] to the following bank account:

Account name:

Name and address of bank:

Bank Sort Code:

Account number:

Yours faithfully,

Dated 20[     ]

.....  
For and on behalf of  
[BUYER]

.....  
For and on behalf of  
[THE SELLER]

**SCHEDULE 2 - THE BUYER'S AUTHORISED SIGNATORIES AND SPECIMEN  
SIGNATURES**


ALEXANDER DELLAL

Specimen Signature .....



**SCHEDULE 3 - THE SELLER'S SPECIMEN SIGNATURES**

DOMINIC CHAPPELL

Specimen Signature ..... 

## SCHEDULE 1 PRODUCTIONS SERVICES

[•]'s services include the pre-production, principal photography, post production and Delivery of the Project in accordance with and subject to the terms of this Agreement, including without limitation:

1. provision or procurement of all production and post-production facilities for the Project including identifying suitable locations for the shooting of the Project and suitable facilities for editing and post-production work, including the provision of visual effects services;
2. engaging all principal cast and other cast on terms consistent with the requirements of this Agreement;
3. engaging the principal crew, the heads of department and all other crew on terms consistent with the requirements of this Agreement;
4. delivery of the Delivery Materials by the required delivery dates and bearing responsibility for all expenses incurred in connection with the Delivery;
5. engaging independent contractors to supply all necessary services supplies facilities and equipment on terms consistent with the requirements of this Agreement;
6. applying for and/or procuring all necessary consents, licences and permits which may be required from any governmental agencies in connection with the production of the Project, including any work visas for all cast and crew and customs approvals and permits;
7. undertaking negotiation of matters with all relevant unions and compliance with all requirements of any applicable unions and guild under relevant agreements (including becoming a signatory to such agreements if necessary);
8. establishing and administering of the production bank account, including keeping complete and proper books and records of income and expenditure, assets and liabilities in connection with the production of the Project, which books and records shall be prepared according to the applicable law and generally accepted accounting principles;
9. administering the budget for the production of the Project ("**Production Budget**") and payment of all production costs in accordance with the Production Budget, the production schedule for the Project and the cashflow for the Project;
10. in connection with the production of the Project, complying with all applicable laws, judgments, rulings, order or decrees of any relevant government agency (including deduction of all taxes payable to any such government agency);
11. ensuring timely Completion of the Project.
12. ensuring the production, Completion and Delivery of the Project as expeditiously and diligently as possible in accordance with the screenplay, the Specifications, the Production Budget, the production schedule and the cashflow for the Project;

**SCHEDULE 2**  
**PROJECT SPECIFICATIONS**  
**KEY PRODUCTION ELEMENTS**

[Tentative calendar, tentative budget, tentative key production elements, etc.]

Date: 6 March 2015

**SCHEDULE 4  
PRODUCTION COST**

**SCHEDULE 6  
LABORATORY ACCESS LETTER**

(Date)

(Name and Address of Laboratory/Facility)

Re: "The Night Manager" -- Laboratory Access Letter

Ladies and Gentlemen:

You hereby acknowledge that there is on deposit at your premises certain materials with respect to the audiovisual work or series tentatively entitled "**The Night Manager**" ("**Project**"), including without limitation the items listed in the Exhibit I attached hereto ("**Materials**").

You hereby agree to retain and hold the Materials to the order of the owners of the Materials, being [•], A.I.E. ("**AIE**").

AIE has granted to The Night Manager Distribution Limited (the "**Distributor**") the right to distribute the Project in certain territories of the world.

Accordingly, you are authorized and directed (i) to provide access to the Materials to the Distributor and to honour all orders for materials of the Distributor and its successors, assigns and licensees (the "**Distributor's Successors**") with respect to such items, upon the following understandings:

1. All laboratory services and materials ordered by the Distributor or the Distributor's Successors, with respect to the Project shall be at the sole cost and expense of the party ordering same. You agree to look solely to such party for payment of such charges.
2. You agree not to assert any claim or any lien at common law or under any statute or otherwise against the Distributor, or any the Distributor's Successors, or against any materials relating to the Project, by reason of any unpaid charges incurred by any other party.
3. You will not refuse to honour any of the orders of the Distributor or the Distributor's Successors, by reason of any unpaid charges incurred by any other party.
4. You will not allow any person, firm or company other than AIE, the Distributor or the Distributor's Successors, to have access to any of the Materials
5. None of the Materials shall be removed from your possession or shall have copies made thereof without the written consent of the Distributor and AIE, save that at any time any of the Distributor or AIE may confirm to you in writing that its own consent is no longer required in which event you shall not be required to obtain the consent of such of the Distributor or AIE as has sent you such written confirmation.

The instructions contained herein are irrevocable and may not be altered or modified except by an instrument of writing signed by the Distributor and AIE.

**SCHEDULE 7  
CREDITS**

[The AIE shall be accorded screen credit in the main titles]

Dated 11 MARCH 2015

BHS GROUP LIMITED

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INSTRUMENT CONSTITUTING UP TO £3,645,000  
UNSECURED LOAN NOTES 2017

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Mishcon de Reya  
Summit House  
12 Red Lion Square  
London WC1R 4QD  
Tel: 020 7440 7000  
Fax: 020 7404 5982  
Ref: RJT/JP/18417.25

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THIS DEED is made the 11 day of MARCH 2015

**BHS GROUP LIMITED** incorporated and registered in England and Wales with company number 03858895 whose registered office is at Colegrave House, 70 Berners Street, London W1T 3NL (the Company).

#### BACKGROUND

The Company has, by resolution of its board of directors passed on even date, resolved to create up to a maximum nominal amount of £3,645,000 unsecured loan notes 2017, to be constituted in the manner set out below.

#### AGREED TERMS

##### 1. DEFINITIONS AND INTERPRETATION

1.1 The definitions and rules of interpretation in this clause apply in this instrument.

**Business Day** means a day other than a Saturday, Sunday or public holiday in London when banks are open for business;

**Conditions** means the conditions set out in Schedule 2 as from time to time amended;

**Directors** means the board of directors of the Company for the time being;

**Event of Default** means any of those events specified in clause 9;

**First Repayment Date** means the date falling six (6) months from the date of this instrument;

**Fourth Repayment Date** means the date falling twenty-four (24) months from the date of this instrument;

**Group** means the Company and any subsidiary or holding company from time to time of the Company, and any subsidiary from time to time of the Company's holding company (and the expression member of the Group shall be construed accordingly);

**Noteholder** means each person for the time being entered in the Register as a holder of any Notes and Noteholders shall be construed accordingly;

**Notes** means up to £3,645,000 unsecured loan notes 2017 constituted by this instrument or, as the case may be, the amount of such loan notes for the time being issued and outstanding;

**Register** means the register of Noteholders kept and maintained by the Company in accordance with clause 8;

**Second Repayment Date** means the date falling twelve (12) months from the date of this instrument;

**Security Interest** means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect; and

**Third Repayment Date** means the date falling eighteen (18) months from the date of this instrument.

1.2 Any reference in this instrument to:

- 1.2.1 the **assets** of any person shall be construed as a reference to all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;
- 1.2.2 an **encumbrance** shall be construed as a reference to a mortgage, charge, assignment, pledge, lien (save as arising in the ordinary course of business), hypothecation, right of set-off (save as arising under the general law for the protection of certain classes of creditors) or trust arrangement for the purpose of and having a similar effect to the granting of security, or other security interest of any kind;
- 1.2.3 **indebtedness** shall be construed as a reference to any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;
- 1.2.4 this **instrument** or to any other instrument, agreement or document shall, unless the context otherwise requires, be construed as reference to this instrument or such other instrument, agreement or document as the same may from time to time be amended, varied, supplemented or novated, in each case, in accordance with its terms;
- 1.2.5 a **month** shall be construed as a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month save that, where any such period would otherwise end on a day that is not a Business Day, it shall end on the next Business Day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding Business Day provided that, if a period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that later month;
- 1.2.6 a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- 1.2.7 **repayment** includes redemption and vice versa and the words **repay, redeem, repayable, redeemed and repaid** shall be construed accordingly;
- 1.2.8 a reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of: (i) another person (or its nominee), by way of security or in connection with the taking of security; or (ii) its nominee.
- 1.2.9 **tax** shall be construed so as to include any present and future tax, levy, impost, deduction, withholding, duty or other charge of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);

- 1.2.10 the winding-up, dissolution or administration of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or of any jurisdiction in which such person carries on business; and
- 1.2.11 Sterling and £ denotes the lawful currency of the United Kingdom.
- 1.3 An Event of Default is "continuing" if it has not been remedied to the satisfaction of the Noteholders or waived in writing by the Noteholders.
- 1.4 References to any statute or statutory provision shall be construed as a reference to it as in force at the date of this instrument as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.5 In construing this instrument general words introduced by the word other shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words followed by the word including shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.
- 1.6 All the provisions of this instrument are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.
- 1.7 References to the Notes include references to all and/or any of the Notes.
- 1.8 Clause, Schedule and paragraph headings shall not affect the interpretation of this instrument.
- 1.9 References to clauses and Schedules are to the clauses of and Schedules to this instrument and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.10 The Schedules (including, for avoidance of doubt, the Conditions) form part of this instrument and shall have effect as if set out in full in the body of this instrument. Any reference to this instrument includes the Schedules.
2. **AMOUNT OF NOTES**
- The principal amount of the Notes is limited to £3,645,000.
3. **DESCRIPTION OF NOTES**
- The Notes shall be known as "BHS Group Limited Loan Notes 2017" and shall be issued in integral multiples of £1 by the Company.
4. **STATUS OF NOTES**
- The Notes when issued shall rank pari passu equally and rateably without discrimination or preference among themselves and as an unsecured obligation of the Company.



## 5. REPAYMENT OF NOTES

- 5.1 When the Notes become payable in accordance with the provisions of this instrument, the Company shall pay to the Noteholders the full principal amount of the Notes to be repaid together with any accrued interest on such Notes (less any tax which the Company is required by law to deduct or withhold from such payment) up to and including the date of payment.
- 5.2 All payments under this instrument, whether of principal, interest or otherwise, shall be made by the Company to the Noteholders entitled to such payments as provided in paragraph 8 of Schedule 3.
- 5.3 Where any payment to a Noteholder, whether of principal, interest or otherwise, is due in accordance with the terms of this instrument on a day that is not a Business Day, payment shall take place on the next succeeding Business Day. If that next succeeding Business Day is in the month following the month in which payment would otherwise be made, payment shall take place on the immediately preceding Business Day.

## 6. INTEREST ON NOTES

Save for default interest which shall accrue in accordance with paragraph 5 of Schedule 2, no interest shall accrue on the principal amount of the Notes which are outstanding.

## 7. CERTIFICATES

- 7.1 Each certificate for Notes shall:
- 7.1.1 bear a denoting number;
  - 7.1.2 be issued to a Noteholder as a deed, substantially in the form set out in Schedule 1; and
  - 7.1.3 have the Conditions endorsed on it.
- 7.2 Each Noteholder shall be entitled to receive without charge one certificate for the Notes registered in his name.
- 7.3 The Company shall not be bound to register more than four persons as the joint holders of any Notes and, in the case of Notes held jointly by several persons, the Company shall not be bound to issue more than one certificate. Delivery of a certificate to the person who is first named in the Register as Noteholder shall be sufficient delivery to all joint holders of the Notes in respect of which such certificate has been delivered.
- 7.4 When a Noteholder transfers or redeems part only of his Notes, the old certificate shall be cancelled and a new certificate for the balance of such Notes shall be issued without charge.

## 8. REGISTER

- 8.1 The Company shall, at all times, keep a Register at its registered office (or at such other place as the Company may from time to time have appointed for the purpose and have notified to the Noteholders).
- 8.2 The Register shall contain the following details:

- 8.2.1 the names and addresses of the Noteholders for the time being;
  - 8.2.2 the principal amount of the Notes held by each Noteholder;
  - 8.2.3 the date at which the name of each Noteholder is entered in respect of the Notes registered in his name;
  - 8.2.4 the date of issue of each Note; and
  - 8.2.5 all transfers and changes of ownership of the Notes.
- 8.3 Any change of name or address by any Noteholder that is notified to the Company at its registered office address above shall be entered in the Register.
- 8.4 Any Noteholder may at all reasonable times during office hours and on reasonable notice inspect, and take copies of, the Register.

9. **COVENANTS**

- 9.1 Unless as notified to the Noteholders in writing in advance:
- 9.1.1 the Company may not make any acquisition or investment;
  - 9.1.2 the Company shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any asset;
  - 9.1.3 the Company shall not create or purport to create or permit to subsist any Security Interest on or in relation to all or any part of any asset; and
  - 9.1.4 the Company may not incur or incur or have outstanding any financial indebtedness.

10. **EVENTS OF DEFAULT**

Each of the circumstances set out in this clause 10 following is an Event of Default:

- 10.1.1 the Company fails to pay any principal or interest on any of the Notes within 5 Business Days after the due date for payment thereof;
- 10.1.2 the Company fails duly to perform or comply with any obligation (other than an obligation to pay principal or interest in respect of the Notes) expressed to be assumed by it in this instrument;
- 10.1.3 any financial indebtedness of the Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);
- 10.1.4 the Company is unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts;
- 10.1.5 a moratorium is declared in respect of any indebtedness of the Company;

- 10.1.6 any corporate action, legal proceedings or other procedure or formal step is taken in relation to the winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
- 10.1.7 the enforcement of any security or encumbrance over any assets of the Company;
- 10.1.8 any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Company which is not discharged within 5 Business Days of presentation;
- 10.1.9 anything analogous to or having a substantially similar effect to any of the events specified in clause 10.1.5 to clause 10.1.8 inclusive shall occur under the laws of any applicable jurisdiction;
- 10.1.10 any financial indebtedness of the Company is not paid when due nor within any originally applicable grace period;
- 10.1.11 any financial indebtedness of the Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);
- 10.1.12 any commitment for any financial indebtedness or borrowings of the Company is cancelled or suspended by a creditor of the Company as a result of an event of default (however described);
- 10.1.13 any creditor of the Company becomes entitled to declare any financial indebtedness of the Company due and payable prior to its specified maturity as a result of an event of default (however described); or
- 10.1.14 it is or becomes or will become unlawful for the Company to perform or comply with any of its obligations under this instrument, or any such obligation is not or ceases to be legal, valid and binding.

## 11. ACCELERATION

- 11.1 On and at any time after the occurrence of an Event of Default which is continuing, the Noteholders may by notice in writing to the Company direct that the principal amount of all Notes, all unpaid accrued interest and any other sum then payable on such Notes shall become due and payable immediately.
- 11.2 If the Noteholders give such a direction under this clause 11, then the principal amount of all Notes, all unpaid accrued interest and any other sum then payable on such Notes (in each case less any applicable taxes) shall be immediately due and payable by the Company and the Company shall immediately pay or repay such amounts to the Noteholders.

## 12. NO SET-OFF

Payments of principal and interest under this instrument shall be paid by the Company to the Noteholders, and the Notes shall be transferable in accordance with the provisions of Schedule 3, without any deduction or withholding (whether in respect of any set-off, counterclaim or otherwise whatsoever) unless the deduction or withholding is required by law.



### 13. ENFORCEMENT

- 13.1 From and after the date of this instrument and so long as any amount is payable by the Company in respect of the Notes, the Company undertakes that it shall duly perform and observe the obligations on its part contained in this instrument.
- 13.2 The Notes shall be held subject to and with the benefit of the provisions of this instrument, the Conditions and the schedules (all of which shall be deemed to be incorporated in this instrument). All such provisions shall be binding on the Company and the Noteholders and all persons claiming through or under them respectively, and shall enure for the benefit of all Noteholders.
- 13.3 Except as expressly provided in clause 13.4, a person who is not a party to this instrument shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this instrument.
- 13.4 This instrument and the Notes are enforceable under the Contracts (Rights of Third Parties) Act 1999 by each Noteholder.

### 14. MODIFICATION

- 14.1 The provisions of this instrument and the Conditions and the rights of the Noteholders shall not be modified, abrogated or compromised in any respect unless prior written consent for such modification, abrogation or compromise has first been obtained from:

14.1.1 the Noteholders; and

14.1.2 the Company.

### 15. GOVERNING LAW AND JURISDICTION

- 15.1 This instrument and the Notes and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.
- 15.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this instrument or any Note or their subject matter or formation (including non-contractual disputes or claims).

This instrument has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

## SCHEDULE I - FORM OF LOAN NOTE CERTIFICATE

Certificate No. [NUMBER]

Date of Issue [DATE]

Amount £[AMOUNT]

**BHS GROUP LIMITED**

**£[AMOUNT]**

**UNSECURED LOAN NOTES 2017**

Created and issued pursuant to a resolution of the board of directors of the Company passed on [DATE].

**THIS IS TO CERTIFY THAT** [NAME OF NOTEHOLDER] is the registered holder of £[AMOUNT] of the £[\*] unsecured loan notes 2017 constituted by an instrument entered into by the Company on [DATE] (Instrument). Such Notes are issued with the benefit of and subject to the provisions contained in the Instrument and the Conditions endorsed hereon.

1. The Notes are repayable in accordance with paragraph 1 of Schedule 2 of the Instrument.
2. This Certificate must be surrendered before any transfer, whether of the whole or any part of the Notes comprised in it, can be registered or any new certificate issued in exchange.
3. Any change of address of the Noteholder(s) must be notified in writing signed by the Noteholder(s) to the Company at its registered office from time to time.
4. The Notes are transferable in amounts and in integral multiples of £1 in accordance with the terms of the Conditions and the Instrument.
5. Words and expressions defined in the Instrument shall bear the same meaning in this Certificate and in the Conditions endorsed hereon.
6. The Notes and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.
7. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Notes or their subject matter or formation (including non-contractual disputes or claims).
8. This Certificate has been executed as a deed and is delivered and takes effect on its date of issue stated at the beginning of it.



**EXECUTED** as a deed by  
**BHS GROUP LIMITED**  
acting by a director, in the presence of:

Signature
Director
Print name

Witness signature \_\_\_\_\_

Name (in BLOCK CAPITALS) \_\_\_\_\_

Address \_\_\_\_\_

## **SCHEDULE 2 - THE CONDITIONS**

### **1. Repayment**

- 1.1 On the First Repayment Date, the Company shall redeem £1,075,000 of the principal amount of Notes in issue in full together with all accrued and unpaid interest (less any tax required by law to be deducted or withheld from such payment) accrued on the relevant Notes up to (and including) the date of such repayment by the Company pursuant to this paragraph 1.1.
- 1.2 On the Second Repayment Date, the Company shall redeem £1,285,000 of the principal amount of Notes in issue in full together with all accrued and unpaid interest (less any tax required by law to be deducted or withheld from such payment) accrued on the relevant Notes up to (and including) the date of such repayment by the Company pursuant to this paragraph 1.2.
- 1.3 On the Third Repayment Date, the Company shall redeem £642,500 of the principal amount of Notes in issue in full together with all accrued and unpaid interest (less any tax required by law to be deducted or withheld from such payment) accrued on the relevant Notes up to (and including) the date of such repayment by the Company pursuant to this paragraph 1.3.
- 1.4 On the Fourth Repayment Date, the Company shall redeem £642,500 of the principal amount of Notes in issue in full together with all accrued and unpaid interest (less any tax required by law to be deducted or withheld from such payment) accrued on the relevant Notes up to (and including) the date of such repayment by the Company pursuant to this paragraph 1.4.
- 1.5 If any payment (whether of principal, interest or otherwise) in respect of any Notes becomes due in accordance with these Conditions on a day that is not a Business Day, such payment shall take place on the next succeeding Business Day, but in the case of default interest payable in accordance with paragraph 5 of this Schedule 2, no adjustment shall be made to the amount of default interest payable and the Noteholder shall not be entitled to any other payment in respect of any such delay.

### **2. Voluntary early repayment**

- 2.1 The Company may at any time, by giving the Noteholders not less than 10 Business Days' written notice, repay the principal amount of all or a portion of the Notes on the date specified in such notice.
- 2.2 The Company shall also pay to the Noteholders all unpaid interest accrued on the Notes to be redeemed up to and including the date of such redemption (in each case less any taxes required by law to be deducted or withheld from such payments).
- 2.3 Any payment made under the provisions of paragraph 2.1 of this Schedule 2 shall be treated as reducing the amount of the repayments under paragraph 1 of this Schedule 2 proportionately.
- 2.4 Any redemption of the Notes under the provisions of paragraph 1 of this Schedule 2 shall be made pro rata to the holdings of all Noteholders.

### **3. Cancellation**

All Notes repaid, prepaid or purchased by the Company shall be cancelled and the Company shall not reissue the same.

4. **Payment of interest**

Save as provided for in paragraph 5 of this Schedule 2, the Notes shall accrue no interest.

5. **Default Interest**

5.1 If the Company fails to pay any amount payable by it under this instrument on its due date, interest shall accrue on the unpaid sum from the due date up to the date of actual payment (both before and after judgment) at a rate of ten (10) per cent per annum. Any interest accruing under this paragraph 5 shall be payable by the Company on demand by the Noteholders.

5.2 Default interest (if unpaid) arising on an unpaid sum will be compounded with the unpaid sum but will remain immediately due and payable.

6. **Dealings**

The Notes shall not be capable of being dealt in or on any stock exchange in the United Kingdom or elsewhere and no application has been or shall be made to any stock exchange for permission to deal in or for an official or other quotation for the Notes.

7. **Notices**

Any Noteholder described in the Register as being at an address outside the United Kingdom but who shall from time to time give to the Company an address within the United Kingdom at which any notice may be served upon him shall be entitled to have notice served on him at such address. Save as otherwise provided in this paragraph 7, no Noteholder other than a Noteholder described in the Register as being at an address within the United Kingdom shall be entitled to receive any notice.

## **SCHEDULE 3- PROVISIONS AS TO REGISTRATION, TRANSFER AND OTHER MATTERS**

### **1. Recognition of Noteholder as absolute owner**

The Company shall recognise as absolute owner the registered holder of any Notes. The Company shall not (except as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust (whether express, implied or constructive) to which any Notes may be subject. The receipt of the registered holder for the time being of any Notes or, in the case of joint registered holders, the receipt of any of them, for the principal payable in respect of such Notes and for the interest from time to time accruing due in respect of such Notes or for any other moneys payable in respect of such Notes shall be a good discharge to the Company notwithstanding any notice it may have (whether express or otherwise) of the right, title, interest or claim of any other person to or in such Notes, interest or moneys. The Company shall not be bound to enter any notice of any express, implied or constructive trust on the Register in respect of any Notes.

### **2. Transferability of Notes**

The Notes are transferable by instrument in writing in the usual common form (or in such other form as the Directors of the Company may approve) in amounts and multiples of £1. There shall not be included in any instrument of transfer any Notes other than the Notes constituted by this instrument.

### **3. Execution of transfers**

Every instrument of transfer shall be duly signed by or on behalf of the transferor and the transferor shall be deemed to remain the owner of the Notes to be transferred until the transferee's name is entered in the Register in respect of such Notes.

### **4. Registration of transfers**

Every instrument of transfer shall be left for registration at the address where the Register is maintained for the time being (as referred to in clause 8.1 of this instrument) accompanied by the Certificate(s) for the Notes to be transferred, together with such other evidence as the Directors or other officers of the Company authorised to deal with the transfers may require to prove the title of the transferor or his right to transfer the Notes and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so. All instruments of transfer which are registered shall be retained by the Company. No transfer shall be registered of Notes in respect of which a notice of repayment has been given under paragraph 2 (Voluntary early repayment) of Schedule 2.

### **5. No fees for registration of transfers**

No fee shall be charged for the registration of any transfer or for the registration of any confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any Notes or for making any entry in the Register relating to or affecting the title to any Notes.

### **6. Recognition of personal representatives**

The executors or administrators of a deceased Noteholder (not being one of several joint registered holders) and in the case of the death of one or more of several joint registered

holders the survivor or survivors of such joint registered holders, shall be the only person(s) recognised by the Company as having any title to such Notes.

**7. Transmission of Notes**

Any person who becomes entitled to any of the Notes as a result of the death or bankruptcy of any Noteholder, or of any other event giving rise to the transmission of such Notes by operation of law may, upon producing such evidence that he sustains the character in respect of which he proposes to act under this paragraph 7 or of his title as the Directors shall think sufficient, be registered himself as the holder of such Notes or, subject to the preceding paragraphs of this Schedule 3 as to transfer, may transfer such Notes. The Company may retain any payments paid upon any such Notes which any person under this provision is entitled to, until such person is registered as the holder of such Notes or has duly transferred the Notes.

**8. Payment of interest and principal**

8.1 The payments of principal, interest or other sums payable in respect of the Notes may be paid by electronic transfer in immediately available cleared funds on the due date for payment, to the account specified for the purpose by the Noteholder or joint Noteholders in writing to the Company.

8.2 All payments of principal, interest or other moneys to be made by the Company shall be made after any deductions or withholdings for or on account of any present or future taxes required to be deducted or withheld from such payments.

**9. Receipt of joint holders**

If several persons are entered in the Register as joint registered holders of any Notes then without prejudice to the provisions of paragraph 8 the receipt of any one of such persons for any interest or principal or other moneys payable in respect of such Notes shall be as effective a discharge to the Company as if the person signing such receipt were the sole registered holder of such Notes.

**10. Replacement of certificates**

If the Certificate for any Notes is lost, defaced or destroyed it may be renewed on such terms (if any) as to evidence and indemnity as the Directors may require. In the case of defacement the defaced Certificate shall be surrendered before the new Certificate is issued.

**11. Notice of Noteholders**

Any notice or other document (including Certificates for Notes) may be given or sent to any Noteholder by sending the same by post in a prepaid, first-class letter addressed to such Noteholder at his registered address in the United Kingdom or (if he has no registered address within the United Kingdom) to the address (if any) within the United Kingdom supplied by him to the Company for the giving of notice to him. In the case of joint registered holders of any Notes a notice given to the Noteholder whose name stands first in the Register in respect of such Notes shall be sufficient notice to all joint holders. Notice may be given to the persons entitled to any Notes as a result of the death or bankruptcy of any Noteholder by sending the same by post in a prepaid, first-class envelope addressed to them by name or by the title of the representative or trustees of such Noteholder at the address (if any) in the United Kingdom supplied for the purpose by such

persons or (until such address is supplied) by giving notice in the manner in which it would have been given if the death or bankruptcy had not occurred.

**12. Notice to the company**

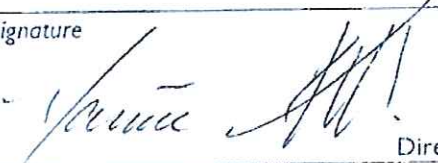
Any notice or other document (including Certificates for Notes and transfers of Notes) may be given or sent to the Company by sending the same by post in a prepaid, first-class letter addressed to the Company at its registered office for the time being.

**13. Service of notices**

Any notice, communication or document sent by post shall be deemed to have been delivered or received on the second Business Day following the day on which it was posted. In proving such delivery or receipt it shall be sufficient to prove that the relevant notice, communication or document was properly addressed, stamped and posted (by airmail, if to another country) in the United Kingdom.

EXECUTION PAGE FOR LOAN NOTE INSTRUMENT CONSTITUTED BY BHS GROUP LIMITED

EXECUTED as a deed by  
BHS GROUP LIMITED  
acting by a director, in the presence of:

Signature	
Director	
Print name	

Witness signature



Name (in BLOCK CAPITALS)

DAVID ROBERTS

Address

90 MICH HOLBORN

VIADUCT, WC1N 6XX



**Certificate No. 1**

**Date of Issue: 11/03/2015**

**Amount: £3,645,000**

**BHS GROUP LIMITED**  
**£3,645,000**  
**UNSECURED LOAN NOTES 2017**


Created and issued pursuant to a resolution of the board of directors of the Company passed on 11/03/2015.

**THIS IS TO CERTIFY THAT** J9 Properties Limited is the registered holder of £3,645,000 unsecured loan notes 2017 constituted by an instrument entered into by the Company on 11/03/2015 (**Instrument**). Such Notes are issued with the benefit of and subject to the provisions contained in the Instrument and the Conditions endorsed hereon.

1. The Notes are repayable in accordance with paragraph 1 of Schedule 2 of the Instrument.
2. This Certificate must be surrendered before any transfer, whether of the whole or any part of the Notes comprised in it, can be registered or any new certificate issued in exchange.
3. Any change of address of the Noteholder must be notified in writing signed by the Noteholder to the Company at its registered office from time to time.
4. The Notes are transferable in amounts and in integral multiples of £1 in accordance with the terms of the Conditions and the Instrument.
5. Words and expressions defined in the Instrument shall bear the same meaning in this Certificate and in the Conditions endorsed hereon.
6. The Notes and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.
7. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Notes or their subject matter or formation (including non-contractual disputes or claims).
8. This Certificate has been executed as a deed and is delivered and takes effect on its date of issue stated at the beginning of it.



**EXECUTED** as a deed by  
**BHS GROUP LIMITED**  
acting by a director, in the presence of:

Signature	
Director	
Print name	Dominic Chappell

Witness signature



Name (in BLOCK CAPITALS)

DAVID ROBERTS

Address

90 HIGH HOLBORN

LONDON WC1H 0XX

Company Number: 03858895

**BHS GROUP LIMITED**

(the "Company")

**MINUTES OF A MEETING OF THE  
DIRECTORS OF THE COMPANY HELD**

**AT MAYLEBONE HOUSE, 137 MAYLEBONE RD**  
**ON 11.8.15 AT 5.15 A.M./P.M.**

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**PRESENT:** DOMINIC CHAPPEL (Chairman)  
LENNART MENNINGSJON

**IN ATTENDANCE:**

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**1. NOTICE AND QUORUM**

The Chairman reported that notice of the meeting had been given to all of the directors of the Company and that the meeting was quorate.

**2. PURPOSE OF THE MEETING AND DOCUMENTS**

2.1 It was noted that the meeting had been convened to consider certain matters in relation to the acquisition by Retail Acquisition Limited of the entire issued share capital of the Company from Taveta Investments (No. 2) Limited (the "**Transaction**").

2.2 It was noted that in connection with the Transaction, J9 Properties Limited ("**J9 Properties**") was to subscribe for £3,645,000 unsecured loan notes (the "**Loan Notes**") pursuant to a loan note instrument (the "**Loan Note Instrument**") and that the directors were to consider and, if thought fit, approve the creation of the Loan Note Instrument and the issue of the Loan Notes to J9 Properties.

2.3 The Loan Note Instrument was produced to the meeting and noted.

**3. DIRECTORS' DUTIES AND DECLARATIONS OF INTEREST**

3.1 The directors were reminded that they needed to comply with their duties to the Company, including the duties set out in sections 171 to 177 Companies Act 2006 (the "**Act**"). These included a duty to declare interests in proposed transactions and

arrangements with the Company and a separate and independent statutory obligation to declare interests in existing transactions and arrangements with the Company.

- 3.2 Each director was reminded that he also needed to comply with his duty to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, unless authorised either by directors independent of the conflict, as permitted by the Act and the Company's articles of association or in one of the other ways permitted by the legislation.
- 3.3 In accordance with the Act, each of the directors declared to the meeting the nature and extent of their interest in the Transaction.
- 3.4 It was noted that under the Company's articles of association, each director was entitled to vote and count towards the quorum on all business to be discussed at the meeting.

#### 4. APPROVAL OF THE LOAN NOTE INSTRUMENT

- 4.1 Each director was reminded that in considering whether the Company should enter into the Loan Note Instrument, he needed to comply with his general duties to the Company. These included a duty to act in the way he considered, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard (amongst other matters) to:

- 4.1.1 the likely consequences of any decision in the long term;
- 4.1.2 the interests of the Company's employees;
- 4.1.3 the need to foster the Company's business relationships with suppliers, customers and others;
- 4.1.4 the impact of the Company's operations on the community and the environment;
- 4.1.5 the desirability of the Company maintaining a reputation for high standards of business conduct; and
- 4.1.6 the need to act fairly as between the members of the Company.

- 4.2 After due and careful consideration, **IT WAS RESOLVED** that:

- 4.2.1 the terms of the Loan Note Instrument were fair and reasonable;
- 4.2.2 the entry by the Company into the Loan Note Instrument on its terms was most likely to promote the success of the Company for the benefit of its members as a whole, having regard amongst other matters to the factors set out in paragraph 4.1;
- 4.2.3 the Loan Note Instrument be approved;

4.2.4 any director be authorised on behalf of the Company to sign any documents required to be entered into by the Company under hand; and

4.2.5 any two directors or any director in the presence of a witness (who attests the director's signature) be authorised on behalf of the Company to execute any document required to be executed by the Company as a deed (subject to such amendments, modifications, variations and alterations as he may deem fit).

5. **ALLOTMENT OF LOAN NOTES**

5.1 It was noted that applications for Loan Notes had been received as per the table below:

Investor	Amount of Loan notes (£)
J9 Properties	£3,645,000

5.2 **IT WAS RESOLVED** that:

5.2.1 J9 Properties be allotted the number of Loan Notes as specified above;

5.2.2 J9 Properties' name be entered in the register of Loan Notes as the holders of the Loan Notes; and

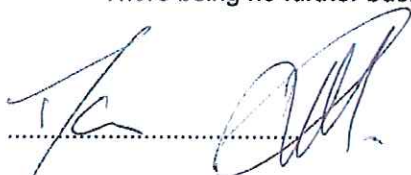
5.2.3 the Loan Note certificates in respect of the allotment in paragraph 5.2.1 be executed and issued.

6. **RETURNS**

**IT WAS RESOLVED** that any director or the secretary be authorised and instructed to complete and sign (or to arrange for the completion and signature of) all appropriate forms and other documents in respect of the matters referred to above and to arrange for delivery of such forms and documents to the Registrar of Companies and to such other persons as may be required.

7. **CLOSE OF MEETING**

There being no further business, the meeting closed.

  
Chairman