Taveta Investments (No. 2) Limited

(registered number 05137091)

(the "Company")

Minutes of a meeting of the
Board of Directors of the Company

held at Colegrave House, 70 Berners Street, London W1T 3NL
on 16th March 2015 at 10.30am

Present: Paul Bridge

Lord Crabiner Q.C.

In Attendance: Adam Goldman (Secretary).

Disposal of the whole of
the issued share capital of BHS Group Limited

1 Notice, quorum and declaration of interests

1.1 It was resolved that Mr. Bridge be appointed Chairman of the Meeting.

1.2 The Chairman noted that due notice had been given to those entitled to receive it in accordance with the Company's Articles and that a quorum was present.

1.3 Each Director present confirmed that he had no direct or indirect interest in any way in the proposed transaction and other arrangements to be considered at the meeting which he was required to disclose by Section 177 Companies Act 2006 and the Company's articles of association.

2 Background and business of the meeting

2.1 The Chairman reported that the purpose of the meeting was to consider, and if thought fit, ratify:

2.1.1 the Company's disposal (the "Disposal") of the entire issued share capital (the "Shares") of BHS Group Limited (the "Target") on the terms and subject to the conditions set out in the share purchase agreement (the "SPA") entered into between the Company and the Buyer (as defined therein, the "Buyer") on 11 March 2015; and

2.1.2 the Company's entry into the agreements and deeds required to effect the Disposal.
2.2 It was noted that pursuant to the terms of Clause 3 of the SPA, the Buyer had agreed to purchase the Shares for £1, to be satisfied as to £1 in cash.

2.3 It was also noted that certain subsidiaries of the Seller had entered into a deed of release to set off certain intragroup payables and receivables and to forgive and release certain intragroup indebtedness.

2.4 In addition to the SPA, the Company had entered into certain ancillary documents in relation to the Disposal, including the Disclosure Letter (as defined in the SPA).

3 Documents

Executed versions of the following documents were produced to the Meeting:

3.1.1 the SPA;
3.1.2 the Disclosure Letter; and
3.1.3 an indemnity for lost share certificates of the Target,

(such documents being together, the “Disposal Documents”).

4 Verification of the warranties in the SPA

The Chairman informed the Meeting that senior management had thoroughly reviewed the warranties to be given by the Company set out in Clause 8 and Schedules 4 to 8 of the SPA and that the Disclosure Letter contained details of the exceptions to the warranties of which senior management were aware.

5 SPA

The Meeting considered the SPA, with particular consideration being given to:

5.1.1 consideration for the transfer of the Shares;
5.1.2 the capital injection to be made by the Buyer;
5.1.3 the grant of fixed and floating charges to secure certain debts owed to Arcadia;
5.1.4 the post-Completion matters set out in Clause 6;
5.1.5 the warranties to be given by the Company set out in Clause 8 and Schedules 4 to 8; and
5.1.6 the tax covenant and tax warranties granted in favour of the Buyer, as set out in Schedule 5.

Each of the Directors confirmed that he was satisfied with the SPA and, in particular, the above matters.

6 Resolutions

After due and careful consideration, having regard to what would be most likely to promote the success of the Company for the benefit of its members as a whole, including the matters set out in Section 172 of the Companies Act 2006, IT WAS RESOLVED that:

6.1.1 the Disposal be and is hereby ratified;
6.1.2 the terms and conditions of each of the Disposal Documents be and are hereby ratified in the form in which they were executed;
6.1.3 the execution by any Director on behalf of the Company of the Disposal Documents to which the Company is a party which required execution under hand be and is hereby ratified or, where any of the Disposal Documents were required to take effect as a deed of the Company, the execution by any two of the Directors, or any one of the Directors and the Secretary, or any Director in the presence of a witness who attests his signature be and are hereby ratified; and

7 Filings

The Chairman instructed the Company Secretary to make all such filings as are required in relation to the resolutions passed at this meeting.

8 Close

There being no further business the Meeting concluded.

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Chairman
Certified a true copy of the minutes of a meeting of the Board of Directors held on 16/3/15.

Dated: 16th March 2015

Signed: [Signature]

Company Secretary