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CHFP025

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this margin

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

\*insert full name  
of Company

**COMPANIES FORM No. 395****Particulars of a mortgage or charge**

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

Pursuant to section 395 of the Companies Act 1985

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

Name of company

\* Poundland Limited (the "Chargor")

Date of creation of the charge

2 May 2007

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

Debenture dated 2 May 2007 (the "Charge") executed by the Chargor in favour  
of The Governor and Company of the Bank of Scotland (the "Chargee").

Amount secured by the mortgage or charge

See Part II of the attached Schedule.

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

The Governor and Company of the Bank of Scotland of The Mound, Edinburgh.

Postcode EH1 1YZ

Presentor's name address and  
reference (if any)

Lovells LLP  
Atlantic House  
Holborn Viaduct  
London  
EC1A 2FG

F3DC/PTM/19558 06471

Time critical reference

For official Use (06/2005)

Mortgage Section

Post room

TUESDAY



LD4

\*L85HLPD2\*

08/05/2007

364

COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

See Part II of the attached schedule

Part III of the attached Schedule refers to covenants by, and restrictions on, the Chargor, which protect and further define the security created by the Charge and which must be read as part of this security.

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

Particulars as to commission allowance or discount (note 3)

N/A

Signed

Loveells LLP

Date

04/05/07

On behalf of ~~XXXXXXXXXXXX~~ (chargee) †

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

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No 398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
  - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
  - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is **Companies House, Crown Way, Cardiff CF14 3UZ**

SCHEDULE TO FORM 395

Part I

Definitions

In this Schedule, references to Clauses and Schedules are to Clauses of, and Schedules to, the Charge unless otherwise specified. References in this Schedule to the Charge or to any other document include references to the Charge, or to such other document, as varied in any manner from time to time. The singular shall include the plural and vice versa. In this Form 395 the following expressions shall have the following meanings respectively set out below:

**"2004 Debenture"** means the guarantee and debenture dated 4 August 2004 and made between the Companies and the Chargee,

**"Accession Deed"** means a deed of accession to a Guarantee and Debenture, substantially in the form required by the relevant Guarantee and Debenture,

**"Accession Letter"** means a document substantially in the form set out in Schedule 6 (*Form of Accession Letter*) of the Credit Agreement,

**"Additional Borrower"** means any company which becomes an Additional Borrower in accordance with Clause 25 (*Changes to Obligors*) of the Credit Agreement,

**"Additional Guarantor"** means any company which becomes an Additional Guarantor in accordance with Clause 25 (*Changes to Obligors*) of the Credit Agreement,

**"Agent"** means the Chargee in its capacity as Agent under the Credit Agreement,

**"Arranger"** means the Chargee in its capacity as Arranger under the Credit Agreement,

**"Assets"** means the whole of the undertaking and all of the property and assets of the Chargor both present and future including any property and assets situated in Scotland,

**"Borrower"** means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with Clause 25 (*Changes to the Obligors*) of the Credit Agreement,

**"Company"** means each or any of the Chargor, Poundland Willenhall Limited or Poundland Holdings Limited and **"Companies"** means all of them,

**"Credit Agreement"** means the credit agreement dated 4 August 2004 (as amended and restated on 2 May 2007 and as may be further amended, restated, varied or supplemented from time to time) between, amongst others, the Chargee as Agent, Security Trustee and Arranger, and each of the Companies as Obligors,

**"DC Maximum"** means a sum not exceeding £4,150,000 together with interest on that sum from 1 August 2005 until the date of payment at a rate of 6% per annum which may compound on a daily basis,

**"Deferred Consideration"** means the unsecured consideration of approximately the DC Maximum outstanding from Poundland Holdings Limited to the Deferred Consideration Lenders, pursuant to the Deferred Consideration Documents,

**"Deferred Consideration Documents"** means each of the following documents as they may be amended, supplemented, replaced or varied from time to time

- (a) the Option Deed dated 11 June 2002 between Poundland Willenhall Limited and David Dodd relating to the option to subscribe for preference shares in the share capital of Poundland Willenhall Limited,
- (b) the Option Deed dated 11 June 2002 between Poundland Willenhall Limited and Robert Adams relating to the option to subscribe for preference shares in the share capital of Poundland Willenhall Limited,
- (c) the Put Option Deed dated 11 June 2002 between Poundland Holdings Limited and David Dodd relating to the option to sell preference shares in the share capital of Poundland Willenhall Limited to Poundland Holdings Limited, and
- (d) the Put Option Deed dated 11 June 2002 between Poundland Holdings Limited and Robert Adams relating to the option to sell preference shares in the share capital of Poundland Willenhall Limited to Poundland Holdings Limited,

**"Deferred Consideration Lenders"** means David Dodd and Robert Adams, and any party to whom the Deferred Consideration becomes payable to in accordance with the Deferred Consideration Documents and the Finance Documents,

**"Facilities"** means the Revolving Credit Facility and the Working Capital Facility made available under the Credit Agreement,

**"Fee Letter"** means any letter or letters between the Arranger and Poundland Willenhall Limited (or the Agent and Poundland Willenhall Limited) setting out any of the fees referred to in clause 12 (*Fees*) of the Credit Agreement,

**"Finance Documents"** means the Credit Agreement, the Security Documents, the Intercreditor Agreement, the Hedging Documents, any Fee Letter, the Working Capital Facility Letter, any Accession Letter, any Accession Deed, any Resignation Letter and any other document designated as such by the Agent and Poundland Willenhall Limited;

**"Finance Parties"** means the Agent, the Arranger, the Security Trustee, a Lender, a Hedging Bank and the Working Capital Bank,

**"Group"** means Poundland Holdings Limited, Poundland Willenhall Limited and their Subsidiaries for the time being and **"Group Company"** shall be construed accordingly

**"Guarantee and Debenture"** means any document (in a form acceptable to the Security Trustee and the Agent having regard to the form of the 2004 Debenture) creating guarantees in favour of the Security Trustee from the Obligors and creating fixed and floating charges and Security over all of the assets of the relevant Obligor in favour of the Security Trustee, including (without limitation) any Accession Deed executed in respect of an existing Guarantee and Debenture,

**"Guarantor"** means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with Clause 25 (*Changes to the Obligors*) of the Credit Agreement,

**"Hedging Arrangements"** means any and all interest rate management and/or foreign currency and/or other hedging arrangements entered into or committed to be entered into in respect of the Facilities by any member of the Group as have from time to time been agreed in writing between a Borrower, the Agent, and the relevant Hedging Bank or Hedging Banks to constitute the Hedging Arrangements,

**"Hedging Bank"** means any party to the Intercreditor Agreement in its capacity as a Hedging Bank, and **"Hedging Banks"** shall mean all of them,

**"Hedging Documents"** means the documents detailing the terms of the Hedging Arrangements

**"Intercreditor Agreement"** means the intercreditor deed dated 4 August 2004 between the Security Trustee, the Agent, the Lenders, the Subordinated Creditors, and the Group Companies regulating the respective rights and obligations of such parties,

**"Investors"** means Advent European Co-Investment Program Limited Partnership, Advent GE Equity Joint Venture Limited Partnership, Global Private Equity IV Limited Partnership, Global Private Equity IV-A Limited Partnership, Global Private Equity IV-B C V, Global Private Equity IV-C C V, Global Private Equity IV-E C V, Global Private Equity IV-D Limited Partnership, Advent Partners Limited Partnership, Spain Group III LP, Advent Partners GPE IV Limited Partnership and their successors and assigns from time to time,

**"Keyman Insurance"** means the keyman life assurance policies (in form and content reasonably satisfactory to the Security Trustee and with such insurer as the Security Trustee may reasonably approve) maintained by Poundland Willenhall Limited in respect of the death or critical illness of the following persons for a period of at least four years from 4 August 2004 and in the following respective amounts

Name	£
David Dodd	1,000,000
Robert Adams	1,000,000

**"Keyman Insurance Assignment"** means an assignment in the agreed form relating to the Keyman Insurance executed or to be executed by Poundland Willenhall Limited in favour of the Security Trustee,

**"Lender"** means

- (a) any Original Lender,
- (b) in respect of the Working Capital Facility only, the Working Capital Bank, and
- (c) any bank, financial institution, trust, fund or other entity which becomes a Party in accordance with Clause 24 (*Changes to the Lenders*) of the Credit Agreement,

which in each case has not ceased to be a Party in accordance with the terms of the Credit Agreement, and **"Lenders"** shall mean all of them,

**"Obligor"** means a Borrower or a Guarantor and **"Obligors"** shall mean all of them,

**"Original Borrower"** means each Company in its capacity as an Original Borrower under the Credit Agreement,

**"Original Guarantor"** means each Company in its capacity as an Original Guarantor under the Credit Agreement,

**"Original Lender"** means the Chargee in its capacity as Original Lender under the Credit Agreement,

**"Party"** means a party to the Credit Agreement,

**"Properties"** means the properties owned or occupied by the Chargor and listed in schedule 13 of the Credit Agreement,

**"Resignation Letter"** means a letter substantially in the form set out in Schedule 7 (*Form of Resignation Letter*) of the Credit Agreement,

**"Revolving Credit Facility"** means the revolving loan facility made available under the Credit Agreement and as described in Clause 2.1 (*The Facility*) of the Credit Agreement,

**"Secured Liabilities"** means all or any monies and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Security Trustee and the Finance Parties under the Finance Documents by each Company, whether actually or contingently, solely or jointly and whether as principal or surety but excluding all or any such monies and liabilities if and insofar and for as long as it would not be lawful under Chapter VI, Part V, of the Companies Act 1985 (*prohibition of financial assistance by a company for the acquisition of its own shares*) for the Companies to grant security in respect of such sums and liabilities,

**"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 Documents"** means all documents creating Security granted to the Security Trustee pursuant to Schedule 2 (*Conditions Precedent*) of the Credit Agreement, every Guarantee and Debenture, all Keyman Insurance Assignments and every other document entered into in favour of the Security Trustee creating guarantees or creating Security for the obligations of the Group to the Security Trustee, the Agent, and the Lenders from time to time,

**"Security Trustee"** means the Chargee in its capacity as Security Trustee under the Credit Agreement and the Charge,

**"Subordinated Creditors"** means the Investors and the Deferred Consideration Lenders,

**"Subsidiaries"** means subsidiaries within the meaning of section 736 of the Companies Act 1985,

**"Working Capital Bank"** means the Chargee in its capacity as Working Capital Bank under the Credit Agreement and any Working Capital Facility Letter,

**"Working Capital Commitment"** means the amount for the period in question set opposite the Working Capital Bank's name under the heading **"Working Capital Commitment"** in Schedule 1 (*The Original Parties*) Part B or Part C of the Credit Agreement, to the extent not cancelled, reduced or transferred by it under the Credit Agreement,

**"Working Capital Facility"** means the Working Capital Commitment for the period in question as set out in Schedule 1 (*The Original Parties*), Part B or Part C of the Credit Agreement,

**"Working Capital Facility Letter"** means any agreement or letter between the Working Capital Bank and the Group Companies (or a Group Company) setting out the additional terms and conditions on which the Working Capital Bank is making the Working Capital Facility and/or other ancillary working capital facilities available to the relevant Group Company or Group Companies (as the case may be)

## Part II

### Particulars of property mortgaged or charged

By Clause 2 1 (*Charging Provisions*) of the Charge the Chargor charged in favour of the Chargee with full title guarantee as continuing security for the payment or discharge of the Secured Liabilities, by way of floating charge, all of the Assets

## Part III

### Covenants and restrictions

- 1 By Clause 2 4 (*Charging Provisions*) of the Charge the Chargor agreed that, save to the extent specifically permitted under the Credit Agreement, it will not, without the prior written consent of the Chargee, create or attempt to create or permit to subsist any right in security, mortgage, charge, lien or encumbrance on all or any of its Assets other than under the 2004 Debenture and other than a lien arising in the ordinary course of business by operation of law
- 2 By Clause 2 5 (*Charging Provisions*) of the Charge the Chargor agreed that (at its own cost) it will on demand in writing by the Chargee execute and deliver in such form as the Chargee may reasonably require such other deeds, documents, agreements and instruments and will otherwise do and concur in all such other acts or things as the Chargee may (acting reasonably) deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by the Charge or for facilitating the realisation of the Assets or the exercise of any rights of the Chargee under the Charge including, and without prejudice to the generality of the foregoing
  - (a) granting a legal mortgage of any freehold or leasehold property of the Chargor which is charged by way of floating charge and of any freehold or leasehold property acquired by the Chargor after the date of the Charge, and
  - (b) granting a standard security or other fixed security over the Chargor's heritable freehold, leasehold or other property,provided that the foregoing shall not apply to any leasehold property held by any Chargor where a landlord's consent is required to charge the relevant leasehold property, unless and until such consent is given, provided further that, where so requested by the Chargee, the Chargor shall at the expense of the Chargor use all reasonable endeavours to obtain a landlord's or other third party's consent to the creation of such legal mortgage or standard security
- 3 By Clause 4 3 (*Undertakings*) of the Charge the Chargor agreed not to allow any person other than the Chargor to be registered under the Land Registration Act 2002 as proprietor of any of its Properties (or any part thereof) or create or permit to arise any overriding interest (as specified in Schedule 1 or Schedule 3 to the Land Registration Act 2002) affecting any such property

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## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No 02495645

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 2nd MAY 2007 AND CREATED BY POUNDLAND LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH COMPANY TO THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND AND THE FINANCE PARTIES ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 8th MAY 2007

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11th MAY 2007

*PDW*



*Companies House*

— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES