



**Registration of a Charge**

Company name: **POUNDLAND LIMITED**

Company number: **02495645**



X6YVMIQ2

Received for Electronic Filing: **01/02/2018**

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**Details of Charge**

Date of creation: **18/01/2018**

Charge code: **0249 5645 0020**

Persons entitled: **GLAS TRUST CORPORATION LIMITED**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **KATHERINE MATHIESON**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 2495645

Charge code: 0249 5645 0020

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th January 2018 and created by POUNDLAND LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st February 2018 .

Given at Companies House, Cardiff on 5th February 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

Dated 18 JANUARY 2018

**PEPKOR EUROPE LIMITED**  
as Chargor

and

**THE OTHER CHARGORS LISTED IN SCHEDULE 1**

and

**GLAS TRUST CORPORATION LIMITED**  
as Security Agent

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**INTERCOMPANY RECEIVABLES  
ASSIGNMENT AGREEMENT**

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**ROPES & GRAY**

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## INTERCOMPANY RECEIVABLES ASSIGNMENT AGREEMENT

THIS DEED is made on 18 JANUARY 2018 between the following parties:

- (1) **PEPKOR EUROPE LIMITED** (incorporated and registered in England and Wales under company registration number 09127609), the registered office of which is at Unit 4.1 The Leather Market, Weston Street, London, England, SE1 3ER (the “Borrower”);
- (2) **THE OTHER CHARGORS** as listed in Schedule 1; and
- (3) **GLAS TRUST CORPORATION LIMITED** as Security Agent for the Secured Parties (as defined below) (the “Security Agent”).

IT IS AGREED AS FOLLOWS:

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

In this deed:

“**Administrator**” means any one or more persons appointed as an administrator of a Chargor by the Security Agent under paragraph 14 of schedule B1 to the Insolvency Act;

“**Charged Property**” means the assets mortgaged, charged or assigned by each Chargor, or are otherwise subject of the security created or expressed to be created in favour of the Security Agent under this deed;

“**Chargors**” means the Borrower and each company listed in Schedule 1;

“**Default Rate**” means the interest rate provided for in clause 10.5 of the Facilities Agreement in relation to unpaid sums;

“**Facilities Agreement**” means the facilities agreement dated 3 January 2018 between, amongst others, (1) the Borrower, (2) Burlington Loan Management DAC as original lender, (3) Global Loan Agency Services Limited as facility agent, and (4) the Security Agent, as amended and restated by an amendment and restatement agreement dated on or around the date hereof;

“**Financial Collateral Regulations**” means the Financial Collateral Arrangements (No.2) Regulations 2003 SI 2003/3226;

“**Insolvency Act**” means the Insolvency Act 1986;

“**Intercompany Loan**” means all present and future rights under any shareholder or intercompany loan owed to a Chargor as set out in Schedule 2 (*Intercompany Loans*);

“**LPA**” means the Law of Property Act 1925;

“**Permitted Security**” means:

- (a) the Transaction Security;
- (b) any lien arising by operation of law and in the ordinary course of trading; and
- (c) any other security permitted under the terms of the Facilities Agreement;

“Receiver” means any one or more persons appointed as a receiver, receiver and manager or administrative receiver under this deed;

“Secured Liabilities” means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor owed or expressed to be owed to any Secured Party under or in connection with the Senior Finance Documents;

“Secured Parties” has the meaning ascribed to such term in the Facilities Agreement;

“Subordination Deed” means the deed of subordination dated 3 January 2018 between (i) the Obligors (as defined therein), (ii) the Subordinated Creditors (as defined therein) and (iii) GLAS Trust Corporation Limited as Security Agent, as amended and restated by an amendment and restatement agreement dated on or around the date hereof;

“Supplemental Pledge” means any supplemental pledge entered into in favour of the Security Agent by any Chargor and described as being supplemental to this deed;

“Trust Property” means:

- (a) the Security created under any Senior Finance Document and all other powers, rights and guarantees (both present and future) granted to the Security Agent under or pursuant to the Senior Finance Documents including, without limitation, all representations and warranties, obligations, covenants and other contractual provisions therein given in favour of the Security Agent as trustee for the Secured Parties (other than any given solely for its own benefit in its capacity as Security Agent);
- (b) all assets of any Chargor from time to time the subject of the Security created under any Senior Finance Document;
- (c) all monies received or recovered by the Security Agent from time to time as trustee for the Secured Parties under, pursuant to or in connection with any Senior Finance Document; and
- (d) all investments, property, money and other assets at any time representing or deriving from any of the foregoing, including all interest, income and other sums at any time received or receivable by the Security Agent (or any agent of the Security Agent) in respect of the same (or any part thereof); and

“Unenforceable” means void, voidable, invalid, unenforceable or otherwise irrecoverable (whether or not known to the Security Agent or any Chargor) and “Unenforceability” will be construed accordingly.

## 1.2 Interpretation

In this deed, unless a contrary indication appears:

- 1.2.1 capitalised terms defined in the Facilities Agreement have unless expressly defined in this deed the same meaning in this deed;
- 1.2.2 references to the “**Finance Parties**”, “**Secured Parties**” and the “**Security Agent**” includes their successors, assigns and transferees;
- 1.2.3 the expression the “**Chargor**” or “**Chargors**” includes any person deriving title under the Chargors;
- 1.2.4 any reference to an agreement or instrument is a reference to that agreement or instrument as amended, amended and restated, or novated from time to time;
- 1.2.5 any reference to a provision of law is a reference to that provision as amended or re- enacted from time to time;
- 1.2.6 the singular includes the plural and vice versa;
- 1.2.7 any reference to clauses, paragraphs and schedules are to the clauses, paragraphs of and schedules to this deed;
- 1.2.8 any reference to “**this clause**” is to the clause headed by a whole number in which such expression appears and includes each sub-clause with a decimal number beginning with the same whole number;
- 1.2.9 clause and schedule headings are for ease of reference only;
- 1.2.10 any reference to any gender includes other genders;
- 1.2.11 the words “**including**” and “**in particular**” are to be construed as being by way of illustration or emphasis only and are not to be construed so as to limit the generality of any words preceding them;
- 1.2.12 the words “**other**” and “**otherwise**” are not to be construed as being limited by any words preceding them;
- 1.2.13 “**obligations**” means obligations and liabilities and include the whole or any part of them, present and future, actual and contingent;
- 1.2.14 any reference to “**powers**” include rights, powers, discretions and authorities;
- 1.2.15 references to “**assets**” includes present and future property, revenues, proceeds of sale and rights of every description; and
- 1.2.16 a reference to “**continuing**” in relation to an Event of Default means an Event of Default that has not been remedied or waived.

### 1.3 Incorporation

This deed incorporates the terms of the Senior Finance Documents and any side letters entered into between the parties to the extent required to ensure the validity of



any purported disposition under this deed of any freehold or leasehold property under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

**1.4 Continuation of undertakings**

Any undertaking made by or obligation imposed on the Chargors in this deed will continue in force until the Security Agent is satisfied that the Finance Parties have no further obligations to the Chargors and all the Secured Liabilities have been irrevocably paid or discharged in full.

**1.5 Conflict of terms**

In the event of any conflict between the terms of the Subordination Deed and the terms of this deed, the terms of the Subordination Deed shall prevail.

**1.6 Declaration of trust**

1.6.1 The Security Agent hereby accepts its appointment as agent and trustee by the Secured Parties and declares (and the Chargors hereby acknowledge) that the Trust Property is held by the Security Agent as a trustee for and on behalf of the Secured Parties on the basis of the duties, obligations and responsibilities set out in the Facilities Agreement and the Subordination Deed.

1.6.2 Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts created by this deed or any other Senior Finance Document. In performing its duties, obligations and responsibilities, the Security Agent shall be considered to be acting only in a mechanical and administrative capacity or as expressly provided in this deed and the other Senior Finance Documents.

**2. UNDERTAKING TO PAY**

2.1 Each Chargor as primary obligor undertakes with the Security Agent (for the benefit of itself and on behalf of the other Secured Parties) to pay, discharge and satisfy the Secured Liabilities when due under the Senior Finance Documents.

2.2 Each Chargor covenants to pay interest to the Security Agent upon any sum demanded in accordance with Clause 2.1 which is not paid when due, on which interest shall accrue from its due date until payment (both before and after any judgment) at the Default Rate.

**3. SECURITY BY WAY OF ASSIGNMENT**

3.1 As continuing security for the payment of the Secured Liabilities, each Chargor assigns (to the extent assignable) in favour of the Security Agent as trustee for the Secured Parties, with full title guarantee to the Security Agent by way of fixed security its rights, title and interest in or arising out of any Intercompany Loan, including any claim to contribution, indemnity or subrogation arising in relation thereto.

#### **4. NEGATIVE UNDERTAKINGS**

##### **4.1 Negative pledge**

No Chargor shall create or permit to subsist any Security or Quasi-Security over any of the Charged Property, other than a Permitted Security.

##### **4.2 Disposals**

No Chargor shall:

4.2.1 sell, transfer, lease out, lend or otherwise dispose of all or any part of the Charged Property or the right to receive or to be paid the proceeds arising on the disposal of the same, or agree or attempt to do so; or

4.2.2 dispose of the equity of redemption in respect of all or any part of the Charged Property,

other than as permitted by the Facilities Agreement.

#### **5. UNDERTAKINGS RELATING TO THE CHARGED PROPERTY**

##### **5.1 General**

5.1.1 Each Chargor provides the undertakings in this Clause 10 to the Security Agent from the date of this deed and for so long as any of the Secured Liabilities are outstanding.

5.1.2 Each Chargor will observe and perform all covenants and stipulations from time to time affecting the Charged Property, make all payments, carry out all registrations or renewals and generally take all steps which are necessary to preserve, maintain and renew when necessary or desirable all of the Charged Property.

##### **5.2 Documents of title**

Each Chargor shall deposit with the Security Agent all deeds and documents of title relating to the Charged Property or procure that the same are held to the order of the Security Agent pursuant to a solicitor's undertaking.

Following an Event of Default, each Chargor will promptly deposit with the Security Agent all other documents relating to the Charged Property which the Security Agent may from time to time reasonably require.

##### **5.3 Failure to comply**

If any Chargor fails to comply with any of its obligations under this deed, notwithstanding any other rights arising as a consequence of such default the Security Agent may take such steps as it considers appropriate to procure compliance with such obligations at the cost of that Chargor and that Chargor hereby irrevocably authorises the Security Agent and its agents by way of security to do all such things necessary or desirable in connection therewith.

## 5.4 Intercompany Loans

### 5.4.1 Each Chargor, as applicable, shall:

- (a) promptly upon execution of this deed in relation to any Intercompany Loan; or
- (b) if later, promptly following the execution of the relevant Intercompany Loan;

serve a notice in the form of Part A of Schedule 3 (*Notice of assignment to contract and loan counterparties*), on each counterparty to each Intercompany Loan to which it is a party, to the extent such counterparty is not already party to this deed, and shall use reasonable endeavours to procure that each such counterparty acknowledges that notice by signing and returning to the Security Agent a notice in the form of Part B of Schedule 3 (*Acknowledgement*).

### 5.4.2 Following the occurrence of an Event of Default that is continuing the Security Agent shall be entitled to serve notice on any counterparty to any Intercompany Loan withdrawing the relevant Chargor's authority to exercise its rights, powers and discretions under the Intercompany Loan, as further described in the notice at Part A of Schedule 3 (*Notice of assignment to contract and loan counterparties*).

## 6. ENFORCEMENT OF SECURITY

### 6.1 Security Agent's powers

On the occurrence of an Event of Default which is continuing, the Security created by this deed shall become enforceable and the Security Agent may immediately or at any time thereafter, without further notice to any Chargor:

- 6.1.1 exercise the power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed;
- 6.1.2 subject to section 72A of and paragraph 43 of schedule A1 to the Insolvency Act, appoint one or more persons as a receiver and manager or administrative receiver of any Charged Property;
- 6.1.3 exercise all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act;
- 6.1.4 to the extent that this deed constitutes a “**security financial collateral arrangement**” as defined in the Financial Collateral Regulations, appropriate any Charged Property which constitutes “**financial collateral**” as defined in the Financial Collateral Regulations in or towards satisfaction of the Secured Liabilities and the Security Agent shall value such Charged Property by reference to an independent valuation or other procedure selected by the Security Agent.

### 6.2 Powers under the LPA

6.2.1 Section 103 of the LPA will not apply to this deed.

6.2.2 The power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed will arise upon execution of this deed by the Chargors but shall not be exercisable until an Event of Default has occurred and is continuing.

### 6.3 Administrators

If the Security Agent appoints two or more persons as Administrator of a Chargor, the appointment may specify whether those persons are to act jointly or concurrently.

### 6.4 Receivers

6.4.1 At any time after notice demanding payment of any sum which is then due but unpaid in respect of the Secured Liabilities has been given by the Security Agent to any Chargor, or if so requested by the relevant Chargor, the Security Agent may by writing under hand signed by any officer or manager of the Security Agent, appoint any person (or persons) to be a Receiver of all or any part of the Charged Property.

6.4.2 The Security Agent may appoint any Receiver upon such terms as to remuneration and otherwise as the Security Agent thinks fit and the maximum rate specified in section 109(6) of the LPA shall not apply.

6.4.3 Any Receiver will be the agent of the relevant Chargor for all purposes and that Chargor will be responsible for such Receiver's acts and defaults and for his remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Security Agent.

6.4.4 Where two or more persons are appointed as Receiver any act authorised to be done by the Receiver may be done by all of them acting jointly or by any one or more of them acting severally.

6.4.5 The Security Agent may at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Security Agent appoints any other person as Receiver in his place.

## 7. POWERS OF RECEIVER AND SECURITY AGENT

### 7.1 Statutory powers

A Receiver shall have and be entitled to exercise all the powers conferred on a receiver by the LPA and, whether or not such a Receiver is an administrative receiver, all the powers conferred upon an administrative receiver by schedule 1 to the Insolvency Act which powers are incorporated in this deed.

### 7.2 Additional powers

By way of addition to and without limiting any other powers referred to in this Clause 7 a Receiver shall have power (both before and after the commencement of any liquidation of a Chargor) to do every act and thing and exercise every power:

- 7.2.1 which a Chargor would have been entitled to do or exercise if no Receiver had been appointed or which the Receiver would have been entitled to do or exercise if the Receiver were the absolute legal and beneficial owner of the Charged Property;
- 7.2.2 which such Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of any Charged Property or for or in connection with the enforcement of the Security created by this deed or the realisation of any Charged Property;
- 7.2.3 which such Receiver in his absolute discretion considers necessary or desirable for completing any development including continuing and performing any development, or any part of it, or any other development, entering into a building contract or other contract or agreement for or relating to any development, or any part of it, or any other development, purchasing such materials and other articles and things as he may think fit in connection with any development, discontinuing the development or any part of it, and repudiating and rescinding any building contract or other contract or agreement,

and may use the name of a Chargor in connection with any exercise of such powers.

### 7.3 Prior encumbrances

At any time after the security given by this deed has become enforceable, the Security Agent may redeem any prior Security against the Charged Property or procure a transfer of such Security to itself and may agree the accounts of the person entitled to that Security and any accounts so agreed will be binding on a Chargor. Any money paid by the Security Agent in connection with a redemption or transfer of any prior security will form part of the Secured Liabilities.

### 7.4 Possession

If the Security Agent, any Receiver or any delegate of either of them takes possession of any Charged Property it may go out of possession at any time.

## 8. DELEGATION OF POWERS BY SECURITY AGENT OR RECEIVER

### 8.1 Delegation

The Security Agent or any Receiver may from time to time delegate by power of attorney or in any other manner to any person any powers which are for the time being exercisable by the Security Agent or a Receiver under this deed in relation to any Charged Property and any such delegation may be made upon such terms as the Security Agent or such Receiver may think fit.

### 8.2 Liability for delegates

Neither the Security Agent nor any Receiver will be in any way liable or responsible to a Chargor for any loss or damage arising from any act or omission on the part of any such delegate unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the delegate.

## **9. EXCLUSION OF LIABILITY**

### **9.1 No obligation to recover**

Neither the Security Agent nor any Receiver is under any obligation to take action to collect any money or enforce any rights comprised in the Charged Property whether or not it is in possession of the relevant Charged Property.

### **9.2 Liability as mortgagee in possession**

If the Security Agent or any Receiver takes possession of any Charged Property, it will not be liable to account to any Chargor for anything except actual receipts or be liable to any Chargor for any loss arising from any realisation of any Charged Property or for any default or omission for which a receiver or mortgagee in possession would be liable.

### **9.3 Losses on enforcement**

The Security Agent or any Receiver will not be liable to any Chargor for any loss or damage arising from:

9.3.1 any sale of any Charged Property;

9.3.2 any act, default or omission of the Security Agent or any Receiver in relation to any Charged Property; or

9.3.3 any exercise or non-exercise by the Security Agent or any Receiver of any power conferred upon it in relation to any Charged Property by or pursuant to this deed or by the LPA,

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the Security Agent or any Receiver.

## **10. REIMBURSEMENT AND INDEMNITY**

### **10.1 Reimbursement**

Each Chargor shall pay to the Security Agent on demand:

10.1.1 any money paid by the Security Agent or any Receiver:

- (a) as a result of the Security Agent or any Receiver taking action which the Security Agent or any Receiver considers necessary or desirable in connection with any Charged Property or to procure compliance with any obligation of the Chargors in this deed; or

- (b) in respect of any action or thing expressed in this deed to be done at the cost of the Chargors;

10.1.2 all costs, fees, taxes and expenses incurred by the Security Agent or any Receiver under or in connection with this deed or its enforcement and/or the preservation of the Security Agent's rights under this deed.

## 10.2 Indemnity

Without double counting any amount recovered under any other indemnity or similar provision of any other Senior Finance Document, each Chargor shall indemnify each of the Security Agent and any Receiver against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way (including any liability under any Environmental Laws) which it may at any time incur in connection with this deed or for anything done or omitted to be done in the exercise or purported exercise of its powers pursuant to this deed unless such liabilities, claims and expenses are caused by its fraud, gross negligence or wilful misconduct.

## 11. WAIVER OF DEFENCES

11.1 The obligations of each Chargor under this deed and the security constituted by this deed will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of such obligations or security including (whether or not known to it or the Security Agent):

11.1.1 any time, waiver or consent granted to, or composition with, any other Transaction Obligor or other person;

11.1.2 the release of any other Transaction Obligor or any other person under the terms of any composition or arrangement with any creditor of any Transaction Obligor;

11.1.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over property of, any other Transaction Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

11.1.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other Transaction Obligor or any other person;

11.1.5 any amalgamation, merger or reconstruction of the Security Agent with any other person or any sale or transfer of the whole or any part of the assets of the Security Agent to any other person;

11.1.6 the existence of any claim, set-off or other rights which any other Transaction Obligor may have at any time against the Security Agent, whether in connection with a Senior Finance Document or otherwise;

11.1.7 any novation, amendment (however fundamental) or replacement of a Senior Finance Document or any other document or security;

11.1.8 any obligation of any person under a Senior Finance Document or any other document or security being Unenforceable; or

11.1.9 any insolvency or similar proceedings.

## 11.2 Chargor intent

Each Chargor expressly confirms that it intends that the Security created by this deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Senior Finance Documents and/or any facility or amount made available under any of the Senior Finance Documents for the purposes of or in connection with any of the following:

11.2.1 acquisitions of any nature;

11.2.2 increasing working capital;

11.2.3 enabling investor distributions to be made;

11.2.4 carrying out restructurings;

11.2.5 refinancing existing facilities;

11.2.6 refinancing any other indebtedness;

11.2.7 making available acceptance credit facilities, note purchase facilities, guarantee, stand by or documentary credit issuance facilities;

11.2.8 making facilities available to new borrowers;

11.2.9 any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and

11.2.10 any fees, costs and/or expenses associated with any of the foregoing.

## 11.3 Immediate recourse

Each Chargor waives any right it may have of first requiring any Finance Party to proceed against or enforce any other rights or Security or claim payment from any person before enforcing the Security constituted by this deed. This waiver applies irrespective of any law or any provision of a Senior Finance Document to the contrary.

## 12. APPLICATION OF SUMS REALISED

All moneys received or recovered by the Security Agent or any Receiver as a result of the enforcement of this deed shall, subject to claims having priority to the Security created by this deed, be applied in the order and manner specified by the Subordination Deed notwithstanding any purported appropriation by any Chargor.



**12.1 Contingent or future liabilities**

If any money is received by the Security Agent or a Receiver as a result of the enforcement of this deed or otherwise by reason of the Security created by this deed at a time when the Secured Liabilities include contingent or future liabilities the Security Agent or any Receiver may hold some or all of such money in a suspense account (save where such moneys are sufficient to repay the Secured Liabilities in full), subject to the terms of the Subordination and Assignment Deed.

**13. PROTECTION OF PERSONS DEALING WITH SECURITY AGENT OR RECEIVER**

No person dealing with the Security Agent or any Receiver will be concerned to enquire:

- 13.1 whether any event has happened upon which any of the powers conferred by this deed may have arisen or be exercisable;
- 13.2 otherwise as to the propriety or regularity of any exercise of the powers conferred by this deed or of any act purporting or intended to be in exercise of such powers; or
- 13.3 whether any Secured Liabilities remain owing.

**14. NOTICE OF SUBSEQUENT CHARGE**

If any Finance Party receives notice of any Security other than Permitted Security or other interest affecting any Charged Property:

- 14.1 it may open a new account for a Chargor in its books and may transfer any outstanding balance owing by that Chargor to such new account;
- 14.2 if it does not open a new account then, unless it gives express written notice to the contrary to a Chargor, all payments made by that Chargor to it will as from the time of receipt of such notice be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

**15. FURTHER ASSURANCE**

When required by the Security Agent or any Receiver each Chargor shall, at its own cost:

- 15.1 execute a charge by way of legal mortgage, assignment by way of security or fixed charge over any assets of that Chargor and such legal mortgage, assignment or charge shall secure the Secured Liabilities and contain a power of sale which arises immediately upon execution, provisions excluding section 93 of the LPA and the restrictions contained in section 103 of the LPA and such other provisions including any similar to those in this deed as the Security Agent may reasonably require;
- 15.2 execute any documents or do any other thing which the Security Agent or any Receiver may require for perfecting or protecting any Security created by this deed or in connection with the exercise of any powers given to the Security Agent or any Receiver under this deed; and

- 15.3 convey, transfer, assign or otherwise deal with any Charged Property in such manner as the Security Agent or any Receiver may require in connection with any enforcement of any Security created by this deed.

## **16. POWER OF ATTORNEY BY THE CHARGOR**

- 16.1 Each Chargor irrevocably and by way of security appoints each of the Security Agent, any person selected by the Security Agent and any Receiver its attorney in each case (with full power to appoint substitutes and to delegate) severally in its name and on its behalf to execute any document or do any act or thing which:

16.1.1 that Chargor is entitled to execute or do in relation to the Charged Property including giving a receipt for any money and exercising any rights or remedies forming part of the Charged Property; or

16.1.2 that Chargor is obliged to execute or do under this deed.

- 16.2 The Security Agent, any person selected by the Security Agent and any Receiver its attorney in each case shall only exercise the power of attorney under this Clause 16 where, following a request of a Chargor to comply with any one or more of its obligations under this deed, that Chargor has failed to comply with such request.

## **17. DISCHARGE OF SECURITY**

- 17.1 Discharge conditional

Any discharge of a Chargor by the Security Agent in reliance on a payment or security received by the Security Agent will cease to be effective if that payment or security is avoided, reduced or invalidated for any reason and the Security Agent will be entitled to recover from that Chargor on demand the amount of the Secured Liabilities discharged by such payment or security.

- 17.2 Retention of security

Following any discharge of a Chargor made by the Security Agent in reliance on a payment or security the Security Agent may retain the security constituted by this deed until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Security Agent may retain the security constituted by this deed for as long as it thinks fit.

- 17.3 Reinstatement and release

Once the Secured Liabilities have been irrevocably and unconditionally paid or discharged in full and none of the Security Agent or any Secured Party has any actual or contingent liability to advance further monies to, or incur liability on behalf of, any Chargor, the Security Agent shall, at the written request of a Chargor, promptly take all action reasonably necessary to release the Charged Property from the Security created by or expressed to be created by this deed and return all deeds and documents of title held by the Security Agent in relation to this deed and execute and deliver such further deeds and documents (including any deed of release and any DS1 or DS3

form) as each Chargor may reasonably require to give effect to this clause, in each case at that Chargor's reasonable cost.

## **18. REDEMPTION**

After the repayment or discharge in full of the Secured Liabilities and provided that the Security Agent is satisfied that no Finance Party is under any obligation to provide financial accommodation to any Chargor the Security Agent will at the request and cost of each relevant Chargor promptly release the Charged Property from the Security created by this deed.

## **19. SET-OFF**

Subject to the terms of the Subordination Deed, the Security Agent may set off any matured obligation due from any Chargor under this deed against any matured obligation owed by the Security Agent to such Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

Each Chargor will pay all amounts payable under this deed without any set-off, counterclaim or deduction whatsoever unless required by law, in which event the relevant Chargor will pay an additional amount to ensure that the payment recipient receives the amount which would have been payable had no deduction been required to have been made.

## **20. MISCELLANEOUS**

### **20.1 Powers and discretions**

The rights, powers and discretions given to the Security Agent in this deed:

20.1.1 may be exercised as often as, and in such manner as, the Security Agent thinks fit;

20.1.2 are cumulative, and are not exclusive of its rights at general law; and

20.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right is not a waiver of it.

### **20.2 Assignment by the Chargors**

No Chargor may assign any of its rights or benefits under this deed.

### **20.3 Assignment by the Security Agent**

The Security Agent may assign all or any part of its rights and benefits under this deed to any person or entity appointed to replace the Security Agent or to any successor in title of the Secured Liabilities as permitted under the Facilities Agreement and may disclose any information in its possession relating to the Chargors, its affairs or the Secured Liabilities to any actual or prospective assignee in the manner set out in the Facilities Agreement.

#### 20.4 Counterparts

The parties may execute this deed in any number of counterparts, each of which when executed and delivered will be an original but all of which when taken together will constitute one deed.

#### 20.5 Communications in Writing

Each notice or other communication required to be given under, or in connection with, this deed shall be in writing and, unless otherwise stated, may be made by fax or letter, and the provisions of clause 33.6 (*Electronic Communication*) of the Facilities Agreement shall apply to this deed as if references to a “Party” were references to a party to this deed.

#### 20.6 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this deed is that identified with its name below, or any substitute address, fax number or department or officer as the Party may notify to the Security Agent (or the Security Agent may notify to the other Parties, if a change is made by the Security Agent) by not less than five Business Days' notice.

#### 20.7 Delivery

20.7.1 Any communication or document made or delivered by one person to another under or in connection with this deed will only be effective:

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 20.6 (Addresses), if addressed to that department or officer.

20.7.2 Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).

#### 20.8 Third party rights

A person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed.

#### 20.9 Continuing security

This deed is a continuing security and extends to the balance from time to time of the Secured Liabilities irrespective of any intermediate payment of moneys due to the Security Agent.

**20.10 Other security**

This deed is in addition to and will not in any way be prejudiced or affected by the holding or release by the Security Agent or any other person of any other security at any time held by the Security Agent.

**20.11 Consolidation**

The restrictions on the right of consolidating mortgage securities contained in section 93 of the LPA will not apply to this deed.

**21. SEVERANCE**

Each of the provisions of this deed is distinct and severable from the others. If at any time one or more of those provisions is or becomes invalid, unlawful or unenforceable (whether wholly or partly), the validity, lawfulness and enforceability of the remaining provisions (or the same provision to any other extent) will not be affected or impaired in any way.

**22. LAW**

This deed and any non-contractual obligations arising out of or in connection with this deed shall be governed by English law.

**23. JURISDICTION OF ENGLISH COURTS**

23.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed and a dispute regarding a non-contractual obligation referred to in Clause 22 (*Law*)) (a “Dispute”).

23.2 The Security Agent and each Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes. No Chargor will argue to the contrary.

23.3 This Clause is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

This deed has been executed and delivered as a deed by each Chargor and signed on behalf of the Security Agent on the date shown at the beginning of this deed.

**SCHEDULE 1  
CHARGORS**

<b>Name of Chargor</b>	<b>Registered Number</b>	<b>Registered Address</b>
Pepkor Europe Limited	09127609	Unit 4.1 The Leather Market, Weston Street, London, England, SE1 3ER
Poundland Limited	02495645	Wellmans Road, Willenhall, West Midlands, WV13 2QT
Retail Holdings S.à r.l.	B94093	56, rue Charles Martel, L-2134, Luxembourg, Grand Duchy of Luxembourg

**SCHEDULE 2**  
**INTERCOMPANY LOANS**

<b>Borrower</b>	<b>Lender</b>	<b>Currency</b>	<b>Amount outstanding under the loan as at 30 November 2017 ('000s)</b>
Poundland UK and Europe Limited	Pepkor Europe Limited	GBP	272,569
Pepkor Retail Espana	Pepkor Europe Limited	EUR	339
Vaucluse Diffusion SA	Pepkor Europe Limited	GBP	728
Pepkor France SAS	Retail Holdings S.à r.l.	GBP	22,045
Poundland Group Limited	Poundland Limited	GBP	17,300
Poundland Far East Limited	Poundland Limited	GBP	900
Fully Sun China Limited	Retail Holdings S.à r.l.	GBP	4,793
Southern View Finance UK Limited	Pepkor Europe Limited	GBP	1,256
Poundland Limited	Pepkor Europe Limited	GBP	110,708

**SCHEDULE 3**  
**NOTICE OF ASSIGNMENT TO LOAN COUNTERPARTIES**

**Part A: Notice of assignment of or Intercompany Loan**

To: [    ]

Dated: [            ]

Dear Sirs,

We refer to an intercompany loan balance outstanding on or around the date of this notice (the ["Intercompany Loan"]) between us and you.

We give you notice by an intercompany receivables assignment agreement dated [ ] (the "Intercompany Receivables Assignment Agreement") entered into between us and [    ] (the "Security Agent"), we have assigned to the Security Agent by way of security all our present and future right, title and interest in and to the Intercompany Loan including but not limited to:

1. all moneys payable to us under or in connection with the Intercompany Loan; and
2. any claims, awards or judgments receivable or received by or in favour of us pursuant to or in connection with the Intercompany Loan,

(together the "Income").

Upon receipt of a notice from the Security Agent confirming that an Event of Default (as defined with reference to the Facilities Agreement, as defined in the Intercompany Receivables Assignment Agreement) has occurred and is continuing, we irrevocably instruct and authorise you to pay to the Security Agent all Income and otherwise to act in accordance with the instructions of the Security Agent in connection with the Intercompany Loan and the Income.

Despite the assignment by way of security referred to above or the making of any payment by you to the Security Agent we shall remain liable to perform all our obligations to you under the Intercompany Loan and neither the Security Agent nor any receiver, delegate or sub-delegate appointed by it shall at any time be under any obligation or liability to you under or in respect of the Intercompany Loan.

In addition, despite the assignment by way of fixed security referred to above,

1. we shall remain entitled to exercise all our rights, powers and discretions under the Intercompany Loan, except that we may not amend, vary, waive (or agree to amend, vary or waive) any provision of the Intercompany Loan without the prior written consent of the Security Agent; and
2. you should continue to give any notices under the Intercompany Loan to us, unless and until you receive written notice from the Security Agent confirming that an Event



of Default (as defined in the Intercompany Receivables Assignment Agreement) has occurred and is continuing, in which event all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Agent or as it directs.

This notice and any non-contractual obligations arising out of or in connection with this notice are governed by the law of England.

Would you please acknowledge receipt of this notice and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Security Agent at [●].

Yours faithfully

## Part B: Acknowledgement

To: [    ]

Dated: [         ]

Dear Sirs,

We acknowledge receipt of a notice (a copy of which is attached) dated [    ] and addressed to us by [    ] (the “Chargor”). Expressions defined in such notice have the same meanings in this acknowledgement.

We acknowledge and confirm that:

1.     upon our receipt of a notice from the Security Agent confirming that an Event of Default has occurred and is continuing, we will pay all money to which the Chargor is entitled under the Intercompany Loan to the Security Agent (and not to the Chargor) unless the Security Agent otherwise agrees in writing;
2.     we have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action against the Income;
3.     we will comply with the other provisions of the notice.

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England.

Yours faithfully

EXECUTION PAGE

THE CHARGORS

EXECUTED and DELIVERED as a  
DEED by PEPKOR EUROPE  
LIMITED acting by an authorised  
signatory in the presence of:

  
\_\_\_\_\_  
Authorised Signatory

Full Name: MARK ELLIOTT

Address: Unit 4.1 The Leather  
Market, Weston Street,  
London, England, SE1 3ER

Telephone: 07968 071357

Fax:

Email: MARK@PEPKOR.CO.UK

Attention: MARK ELLIOTT

Full Name: RACHAEL CARTER 

Witness only:

Address: 20 FENCHURCH STREET, LONDON  
EC3M 3AG

Occupation: SOLICITOR

**EXECUTED** and **DELIVERED** as a  
**DEED** by **POUNDLAND LIMITED**  
acting by an authorised signatory in the  
presence of:



\_\_\_\_\_  
Authorised Signatory

Full Name: **ROY ELLIS**

Address: Wellmans Road, Willenhall,  
West Midlands, WV13 2QT

Telephone: **07585 324668**

Fax:

Email: **ROY.ELLIS@POUNDLAND.CO.UK**

Attention: **ROY ELLIS**

Full Name: **RACHAEL CARTER** *RBCarter*

*Witness only:*

**DWFLLA**  
Address: **20 FENCITURCH STREET, LONDON EC3M3AG**

Occupation: **SOLICITOR**

**EXECUTED** and **DELIVERED** as a  
**DEED** by **RETAIL HOLDINGS**  
**S.À R.L.** acting by a director in the  
presence of:

  
\_\_\_\_\_  
Director

Full Name: *Charl Pieter Brand*

Full Name: *Henco van der Meulen*

Witness only: *H/Bl*

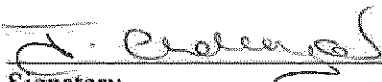
Address: *56, rue Charles Marbel,  
L-2134, Luxembourg*

Occupation: *Lawyer.*

THE SECURITY AGENT

EXECUTED and DELIVERED as a  
DEED by

GLAS TRUST CORPORATION  
LIMITED

  
\_\_\_\_\_  
Signatory

Juliette Challenger

in the presence of:



Name: EMMA KEATING

Title: ASSOCIATE

Address: ROPES & GRAY INTERNATIONAL LLP  
60 LUDGATE HILL  
LONDON EC4M 7AU

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