

167602/195
MG01

Particulars of a mortgage or charge

A fee is payable with this form.

We will not accept this form unless you send the correct fee
Please see 'How to pay' on the last page

☒ **What this form is for**
You may use this form to register
particulars of a mortgage or charge
in England and Wales or Northern
Ireland

☐ **What this form is for**
You cannot use this form to register
particulars of a mortgage or charge
in England and Wales or Northern
Ireland. To do this you must use
form MG01s

WEDNESDAY



LD2 27/03/2013 #8
COMPANIES HOUSE

please
gov.uk

for official use

1 Company details

Company number 3 4 9 8 9 5 8

Company name in full DILLONS STORES LIMITED (the "Company")

4

→ **Filling in this form**
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Date of creation of charge

Date of creation 01 05 2003 20 01 2003

3 Description

Please give a description of the instrument (if any) creating or evidencing the
charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description GROUP DEBENTURE (the "Deed")

4 Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured All present and future obligations and liabilities
(whether actual or contingent and whether owed
jointly or severally or alone or in any other
capacity whatsoever) of each Obligor to the
Mezzanine Security Agent and/or the other Mezzanine
Secured Parties (or any of them) under or pursuant
to any Mezzanine Finance Document (including all
monies covenanted to be paid under the Deed)
("Secured Obligations")

Continuation page
Please use a continuation page if
you need to enter more details

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Mortgagee(s) or person(s) entitled to the charge (if any)

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Continuation page

Please use a continuation page if you need to enter more details

Name	CAVENDISH SECURITY TRUSTEE LIMITED (the "Mezzanine Security Agent")
Address	PEGASUS HOUSE, 37-43 SACKVILLE STREET, LONDON
Postcode	W 1 S 3 E H
Name	
Address	
Postcode	

6

Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged


Continuation page

Please use a continuation page if you need to enter more details

Short particulars	<p>1 GRANT OF SECURITY</p> <p>1 1 Nature of security</p> <p>(a) All Security and dispositions created or made by or pursuant to the Deed (including for the avoidance of doubt any Accession Deed) are created or made:</p> <p>(1) in favour of the Mezzanine Security Agent;</p> <p>(11) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 but in each case with all covenants implied therein pursuant to that Act being (1) subject to and qualified by reference to any Permitted Security, and (11) construed with the omission of section 4(1)(b) of that Act, and</p> <p>(111) as continuing security for payment of the Secured Obligations</p> <p>(b) Nothing in clause 3.1(a) (Nature of security) of the Deed shall limit the representation given by the Obligors at clause 15.20 (Ranking) of the Mezzanine Loan Note Instrument.</p> <p>1 2 Qualifying floating charge</p> <p>Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to the Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986)</p>
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7	Particulars as to commission, allowance or discount (if any)	
	<p>Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his</p> <ul style="list-style-type: none">- subscribing or agreeing to subscribe, whether absolutely or conditionally, or- procuring or agreeing to procure subscriptions, whether absolute or conditional, <p>for any debentures included in this return The rate of interest payable under the terms of the debentures should not be entered</p>	
Commission, allowance or discount	N/A	
8	Delivery of instrument	
	<p>You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860) If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 870)</p> <p>We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 866) The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it Where a body corporate gives the verification, an officer of that body must sign it We will also accept a verified copy where section 867(2) applies (property situated in another part of UK)</p>	
9	Signature	
	Please sign the form here	
Signature	<p>Signature</p> <p>X  X</p>	
	This form must be signed by a person with an interest in the registration of the charge	

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Particulars of a mortgage or charge



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name Christopher Rooney

Company name Dickson Minto W.S

Address Broadgate Tower

20 Primrose Street

Post town London

County/Region

Postcode E C 2 A 2 E W

Country

DX -

Telephone 020 7649 6829



Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included the original deed with this form
- ☐ You have entered the date the charge was created
- ☐ You have supplied the description of the instrument
- ☐ You have given details of the amount secured by the mortgagee or chargee
- ☐ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☐ You have entered the short particulars of all the property mortgaged or charged
- ☐ You have signed the form
- ☐ You have enclosed the correct fee



Important information

Please note that all information on this form will appear on the public record.



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

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Particulars of a mortgage or charge

4	Amount secured
	Please give us details of the amount secured by the mortgage or charge
Amount secured	<p>NOTE</p> <p>In this form</p> <p>"Acceleration Event" means an Event of Default (as defined in the Mezzanine Loan Note Instrument) in respect of which any notice has been issued or rights exercised by the Mezzanine Agent under clause 19.20 (Acceleration) of the Mezzanine Loan Note Instrument;</p> <p>"Accession Deed" means an accession deed substantially in the form set out in schedule 6 (Form of Accession Deed) of the Deed or in such other form as the Parent and the Mezzanine Security Agent may otherwise agree each acting reasonably,</p> <p>"Act" means the Law of Property Act 1925;</p> <p>"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 (Security assignments) of the Deed,</p> <p>"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration,</p> <p>"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London,</p> <p>"Cash Collateral Accounts" means each:</p> <ul style="list-style-type: none"> (a) Mandatory Prepayment Account, and (b) Holding Account, <p>(each as defined in the Mezzanine Loan Note Instrument) including but not limited to the accounts (if any) specified as such in part 3 of the schedule hereto (Details of Security Assets);</p> <p>"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities,</p> <p>"Charged Securities" means:</p> <ul style="list-style-type: none"> (a) the securities specified in part 2 of the schedule hereto (Details of Security Assets); and (b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at 15 March 2013) as at 15 March 2013 or in future owned (legally or beneficially) by a Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which such Chargor has an interest at any time; <p>"Chargors" means:</p>

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Particulars of a mortgage or charge

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Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

(a) the Original Chargors; and

(b) any other company which accedes to the Deed pursuant to an Accession Deed,

"Collection Account" has the meaning given to that term in clause 11.7(a) (iii) of the Deed;

"Debenture Security" means the Security created or evidenced by or pursuant to the Deed or any Accession Deed;

"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Mezzanine Security Agent or by a Receiver,

"Disposal" has the meaning given to that term in clause 7.2 (Disposal, Insurance and Report Proceeds and Excess Cashflow) of the Mezzanine Loan Note Instrument,

"Excluded Property" means any:

(a) Short Leasehold Property,

(b) Scottish Real Property, and

(c) Real Property acquired pursuant to a Permitted Sale and Leaseback Acquisition to the extent such Real Property is to be subject to a Permitted Sale and Leaseback Disposal and such Permitted Sale and Leaseback Disposal occurs within the period referred to in the definition of that term;
(each term as defined in the Mezzanine Loan Note Instrument);

"Group" means the Parent and each of its Subsidiaries for the time being,

"Insurances" means all policies of insurance which are at any time held by or written in favour of a Chargor, or in which a Chargor from time to time has an interest (including, without limitation the policies of insurance (if any) specified in part 6 of the schedule hereto (Details of Security Assets)),

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of each Chargor in, or relating to:

(a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may as at 15 March 2013 or in the future subsist), whether registered or unregistered, and

(b) the benefit of all applications and rights to use such assets of each Chargor (which may as at 15 March 2013 or in the future subsist),

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Particulars of a mortgage or charge

4	Amount secured	
	Please give us details of the amount secured by the mortgage or charge	
Amount secured	<p>(including, without limitation, the intellectual property rights (if any) specified in part 4 of the schedule hereto (Details of Security Assets));</p> <p>"Intercreditor Agreement" means the intercreditor agreement dated 15 March 2013 and made between, among others, the Parent, the Company, the Debtors (as defined in the Intercreditor Agreement), Lloyds TSB Bank plc as Senior Security Agent, Lloyds TSB Bank plc as Senior Agent, Cavendish Security Trustee Limited as Mezzanine Security Agent, Cavendish Square Partners (General Partner) Limited (acting in its capacity as General Partner of Cavendish Square Partners Limited Partnership) as Mezzanine Agent, the Lenders (as Senior Lenders), the Arranger (as Senior Arrangers), the Ancillary Lenders (as Senior Lenders), the Hedge Counterparties, the Mezzanine Loan Noteholders, the Investors and the Intra-Group Lenders (as defined in the Intercreditor Agreement),</p> <p>"Material Adverse Effect" means a material adverse effect on</p> <p>(a) the business, property or financial condition of the Group (taken as a whole); or</p> <p>(b) the ability of the Obligors (taken as a whole) to perform their payment obligations under the Finance Documents;</p> <p>(c) the ability of the Group to comply with its obligations under clause 24 2 (Financial condition) of the Senior Facilities Agreement in respect of the Relevant Periods (as defined in the Senior Facilities Agreement) ending on or about the then four immediately succeeding Financial Quarters (as defined in the Senior Facilities Agreement) (in each case taking into account any actions or resources which are (or are reasonably likely to become) available to the Group to facilitate such performance and which are, in each case, permitted by the terms of the Senior Facilities Agreement and taking into account, to the extent applicable, the creditworthiness of any entity which is to provide such resource and the time period within which such action and/or resource can be implemented and/or provided (as the case may be), or</p> <p>(d) subject to the Legal Reservations (as defined in the Mezzanine Loan Note Instrument) and the Perfection Requirements (as defined in the Mezzanine Loan Note Instrument), the validity or enforceability of any of the Mezzanine Finance Documents in any way which is materially adverse to the interest of the Noteholders under the Mezzanine Finance Documents taken as a whole and which is not remedied within 10 Business Days of being requested to do so by the Mezzanine Agent,</p> <p>"Mezzanine Agent" means Cavendish Square Partners (General Partner) Limited acting in its capacity as general partner of Cavendish Square Partners Limited Partnership,</p> <p>"Mezzanine Finance Documents" means each Mezzanine Finance Document as such term is defined in the Mezzanine Loan Note Instrument,</p> <p>"Mezzanine Finance Party" has the meaning given to that term in the</p>	

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Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

Mezzanine Loan Note Instrument,

"Mezzanine Loan Note Instrument" means the Mezzanine Loan Note Instrument dated 15 March 2013 and made by deed poll by Thistledove Limited as issuer and the companies listed therein as guarantors,

"Mezzanine Secured Parties" has the meaning given to Mezzanine Secured Parties in the Intercreditor Agreement,

"Mezzanine Transaction Security Documents" means each of the documents listed as being a Mezzanine Transaction Security Document in the Subscription Letter (as defined in the Mezzanine Loan Note Instrument) together with any other document entered into by any Obligor creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Mezzanine Finance Documents;

"Obligor" means a Noteholder or a Guarantor (each as defined in the Mezzanine Loan Note Instrument);

"Original Chargors" means the companies listed in Schedule 1 of the Deed;

"Parent" means Martin McColl Retail Group Limited,

"Permitted Disposal" has the meaning assigned to that term in the Mezzanine Loan Note Instrument,

"Permitted Security" has the meaning assigned to that term in the Mezzanine Loan Note Instrument;

"Permitted Transaction" has the meaning assigned to that term in the Mezzanine Loan Note Instrument;

"Quasi-Security" has the meaning assigned to that term in the Mezzanine Loan Note Instrument,

"Real Property" means

(a) any freehold, leasehold or immovable property, and

(b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immovable property;

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, any Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with

(a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights,

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Particulars of a mortgage or charge

4	Amount secured	Please give us details of the amount secured by the mortgage or charge
Amount secured	<p>rights of tracing and unpaid vendor's liens and similar associated rights); and</p> <p>(b) all proceeds of any of the foregoing;</p> <p>"Receiver" means a receiver or receiver and manager or, to the extent permitted by law, administrative receiver of the whole or any part of the Security Assets appointed by the Mezzanine Security Agent under the Deed,</p> <p>"Related Rights" means, in relation to any Charged Security</p> <p>(a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition, and</p> <p>(b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,</p> <p>"Relevant Contract" means</p> <p>(a) each Hedging Agreement, and</p> <p>(b) each Material Contract as specified in any Accession Deed as a "Material Contract";</p> <p>(each as defined in the Mezzanine Loan Note Instrument);</p> <p>together with each other agreement supplementing or amending or novating or replacing the same,</p> <p>"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,</p> <p>"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Deed,</p> <p>"Security Period" means the period beginning on 15 March 2013 and ending on the date on which:</p> <p>(a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and</p> <p>(b) no Mezzanine Secured Party has any further commitment, obligation or liability under or pursuant to the Mezzanine Finance Documents,</p> <p>"Senior Facilities Agreement" means the senior sterling term and revolving facilities agreement dated 15 March 2013 and made between (1) Martin</p>	

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Particulars of a mortgage or charge

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Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

McColl Retail Group Limited as Parent, (2) the companies Listed in part 1 of schedule 1 thereto as Original Borrowers, (3) the companies listed in part 1 of schedule 1 thereto as Original Guarantors, (4) Allied Irish Banks, p l c , Barclays Banks PLC, Lloyds TSB Bank plc, Abbey National Treasury Services plc and Skandinaviska Enskilda Banken AB (publ) as Mandated Lead Arrangers, (5) the financial institutions listed in part 3 of schedule 1 thereto as Original Lenders, (6) the entities listed in part 4 of schedule 1 thereto as Original Hedge Counterparties, (7) Lloyds TSB Bank plc as Agent and (8) Lloyds TSB Bank plc as Security Agent, pursuant to which the Original Lenders agreed to make certain facilities available to the Borrowers;

"**Subsidiary**" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006 but for the purposes of section 1162(2) of the Companies Act 2006 a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security or (b) its nominee

SCHEDULE

Details of Security Assets

Part 1 - Real Property

None as at 15 March 2013

Part 2 - Charged Securities

None as at 15 March 2013

Part 3 - Charged Accounts

None as at 15 March 2013

Part 4 - Intellectual Property

PART A -TRADE MARKS

None as at 15 March 2013

PART B - DOMAIN NAMES

None as at 15 March 2013

Part 5 - Relevant Contracts

None as at 15 March 2013

Part 6 - Insurances

None as at 15 March 2013

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Particulars of a mortgage or charge

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Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>2 FIXED SECURITY</p> <p>2 1 Fixed charges</p> <p>The Company charged and agreed to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest</p> <p>(a) by way of first legal mortgage the Real Property specified in, and in respect of the Company specified in, part 1 of the schedule hereto (Details of Security Assets),</p> <p>(b) by way of first fixed charge.</p> <p>(1) all other Real Property and all interests in Real Property (not charged by clause 4 1(a) of the Deed) acquired after 15 March 2013 but excluding any and all interests in any Excluded Property;</p> <p>(11) all licences to enter upon or use land and the benefit of all other agreements relating to land; and</p> <p>(111) the proceeds of sale of all Real Property;</p> <p>(c) by way of first fixed charge all plant and machinery and the benefit of all contracts, licences and warranties relating to the same,</p> <p>(d) by way of first fixed charge</p> <p>(1) all computers, vehicles, office equipment and other equipment (not charged by clause 4.1(c) of the Deed), and</p> <p>(11) the benefit of all contracts, licences and warranties relating to the same,</p> <p>other than any which are for the time being part of the Company's stock-in-trade or work-in-progress,</p> <p>(e) by way of first fixed charge</p> <p>(1) the Charged Securities referred to in part 2 of the schedule hereto (Details of Security Assets); and</p> <p>(11) all other Charged Securities (not charged by clause 4 1(e)(1) of the Deed),</p> <p>in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Company may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments,</p> <p>(f) by way of first fixed charge.</p> <p>(1) the Cash Collateral Accounts and all monies at any time standing to</p>	

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>the credit of the Cash Collateral Accounts,</p> <p>(11) the Collection Accounts and all monies at any time standing to the credit of the Collection Accounts, and</p> <p>(111) all accounts of the Company with any bank, financial institution or other person at any time (not charged by clauses 4 1(f)(1) of the Deed or 4.1(f)(11) of the Deed and all monies at any time standing to the credit of such accounts,</p> <p>in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing,</p> <p>(g) by way of first fixed charge the Intellectual Property,</p> <p>(h) to the extent that any Assigned Asset is not effectively assigned under clause 4 2 (Security assignments) of the Deed, by way of first fixed charge such Assigned Asset;</p> <p>(1) by way of first fixed charge (to the extent not otherwise charged or assigned in the Deed)</p> <p>(1) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Company or the use of any of its assets; and</p> <p>(11) any letter of credit issued in favour of the Company and all bills of exchange and other negotiable instruments held by it;</p> <p>(j) by way of first fixed charge all of the goodwill and uncalled capital of the Company, and</p> <p>(k) by way of first fixed charge all Receivables not assigned under clause 4 2 (Security assignments) of the Deed</p> <p>2 2 Security assignments</p> <p>The Company assigned and agreed to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to</p> <p>(a) the Relevant Contracts, all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising from them,</p> <p>(b) each of the following</p> <p>(1) all Insurances specified in part 6 of the schedule hereto (Details of Security Assets), and</p> <p>(11) all other Insurances (not assigned by clause 4 2(b)(1)) of the Deed,</p>	

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged
Short particulars	<p data-bbox="311 344 1038 376">Please give the short particulars of the property mortgaged or charged</p> <p data-bbox="311 479 1511 537">and all claims under the Insurances and all proceeds of the Insurances, and</p> <p data-bbox="311 573 1511 631">(c) all other Receivables (not assigned under clauses 4 2(a) of the Deed or 4.2(b) of the Deed)</p> <p data-bbox="311 667 1511 792">To the extent that any Assigned Asset described in clause 4 2(b) of the Deed is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Company to any proceeds of such Insurances</p> <p data-bbox="311 824 655 855">2.3 Assigned Assets</p> <p data-bbox="311 891 1511 1016">The Mezzanine Security Agent is not obliged to take any steps necessary to preserve any Assigned Asset, to enforce any term of a Relevant Contract against any person or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to the Deed</p> <p data-bbox="311 1048 655 1079">3. FLOATING CHARGE</p> <p data-bbox="311 1115 1511 1173">The Company charged and agreed to charge by way of first floating charge all of its present and future</p> <p data-bbox="311 1205 1511 1330">(a) assets and undertaking (wherever located) not otherwise effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 4 1 (Fixed charges), clause 4 2 (Security assignments) or any other provision of the Deed; and</p> <p data-bbox="311 1361 1511 1420">(b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland</p> <p data-bbox="311 1451 879 1482">4 CONVERSION OF FLOATING CHARGE</p> <p data-bbox="311 1518 735 1550">4 1 Conversion by notice</p> <p data-bbox="311 1585 1511 1711">The Mezzanine Security Agent may, by written notice to the Company, convert the floating charge created under the Deed into a fixed charge as regards all or any of the assets of the Company specified in the notice if.</p> <p data-bbox="311 1742 1023 1774">(a) an Acceleration Event has occurred, or</p> <p data-bbox="311 1805 1511 1895">(b) the Mezzanine Security Agent considers any Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy</p> <p data-bbox="311 1926 655 1957">4 2 Small companies</p> <p data-bbox="311 1993 1511 2051">The floating charge created under the Deed by the Company shall not convert into a fixed charge solely by reason of a moratorium being</p>

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Company</p> <p>4 3 Automatic conversion</p> <p>The floating charge created under the Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge.</p> <p>(a) in relation to any Security Asset which is subject to a floating charge if:</p> <p>(i) the Company creates (or attempts or purports to create) any Security (other than a Permitted Security) on or over the relevant Security Asset without the prior written consent of the Mezzanine Security Agent, or</p> <p>(ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset, and</p> <p>(b) over all Security Assets of the Company which are subject to a floating charge if an administrator is appointed in respect of the Company or the Mezzanine Security Agent receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986)</p> <p>4 4 Scottish property</p> <p>Clause 6 3 (Automatic conversion) of the Deed will not apply to any assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such automatic conversion.</p> <p>4 5 Partial conversion</p> <p>The giving of a notice by the Mezzanine Security Agent pursuant to clause 6 1 (Conversion by notice) of the Deed in relation to any class of assets of the Company shall not be construed as a waiver or abandonment of the rights of the Mezzanine Security Agent to serve similar notices in respect of any other class of assets or of any other right of the Mezzanine Security Agent and/or the other Mezzanine Secured Parties</p> <p>5 CONTINUING SECURITY</p> <p>5 1 Continuing security</p> <p>The Debenture Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part The Deed shall remain in full force and effect as a continuing security for the duration of the Security Period</p> <p>5.2 Additional and separate security</p>	

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged
Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>The Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Mezzanine Security Agent and/or any other Mezzanine Secured Party may at any time hold for any Secured Obligation</p> <p>5 3 Right to enforce</p> <p>The Deed may be enforced against the Company without the Mezzanine Security Agent and/or any other Mezzanine Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them</p> <p>6 LIABILITY OF CHARGORS RELATING TO SECURITY ASSETS</p> <p>Notwithstanding anything contained in the Deed or implied to the contrary, the Company remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Mezzanine Security Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation</p> <p>7. ACCOUNTS</p> <p>No monies at any time standing to the credit of any account (of any type and however designated) of the Company with the Mezzanine Security Agent and/or any other Mezzanine Secured Party (or any of them) or in which the Company has an interest (and no rights and benefits relating thereto) shall be assigned to any person other than a Mezzanine Secured Party, other than where such assignment constitutes a Permitted Security</p> <p>8 UNDERTAKINGS BY THE CHARGORS</p> <p>8 1 Negative pledge and Disposals</p> <p>The Company shall not do any of the following without the prior written consent of the Mezzanine Security Agent:</p> <p>(a) create or permit to subsist any Security or Quasi-Security on any Security Asset other than as created by the Mezzanine Transaction Security Documents and except for any Permitted Security as permitted by the Mezzanine Loan Note Instrument, or</p> <p>(b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset (except for a Permitted Disposal or a Permitted Transaction as permitted by the Mezzanine Loan Note Instrument</p> <p>8.2 Security Assets generally</p> <p>The Company shall.</p>

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Particulars of a mortgage or charge

6

Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

(a) not, except with the prior written consent of the Mezzanine Security Agent, enter into any onerous or restrictive obligation affecting any Security Assets (except as expressly permitted under the Mezzanine Loan Note Instrument) where the entry into of such obligation has or is reasonably likely to have a Material Adverse Effect,

(b) not do, cause or permit to be done anything which would be reasonably likely in any way to materially depreciate, materially jeopardise or otherwise materially prejudice the value or marketability of any Security Asset (or make any omission which has such an effect)

8.3 Real Property undertakings - maintenance

The Company shall not, except with the prior written consent of the Mezzanine Security Agent (or as expressly permitted under the Mezzanine Loan Note Instrument).

(i) confer on any person any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);

(ii) confer on any person any right or licence to occupy any land or buildings forming part of the Real Property, or

(iii) grant any licence to assign or sub-let any part of the Real Property

8.4 Dealings with and realisation of Receivables and Collection Accounts

The Company shall without prejudice to clause 11.1 (Negative pledge and Disposals) of the Deed (but in addition to the restrictions in that clause), not, without the prior written consent of the Mezzanine Security Agent, sell, assign, charge, factor or discount or in any other manner deal with any Receivable (other than to collect in the ordinary course of its business)

8.5 Operation of Collection Accounts

On and after the occurrence of an Acceleration Event, the Company shall not withdraw, attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Collection Account without the prior written consent of the Mezzanine Security Agent and the Mezzanine Security Agent shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer.

8.6 Operation of Cash Collateral Accounts

The Company shall not withdraw or attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Cash Collateral Account unless expressly permitted to do so under the Mezzanine

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Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

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Short particulars

Loan Note Instrument or the Intercreditor Agreement or with the prior written consent of the Mezzanine Security Agent (and the Mezzanine Security Agent shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer).

9. ENFORCEMENT OF SECURITY

9 1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on 15 March 2013. Sections 93 and 103 of the Act shall not apply to the Debenture Security.

9.2 No liability

(a) Neither the Mezzanine Security Agent, any other Mezzanine Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).

(b) Without prejudice to the generality of clause 14 6(a) of the Deed, neither the Mezzanine Security Agent, any other Mezzanine Secured Party nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

10 SET-OFF

10 1 Set-off rights

(a) Following an Acceleration Event, the Mezzanine Security Agent and each other Mezzanine Secured Party may set off any matured obligation due from the Company under the Mezzanine Finance Documents (to the extent beneficially owned by the Mezzanine Security Agent or that Mezzanine Secured Party) against any matured obligation owed by the Mezzanine Security Agent or such other Mezzanine Secured Party to the Company, regardless of the place of payment, booking branch or currency of either obligation.

(b) If the obligations are in different currencies, the Mezzanine Mezzanine Security Agent or such other Mezzanine Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

10 2 Time deposits

If any time deposit matures on any account which the Company has with the Mezzanine Security Agent or any other Mezzanine Secured Party at a time

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Particulars of a mortgage or charge

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Short particulars	<p>within the Security Period when:</p> <p>(a) the Debenture Security has become enforceable; and</p> <p>(b) no Secured Obligation is due and payable,</p> <p>such time deposit shall automatically be renewed for such further maturity as the Mezzanine Security Agent or such other Mezzanine Secured Party in its absolute discretion considers appropriate unless the Mezzanine Security Agent or such other Mezzanine Secured Party otherwise agrees in writing</p> <p>11. FURTHER ASSURANCES</p> <p>11.1 Further action</p> <p>The Company shall (and the Parent shall procure that the Company shall) at its own expense, promptly do all acts and execute all documents as the Mezzanine Security Agent or a Receiver may reasonably specify (and in such form as the Mezzanine Security Agent or a Receiver may reasonably require (in favour of either the Mezzanine Security Agent or a Receiver or their nominees)) provided that, in the case of any additional Mezzanine Transaction Security Document, the form of such document is consistent with, and on terms no more onerous than, the then-existing Mezzanine Transaction Security Documents, in:</p> <p>(a) creating, perfecting or protecting the Security intended to be created by the Deed or any other Mezzanine Transaction Security Document (which may include the re-execution of the Deed or any other Mezzanine Transaction Security Document or the execution of a mortgage, charge, transfer, conveyance, assignation, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Mezzanine Transaction Security),</p> <p>(b) facilitating the realisation of any Security Asset which are, or are intended to be, subject to the Mezzanine Transaction Security, or</p> <p>(c) facilitating the exercise of any rights, powers and remedies exercisable by the Mezzanine Security Agent, any other Mezzanine Secured Party or any Receiver or any Delegate in respect of any Security Asset which is provided by or pursuant to the Mezzanine Finance Documents or by law</p> <p>11.2 Mezzanine Finance Documents</p> <p>The Company shall (and the Parent shall procure that each member of the Group shall) take all such action as is available to it (including the giving of any notice, order or direction and the making of all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Mezzanine Security Agent or the Mezzanine</p>	

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Particulars of a mortgage or charge

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Short particulars	<p>Secured Parties by or pursuant to the Mezzanine Finance Documents</p> <p>12. POWER OF ATTORNEY</p> <p>The Company, following an Acceleration Event (or prior to an Acceleration Event if the Company has failed to comply with clause 20 (Further assurances) of the Deed and such failure has not been remedied within 10 Business Days of the Mezzanine Security Agent giving notice to the Company and/or the Parent of such failure to comply) by way of security, irrevocably and severally appointed the Mezzanine Security Agent, each Receiver and any Delegate to be its attorney to take any action which the Company is obliged to take under the Deed, including under clause 20 (Further assurances) of the Deed. The Company ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause</p> <p>13 CHANGES TO THE PARTIES</p> <p>13 1 Chargors</p> <p>The Company may not assign any of its rights or obligations under the Deed</p> <p>13.2 Mezzanine Security Agent</p> <p>The Mezzanine Security Agent may assign or transfer all or any part of its rights under the Deed pursuant to the resignation or removal of the Mezzanine Security Agent in accordance with the Intercreditor Agreement. The Company shall, as soon as reasonably practicable following it being requested to do so by the Mezzanine Security Agent, enter into such documents as may be necessary or desirable to effect such assignment or transfer</p> <p>13 3 Accession Deed</p> <p>The Company</p> <p>(a) consented to new Subsidiaries of the Parent becoming Chargors as contemplated by the Mezzanine Finance Documents, and</p> <p>(b) irrevocably authorised the Parent to agree to, and execute as a deed, any duly completed Accession Deed as agent and attorney for and on behalf of the Company</p> <p>14 MISCELLANEOUS</p> <p>14 1 Tacking</p> <p>(a) Each Mezzanine Finance Party shall perform its obligations under the Mezzanine Loan Note Instrument (including any obligation to make available further advances)</p>	

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Particulars of a mortgage or charge

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Short particulars	<p>(b) The Deed secures advances already made and further advances to be made</p> <p>15 RELEASE</p> <p>15 1 Release</p> <p>(a) Upon the expiry of the Security Period (but, subject to clause 31 1 (b) of the Deed, not otherwise) the Mezzanine Security Agent shall, at the request and cost of the Chargors, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security</p> <p>(b) Where the Company makes a Disposal which is a Permitted Disposal, the Mezzanine Security Agent shall, at the request and cost of the Company, take any action (including the provision of a letter of non-crystallisation) that is necessary to release or reassign to the Company the Security Assets which are the subject of such Disposal from the Security.</p> <p>15.2 Reinstatement</p> <p>Where any discharge (whether in respect of the obligations of the Company or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargors under the Deed shall continue as if the discharge or arrangement had not occurred The Mezzanine Security Agent may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.</p>	



P.

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 3498958
CHARGE NO. 4**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A GROUP DEBENTURE DATED 15
MARCH 2013 AND CREATED BY DILLONS STORES LIMITED
FOR SECURING ALL MONIES DUE OR TO BECOME DUE OF
EACH OBLIGOR TO CAVENDISH SECURITY TRUSTEE LIMITED
(THE MEZZANINE SECURITY AGENT) AND/OR THE OTHER
MEZZANINE SECURED PARTIES (OR ANY OF THEM) ON ANY
ACCOUNT WHATSOEVER UNDER THE TERMS OF THE
AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING
THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1
PART 25 OF THE COMPANIES ACT 2006 ON THE 27 MARCH 2013

GIVEN AT COMPANIES HOUSE, CARDIFF THE 3 APRIL 2013



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**