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

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

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

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

14

4138203

Name of company

* Royal Mail Group Limited (formerly known as Royal Mail Group PLC) (the
"Company").

Date of creation of the charge

19 March 2007.

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

Debenture dated 19 March 2007 (the "Debenture") and made between the
Company and the Secretary of State for Trade and Industry (the "Lender").

Amount secured by the mortgage or charge

The Company covenants that it shall on demand pay to the Lender all monies
and discharge all obligations and liabilities now or hereafter due, owing
or incurred by it to the Lender under or pursuant to (A) the Credit
Agreement in respect of or in connection with Facility C1 and Facility E
and/or (B) the Debenture, in each case, when the same become due for
payment or discharge whether by acceleration or otherwise, and whether such
moneys, obligations or liabilities are express or implied; present, future
or contingent; joint or several; incurred as principal or surety;
originally owing to the Lender or purchased (whether by assignment or
otherwise) or otherwise acquired by it; denominated in sterling or in any
other currency, or incurred on any current or other banking account or in
any other manner whatsoever (the "Secured Liabilities").

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

Secretary of State for Trade and Industry
1 Victoria Street
London

Postcode SW1H 0ET

Presenter's name address and
reference (if any):

Herbert Smith LLP
Exchange House
Primrose Street
London
EC2A 2HS

2718/30859298

Time critical reference

For official Use (06/2005)

Mortgage Section

Post room

SATURDAY



ALH9104E

A35

24/03/2007

119

COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

Please see attached continuation sheet.

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

None.

Signed

Herbert Smith

Date

23 March 2007

On behalf of ~~company~~ [mortgagee/chargee] †

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

† delete as
appropriate

Notes

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

CONTINUATION SHEET FOR SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGES OR CHARGED

COMPANY NAME: Royal Mail Group Limited (formerly known as Royal Mail Group PLC)

COMPANY NUMBER: 4138203

Creation of Fixed Charge

The Company charges to the Lender by way of first fixed charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities, all of the Company's rights to and title and interest from time to time in the Shares.

Preservation of Fixed Charge

Without prejudice to Clause 3.1 of the Debenture, if the Company is entitled to withdraw the proceeds of any book or other debts standing to the credit of any account and, as a result, those proceeds are in any way released from the fixed charge created pursuant to Clause 3.1 of the Debenture and stand subject to the fixed charge created pursuant to Clause 3.1 of the Debenture or the floating charge created pursuant to Clause 4.1 of the Debenture, such release will in no way derogate from the subsistence and continuance of the fixed charge on all other outstanding book and other debts of the Company and the proceeds of those debts.

Creation of Floating Charge

The Company charges to the Lender by way of first floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in the whole of its property, assets, rights and revenues, whatsoever and wheresoever, present and future other than (i) any assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clause 3.1 of the Debenture and (ii) the Excluded Assets.

The floating charge created under the Debenture is a qualifying floating charge for the purpose of paragraph 14.2(a) of Schedule B1 to the Insolvency Act 1986.

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the Debenture and the Lender may appoint an Administrator of the Company pursuant to that paragraph.

Further Assurance

The Company shall promptly upon request by the Lender execute (in such form as the Lender may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Lender or its nominees and do all such assurances and things as the Lender may reasonably require for:

- (A) perfecting and/or protecting (by registration or in any other way) the Security created or intended to be created by the Debenture;
- (B) conferring upon the Lender such Security as it may require over the assets of the Company situated outside of England and Wales which, if in England or Wales, would form part of, or be intended to form part of, the Charged Assets;
- (C) at any time on or after the Enforcement Date facilitating the realisation of all or any part of the assets of the Company; and
- (D) exercising all powers, authorities and discretions conferred on the Lender or any Receiver pursuant to the Debenture or by law.

CONTINUATION SHEET FOR SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGES OR CHARGED

COMPANY NAME: Royal Mail Group Limited (formerly known as Royal Mail Group PLC)

COMPANY NUMBER: 4138203

Negative Pledge

The Company shall not, without the prior consent in writing of the Lender create or attempt to create or permit to subsist in favour of any person other than the Lender any Security on, over or affecting (a) the Shares or any part thereof or (b) the other Charged Assets or any part thereof (except, in the case only of (b), any Permitted Security).

Disposals

Until the earlier of (a) the expiry of the Security Period or (b) the date on which the Lender has determined (acting reasonably) that all the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full, the Company shall not dispose of the Charged Assets or any part thereof or attempt or agree so to do unless such disposal is a Permitted Disposal and for these purposes the term "disposal" shall include any form of disposal of any interest in any asset including any transfer, declaration of trust, assignment, sale, novation or the creation of any other form of legal or equitable interest in or over such assets.

Definitions

In this Form 395 the following terms shall have the following meanings:

"Administrator" means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage the Company's affairs, business and property.

"Charged Assets" means the property described in the paragraphs headed "Creation of Fixed Charge" and "Creation of Floating Charge" in the short particulars, above.

"Credit Agreement" means the credit facilities agreement between, among others, the Lender, the Company and Royal Mail Holdings plc dated 20 December 2002 as amended and restated on or about the date of the Debenture.

"Enforcement Date" means the date on which the Lender demands the payment or discharge of all or any of the Secured Liabilities pursuant to Clause 19.16 of the Credit Agreement.

"Excluded Assets" means:

- (A) the assets listed in Schedule 2 of the Debenture;
- (B) the Company's rights to and title and interests in the Note Circulation Scheme Accounts and any securities standing to the credit of such accounts;
- (C) the Company's legal and beneficial interest in its shareholding in each of the companies listed in Schedule 3 of the Debenture;
- (D) the Company's legal and beneficial interest in its shareholding in Romec Limited (company number 04235613) and any right or obligation of the Company (i) under the articles of association of Romec Limited, (ii) as a member of Romec Limited, (iii) under the shareholders agreement (the **"Shareholders Agreement"**) dated 29 September, 2002 between, among others, the Company and Haden Building management Limited, and (iv) any other Transaction Document (as such term is defined in the Shareholders Agreement);
- (E) the assets secured pursuant to the RMG Pensions Security Agreement; and
- (F) the Company's rights to and title and interests at any time in any credit balances on any of the RBS Accounts and the debts represented thereby except to the extent that the aggregate

CONTINUATION SHEET FOR SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGES OR CHARGED

COMPANY NAME: Royal Mail Group Limited (formerly known as Royal Mail Group PLC)

COMPANY NUMBER: 4138203

amount of all such credit balances at such time exceeds the aggregate amount of all the debit balances on such RBS Accounts at that time,

provided that the assets referred to in paragraph (A) above shall cease to be "Excluded Assets" if and to the extent that the contractual arrangements relating thereto which prohibit the Company from granting Security to the Lender over its rights to or title and interests in such assets as at the date of the Debenture cease to be in force or otherwise cease to prohibit the grant of such Security.

"Facility C1" means the sterling loan facility made available under the Credit Agreement as described in Clause 2 of the Credit Agreement.

"Facility E" means the sterling loan facility made available under the Credit Agreement as described in Clause 2 of the Credit Agreement.

"Group" means Royal Mail Holdings Plc and its Subsidiaries for the time being.

"Note Circulation Scheme Accounts" means:

- (A) the account in the Crest system held in the name of The Governor and Company of the Bank of England a/c CCBM (account number 6644); and
- (B) the Bank of England custody system account in the name of Royal Mail Group plc (account number 700486).

"Permitted Disposal" means any disposal of assets which (a) is expressly permitted to create or permit to subsist (a) pursuant to Clause 18.3 of the Credit Agreement or (b) with the prior written consent of the Lender.

"Permitted Security" means any Security which the Company is expressly permitted to create or permit to subsist (a) pursuant to Clause 18.3 of the Credit Agreement or (b) with the prior written consent of the Lender.

"RBS Account" means each bank account held by the Company with National Westminster Bank plc to which the netting agreement between the Company and The Royal Bank of Scotland plc dated on or before 7 February 2003 applies.

"Receiver" means any person appointed by the Lender to be a receiver or receiver and manager or administrative receiver or administrator of any property subject to the security created by the Debenture.

"Related Property Rights" means, where used in relation to a particular property, asset (or asset of assets) or right, the following:

- (A) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);
- (B) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property or asset; and
- (C) all rights under any agreement for lease, sale or use in respect of such property or asset.

"Related Share Rights" means all allotments, rights, benefits and advantages (including all voting rights) whatsoever at any time accruing, offered or arising in respect of or incidental to any Share and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of those Shares.

CONTINUATION SHEET FOR SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGES OR CHARGED

COMPANY NAME: Royal Mail Group Limited (formerly known as Royal Mail Group PLC)

COMPANY NUMBER: 4138203

"RMG Pensions Security Agreement" means the security arrangement entered into or to be entered into between the Company and Royal Mail Pensions Trustees Limited securing certain liabilities in relation to the Group pension scheme.

"Security" means any mortgage, charge, pledge, lien, assignment or other security interest securing any obligations of any person or any other agreement or arrangement having a similar effect.

"Security Period" means the period from the date of the Debenture until the earlier of (i) the date on which the Lender has determined (acting reasonably) that all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and (ii) the date on which the Security created under the Debenture has been released with respect to all the Charged Assets.

"Shares" means:

- (A) the issued ordinary shares of Royal Mail Estates Limited legally and beneficially owned by the Company, being the entire issued share capital of Royal Mail Estates Limited; and
- (B) all Related Share Rights and all Related Property Rights in respect thereof.

"Subsidiary" means a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985.

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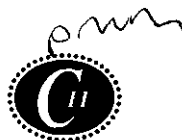
CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04138203

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 19th MARCH 2007 AND CREATED BY ROYAL MAIL GROUP LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO SECRETARY OF STATE FOR TRADE AND INDUSTRY ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 24th MARCH 2007.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 2nd APRIL 2007.



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES