

Company Number 09736867

THE COMPANIES ACT 2006
WRITTEN RESOLUTIONS OF THE SHAREHOLDERS
of
POUNDWORLD LOGISTICS LIMITED
(the "Company")

Circulation Date: 27th October 2015

We, the undersigned, being the sole member of the Company for the time being entitled to attend and vote at General Meetings, hereby confirm our approval of the resolutions set out below (together the '**Resolutions**') to the intent and effect that resolutions 1, 2, 3 and 4 shall be passed, take effect and be treated for all purposes as ordinary resolutions and resolutions 5, 6 and 7 shall be passed, take effect and be treated for all purposes as special resolutions (the "**Resolutions**") in accordance with section 288 of the Companies Act 2006 (the '**Act**')

Pursuant to Chapter 2 of Part 13 of the Act, the directors of the Company propose that resolutions 1, 2, 3 and 4 are passed as ordinary resolutions and resolutions 5, 6 and 7 are passed as special resolutions

ORDINARY RESOLUTIONS

1. That a director of the Company may have an interest of the following kind, and no authorisation by the board shall be required in respect of any such interest
- (a) where a director is or becomes a director or other officer of, or employed by, or otherwise interested (including by the holding of shares) in any Relevant Company,
 - (b) where a director is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company,
 - (c) where a director holds any other office or place of profit with the company (other than as auditor) in conjunction with his office of director for such period and on such terms, including as to remuneration, as the board may decide, or
 - (d) where the director acts (or a firm of which he is a partner, employee or member acts) in a professional capacity for any Relevant Company (other than as auditor) whether or not he or it is remunerated for the services

For the purposes of this resolution, "**Relevant Company**" shall mean

- (a) the Company,



- (b) any subsidiary undertaking of the Company,
- (c) any parent undertaking of the Company or a subsidiary undertaking of any such parent undertaking,
- (d) any body corporate promoted by the Company, or
- (e) any body corporate in which the Company is otherwise directly or indirectly interested,

which, in each case, is/are (as applicable) party to or involved in the Proposed Transactions contemplated by the Transaction Documents (as defined in the Board Resolutions (defined below)) and "subsidiary undertaking" and "parent undertaking" shall be construed in accordance with sections 1161 and 1162 of the Act

2. **That** the proposed actions of the directors of the Company and the other matters set out in the draft board minutes (the "**Board Resolutions**") of the Company appended to these resolutions at Annex 1, be and are hereby approved, including (without limitation) the execution on behalf of the Company of the Transaction Documents (as defined in the Board Resolutions) and any ancillary or other documents in connection therewith or with any of the transactions contemplated thereby
3. **That** the entry by the Company into the Proposed Transactions (as defined in the Board Resolutions) substantially on the terms set out in the Transaction Documents (including giving the relevant guarantees and security) is in the best interests of the Company's business and will promote the success of the Company for the benefit of its members as a whole and is approved
4. **That** any conduct (as defined in the Act) of a director of the Company which may result in or has resulted in a breach of that director's duty under section 175 or section 177 of the Act in connection with the entry by the Company into the Transaction Documents (as defined in the Board Resolutions) or performance of any obligation under any Transaction Document is hereby authorised, approved and ratified to the fullest extent necessary

SPECIAL RESOLUTIONS

5. **That** notwithstanding any provisions of the Company's articles of association, a director shall be entitled to vote in respect of the Proposed Transactions (as defined in the Board Resolutions) irrespective of whether he is in any way (whether directly or indirectly) interested and if he shall do so, his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present
6. **That** the articles of association of the Company be amended to include a new defined term in Article 2 " "**Secured Party**" means any bank, financial institution or other person to whom such shares have been charged by way of security, whether such bank, financial institution or other person is acting as agent, trustee or otherwise "

7. **That** the articles of association of the Company be amended to delete the entirety of article 24 2, and be replaced with the following wordings in the new article 24 2

“Notwithstanding anything contained in the Model Articles or these Articles,

- (a) any pre-emption rights conferred on existing members by these Articles or otherwise and any other restrictions on transfer of shares contained in these Articles or otherwise shall not apply to, and

- (b) the directors shall not decline to register, nor suspend registration of, any transfer of shares where such transfer is

- (i) in favour of a Secured Party to whom such shares are being transferred by way of security or any nominee of a Secured Party, or

- (ii) duly executed by a Secured Party or its nominee to whom such shares (including any further shares in the Company acquired by reason of its holding of such shares) are to be transferred pursuant to a power of sale under any security document which creates any security interest over such shares, or

- (iii) duly executed by a receiver appointed by a Secured Party or its nominee pursuant to any security document which creates any security interest over such shares, and a certificate by any official of such Secured Party or its nominee or any such receiver that the shares are or are to be subject to such a security interest and that the transfer is executed in accordance with the provisions of this Article shall be conclusive evidence of such facts

The undersigned, being the person(s) entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions

A handwritten signature in black ink, appearing to be 'P. W. S.', with a long horizontal stroke extending to the right.

Date of signature 27 October 2015

For and on behalf of Poundworld Retail Holdings Limited

NOTES

1. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company in hard copy, by e-mail, by fax or in electronic form. Once you have indicated your agreement to the Resolutions, you may not revoke it.
2. If you do not agree to the Resolutions, you do not need to do anything, you will not be deemed to agree if you failed to reply.
3. If by the date falling 28 days from the Circulation Date, sufficient agreement has not been received in order to pass the Resolutions, the Resolutions will lapse. If you agree to the Resolutions, please ensure that your agreement reaches the Company on or before this date. The agreement of a member to these resolutions is ineffective if signified after this date.
4. These resolutions have been sent to eligible members who would have been entitled to vote on the resolutions on this date. Only such eligible members (or persons duly authorised on their behalf) should sign these resolutions. If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.

UNANIMOUS WRITTEN RESOLUTIONS

of

THE BOARD OF DIRECTORS

of

POUNDWORLD LOGISTICS LIMITED (the "Company")

1. PRELIMINARY MATTERS

We, the undersigned, being the directors of the Company (the "**Directors**") hereby pass the following written resolutions in accordance with the articles of association of the Company (the "**Articles**") as if they had been passed at a meeting of the Directors of the Company duly convened

IT IS NOTED that all respective interests of the Directors in the proposed transactions contemplated herein to be approved by these written resolutions have been disclosed in accordance with the requirements of section 177 of the Companies Act 2006 (the "**Act**")

IT IS FURTHER NOTED that the interested Directors are entitled to give consent to the resolutions in respect of the transactions to be approved herein pursuant to the Articles

2. BACKGROUND

IT IS NOTED that

- (a) the Company currently has in place an existing facility agreement with Santander UK plc (the "**Lender**") dated 21 March 2014, as amended and restated in May 2015 (the "**Existing Facility**"),
- (b) the purpose of these resolutions is to consider and, if thought fit, to approve various matters relating to the proposed refinancing of the Existing Facility, in connection with Project Pocketwatch (the "**Refinancing**"),
- (c) in connection with the Refinancing, it is proposed that the Company enters into a £50 million revolving credit facility as borrower, with the Lender. The facility will be made up of revolving credit facility with a sub-limit of £25 million and access to various ancillary facilities (the "**Revolving Facilities Agreement**"),
- (d) in connection with the proposed entry into the Revolving Facilities Agreement, it is proposed that the Company enters into a subordinated deed dated on or around the date of this certificate and made between the Obligors and the Lender (the "**Subordinated Deed**"), and
- (e) in connection with the proposed entry into the Revolving Facilities Agreement, it is proposed that the Company will enter into various ancillary facilities, including

but not limited to a import loan facility (the “**Import Loan Facility**” and a guarantee facility (the “**Guarantee Facility**”, together the “**Ancillary Facilities**”), and

- (f) in connection with the proposed entry into the Revolving Facilities Agreement, it is proposed that the Company grants security in the form of a debenture to the Lender (the “**Debenture**”)

(the above, together, the “**Proposed Transactions**”)

3. TRANSACTION DOCUMENTS

The latest drafts (where available) of the following documents (the “**Transaction Documents**”) have been previously circulated to the Directors of the Company

- (i) the Revolving Facilities Agreement,
- (ii) the Subordination Deed,
- (iii) the Import Loan Facility,
- (iv) the Guarantee Facility,
- (v) the Debenture,
- (vi) a certificate of the Company signed by a Director, certifying and confirming certain matters set out therein, and
- (vii) any other document required to be executed pursuant to the Transaction Documents or the transactions contemplated thereby

4. PROPOSED TRANSACTIONS AND TRANSACTION DOCUMENTS

In relation to the Proposed Transactions, it is noted that

- (a) the various provisions of the Transaction Documents dealing with repayment, interest rates and fees are set out in the Transaction Documents,
- (b) the Company would be required to make the representations and warranties set out in the Transaction Documents,
- (c) the Company would be bound by the undertakings set out in the Transaction Documents. In particular, the Directors noted the restrictions imposed on the conduct of its business and also the requirement to comply with certain financial covenants,
- (d) clause 20 (*Guarantee and indemnity*) of the Revolving Facilities Agreement contains a guarantee whereby the Company would be required to guarantee all liabilities owed of each Obligor (as defined therein) to the Lender, including any liabilities which are pursuant to the Ancillary Facilities, and
- (e) the Debenture would create fixed and floating charges over substantially all of the Company’s assets and undertaking to secure all of its and the Obligors’ present and future obligations and liabilities under the Revolving Facilities Agreement and Ancillary Facilities

The Directors note that

- (f) they have considered the terms and provisions of the Proposed Transactions, the Transaction Documents and other documents relating to the Proposed Transactions, in particular, the obligations and liabilities of the Company arising under and pursuant to those documents,
- (g) when considering whether the Company should enter into the Proposed Transactions, the Transaction Documents and the documents relating to the Proposed Transactions, the Directors have to act in the way they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole, and
- (h) after due and careful consideration of the Proposed Transactions and each of the Transaction Documents and the Company's obligations thereunder (including, without limitation, the granting of security by the Company), the Directors of the Company are of the opinion that in resolving that the Company should enter into and perform the Transaction Documents according to the terms and conditions under the Transaction Documents (i) the Directors are acting in good faith to promote the success of the Company for the benefit of its shareholders and in accordance with their other duties and are acting for the purpose of carrying on the Company's business, (ii) there are reasonable grounds for believing that the execution of the Transaction Documents and the performance of the obligations thereunder by the Company would be in the best interests of the Company and to the benefit of the Company, and (iii) the execution and delivery of the Transaction Documents and the exercise by the Company of any of its rights or performance by the Company of any of its obligations thereunder would not result in any breach in any restriction imposed by law, the memorandum and articles of association of the Company or any other agreements binding upon the Company

5. WRITTEN RESOLUTION

- 5.1 A written resolution of the Company approving entry into the Transaction Documents and certain amendments to the articles of association of the Company (the "**Resolution**") has been previously circulated to the Directors of the Company
- 5.2 The Directors note that they have considered the terms and provisions of the Resolution, and **IT IS RESOLVED** that the Resolution be and is hereby approved for circulation to the eligible members of the Company

6. RESOLUTIONS

IT IS RESOLVED that, subject to the passing of the Resolution by the eligible members of the Company.

- (a) the Proposed Transactions, the provisions of the Transaction Documents and any other document which is necessary or desirable in connection with the Transaction Documents to which the Company is a party and the transactions contemplated thereby be approved,
- (b) any Director of the Company and Mark Healey (the "**Authorised Signatories**") (or in the case of a deed any two Directors, a Director in the presence of a witness who attests his or her signature or a Director and the company secretary) be, and each of them hereby are, authorised to execute and deliver the Transaction Documents and any other document which is necessary or desirable in connection with the

Transaction Documents to which the Company is a party in substantially the form presented to the Board on behalf of the Company, with such changes therein and additions or amendments thereto, and any and all ancillary documents, all in such form and with such changes, additions or modifications thereto, manuscript or otherwise, in each case as any of the Directors may approve, such approval to be conclusively evidenced by the execution thereof,

- (c) the Directors and the Authorised Signatories be, and each of them hereby is, authorised, empowered and directed to take any and all actions, to execute and deliver any and all documents, notices (including any utilisation requests), instructions, agreements and instruments (including any power of attorney) and to take any and all steps on behalf of the Company deemed by any such Director or the Authorised Signatories to be necessary or desirable to carry out the purpose and intent of each of the foregoing resolutions, and all actions heretofore taken by any of them, or by any previous director or officer of the Company in furtherance thereof be, and hereby are, ratified and confirmed in all respects,
- (d) the Directors and the Authorised Signatories be, and each of them hereby is, authorised to execute and deliver, to any person to whom such certification and delivery may be deemed necessary or appropriate in the opinion of such Director, a true copy of the foregoing resolutions,
- (e) any Director or any Authorised Signatories (or in the case of a deed any two Directors, a Director in the presence of a witness who attests his or her signature or a Director and the company secretary) be and is hereby authorised to sign, execute and deliver on behalf of the Company any and all agreements, instruments, certificates and other documents and to take any and all steps as any such Director or the Authorised Signatories considers necessary or desirable, in each case, in order to effectuate and carry out the purpose and intent of each of the foregoing resolutions, and
- (f) the Company irrevocably authorises its parent company, Poundworld Retail Holdings Limited (the “**Parent**”) to act as its agent, pursuant to the Revolving Facilities Agreement in connection with the Finance Documents (as defined therein)

7. RATIFICATION OF PRIOR ACTIONS

- 7.1 IT IS UNANIMOUSLY RESOLVED** that any and all actions of the Company, or of any Director or other authorised signatory, taken in connection with the actions contemplated by the foregoing resolutions prior to the execution hereof be and hereby are ratified, confirmed, approved and adopted in all respects as fully as if such action(s) had been presented to for approval, and approved by, all the Directors prior to such action being taken

8. FILING OF DOCUMENTS

IT IS RESOLVED THAT the Directors will arrange to complete appropriate entries in the books of the Company and arrange for all necessary forms and documents to be completed and filed at Companies House

Dated

Christopher Edwards

Steven Gardener

Peter William James