



Registration of a Charge

Company Name: **ARCO LIMITED**

Company Number: **00133804**



XCGG9EI8

Received for filing in Electronic Format on the: **16/11/2023**

Details of Charge

Date of creation: **10/11/2023**

Charge code: **0013 3804 0003**

Persons entitled: **STEPHEN MARTIN AS TRUSTEE OF THE ARCO GROUP PENSION AND LIFE ASSURANCE SCHEME
ANDREW BAILEY AS TRUSTEE OF THE ARCO GROUP PENSION AND LIFE ASSURANCE SCHEME
IAN MARTIN AS TRUSTEE OF THE ARCO GROUP PENSION AND LIFE ASSURANCE SCHEME
REBECCA MURRAY AS TRUSTEE OF THE ARCO GROUP PENSION AND LIFE ASSURANCE SCHEME**

There are more than four persons entitled to the charge.

Brief description: **N/A**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **ADDLESHAW GODDARD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 133804

Charge code: 0013 3804 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th November 2023 and created by ARCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th November 2023 .

Given at Companies House, Cardiff on 16th November 2023

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 10 November 2023

(1) ARCO LIMITED

(2) THE TRUSTEES OF THE ARCO GROUP PENSION AND LIFE ASSURANCE SCHEME

DEBENTURE

This Deed is subject to the Deed of Priority (as defined herein)

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THIS DEED is made on 10 November 2023

BETWEEN:-

- (1) **ARCO LIMITED, a company incorporated in England and Wales with company number 00133804 (the Chargor); and**
- (2) **Stephen Martin, Andrew Bailey, Ian Martin, Rebecca Murray, Andrew Pyle and Peter Ian Croskin as trustees of the Arco Group Pension and Life Assurance Scheme Trustees)** and any other persons (whether being an individual or corporate entity) who are for the time being a trustee of the **Arco Group Pension and Life Assurance Scheme** (each a **Trustee** and together the **Trustees**).

INTRODUCTION

- (A) The Chargor has agreed to enter into this Deed to provide Security over its assets to the Trustees .

IT IS AGREED as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

"Accounts" means any accounts now or at any time (and from time to time) opened, owned, operated, held or maintained by the Chargor (or in which the Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of any such account including, without limitation, the accounts specified in Schedule 5 (*Details of Accounts*) or specified as an "Account"

"Assigned Insurances" means:-

- (a) the Insurances (if any) specified in Schedule 4 (*Assigned Insurances*); and
- (b) any other Insurance designated as an Assigned Insurance by the Trustees and the Chargor

in each case, including any renewal, substitution or replacement of such Insurance

"Blocked Account" means:-

- (a) the Accounts (if any) specified in Schedule 5 (*Details of Accounts*) or specified as a "Blocked Account"; and
- (b) any other Account agreed by the Trustees and the Chargor in writing to be a Blocked Account

upon the occurrence of an Insolvency Event which is continuing

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| "Business Day" | means a day (other than a Saturday or a Sunday) on which banks are open for business in London |
| "Charged Contract" | means any Specified Contract |
| "Declared Share Default" | means the later to occur of an Insolvency Event and the date on which having filed a mandatory notice in accordance with the NS&IA, the Trustees receive an NS&IA Notification, a Final NS&IA Notification or a Final NS&IA Order (as applicable) |
| "Deed of Priority" | means the deed of priority made today between the Trustees, the Chargor and HSBC UK Bank plc (as security agent) as amended, novated, supplemented, extended, restated or replaced from time to time |
| "Demand" | means any demand made on the Chargor by the Trustees under Clause 2 (<i>Covenant to pay</i>) in relation to the Secured Liabilities |
| "Final NS&IA Notification" | means a final notification granted by the Secretary of State pursuant to Section 26 of the NS&IA |
| "Final NS&IA Order" | means a final order granted by the Secretary of State pursuant to Section 26 of the NS&IA |
| "Floating Charge Assets" | means all the assets and undertaking from time to time subject to the floating charge created under Clause 3.14 (<i>Floating charge</i>) |
| "Group" | means the Chargor and its subsidiaries from time to time. |
| "Insurances" | means any contracts and policies of insurance or assurance taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties and any directors' and officers' liability insurance |
| "Intellectual Property" | means any of the following:- <ul style="list-style-type: none"> (a) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (b) any brand and trade names, domain names, invention, copyright, design right or performance right; (c) any trade secrets, database right, know-how |

and confidential information; and

- (d) the benefit of any agreement or licence for the use of any such right,

and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by the Chargor or (to the extent of its interest) in which the Chargor has an interest

"Insolvency Event"

means in respect of the Chargor:

- (a) an 'insolvency event' as defined in Section 121 of the Pensions Act 2004 or regulations made from time to time thereunder; or
- (b) the receipt by the Pension Protection Fund of an application or notification from the Trustees or the Pensions Regulator that the Chargor is unlikely to continue as a going concern, which is purported to be made in accordance with Section 129 of the Pensions Act 2004 or regulations made from time to time thereunder

"Land"

has the meaning given to that term in section 205(1) of the LPA but for these purposes **"Land"** excludes heritable property situated in Scotland

"LPA"

means the Law of Property Act 1925

"Monetary Claims"

means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to the Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt

"Net Enforcement Proceeds"

means, in relation to any Secured Asset, any proceeds of sale or enforcement collected or received by the Trustees (or any Receiver) arising from that Secured Asset following the enforcement of this Security, less all costs, expenses, remuneration and other items relating thereto

"Notifiable Acquisition"

means an acquisition as defined in Section 6 of the NS&IA and any regulations made under the NS&IA

"NS&IA"

means the National Security and Investment Act 2021

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|----------------------------------|---|
| "NS&IA Notification" | means a notification provided in accordance with Section 14(8)(b)(ii) of the NS&IA |
| "Party" | means a party to this Deed |
| "Pension Protection Fund" | means the Board of the Pension Protection Fund as established under Part 2 of the Pensions Act 2004 |
| "Pensions Regulator" | means the body of that name and referred to as the "Regulator" in the Pensions Act 2004 |
| "Plant and Equipment" | means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of the Chargor of any kind and the benefit of all licences, warranties and contracts relating to the same |
| "Receiver" | means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets |
| "Related Rights" | means in relation to any Secured Asset:- <ul style="list-style-type: none"> (a) the proceeds of sale of all or any part of that Secured Asset; (b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise; (c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset; (d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and (e) any moneys and proceeds or income paid or payable in respect of that Secured Asset |
| "Scheme" | means the Arco Group Pension and Life Assurance Scheme |
| "Secretary of State" | has the meaning given to such term in Schedule 1 to the Interpretation Act 1978 |
| "Secured Assets" | means all the assets and undertaking of the Chargor which from time to time are, or purport to be, the subject of the Security created in favour of the Trustees by or pursuant to this Deed |
| "Secured Liabilities" | means all present and future obligations and liabilities not exceeding the limit set out in Clause 2.2 (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of the |

Chargor to make payments to the Scheme.

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| "Securities" | means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the UK Financial Collateral Regulations) including those held via a nominee, trustee or clearing system |
| "Security" | means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect |
| "Security Period" | means the period beginning on the date of this Deed and ending on the earlier of: <ul style="list-style-type: none"> (a) the date which the Trustees are satisfied that all of the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and (b) the date on which the Senior Finance Parties are satisfied that all commitments, obligations and liabilities under the Senior Finance Documents have been satisfied (each term as defined in the Deed of Priority) |
| "Security Interest" | means any mortgage, charge, pledge, lien, assignment, hypothecation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect |
| "Shares" | means:- <ul style="list-style-type: none"> (a) the shares specified in Schedule 3 (<i>Details of Shares</i>); and (b) any shares in the capital of any other member of the Group owned by the Chargor or held by any nominee on behalf of the Chargor at any time |
| "Specified Contracts" | means any contract designated as a Specified Contract by the Trustees and the Chargor |
| "Tax" | means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying any of the same). |
| "Trustee Act" | means the Trustee Act 1925 |
| "UK Financial Collateral Regulations" | means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I.2003/3226) as amended by the Financial Collateral Arrangements (No. 2) Regulations 2003 (Amendment) Regulations 2009 (S.I.2009/2462), the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010, the European Union (Withdrawal) Act 2018 (as amended) and the Financial Markets and Insolvency (Amendment and |

Transitional Provision) (EU Exit) Regulations 2019 (S.I.2019/341) and "UK Financial Collateral Regulation" means any of them

1.1 Deed of Priority

- (a) This Deed is subject to the terms of the Deed of Priority.
- (b) If there is any conflict between any term of this Deed and a term of the Deed of Priority, the relevant term of the Deed of Priority shall prevail.

1.2 Construction

- (a) In this Deed, unless the contrary intention appears, a reference to:
 - (i) **assets** includes present and future properties, revenues and rights of every description and includes uncalled capital;
 - (ii) an **authorisation** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
 - (iii) a **person** includes any individual, firm, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
 - (iv) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which persons to which it applies are accustomed to comply) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
 - (v) **Sterling** or **£** is a reference to the lawful currency for the time being of the United Kingdom;
 - (vi) a **provision of law** is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
 - (vii) a **Clause**, a **Subclause**, a **Paragraph**, a **Subparagraph** or a **Schedule** is a reference to a clause, a subclause, a paragraph, or a subparagraph of, or a schedule to, this Deed;
 - (viii) a **Party** or any other person includes its successors in title, permitted assigns and permitted transferees and this Deed shall be binding on and enforceable by any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme (and this Subparagraph (viii) shall be in addition to, and not affect, the provisions of the Trustee Act dealing with transfers of assets and liabilities from one trustee to another);
 - (ix) this **Deed** (or any specified provision of it) or any other document shall be construed as a reference to this Deed, that provision or that

document as in force for the time being and as amended, restated, varied, supplemented or novated from time to time;

- (x) **including** shall not be construed narrowly but be taken as reading **including without limitation**;
 - (xi) a **time of day** is a reference to London time; and
 - (xii) words importing the singular shall include the plural and vice versa.
- (b) Unless the contrary intention appears, a reference to a **month** or **months** is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
- (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);
 - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and
 - (iii) notwithstanding Subparagraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (c) Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of this Deed, no consent of any third party is required for any variation (including any release or compromise of any liability) or termination of this Deed. As contemplated by Subparagraph (a)(viii) above, any person who is for the time being a trustee of the Scheme may enforce or enjoy the benefit of any term of this Deed pursuant to the Contracts (Rights of Third Parties) Act 1999.
- (d) If the Trustees consider that an amount paid to them under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (e) The headings in this Deed do not affect its interpretation.
- (f) It is intended by the Parties that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.2 **Nominees**

If the Trustees cause or require Shares or any other asset to be registered in the name of their nominee, any reference in this Deed to the Trustees shall, if the context permits or requires, be construed as a reference to the Trustees and their nominee.

2. **COVENANT TO PAY**

2.1 **Secured Liabilities**

The Chargor must, on demand following the occurrence of any Insolvency Event, pay or discharge the Secured Liabilities when due and payable.

2.2 **Limit on amount recoverable**

The total amount which may be:

2.2.1 recovered from the Chargor pursuant to any Demands in relation to the Secured Liabilities; and/or

2.2.2 applied by the Trustees against any Secured Liabilities from any Net Enforcement Proceeds,

shall not exceed in aggregate £5,700,000.

3. **CHARGES**

3.1 **Land**

The Chargor charges:

3.1.1 by way of first legal mortgage all Land described in Schedule 2 (*Details of Land*); and

3.1.2 by way of first fixed charge:

- (a) all Land vested in the Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;
- (b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land; and
- (c) all Land acquired by the Chargor after the date of this Deed.

3.2 **Shares**

The Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge the Shares and all Related Rights under or in connection with the Shares.

3.3 **Securities**

The Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities.

3.4 **Intellectual Property**

The Chargor charges by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

3.5 **Monetary Claims**

The Chargor charges by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

3.6 **Blocked Accounts**

The Chargor charges by way of first fixed charge the Blocked Accounts in its name, all amounts standing to the credit of such Blocked Accounts and all Related Rights under or in connection with such Blocked Accounts.

3.7 **Other Accounts**

The Chargor charges by way of first fixed charge each Account (other than a Blocked Account) in its name, all amounts standing to the credit of such Accounts and all Related Rights under or in connection with such Accounts.

3.8 **Plant and Equipment**

The Chargor charges by way of first fixed charge:-

3.8.1 the Plant and Equipment (to the extent now effectively charged by Clauses 3.1.1 or 3.1.2) other than any Plant and Equipment which is for the time being part of the Chargor's stock-in-trade or work-in-progress; and

3.8.2 all Related Rights under or in connection with the Plant and Equipment.

3.9 **Goodwill**

The Chargor charges by way of first fixed charge its present and future goodwill.

3.10 **Uncalled capital**

The Chargor charges by way of first fixed charge its uncalled capital.

3.11 **Authorisations**

The Chargor charges by way of first fixed charge the benefit of all licences, consents, agreements and authorisations held by or used in connection with the business of the Chargor or the use of any of its assets.

3.12 **Contracts**

3.12.1 The Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

- (a) each Specified Contract (other than a Charged Contract) to which it is a party; and
- (b) all Related Rights under or in connection with each Specified Contract (other than a Charged Contract) to which it is a party.

3.12.2 The Chargor charges by way of first fixed charge the benefit of and all Related Rights under or in connection with each Charged Contract and any other Specified Contract to which it is party that is not validly and effectively assigned under Clause 3.12.1 above.

3.13 **Insurances**

3.13.1 The Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

- (a) the Assigned Insurances to which it is a party; and
- (b) all Related Rights under or in connection with the Assigned Insurances to which it is a party.

3.13.2 The Chargor charges by way of first fixed charge the benefit of and all Related Rights under or in connection with any Assigned Insurances to which it is party that is not validly and effectively assigned under Clause 3.13.1 above.

3.14 **Floating Charge**

3.14.1 The Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.14.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

3.15 **Trust**

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the Chargor shall:-

- 3.15.1 hold it on trust for the Trustees as security for the payment and discharge of the Secured Liabilities; and
- 3.15.2 take such steps as the Trustees may reasonably require to remove the impediment to assignment or charging it, provided that such steps will not require the Chargor to place commercial relationships with any third party in jeopardy or the payment by the Chargor of any monetary consideration to such third party.

3.16 **Nature of Security created**

The Security created under this Deed is created:

- 3.16.1 as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities;
- 3.16.2 in favour of the Trustees as trustee for the Trustees; and
- 3.16.3 with full title guarantee.

4. **CRYSTALLISATION OF FLOATING CHARGE**

4.1 **Crystallisation: By Notice**

- 4.1.1 Subject to Clause 4.4 (*Crystallisation: Moratorium*) and to the extent permitted by applicable laws, the Trustees may at any time by notice in writing to the Chargor convert the floating charge created by Clause 3.14 (*Floating Charge*) into a fixed charge with immediate effect as regards any Floating Charge Asset specified in the notice if:-
 - (a) the Security created by or pursuant to this Deed becomes enforceable in accordance with Clause 6.1 (*Enforcement*); or
 - (b) the Trustees consider that any Floating Charge Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise be in jeopardy; or
 - (c) the Trustees consider that it is reasonably necessary in order to protect the priority of the Security created by or pursuant to this Deed.
- 4.1.2 If no specific assets subject to the floating charge in Clause 3.14 (*Floating charge*) are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.14 (*Floating charge*).

4.2 **Crystallisation: Automatic**

If:-

- 4.2.1 any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any Secured Assets having an aggregate value in excess of £250,000 and is not, if capable of remedy, discharged within 21 days after commencement; or
- 4.2.2 on the crystallisation of any other floating charge over the Secured Assets; or

- 4.2.3 if the Trustees receive notice of an intention to appoint an administrator of the Chargor; or
- 4.2.4 if any corporate action, legal proceedings or other procedure or formal step is taken to appoint a liquidator, Receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor over all or any part of its assets, or if such person is appointed; or
- 4.2.5 in any other circumstance provided by law,

the floating charge created by the Chargor under Clause 3.14 (*Floating Charge*) will (to the extent permitted by applicable laws) automatically be converted (without notice) with immediate effect into a fixed charge over the relevant Floating Charge Assets or, in the circumstances described in Clauses 4.2.3 or 4.2.4, over all of the Floating Charge Assets of the Chargor.

4.3 **Assets acquired post-crystallisation**

Any assets acquired by the Chargor after crystallisation of all of the Floating Charge Assets has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.14 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by the Chargor at the date of crystallisation.

4.4 **Crystallisation: Moratorium**

- 4.4.1 Notice may not be given to cause the floating charge over the assets of the Chargor created by Clause 3.14 (*Floating Charge*) to crystallise into a fixed charge whilst the Chargor is subject to a moratorium under Part A1 to the Insolvency Act 1986.
- 4.4.2 The floating charge created by Clause 3.14 (*Floating Charge*) may not be crystallised into a fixed charge solely by reason of:
 - (a) the obtaining of a moratorium; or
 - (b) anything done with a view to obtaining a moratorium,
 under Part A1 to the Insolvency Act 1986.

4.5 **Partial crystallisation**

The giving of a notice by the Trustees pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Trustees to serve similar notices in respect of any other class of assets or of any other right of the Trustees and/or the Trustees.

4.6 **De-crystallisation of floating charge**

Any charge that has crystallised under this Clause may by notice in writing (given at any time by the Trustees to the Chargor), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

5. **PROTECTION OF SECURED ASSETS**

5.1 **Power to remedy**

If the Chargor fails to comply with any of its obligations in relation to any of its assets subject to Security pursuant to this Deed, or the Trustees reasonably consider that the

Chargor has failed to comply with any such obligations, the Trustees may, if they think fit (but without any obligation) take such steps as it deems appropriate to remedy such failure (including, without limitation, the carrying out of repairs, the putting in place of insurance or the payment of costs, charges or other expenses) and the Chargor will co-operate with and will grant the Trustees or their agents or contractors such access as the Trustees may require to the relevant assets or otherwise in order to facilitate the taking of such steps.

6. **DEMAND AND ENFORCEMENT**

6.1 **Enforcement**

6.1.1 Save for the Security created by this Deed over Shares and Securities, the Security created by this Deed shall become enforceable upon:-

- (a) the occurrence of an Insolvency Event which is continuing; or
- (b) any request being made by the Chargor to the Trustees for the appointment of a Receiver or an administrator, or for the Trustees to exercise any other power or right available to them.

6.1.2 The Security created by this Deed over Shares and Securities shall become enforceable upon:-

- (a) the occurrence of a Declared Share Default; or
- (b) any request being made by the Chargor to the Trustees for the appointment of a Receiver or an administrator, or for the Trustees to exercise any other power or right available to them,

and provided in either case that, having filed a mandatory notice in accordance with the NS&IA, the Trustees has received an NS&IA Notification, a Final NS&IA Notification or a Final NS&IA Order (as applicable).

6.2 **Powers on enforcement**

At any time after the Security created by this Deed has become enforceable, the Trustees may (without prejudice to any other rights and remedies and without notice to the Chargor) do all or any of the following:-

- 6.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 6.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;
- 6.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the UK Financial Collateral Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the title in and to it to the Trustees insofar as not already transferred, subject to paragraphs (1) and (2) of UK Financial Collateral Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is

the benefit of an Account) or, in any other case, such amount as the Trustees shall determine in a commercially reasonable manner;

6.2.4 subject to Clause 7.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and

6.2.5 appoint an administrator of the Chargor.

6.3 **Disposal of the Secured Assets**

In exercising the powers referred to in Clause 6.2 (*Powers on enforcement*), the Trustees or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

7. **RECEIVERS**

7.1 **Method of appointment or removal**

Every appointment or removal of a Receiver, any delegate or any other person by the Trustees under this Deed shall be in writing under the hand of any officer or manager of the Trustees (subject to any requirement for a court order in the case of the removal of an administrative receiver).

7.2 **Removal**

The Trustees may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which they are the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

7.3 **Powers**

Every Receiver shall have and be entitled to exercise all the powers:-

7.3.1 of the Trustees under this Deed;

7.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);

7.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;

7.3.4 in relation to any Secured Assets, which they would have if they were the only beneficial owner; and

7.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

7.4 **Receiver as agent**

The Receiver shall be the agent of the Chargor (and the Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until the Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Trustees.

7.5 **Joint or several**

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

7.6 **Receiver's remuneration**

Every Receiver shall be entitled to remuneration for their services at a rate to be fixed by the Trustees and the maximum rate specified in section 109(6) of the LPA shall not apply.

8. **APPLICATION OF MONEYS**

8.1 All sums received by virtue of this Deed and/or any other document by the Trustees or any Receiver shall, subject to Deed of Priority and the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

8.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Trustees or by any Receiver (including legal expenses), together with interest at the relevant default rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;

8.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Trustees or any Receiver;

8.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Deed of Priority; and

8.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.

9. **POWER OF ATTORNEY**

9.1 **Appointment**

The Chargor irrevocably and by way of security appoints:-

9.1.1 the Trustees (whether or not a Receiver has been appointed);

9.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Trustees; and

9.1.3 (as a separate appointment) each Receiver,

severally as the Chargor's attorney and attorneys with power:

(a) to do anything which the Chargor is obliged to do (but has not done) after a period of five Business Days has expired following written notice being received by the Chargor from the Trustees to perform such obligations; and

(b) generally to exercise all or any of the rights, powers and discretions conferred on the Trustees, Receiver or delegate in relation to the Secured Assets under this Deed.

9.1.4 This power of attorney shall automatically terminate and be revoked on the last day of the Security Period.

9.2 **Exercise of power**

The appointment effected under Clause 9.1 (*Appointment*) above shall take effect immediately (in the case of a Receiver, upon his/her appointment), but the powers conferred shall only become exercisable upon the occurrence of an Insolvency Event which is continuing (which upon the appointment of a Receiver shall be deemed to be the case) or if the Chargor does not fulfil any of its obligations under this Deed within 3 Business Days of notice from the Trustees or Receiver to do so.

9.3 **Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 9.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 9.1 (*Appointment*).

10. **PROTECTION OF THIRD PARTIES**

10.1 **Statutory powers**

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Trustees, as varied and extended by this Deed, and all other powers of the Trustees, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

10.2 **Purchasers**

No purchaser or other person dealing with the Trustees, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

- 10.2.1 to enquire whether any of the powers which the Trustees or a Receiver have exercised has arisen or become exercisable;
- 10.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;
- 10.2.3 as to the propriety or validity of the exercise of those powers; or
- 10.2.4 with the application of any moneys paid to the Trustees, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

10.3 **Receipts**

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Trustees, any other Trustee or any person to whom any of them have delegated any of their powers.

10.4 **Future Trustees**

It is agreed that the rights and obligations in this Deed are intended to extend to any person (whether individual or corporate) who may in the future be appointed as a

Trustee of the Arco Group Pension and Life Assurance Scheme such person(s) being entitled to enforce this Deed as if they were a party to it.

11. PROVISIONS RELATING TO THE TRUSTEES

11.1 Powers and discretions

The rights, powers and discretions given to the Trustees in this Deed:-

- 11.1.1 may be exercised as often as, and in such manner as, the Trustees think fit;
- 11.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 11.1.3 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.

11.2 Certificates

Any certificate or determination by a Trustee of a rate or amount due under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

11.3 Trusts

The perpetuity period for any trust constituted by this Deed shall be 125 years.

12. PRESERVATION OF SECURITY

12.1 Continuing Security

This Deed shall be a continuing security to the Trustees and shall remain in force until expressly discharged in writing by the Trustees notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

12.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Trustees or any other Trustee may have now or at any time in the future for or in respect of any of the Secured Liabilities.

12.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Trustees or any other Trustee) including:-

- 12.3.1 any time, waiver or consent granted to, or composition with, the Chargor or other person;
- 12.3.2 the release of the Chargor or any other person under the terms of any composition or arrangement with any person;
- 12.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of the Chargor 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;

- 12.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- 12.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of any document or Security;
- 12.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any document; or
- 12.3.7 an insolvency, liquidation, administration or similar procedure.

12.4 **Immediate recourse**

The Chargor waives any right it may have of first requiring the Trustees or any other Trustee (or any trustee or agent on its behalf) to proceed against or enforce any other rights of Security or claim payment from any person before claiming from the Chargor under this Deed.

12.5 **Appropriations**

During the Security Period the Trustees and each Trustee may:-

- 12.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 8.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the same; and
- 12.5.2 hold in an interest-bearing suspense account any moneys received from the Chargor on or account of the Secured Liabilities without any obligation to apply the same or any part thereof in or toward the discharge of the Secured Liabilities provided that if the aggregate of such moneys so placed to the credit of such suspense account or accounts shall equal or exceed the Secured Liabilities, the Trustees or the relevant Trustee shall, subject always to Clause 13 (*Release*), forthwith apply the same towards settlement of the Secured Liabilities.

13. **RELEASE**

13.1 **Release**

At the end of the Security Period, the Trustees shall, or shall procure that its appointees will, at the request and cost of the Chargor:-

- 13.1.1 release the Secured Assets from this Deed;
- 13.1.2 re-assign the Secured Assets that have been assigned to the Trustees under this Deed; and
- 13.1.3 execute such documents and take such steps as may be necessary to give effect to Clauses 13.1.1 and 13.1.2 above.

13.2 **Reinstatement**

If the Trustees consider that any amount paid or credited to any Trustee (whether in respect of the obligations of the Chargor) or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

13.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

13.2.2 the liability of the Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

13.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

14. MISCELLANEOUS PROVISIONS

14.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

14.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

14.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

14.2 Information

The Trustees may from time to time seek from any other person having dealings with the Chargor such information about the Chargor and its affairs as the Trustees may think fit and the Chargor agrees to request any such person to provide any such information to the Trustees and agrees to provide such further authority in this regard as the Trustees or any such third party may from time to time require.

14.3 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

15. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

16. ENFORCEMENT

16.1 Jurisdiction of English Courts

16.1.1 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 or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

16.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

16.1.3 This Clause 16.1 is for the benefit of the Trustees only. As a result, no Trustee shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Trustees may take concurrent proceedings in any number of jurisdictions.

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1

THE CHARGOR

| Company name | No | Address for service |
|---------------------|-----------|---|
| Arco Limited | 00133804 | PO BOX 21 1 Blackfriargate, Hull, England, HU1 1BH |

Schedule 2

DETAILS OF LAND

REGISTERED LAND

None specified.

UNREGISTERED LAND

None specified.

Schedule 3**DETAILS OF SHARES**

| Name of Company | Description and Number of Shares | Name of Shareholder |
|---|---|----------------------------|
| Arco Professional Safety Services Limited | 1000 Ordinary Shares of £1.00 each | Arco Limited |
| Arco Professional Safety Services Limited | 72 Ordinary A Shares of £1.00 each | Arco Limited |

Schedule 4

DETAILS OF ASSIGNED INSURANCES

None specified.

Schedule 5

DETAILS OF ACCOUNTS

BLOCKED ACCOUNTS

None specified.

EXECUTION PAGES

THE CHARGOR

EXECUTED as a Deed (but not delivered until)
this date of this Deed))
by ARCO LIMITED)
acting by DAN CARR, a Director,)
in the presence of - and the)

DAN CARR
Director

Signature of witness:

N.D.

Name of witness:

Address:

Occupation:

NEIL DODDS
SECRETARY

~~I confirm I was physically present when
signed this Deed~~

The Trustees

Executed as a deed by

Ian Martin

in the presence of

)

)

Signature of witness

I confirm I was physically present when Ian Martin signed this deed

Signature of witness

Carole Holdsworth

Full Name of witness

Address of witness

Executed as a deed by

Andrew Bailey

in the presence of

)

)

)

Signature of witness

I confirm I was physically present when Andrew Bailey signed this deed

Signature of witness

Deborah Lobb

Full Name of witness

Address of witness

Executed as a deed by

Stephen Martin

in the presence of

)

)

)

.....
Signature of witness

I confirm I was physically present when
Stephen Martin signed this deed

.....
Signature of witness

Adele Empson

.....
Full Name of witness

.....
Address of witness

Executed as a deed by

Peter Ian Croskin

in the presence of

)

)

)

.....
Signature of witness

I confirm I was physically present when Peter
Croskin signed this deed

.....
Signature of witness

Dr Sharon Croskin

.....
Full Name of witness

.....
Address of witness

Executed as a deed by)
Andrew Pyle)
in the presence of)
Signature of witness

I confirm I was physically present when Andrew Pyle signed this deed
Signature of witness
Will Thornton
Full Name of witness

Address of witness

Executed as a deed by)
Rebecca Murray)
in the presence of)
Signature of witness

I confirm I was physically present when Rebecca Murray signed this deed
Signature of witness
Joanne Lewis
Full Name of witness

Address of witness