



Registration of a Charge

Company Name: **SAFEWAY STORES LIMITED**

Company Number: **00746956**



XB8IPECW

Received for filing in Electronic Format on the: **18/07/2022**

Details of Charge

Date of creation: **07/07/2022**

Charge code: **0074 6956 0048**

Persons entitled: **GLAS TRUST CORPORATION LIMITED (AS SECURITY AGENT)**

Brief description: **ALL AND WHOLE THE SUBJECTS ON THE NORTH SIDE OF LONDON ROAD, STRANRAER BEING THE SUBJECTS MORE PARTICULARLY DESCRIBED IN, DISPONED BY AND SHOWN DELINEATED IN RED ON THE PLAN ANNEXED AND SIGNED AS RELATIVE TO THE DISPOSITION BY BARR LIMITED TO SAFEWAY STORES PLC DATED 28 NOVEMBER AND RECORDED IN THE DIVISION OF THE GENERAL REGISTER OF SASINES APPLICABLE TO THE COUNTY OF WIGTOWN ON 3 DECEMBER, BOTH DAYS IN THE YEAR 1993; UNDER EXCEPTION OF ALL AND WHOLE THAT PLOT OR AREA OF GROUND EXTENDING TO TWENTY FIVE SQUARE METRES OR THEREBY BEING THE SUBJECTS MORE PARTICULARLY DESCRIBED IN, DISPONED BY AND SHOWN OUTLINED IN RED ON THE PLAN ANNEXED AND SIGNED AS RELATIVE TO FEU DISPOSITION BY SAFEWAY STORES PLC TO SCOTTISH POWER PLC DATED 5 JANUARY AND RECORDED IN THE SAID DIVISION OF THE GENERAL REGISTER OF SASINES ON 15 FEBRUARY, BOTH DAYS IN THE YEAR 1996; ALL AS THE SAID SUBJECTS ARE SHOWN DELINEATED IN RED ON THE PLAN ANNEXED AND EXECUTED AS RELATIVE TO THE INSTRUMENT UNDER EXCEPTION OF THE AREA COLOURED GREEN AND OUTLINED IN RED ON THE PLAN ANNEXED AND EXECUTED AS RELATIVE TO THE INSTRUMENT; TOGETHER WITH (ONE) THE WHOLE BUILDINGS AND ERECTIONS THEREON (TWO) THE FITTINGS AND FIXTURES THEREIN AND THEREON (THREE) THE PARTS, PRIVILEGES AND PERTINENTS THEREOF (FOUR) THE WHOLE RIGHTS COMMON, MUTUAL AND EXCLUSIVE EFFEIRING THERETO AND (FIVE) THE CHARGOR'S WHOLE RIGHT, TITLE AND INTEREST, PRESENT AND FUTURE, THEREIN AND THERETO. FOR MORE DETAILS, PLEASE**

REFER TO THE INSTRUMENT. REFERENCES IN THIS SECTION TO THE "CHARGOR" MEAN THE COMPANY.

Contains negative pledge.

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: **BRODIES LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 746956

Charge code: 0074 6956 0048

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th July 2022 and created by SAFEWAY STORES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th July 2022 .

Given at Companies House, Cardiff on 20th July 2022

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

Certified a true copy save for
the material redacted pursuant
to s859G of the Companies Act 2006:


.....
BRODIES LLP
Solicitors

EXECUTION VERSION

Ref: GOL2510.1
Date: 7 July 2022

STANDARD SECURITY

by

SAFEWAY STORES LIMITED
as Chargor

in favour of

GLAS TRUST CORPORATION LIMITED
as Security Agent

Security Subjects: London Road, Stranraer

Brodies LLP
58 Morrison Street
Edinburgh EH3 8BP
T: 0131 228 3777
F: 0131 228 3878
DX ED10
Ref: MXM.CAH.GOL2510.1
2022

FOR THE PURPOSES OF THE LEGAL WRITINGS (COUNTERPARTS AND DELIVERY) (SCOTLAND) ACT 2015, THIS STANDARD SECURITY IS DELIVERED ON: 23 June 2022.

STANDARD SECURITY

BY

- (1) **SAFeway STORES LIMITED**, a company incorporated under the Companies Acts with registered number 00746956 formerly known as Safeway Stores Plc and having its registered office at Hillmore House, Gain Lane, Bradford, West Yorkshire, BD3 7DL (the "**Chargor**").

in favour of

- (2) **GLAS TRUST CORPORATION LIMITED**, a company incorporated in England and Wales with registered number 07927175 and having its registered office at 55 Ludgate Hill, Level 1, West, London England EC4M 7JW as security agent and security trustee for the Secured Creditors (as defined below) on the terms and conditions set out in the Intercreditor Agreement (as defined below) (the "**Security Agent**", which expression shall include any person for the time being appointed as trustee or as an additional trustee for the purpose of, and in accordance with, the Intercreditor Agreement (as defined below)).

CONSIDERING THAT:

- (A) The Chargor enters into this Standard Security to secure its obligations to the Secured Creditors under the Secured Debt Documents (as defined below) from time to time.
- (B) For all purposes this Standard Security and the Security Interest created by it shall secure the Secured Obligations and is subject to the terms set out in the Intercreditor Agreement.

ACCORDINGLY IT IS AGREED AS FOLLOWS:

1 Interpretation

1.1 Definitions

In this Standard Security:

"**Collateral Rights**" means all rights, powers and remedies of the Security Agent provided by or pursuant to this Standard Security or by law.

"**Common Secured Liabilities Discharge Date**" has the meaning given to that term in the Intercreditor Agreement.

"**Company**" means Market Bidco Limited, a limited liability company organised under the laws of England and Wales with registration number 13537474.

"Enforcement Event" has the meaning given to the term "Acceleration Event" in the Intercreditor Agreement (excluding any Senior Unsecured Liabilities Acceleration Event).

"Intercreditor Agreement" means the intercreditor agreement originally dated 3 November 2021 between, amongst others, Market Holdco 2 Limited, the Parent, the Company and the Security Agent, as amended, extended, restructured, renewed, novated, supplemented, restated, refunded, replaced or modified from time to time.

"Parent" means Market Holdco 3 Limited, a limited liability company organised under the laws of England and Wales with registration number 13537356.

"Parties" means each of the parties to this Standard Security.

"Plan" means the plan annexed and executed as relative hereto.

"Secured Creditors" has the meaning given to the term "Senior Secured Creditors" in the Intercreditor Agreement.

"Secured Debt Documents" has the meaning given to the term "Secured Debt Documents" in the Intercreditor Agreement (excluding the Senior Unsecured Bridge/Notes Finance Documents).

"Secured Financing Agreement" means the Senior Facilities Agreement, any Second Lien Facility Agreement, any Second Lien Notes Indenture, any Senior Secured Bridge Facility Agreement, any Senior Secured Notes Indenture, any Pari Passu Facility Agreement and any Pari Passu Notes Indenture.

"Secured Obligations" means the Liabilities, Other Liabilities and all other present and future obligations referred to in sub-paragraph (a) of the definition of "Secured Obligations" in the Intercreditor Agreement.

"Security" or **"Security Interest"** means a mortgage, standard security, charge, pledge, lien, assignation or assignment in security or other security interest having a similar effect.

"Security Period" means the period beginning on the date of delivery of this Standard Security and ending on the Common Secured Liabilities Discharge Date.

"Security Subjects" means ALL and WHOLE the subjects on the north side of London Road, Stranraer being the subjects more particularly described in, disposed by and shown delineated in red on the plan annexed and signed as relative to the Disposition by Barr Limited to Safeway Stores plc dated 28 November and recorded in the Division of the General Register of Sasines applicable to the County of Wigtown on 3 December, both days in the year 1993; Under exception of ALL and WHOLE that plot or area of ground extending to Twenty five square metres or thereby being the subjects more particularly described in, disposed by and shown outlined in red on the plan annexed and signed as relative to Feu Disposition by Safeway Stores plc to Scottish Power plc dated 5 January and recorded

in the said Division of the General Register of Sasines on 15 February, both days in the year 1996; All as the said subjects are shown delineated in red on the Plan under exception of the area coloured green and outlined in red on the Plan; together with (One) the whole buildings and erections thereon (Two) the fittings and fixtures therein and thereon (Three) the parts, privileges and pertinents thereof (Four) the whole rights common, mutual and exclusive efferring thereto and (Five) the Chargor's whole right, title and interest, present and future, therein and thereto.

"Senior Facilities Agreement" means the senior facilities agreement originally dated 3 November 2021 and made between, amongst others, the Company, the Parent and the Security Agent, each as defined in such agreement (as amended, restated, varied, novated or supplemented from time to time).

"Standard Conditions" means the standard conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 as amended and any lawful variation thereof operative for the time being.

1.2 Construction

1.2.1 Unless defined in this Standard Security, or the context otherwise requires, a term defined in the Intercreditor Agreement has the same meaning in this Standard Security, or any notice given under or in connection with this Standard Security as if all references in those defined terms to the Intercreditor Agreement were a reference to this Standard Security or that notice.

1.2.2 In this Standard Security:

1.2.2.1 the rules of interpretation contained in clause 1.2 (*Construction*) of the Intercreditor Agreement shall apply to the construction of this Standard Security;

1.2.2.2 any reference to the "**Chargor**", the "**Secured Creditors**" or the "**Security Agent**" shall be construed so as to include its or their (and any subsequent) successors in title, permitted assignees and permitted transferees in accordance with their respective interest and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Intercreditor Agreement;

1.2.2.3 references to any Secured Debt Document or other agreement or instrument is to be construed as a reference to that agreement or instrument as amended (howsoever fundamentally and whether or not such amendment results in new and/or more onerous obligations and liabilities), including by way of a refinancing, deferral or extension of the facilities or by way of an addition or increase of or other changes to the facilities or other obligations or liabilities

under the agreements or accession or retirement of the parties to the agreements;

1.2.2.4 reference to any clause is a reference to a clause of this Standard Security, unless the context otherwise requires; and

1.2.2.5 a provision of law is a reference to that provision as amended or re-enacted.

1.2.3 Notwithstanding any term of this Standard Security to the contrary, the validity or enforceability of any Security Interest created pursuant to this Standard Security shall secure the Secured Obligations, and the exercise of any right or remedy by the Security Agent under this Standard Security shall be subject to the terms of the Intercreditor Agreement.

1.2.4 Unless the context otherwise requires, a reference to the Security Subjects includes:

1.2.4.1 any part of the Security Subjects; and

1.2.4.2 any proceeds of the Security Subjects.

1.2.5 This Standard Security is a Senior Finance Document.

1.2.6 Words importing the plural shall include the singular and vice versa.

1.2.7 References to the "debtor" in the Standard Conditions shall include the Chargor.

2 Undertaking to Pay

2.1 The Chargor undertakes to the Security Agent as trustee for the Secured Creditors that it shall on demand of the Security Agent discharge all Secured Obligations as and when they fall due according to their terms and the Chargor shall pay to the Security Agent when due and payable every sum at any time owing, due or incurred by the Chargor to the Security Agent (whether for its own account or as trustee for the Secured Creditors) or any of the other Secured Creditors in respect of any such liabilities **provided that** neither such covenant nor the Security Interest constituted by this Standard Security shall extend to or include any liability or sum which would, but for this proviso, cause such undertaking or security to be unlawful or prohibited by any applicable law.

2.2 If the Chargor fails to pay any sum on the due date for payment of that sum the Chargor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the rate determined in accordance with the provisions of clause 27.5 (*Interest on demand*) of the Intercreditor Agreement.

3 Creation of Security

3.1 The Security Interests created by or pursuant to this Standard Security are:

3.1.1 created in favour of the Security Agent as trustee for the Secured Creditors and the Security Agent shall hold the benefit of this Standard Security and the Security Interests created by or pursuant to it on trust for the Secured Creditors; and

3.1.2 continuing security for the payment and discharge of all the Secured Obligations.

3.2 The Chargor grants a standard security in favour of the Security Agent over the Security Subjects as security for the payment and discharge of all of the Secured Obligations.

4 Incorporation and variation of Standard conditions

4.1 The Standard Conditions and any lawful variation thereof operative for the time being shall apply to this Standard Security.

4.2 The Standard Conditions shall be varied (insofar as lawful and applicable) in accordance with the express provisions of this Standard Security and the provisions of the other Secured Debt Documents and the Chargor agrees that the undertakings and the obligations on the debtor's part and the rights of the creditor contained in the Standard Conditions (as thus varied) shall be in addition to the undertakings and obligations on the part of the Chargor and the rights of the Security Agent respectively contained in the Secured Debt Documents which shall be incorporated in and shall form part of this Standard Security and shall be held to be repeated herein *mutatis mutandis*.

4.3 In the event of any conflict between the terms of the Standard Conditions and the terms of the Secured Debt Documents, the terms of the Secured Debt Documents shall (insofar as lawful and applicable) prevail.

5 Negative Pledge

Except as not prohibited under the Secured Financing Agreements, the Chargor shall not at any time during the Security Period create or permit to subsist any Security Interest over all or any part of the Security Subjects.

6 Real Property Undertakings

6.1 The Chargor shall, during the Security Period, promptly notify the Security Agent of any material contract, conveyance, transfer or other disposition for the acquisition by the Chargor (or its nominee(s)) of any Material Real Property (as defined in the Senior Facilities Agreement).

6.2 The Chargor shall, during the Security Period, (except as otherwise permitted by the Secured Financing Agreements), in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Security Subjects is at any time subject:

6.2.1 pay the rents (if the lessee) and observe and perform in all material respects the covenants, undertakings, title conditions, burdens and obligations imposed (if the lessor) on the lessor or (if the lessee) on the lessee; and

6.2.2 not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Security Subjects becomes or may become subject to determination or any right of re-entry or irritancy prior to the expiration of its term,

in each case where failure to do so could reasonably be expected to have a Material Adverse Effect (as defined in the Senior Facilities Agreement).

6.3 The Chargor shall during the Security Period, (except as otherwise permitted by the Secured Financing Agreements):

6.3.1 repair and keep in good and substantial repair and condition the Security Subjects save to the extent it is a third party's obligation to do so; and

6.3.2 comply with and observe and perform (i) all applicable requirements of all planning and environmental legislation, regulations and by-laws relating to the Security Subjects, (ii) any material conditions attaching to any planning permissions relating to or affecting the Security Subjects and (iii) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of the Security Subjects,

in each case where failure to do so could reasonably be expected to have a Material Adverse Effect.

6.4 In terms of Standard Condition 5(a) the Chargor shall provide cover to the extent of the reinstatement value of the Security Subjects and not their open market value.

6.5 If the Chargor fails to comply with any of the undertakings contained in this clause 6, the Security Agent shall be entitled, but shall not be obliged, (with such agents, contractors and others as it sees fit) having (if practicable in the circumstances) given seven (7) days' notice to the Chargor to remedy such failure to comply, to do such things as may in the reasonable opinion of the Security Agent be required to remedy such failure and all monies spent by the Security Agent in doing so shall be reimbursed by the Chargor on demand with interest from the date of payment by the Security Agent until reimbursed in accordance with clause 2.2.

6.6 The exercise by the Security Agent of its powers under clause 6.5 above shall not render the Security Agent liable to account as heritable creditor in possession.

7 Enforcement of Security

- 7.1 For the purpose of Standard Condition 9(1)(b) the Chargor shall be held to be in default following the occurrence of an Enforcement Event which is continuing, and in the event of the Chargor being in default as aforesaid, then without prejudice to any other rights and remedies available to the Security Agent by virtue of the Standard Conditions or any other security, charge or undertaking or in any other manner, the Security Agent will be entitled to exercise any of the remedies available to a creditor on default of a debtor by virtue of the provisions of the Conveyancing and Feudal Reform (Scotland) Act 1970 (as amended).
- 7.2 The Security Agent shall not be liable to account as heritable creditor in possession in respect of all or any part of the Security Subjects or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Security Subjects to which a heritable creditor or heritable creditor in possession might otherwise be liable.

8 Further Assurance

- 8.1 Subject to the Agreed Security Principles, the Chargor shall promptly, at its own cost, take all such action (including making all filings, registrations and notarisations) and execute all such documents (including assignments, assignations, transfers, standard securities, charges, notices, intimations and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s):
- 8.1.1 to create, perfect, protect and/or maintain the Security created or intended to be created in respect of the Security Subjects (which may include the execution by the Chargor of a standard security, charge, assignation or assignment over or relating to the Security Subjects) or for the exercise of the Collateral Rights; and/or
- 8.1.2 following the occurrence of an Enforcement Event which is continuing, to facilitate the realisation of the Security Subjects.
- 8.2 Subject to the Agreed Security Principles, the Chargor shall, at the cost and expense of the Chargor, take all such action as is available to it (including making 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 Security Agent by or pursuant to this Standard Security.

9 General Undertakings

- 9.1 The Chargor shall from time to time on reasonable request of the Security Agent, and promptly upon the occurrence of an Enforcement Event, furnish the Security Agent with such information as the Security Agent may reasonably require about the Security Subjects and its compliance with the terms of this Standard Security save that (unless an Enforcement Event has occurred) the Chargor shall not be required to furnish the Security Agent with such information where:

- 9.1.1 such information is not customarily provided;
- 9.1.2 such information is not relevant to the Security Agent for the purposes of this Standard Security;
- 9.1.3 to do so would breach any law or regulation or restriction of any applicable stock exchange requirement or duty of confidentiality binding on it;
- 9.1.4 such information is not readily available to the Chargor without undue cost or effort of the Chargor;
- 9.1.5 preparation or provision of such information would result in a material cost to the Chargor relative to the materiality of the information requested; or
- 9.1.6 the Chargor believes (acting reasonably) that the information is of a particularly confidential or sensitive commercial nature.

10 Continuing Security

10.1 Continuing Security

- 10.1.1 The Security Interests created by or pursuant to this Standard Security shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Agent.
- 10.1.2 No part of the Security from time to time intended to be constituted by this Standard Security will be considered satisfied or discharged by any intermediate payment, discharge, or satisfaction of the whole or any part of the Secured Obligations.

10.2 Other Security

The Security Interests created by or pursuant to this Standard Security and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Security Agent or any Secured Creditor may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent Security Interest notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security. No prior security held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Creditors over the whole or any part of the Security Subjects shall merge into the Security constituted by this Standard Security.

10.3 No prejudice

The Security Interests created by or pursuant to this Standard Security and the Collateral Rights shall not be prejudiced by any forbearance, neglect, indulgence, abandonment, extension of time, release,

surrender or loss of securities, dealing, variation or arrangement granted to the Chargor or any other person, or the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Creditors or by any variation of the terms of the trust upon which the Security Agent holds the Security or by any other thing which might otherwise prejudice this Security or any Collateral Right.

10.4 **Security Agent**

Without prejudice to the rights afforded by the Conveyancing and Feudal Reform (Scotland) Act 1970 (as amended), the provisions set out in clause 22 (*The Security Agent*) of the Intercreditor Agreement shall govern the rights, duties and obligations of the Security Agent under this Standard Security.

10.5 **Remedies and Waivers**

No failure on the part of the Security Agent to exercise, nor any delay on its part in exercising any right under this Standard Security (including the Collateral Rights), shall operate as a waiver of that right or constitute an election to affirm this Standard Security on the part of the Security Agent. No election to affirm this Standard Security shall be effective unless it is in writing. No single or partial exercise of any right of the Security Agent under this Standard Security (including the Collateral Rights) shall preclude any further or other exercise of that or any other right of the Security Agent under this Standard Security.

10.6 **Waiver of defences**

The obligations assumed, and the Security Interests created by, the Chargor under this Standard Security and the Collateral Rights will not be affected by an act, omission, matter or thing which, but for this clause 10.6, would reduce, release or prejudice any of its obligations under, or the Security Interests created by, this Standard Security (without limitation and whether or not known to it or any Secured Creditor) including:

- 10.6.1 any time, waiver or consent granted to, or composition with, any other person;
- 10.6.2 the release of any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- 10.6.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any 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;
- 10.6.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- 10.6.5 any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether

or not more onerous) or replacement of a Senior Finance Document, Second Lien Finance Document or any other document or security (including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Secured Debt Document) or of the Secured Obligations;

10.6.6 any unenforceability, illegality or invalidity of any obligation of any person under any Senior Finance Document, Second Lien Finance Document or any other document or security or of the Secured Obligations; or

10.6.7 any insolvency or similar proceedings.

10.7 **Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Creditor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Standard Security or enforcing the Security Interest created by this Standard Security. This waiver applies irrespective of any law or any provision of this Standard Security to the contrary.

10.8 **Deferral of Rights**

Until the end of the Security Period, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Standard Security:

10.8.1 to be indemnified by any other person;

10.8.2 to claim any contribution from any guarantor of the Chargor's obligations under this Standard Security; and/or

10.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Creditors under the Secured Debt Documents or of any other guarantee or security taken pursuant to, or in connection with, this Standard Security by any Secured Creditor.

10.9 **No obligations in relation to the Security Subjects**

The Security Agent is not obliged to do any of the following in respect of the Security Subjects:

10.9.1 perform any obligation of the Chargor;

10.9.2 make any payment;

10.9.3 make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor;

10.9.4 present or file any claim or take any other action to collect or enforce the payment of any amount to which it or the Chargor may be entitled; or

10.9.5 exercise any rights to which it or the Chargor may be entitled.

11 Application of Proceeds

11.1 Order of Application

All moneys received or recovered and any non-cash recoveries made or received by the Security Agent pursuant to this Standard Security shall (subject to the claims of any person having prior rights thereto) be applied in accordance with clause 20 (*Application of Proceeds*) of the Intercreditor Agreement notwithstanding any purported appropriation by the Chargor.

11.2 Application against Secured Obligations

Subject to clause 11.1 (*Order of Application*) above, any moneys or other value received or realised by the Security Agent from the Chargor under this Standard Security may be applied by the Security Agent to any item of account or liability or transaction forming part of the Secured Obligations to which they may be applicable in any order or manner which the Security Agent may determine provided that such application is consistent with the terms of the Intercreditor Agreement.

11.3 Proceeds of Realisation

The Security Agent and any agent of the Security Agent shall not by reason of taking possession of all or any of the Security Subjects or any other reason whatsoever and whether as heritable creditor in possession or on any other basis whatsoever be liable to account for anything except actual receipts or be liable for any loss or damage arising from realisation of, or enforcement of rights in respect of, all or any of the Security Subjects or any other property, assets, rights or undertakings of whatsoever nature whether or not owned by the Chargor or any other person or in which the Chargor or such other person has an interest, from any act, default or omission in relation to all or any of the Security Subjects or any other property, assets, rights or undertakings of whatsoever nature whether or not owned by the Chargor or any other person or in which the Chargor or such other person has an interest, or from any exercise or non-exercise by it of any power, authority or discretion conferred upon it in relation to all or any of the Security Subjects or any other property, assets, rights or undertakings of whatsoever nature whether or not owned by the Chargor or any other person or in which the Chargor or such other person has an interest (except to the extent arising from the Security Agent's or such agent of the Security Agent's gross negligence or wilful default).

11.4 Suspense account

Until the Secured Obligations are paid in full, the Security Agent may place and keep (for such time as it shall determine) any money received, recovered or realised pursuant to this Standard Security or

on account of the Chargor's liability in respect of the Secured Obligations in an interest bearing separate suspense account (to the credit of either the Chargor or the Security Agent as the Security Agent shall think fit) and the Security Agent may retain the same for the period which it considers expedient without having any obligation to apply all or any part of that money in or towards discharge of the Secured Obligations.

11.5 **Good discharge**

An acknowledgement of receipt signed by the relevant person to whom payments are to be made under this clause 11 shall constitute good discharge of the Security Agent.

12 **Prior Security Interests**

12.1 **Redemption or transfer**

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security Interest against the Security Subjects or in the case of exercise by the Security of any power of sale or rights of appropriation or application under this Standard Security, the Security Agent may redeem such prior Security Interest or procure the transfer thereof to itself.

12.2 **Accounts**

Following the occurrence of an Enforcement Event which is continuing, the Security Agent may settle and agree the accounts of the prior Security Interest and any accounts so settled and agreed will be conclusive and binding on the Chargor.

12.3 **Costs of redemption or transfer**

All principal monies, interest, costs, charges and expenses of and incidental to any such redemption or transfer of a prior ranking Security Interest following the occurrence of an Enforcement Event which is continuing will be paid by the Chargor to the Security Agent on demand.

13 **Subsequent Security Interests**

- 13.1 If the Security Agent (acting in its capacity as trustee or otherwise) or any of the other Secured Creditors at any time receives or is deemed to have received notice of any subsequent Security Interest, affecting all or any part of the Security Subjects which is prohibited by the terms of any Secured Debt Document, all payments thereafter made by or on behalf of the Chargor to the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Creditors will (in the absence of any express contrary appropriation by the Chargor) be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time that notice was received.

14 Protection of Security Agent

14.1 No Liability

The Security Agent and any of its nominee(s) shall not be liable, by reason of entering into possession of the Security Subjects: (a) to account as a heritable creditor or heritable creditor in possession; or for any loss on realisation or enforcement of rights; (b) for any default or omission for which a heritable creditor in possession might be liable; or (c) for any loss arising by reason of taking any action permitted by this Standard Security, neglect or default in connection with the Security Subjects or taking possession of or realising all or any part of the Security Subjects, except in the case of gross negligence or wilful misconduct upon its part.

14.2 Cumulative Powers

The powers which this Standard Security confers on the Security Agent and the other Secured Parties are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Security Agent and the other Secured Parties may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Security Agent and the other Secured Parties will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

15 Power of Attorney

15.1 The Chargor irrevocably appoints each of the Security Agent and any person nominated for the purpose by the Security Agent severally to be its mandatory and attorney and in its name and on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable (acting reasonably) for:

15.1.1 carrying out any obligation imposed on the Chargor by this Standard Security or any other agreement binding on the Chargor to which the Security Agent is party (including the execution and delivery of any deeds, charges, standard securities, assignments, assignations or other security and any transfers of the Security Subjects and perfecting and/or releasing the Security Interests created or intended to be created in respect of the Security Subjects); and

15.1.2 enabling the Security Agent to exercise, or delegate the exercise of, any of the Collateral Rights (including, following the occurrence of an Enforcement Event which is continuing, the exercise of any right of an owner of the Security Subjects).

15.2 The Power of Attorney set out in clause 15.1 above shall only be exercised:

15.2.1 following the occurrence of an Enforcement Event which is continuing; or

15.2.2 if the Chargor has failed to comply with clause 8 (*Further Assurance*) or any other perfection obligation in this Standard Security within ten (10) Business Days of the Chargor being notified of that failure.

15.3 The Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

16 Protection for Third Parties

16.1 No Obligation to Enquire

No purchaser from, or other person dealing with, the Security Agent (or their agent) shall be bound to enquire whether:

16.1.1 the right of the Security Agent to exercise any of its powers has arisen or become exercisable or be required to enquire whether that power has been properly or regularly exercised by the Security Agent in such dealings; or

16.1.2 any of the Secured Obligations remain outstanding and/or are due and payable or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

16.2 Receipt Conclusive

The receipt of the Security Agent shall be an absolute and conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any consideration (whether cash or non-cash) paid to or by the direction of the Security Agent.

17 Release of Security

17.1 Release of Security

Upon (i) the Secured Obligations being discharged in full and none of the Secured Creditors being under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any of the Secured Debt Documents, or (ii) the Chargor ceasing to be an Obligor (as defined in the Senior Facilities Agreement or the equivalent term under the relevant Secured Financing Agreement) under the applicable Secured Financing Agreements, the Security Agent shall, at the request and cost of the Parent, release and cancel the Security constituted by this Standard Security, subject to clause 17.3 (*Clawback*) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

17.2 Without prejudice to clause 17.1 above, in connection with (i) any permitted disposal of any property or asset that is subject to this Standard Security, (ii) any sale or other disposition of any property or asset (that is subject to this Standard Security) otherwise permitted by the Secured Financing

Agreements that is subject to this Standard Security, (iii) any sale or other disposition of any property or asset that is subject to a security document where the requisite Secured Creditors have consented to the disposal pursuant to the applicable Secured Financing Agreements or (iv) any sale or any other disposition of any property or asset that is subject to this Standard Security pursuant to a merger, consolidation, reorganisation, winding-up, securitisation or sale and leaseback permitted by the Secured Financing Agreements to the extent necessary to ensure that such merger, consolidation, reorganisation, winding-up, securitisation or sale and leaseback can take place, the Security Agent shall promptly, at the request and cost of the Parent, release and cancel (pursuant to the execution and delivery of a discharge or as applicable deed of restriction, in each case to the extent required) the security provided by the Chargor.

17.3 **Clawback**

If the Security Agent (acting reasonably) considers that any amount paid or credited to any Secured Creditor is at risk of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Standard Security and the Security constituted by this Standard Security will continue and such amount will not be considered to have been irrevocably paid or credited.

17.4 **Discharge Conditional**

Any settlement or discharge between the Chargor and any Secured Creditor shall be conditional upon no security or payment to that Secured Creditor by the Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of that Secured Creditor under this Standard Security) that Secured Creditor shall be entitled to recover from the Chargor the value which that Secured Creditor has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

18 **Set off**

- 18.1 The Chargor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the Security created by or pursuant to this Standard Security has become enforceable in accordance with clause 7 (*Enforcement of Security*), to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Agent to the Chargor and apply any credit balance to which the Chargor is entitled on any account with the Security Agent in accordance with clause 11 (*Application of Proceeds*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account). If the obligations are in different currencies, the Security Agent may convert either obligation at the prevailing market rate of exchange for the purpose of the set-off.

18.2 The Security Agent may exercise its rights under clause 18.1 above notwithstanding that the amounts concerned may be expressed in different currencies and the Security Agent is authorised to effect any necessary conversions at the prevailing market rate of exchange.

18.3 The Chargor will pay all amounts payable under this Standard Security without any setoff, counterclaim or deduction whatsoever unless required by law, in which event the Chargor will pay an additional amount to ensure that the payment recipient receives the amount which would have been payable had no deduction been required to have been made.

19 Changes to Parties

19.1 No Assignment or transfer by Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Standard Security, except to the extent permitted by the Secured Financing Agreements or the Intercreditor Agreement.

19.2 Assignment by the Security Agent

To the extent permitted by the Secured Debt Documents, the Security Agent may assign and transfer any of its rights or obligations under this Standard Security. The Security Agent shall be entitled to disclose such information concerning the Chargor and this Standard Security in accordance with:

19.2.1 clause 22.13 (*Resignation of the Security Agent*) of the Intercreditor Agreement; and

19.2.2 clause 42 (*Confidentiality*) of the Senior Facilities Agreement and any equivalent provision in any other Secured Financing Agreement.

19.3 Successors

This Standard Security shall remain in effect despite any amalgamations or merger (however effected) relating to the Security Agent. References to the Security Agent shall include (i) any transferee, assignee or successor in title of the Security Agent, (ii) any entity into which the Security Agent is merged or converted or with which it may be consolidated, (iii) any legal entity remaining from any merger, conversion or consolidation to which such Security Agent is a party and (iv) any other person who, under the laws of its jurisdiction of incorporation or domicile has assumed the rights and obligations of the Security Agent under this Standard Security or to which, under such laws, those rights and obligations have been transferred (such persons described in (i) to (iv) being a successor to the Security Agent for all purposes under the Secured Debt Documents).

20 Miscellaneous

20.1 Expenses

Clauses 27.1 (*Transaction Expenses*), 27.2 (*Amendment Costs*) and 27.3 (*Enforcement and preservation costs*) of the Intercreditor Agreement are incorporated *mutatis mutandis* into this Standard Security (including all capitalised terms as defined therein) but as if each reference therein to:

20.1.1 the "Parent" is a reference to Market Holdco 3 Limited;

20.1.2 a "Debt Document" and this "Agreement" in each case is a reference to this Standard Security;

20.1.3 "Common Transaction Security" is a reference to the Security constituted pursuant to this Standard Security; and

20.1.4 a "Debtor" is a reference to the Chargor.

20.2 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Standard Security by the Security Agent may, subject to the terms and conditions of the Intercreditor Agreement and this Standard Security, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

20.3 Delegation

20.3.1 The Security Agent may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Standard Security.

20.3.2 Any such delegation may be made upon any terms (including power to sub-delegate) which the Security Agent may think fit.

20.3.3 The Security Agent will not be in any way responsible or liable to the Chargor or any other person for any cost, expense, loss or liability arising from any act, omission, default, or misconduct on the part of any delegate or sub-delegate.

20.4 Certificates Conclusive

A certificate or determination of the Security Agent as to any amount payable under this Standard Security will be conclusive and binding on the Chargor, except in the case of manifest error.

20.5 **Invalidity of any Provision**

If, at any time, any provision of this Standard Security is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Standard Security nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Security Interest intended to be created by or pursuant to this Standard Security is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

21 **Warrandice**

The Chargor grants warrandice subject to any leases, licences and/or rights of occupancy of any part of the Security Subjects which currently exist as at the date of execution of this Standard Security.

22 **Counterparts**

22.1 This Standard Security may be executed in any number of counterparts and by all of the parties on separate counterparts.

22.2 Where executed in counterparts:

22.2.1 this Standard Security shall not take effect until all of the counterparts have been delivered; and

22.2.2 delivery will take place when the date of delivery is agreed between the parties after execution of this Standard Security as evidenced by the date inserted at the start of this Standard Security.

23 Governing Law and Jurisdiction

23.1 Governing Law

This Standard Security and any non-contractual obligations arising out of or in connection with it shall be governed by Scots law.

23.2 Jurisdiction

The courts of Scotland have exclusive jurisdiction to settle any dispute (a "Dispute") arising out of or in connection with this Standard Security (including a dispute relating to the existence, validity or termination of this Standard Security or the consequences of its nullity or any non-contractual obligation arising out of or in connection with this Standard Security).

23.3 Convenient Forum

The Parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

IN WITNESS WHEREOF these presents consisting of this and the preceding 18 pages together with the Plan are executed as follows and if executed in counterpart is delivered on the date set out on page 1 of this Standard Security in accordance with clause 22 (*Counterparts*):

Subscribed for and on behalf of **SAFEWAY STORES LIMITED** by

[Redacted signature]

signature of director/secretary/witness

[Redacted signature]

signature of director

ADELE MARIE WHORTON

full name of above (print)

JOHN HAN JIMMIE BURNS

full name of above (print)

MORRISONS

BRADFORD

BD3 7DL

address of witness

23/6/27

date of signing

BRADFORD

place of signing

Subscribed for and on behalf of GLAS TRUST CORPORATION LIMITED (as Security Agent)



signature of authorised signatory/witness

HENRY B LEADSON

full name of above (print)

55 Ludgate Hill
London

address of witness EC4M 7JW



signature of authorised signatory

Steve Wright

full name of above (print)

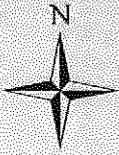
23/06/22
date of signing

LONDON
place of signing

This is the Plan referred to in the foregoing Standard Security granted by SAFEWAY STORES LIMITED in favour of GLAS TRUST CORPORATION LIMITED as Security Agent

Millar Bryce

Morrisons, London Road, Stranraer, DG9 8ES



Reference: 0784764/ID

Co-ordinates at Centre:

Scale:

Version: 2.0

Easting: 206,403

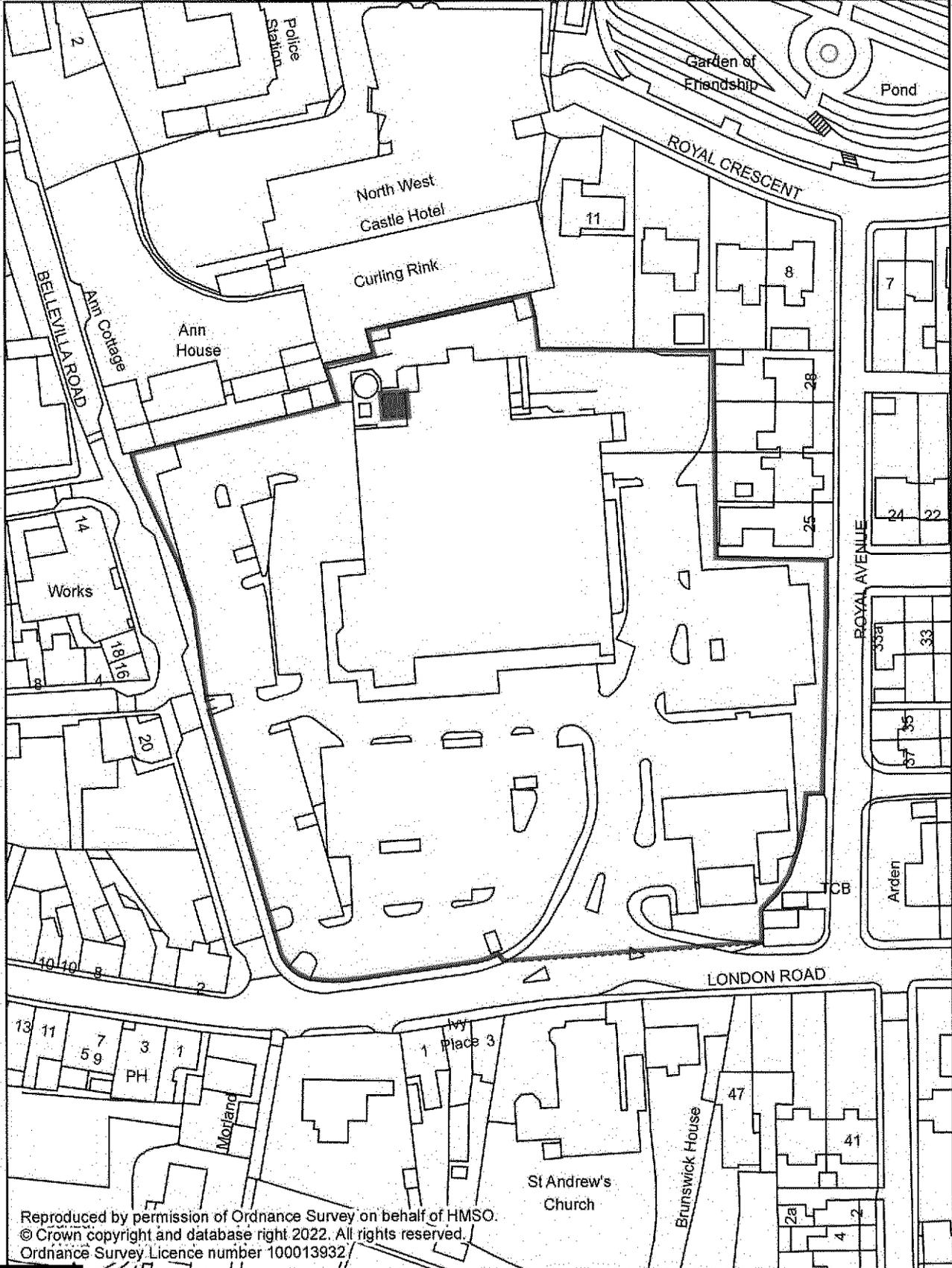
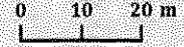
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Date: May 2022

Northing: 560,767

Paper Size:

A4



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(Safeway Stores Limited)

(GLAS Trust Corporation Limited
as Security Agent)

This is the Plan referred to in the foregoing Standard Security granted by SAFEWAY STORES LIMITED in favour of GLAS TRUST CORPORATION LIMITED as Security Agent

Millar & Bryce

Morrisons, London Road, Stranraer, DG9 8ES



Reference: 0784764/ID

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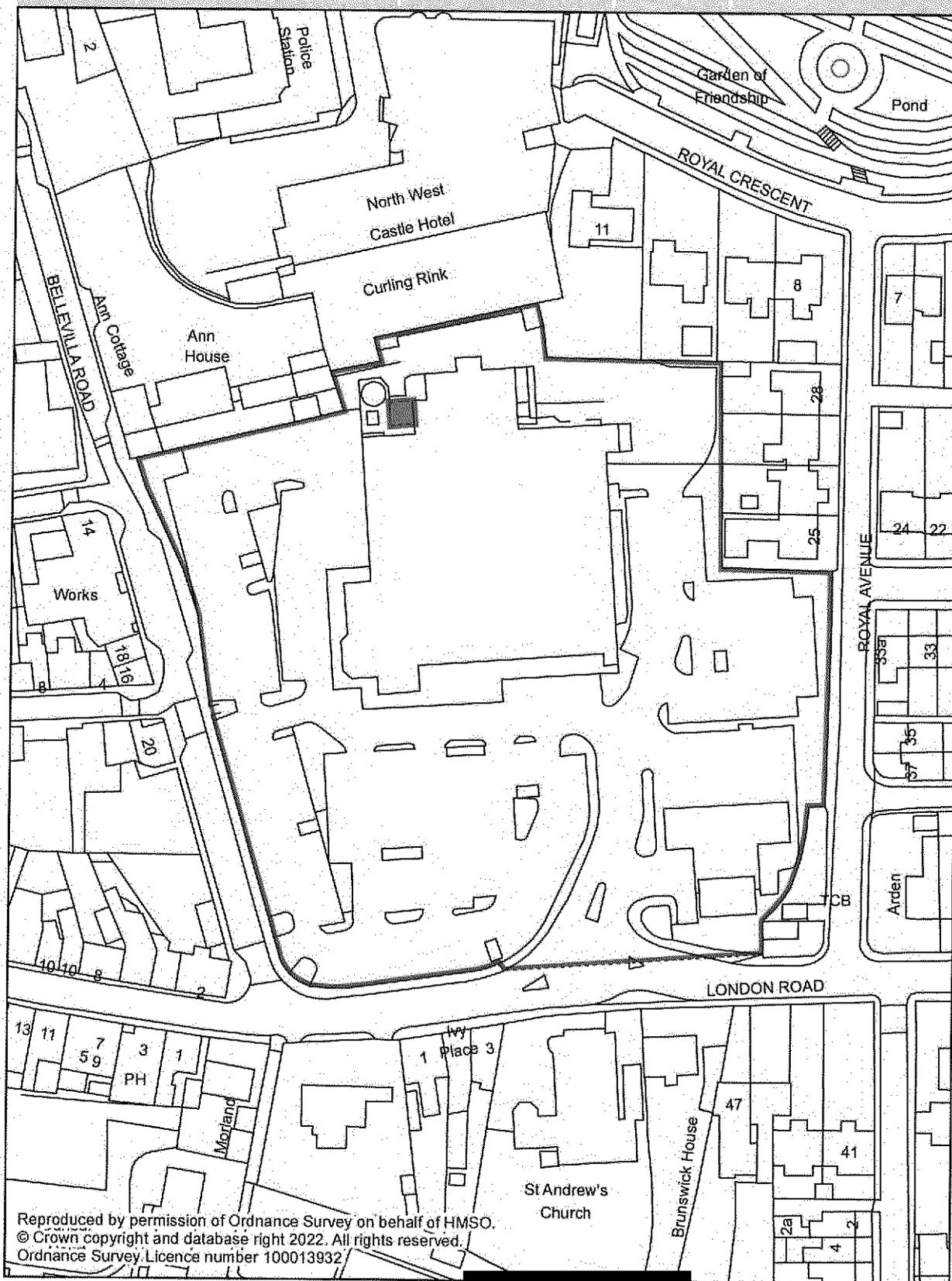
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(Safeway Stores Limited)

Steve Wright

(GLAS Trust Corporation Limited as Security Agent)