



Registration of a Charge

Company name: **ASDA GROUP LIMITED**

Company number: **01396513**



X9YOGZ4G

Received for Electronic Filing: **19/02/2021**

Details of Charge

Date of creation: **16/02/2021**

Charge code: **0139 6513 0001**

Persons entitled: **DEUTSCHE BANK AG, LONDON BRANCH AS SECURITY AGENT FOR THE BENEFIT OF THE SECURED PARTIES.**

Brief description:

Contains fixed charge(s).

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

CLIFFORD CHANCE LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1396513

Charge code: 0139 6513 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th February 2021 and created by ASDA GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th February 2021 .

Given at Companies House, Cardiff on 22nd February 2021

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

SECURITY ACCESSION DEED – SENIOR SECURED SECURITY AGREEMENT

This SECURITY ACCESSION DEED is made on 16 February 2021

Between:

- (1) ASDA Stores Limited, a company incorporated in England and Wales with registered number 00464777;
- (2) ASDA Group Limited, a company incorporated in England and Wales with registered number 01396513;
- (3) Bellis Acquisition Company 3 Limited, a company incorporated in Jersey with registered number 132411 (together with ASDA Stores Limited and ASDA Group Limited, the “New Chargors” and each a “New Chargor”);
- (4) Deutsche Bank AG, London Branch as Security Agent for itself and the other Secured Parties (the “Security Agent”); and
- (5) Bellis Acquisition Company plc, a company incorporated in England and Wales with registered number 12855280 (the “Company”).

This deed is supplemental to a security agreement dated 12 February 2021 between, amongst others, the Chargors named therein and the Security Agent, as previously supplemented and amended by earlier Security Accession Deeds (if any) (the “Security Agreement”), save for any amendments set out herein.

NOW THIS DEED WITNESSES as follows:**1. INTERPRETATION****1.1 Definitions**

Terms defined in the Security Agreement shall have the same meanings when used in this deed.

1.2 Construction

- (a) Clauses 1.2 (*Construction*) to 1.5 (*Miscellaneous*) of the Security Agreement will be deemed to be set out in full in this deed, but as if references in those clauses to the Security Agreement were references to this deed.
- (b) All of the provisions contained in the Security Agreement in relation to the Security created by it and all the powers and rights conferred on the Security Agent and any Receiver in relation to the Security created by the Security Agreement shall extend and apply to the Security created by this deed.
- (c) This deed is a Finance Document.

1.3 Nature of Obligations

Nothing in this deed is intended to make Bellis Acquisition Company 3 Limited liable as principal debtor, guarantor or otherwise, for any of the Secured Obligations.

2. ACCESSION OF NEW CHARGOR**2.1 Accession**

Each New Chargor agrees to be a Chargor for the purposes of the Security Agreement with immediate effect and agrees to be bound by all of the terms of the Security Agreement as if it had originally been a party to it as a Chargor (but so that the Security created by virtue of this deed shall be created on the date of this deed).

2.2 Limited Recourse

- (a) Notwithstanding Clause 2.3 (*Covenant to Pay*) and any other provision of this deed, the recourse of the Security Agent against Bellis Acquisition Company 3 Limited in respect of the Secured Obligations is limited to the rights of enforcement and recovery against the shares in ASDA Group Limited charged by Bellis Acquisition Company 3 Limited under this deed (the “AGL Shares”) and, accordingly, the Security Agent agrees that the total amount recoverable against Bellis Acquisition Company 3 Limited under this deed shall be limited to the proceeds received by the Security Agent after realising the AGL Shares in accordance with this deed.
- (b) No Secured Party:
 - (i) shall have any recourse to any assets of Bellis Acquisition Company 3 Limited other than the AGL Shares;
 - (ii) may seek to recover from Bellis Acquisition Company 3 Limited any shortfall between the amount of the proceeds received by the Security Agent after realising the AGL Shares in accordance with this deed and the Secured Obligations including by proving or otherwise claiming in Bellis Acquisition Company 3 Limited’s insolvency proceedings; or
 - (iii) may sue or commence, join or bring any action or proceeding against Bellis Acquisition Company 3 Limited or apply to have Bellis Acquisition Company 3 Limited wound up or made subject to insolvency proceedings in relation to any shortfall referred to in sub-paragraph (ii) above or on any other grounds permitted under the Insolvency Act 1986.

2.3 Covenant to pay

Subject to Clause 2.2 (*Limited Recourse*) in the case of Bellis Acquisition Company 3 Limited and any other limits on each New Chargor’s liability specified in the Debt Documents, each relevant New Chargor covenants and not only as surety with the Security Agent (for the benefit of itself and the other Secured Parties) that it shall, on demand of the Security Agent pay, discharge and satisfy the Secured Obligations in accordance with the terms of the Debt Documents.

2.4 Specific Security

Subject to Clause 2.8 (*Property restricting charging*) below, the relevant New Chargor, as continuing security for the payment and discharge of the Secured Obligations:

- (a) in the case of ASDA Group Limited, charges in favour of the Security Agent with full title guarantee, the shares in ASDA Stores Limited and all dividends, interest and other monies payable in respect of those shares and all Related Rights (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise) both present and future, from time to time owned by it or in which it has an interest, right or title by way of first fixed charge;
- (b) in the case of Bellis Acquisition Company 3 Limited, charges in favour of the Security Agent with full title guarantee, the shares in ASDA Group Limited and all dividends,

interest and other monies payable in respect of those shares and all Related Rights (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise) both present and future, from time to time owned by it or in which it has an interest, right or title by way of first fixed charge;

- (c) in the case of ASDA Group Limited and ASDA Stores Limited, charges in favour of the Security Agent with full title guarantee, all of its rights, title and interest from time to time in and to its Material Bank Accounts and all Related Rights, both present and future, from time to time owned by it or in which it has an interest, right or title by way of first fixed charge; and
- (d) in the case of ASDA Group Limited and ASDA Stores Limited, charges (if not effectively assigned by Clause 2.6 (*Security assignment*)) in favour of the Security Agent with full title guarantee, all of its rights, title and interest from time to time in its Assigned Agreements and all Related Rights, both present and future, from time to time owned by it or in which it has an interest, right or title by way of first fixed charge.

2.5 Floating charge

- (a) Subject to Clause 2.8 (*Property restricting charging*) below, as further continuing security for the payment and discharge of the Secured Obligations, each New Chargor (except for Bellis Acquisition Company 3 Limited) charges with full title guarantee in favour of the Security Agent by way of first ranking floating charge all its present and future assets, undertakings and rights together with all corresponding Related Rights including to the extent not effectively charged by way of fixed charge under Clause 2.4 (*Specific Security*) or assigned under Clause 2.6 (*Security assignment*).
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to paragraph (a) of this Clause 2.5.

2.6 Security assignment

Subject to Clause 2.8 (*Property restricting charging*) below:

- (a) as further continuing security for the payment and discharge of the Secured Obligations, each New Chargor (except for Bellis Acquisition Company 3 Limited) assigns by way of security absolutely (subject to the right to reassignment on redemption pursuant to Clause 18 (*Covenant to Release*) of the Security Agreement) with full title guarantee to the Security Agent all its present and future rights, title and interest in the Assigned Agreements to which it is a party and all Related Rights; and
- (b) until an Acceleration Event has occurred and is continuing, but subject to Clause 5.2 (*Assigned Agreements*) of the Security Agreement and the Debt Documents, each relevant New Chargor may continue to deal with the counterparties to the relevant Assigned Agreements and, for the avoidance of doubt, shall be entitled to receive the proceeds of any claim under the Assigned Agreements.

2.7 Real Property Security

- (a) Subject to paragraph (c) below and Clause 2.8 (*Property restricting charging*), each New Chargor (except for Bellis Acquisition Company 3 Limited) charges in favour of the Security Agent, by way of first legal mortgage, its Real Property in England and Wales vested in the New Chargor on the date hereof.
- (b) To the extent not effectively mortgaged under paragraph (a) above and subject to paragraph (c) below and Clause 2.8 (*Property restricting charging*), each New Chargor

(except for Bellis Acquisition Company 3 Limited) charges in favour of the Security Agent by way of first fixed charge, its Real Property in England and Wales on the date hereof.

- (c) Notwithstanding this Clause 2.7 and/or any other provision of the Security Agreement or this deed, the Real Property Security granted by each relevant New Chargor is subject to the terms of clause 27.12 (*Real estate conditions subsequent*) of the Senior Facilities Agreement (or any equivalent provision in any other Facilities Agreement).

2.8 Property restricting charging

For the avoidance of doubt, all and any Excluded Assets owned by each New Chargor or in which each New Chargor has any interest shall be excluded from the charge created by Clause 2.4 (*Specific Security*), Clause 2.5 (*Floating Charge*), Clause 2.6 (*Security Assignment*) and Clause 2.7 (*Real Property Security*) of this deed and from the operation of Clause 5 (*Further Assurance*) of this deed and Clause 6 **Error! Reference source not found.** (*Further Assurance*) of the Security Agreement.

2.9 Negative pledge

The Company will not permit any Restricted Subsidiary (for the avoidance of doubt, including each New Chargor) to directly or indirectly, create, incur or suffer to exist any Security on or over the whole or any part of its undertaking or assets (present or future), other than as permitted or not prohibited by the Debt Documents or to the extent Required Creditor Consent has been obtained.

2.10 Consent of existing Chargors

The Company (for itself and on behalf of each existing Chargor) agrees and consents to the terms of this deed and agrees that its execution will in no way prejudice or affect the Security granted by each of them under (and covenants given by each of them in) the Security Agreement.

2.11 Construction of Security Agreement

The Security Agreement and this deed shall be read together as one instrument on the basis that references in the Security Agreement to “this deed” or “this Security Agreement” will be deemed to include this deed, unless the context otherwise requires.

3. POWER OF ATTORNEY

Each relevant New Chargor, by way of security, on the date of this deed, irrevocably and severally appoints the Security Agent, each Receiver and any person nominated for the purpose by the Security Agent or any Receiver as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed at any time after the occurrence of an Acceleration Event which is continuing to execute, deliver and perfect a Legal Charge over any Real Property not already the subject of a legal mortgage pursuant to Clause 2.7 (*Real Property Security*) and execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which is expressly required to execute and do under the terms of the Security Agreement or this deed, and which it has not done within a reasonable period of time or which may be required to enable the exercise of any rights or powers conferred on the Security Agent or any Receiver under the Security Agreement or this deed or by law or otherwise for any of the purposes of the Security Agreement or this deed, and each New Chargor covenants with the Security Agent and each Receiver to ratify and confirm all such acts or things made, done or executed (or purported to be made, done or executed) by that attorney.

4. PROTECTION OF SECURITY

4.1 HM Land Registry

Each New Chargor (except for Bellis Acquisition Company 3 Limited) consents and agrees to an application being made to HM Land Registry to enter the following restriction in the Proprietorship Register of any registered land that is Real Property subject to the Security created by paragraph (a) of Clause 2.7 (*Real Property Security*):

“No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [●] referred to in the charges register or their conveyancer.”

4.2 Further advances

- (a) Subject to the terms of the Debt Documents each Lender is under an obligation to make further advances to the New Chargors (except for Bellis Acquisition Company 3 Limited) and that obligation will be deemed to be incorporated in this deed as if set out in this deed.
- (b) Each New Chargor (except for Bellis Acquisition Company 3 Limited) consents to an application being made to HM Land Registry to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Real Property Security.

5. FURTHER ASSURANCE

Subject to the Agreed Security Principles, each New Chargor shall promptly do whatever the Security Agent or any Receiver reasonably requires:

- (a) to perfect or protect all or any of the Security created or expressed to be created by or pursuant to this deed or the priority thereof; or
- (b) (following the occurrence of an Acceleration Event which is continuing) to facilitate the realisation of the Charged Property or the exercise of any rights vested in the Security Agent or any Receiver,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

6. EXERCISE OF POWERS

All or any of the powers conferred upon mortgagees by the Law of Property Act 1925 and the Insolvency Act 1986 (as the case may be) or otherwise at law, as varied or extended by this deed, and all or any of the rights and powers conferred by this deed on a Receiver (whether expressly or impliedly), may be exercised by the Security Agent without further notice to the relevant New Chargor at any time after an Acceleration Event has occurred and is continuing, irrespective of whether the Security Agent has taken possession or appointed a Receiver of the Charged Property.

7. DISAPPLICATION OF STATUTORY RESTRICTIONS

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the Law of Property Act 1925 shall not apply to the Security constituted

by this deed or to the exercise by the Security Agent of its right to consolidate all or any of the Security created by or pursuant to this deed with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Security Agent without notice to any Chargor on or at any time after occurrence of an Acceleration Event which is continuing.

8. NOTICES

Any communication to be made under or in connection with this deed shall be made in accordance with Clause 25 (*Notices*) of the Intercreditor Agreement.

9. ELECTRONIC SIGNATURES

Each Party understands and agrees that its electronic signature manifests its consent to be bound by all terms and conditions set forth in this deed.

10. GOVERNING LAW AND JURISDICTION

10.1 Governing Law

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

10.2 Jurisdiction

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

10.3 Convenient Forum

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

10.4 Exclusive Jurisdiction

This Clause 10 (*Governing Law and Jurisdiction*) is for the benefit of the Security Agent only. As a result and notwithstanding Clause 10.2 (*Jurisdiction*) and Clause 10.3 (*Convenient Forum*), it does not prevent the Security Agent from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

11. SERVICE OF PROCESS

11.1 Without prejudice to any other mode of service allowed under any relevant law:

- (a) Bellis Acquisition Company 3 Limited irrevocably appoints the Company as its agent for service of process in relation to any proceedings before the English courts in connection with this deed;
- (b) the Company, by execution of this deed, hereby accepts such appointment; and
- (c) Bellis Acquisition Company 3 Limited agrees that failure by the agent for service of process to notify Bellis Acquisition Company 3 Limited of the process will not invalidate the proceedings concerned.

- 11.2 If the Company is unable for any reason to act as agent for service of process, Bellis Acquisition Company 3 Limited must promptly (and in any event within ten Business Days of such event taking place) appoint another agent.

In Witness whereof this deed has been duly executed and delivered on the date first above written.

SCHEDULE 1

SHARES

Name of Chargor which holds the shares	Name of company issuing shares	Number and class of shares
Bellis Acquisition Company 3 Limited	ASDA Group Limited	Four ordinary shares of £0.25 each
ASDA Group Limited	ASDA Stores Limited	190,805,129 ordinary shares of £1.00 each 566,781,240 redeemable ordinary shares of £1.00 each

SIGNATORIES TO DEED OF ACCESSION

THE NEW CHARGORS

Executed as a Deed by
ASDA STORES LIMITED acting by



Name: Roger Burnley

Title: Director



Name: Robert McWilliam

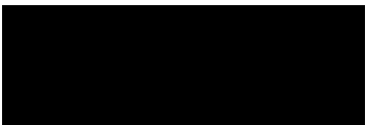
Title: Director

Executed as a Deed by
ASDA GROUP LIMITED acting by



Name: Roger Burnley

Title: Director



Name: Robert McWilliam

Title: Director

Executed as a deed by
BELLIS ACQUISITION COMPANY 3 LIMITED acting by

Name: Zuber Issa

Title: Director

Notice Details:

c/o TDR Capital LLP, 20 Bentinck Street, London W1U 2UP

E-mail: Blair.Thompson@tdrcapital.com

Attention: Blair Thompson; and

Waterside Head Office, Haslingden Road, Guide, Blackburn, Lancashire, BB1 2FA, United Kingdom

E-mail: imraan.patel@eurogarages.com

Attention: Imraan Patel

With a copy (which shall not constitute notice) to:

Latham & Watkins, 99 Bishopsgate, London EC2M 3XF, United Kingdom

Email: Francesco.Lione@lw.com and Dominic.Newcomb@lw.com

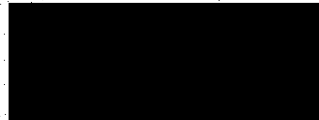
Attention: Francesco Lione and Dominic Newcomb

THE SECURITY AGENT

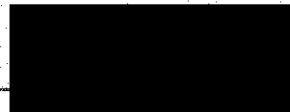
Executed as a DEED for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

by:



In the presence of:



NAME: *O. MATHER*

NAME: *J. MURPHY*

ADDRESS:

ADDRESS:

c/o Legal Department

c/o Legal Department

Winchester House

Winchester House

1 Great Winchester Street

1 Great Winchester Street

London

London

EC2N 2DB

EC2N 2DB

THE COMPANY

For and on behalf of

BELLIS ACQUISITION COMPANY PLC



Name: Zuber Issa

Title: Director