



Registration of a Charge

Company name: **ARROW XL LIMITED**

Company number: **04358875**

Received for Electronic Filing: **04/07/2020**



X98LG10W

Details of Charge

Date of creation: **03/07/2020**

Charge code: **0435 8875 0005**

Persons entitled: **HSBC BANK PLC**

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: 4358875

Charge code: 0435 8875 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd July 2020 and created by ARROW XL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th July 2020 .

Given at Companies House, Cardiff on 6th July 2020

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 3 JULY 2020

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

HSBC BANK PLC
AS SECURITY TRUSTEE

SUPPLEMENTAL SECURITY AGREEMENT

RELATING TO A FACILITY AGREEMENT DATED
14 DECEMBER 2012 (AS AMENDED AND
RESTATED ON 1 JULY 2014, 9 SEPTEMBER 2015, 12
OCTOBER 2016, 7 DECEMBER 2017, 13 NOVEMBER
2018, AND ON 3 JULY 2020 AND AS AMENDED ON
18 DECEMBER 2019 AND 1 APRIL 2020)

SUPPLEMENTAL TO A DEBENTURE DATED 14
DECEMBER 2012

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THIS SUPPLEMENTAL SECURITY AGREEMENT is made by way of deed on 3 July 2020

BY:

- (1) THE PERSONS listed in Schedule 1 (*The Chargors*) (each a "Chargor") in favour of
- (2) HSBC BANK PLC as trustee for each of the Secured Parties on the terms and conditions set out in the Amended Facilities Agreement (the "Security Trustee").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Supplemental Security Agreement:

"2018 Security Agreement" means the supplemental security agreement dated 13 November 2018 between the Chargors and the Security Trustee.

"2018 Supplemental Security" the Security created by or pursuant to the 2018 Security Agreement.

"2020 Amendment Agreement" means the amendment agreement dated on or about the date hereof between, amongst others, Logistics Group Limited as Company, Logistics Group Midco Limited as Intermediate Parent, HSBC Bank plc as Arranger, Agent, Security Trustee and the Lender.

"Amended Facilities Agreement" means the Original Facilities Agreement as amended and restated by the 2020 Amendment Agreement.

"Amended Secured Obligations" means the Secured Obligations as defined in the Original Security Agreement and including, for the avoidance of doubt, such obligations arising under the Finance Documents on and after the 2020 Effective Date.

"Excluded Drop & Collect Shares" means any shares in Drop & Collect Limited, a company registered in England and Wales with number 06593233 held by, to the order of, or on behalf of Yodel Delivery Network Limited (formerly known as Home Delivery Network Limited) at any time.

"Excluded HDNL Shares" means up to 5% of the entire issued share capital of Yodel Delivery Network Limited (formerly known as Home Delivery Network Limited) from time to time subject to the warrant instrument issued by the Company and Yodel Delivery Network Limited on 24 July 2012 in favour of Amazon EU S.à r.l..

"Fixed Security" means any mortgage, fixed charge or assignment expressed to be created by or pursuant to Clause 4 (*Supplemental Fixed Security*) of this Supplemental Security Agreement or clause 4 (*Fixed Security*) of the Original Security Agreement.

"Lender" means HSBC Bank plc.

"Original Facilities Agreement" means the facilities agreement dated 14 December 2012 between the Company, the Original Guarantors, the Agent, the Arranger, the Security Trustee and the Lender as amended and restated from time to time before the date of the 2020 Amendment Agreement.

"Original Security" means the Security created by or pursuant to the Original Security Agreement.

"Original Security Agreement" means the debenture dated 14 December 2012 between the Chargors and the Security Trustee.

"Shares" means any stocks, shares, debentures and other securities listed in Schedule 2 (*Shares*) and, for the avoidance of doubt, excluding the Excluded HDNL Shares and the Excluded Drop & Collect Shares.

1.2 Terms defined in other Finance Documents

Unless defined in this Supplemental Security Agreement, or the context otherwise requires, a term defined in the Original Security Agreement, the 2020 Amendment Agreement or the Amended Facilities Agreement has the same meaning in this Supplemental Security Agreement, or any notice given under or in connection with this Supplemental Security Agreement.

1.3 Construction

In this Supplemental Security Agreement:

- (a) the rules of interpretation contained in clauses 1.2 (*Construction*) and 1.3 (*Currency Symbols and Definitions*) of the Amended Facilities Agreement shall apply to the construction of this Supplemental Security Agreement, or in any notice given under or in connection with this Supplemental Security Agreement;
- (b) any reference to the "Security Trustee", the "Secured Parties", the "Finance Parties" or a "Chargor" shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Security Trustee, any person for the time being appointed as Security Trustee in accordance with the Original Facilities Agreement;
- (c) any reference to "including" and "include" shall mean including and include "without limitation" and any words following such terms shall be construed as illustrative and shall not limit the meaning or scope of the phrase or words preceding such terms; and
- (d) references in this Supplemental Security Agreement, to any Clause or Schedule shall be to a Clause or Schedule contained in this Supplemental Security Agreement.

1.4 Present and future assets

- (a) A reference in this Supplemental Security Agreement to any Mortgaged Property, Charged Asset or other asset includes, unless the contrary intention appears, present and future Mortgaged Property, Charged Assets and other assets.
- (b) The absence of or incomplete details of any Charged Assets in any Schedule shall not affect the validity or enforceability of any Security under this Supplemental Security Agreement.

1.5 Real Property

- (a) A reference in this Supplemental Security Agreement to any freehold, leasehold or commonhold property includes all buildings, fixtures and fittings from time to time on or forming part of that property and all Related Rights.
- (b) The terms of the Amended Facilities Agreement and each other Finance Document are incorporated into this Supplemental Security Agreement and each other Finance Document to the extent required for any purported disposition of any Real Property contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Separate Security

Clauses 4.1 (*Mortgage of Real Property*) to 4.12 (*Assignment of Parent Loan*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets defined in this Supplemental Security Agreement and the failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Supplemental Security Agreement or any act or omission by any party) over any one asset shall not affect the nature or validity of the mortgage, charge or assignment imposed on any other asset whether within that same class of assets or not.

1.7 Security Trustee assumes no obligation

The Security Trustee shall not be under any obligation in relation to the Charged Assets as a consequence of this Supplemental Security Agreement and each Chargor shall at all times remain liable to perform all obligations in respect of the Charged Assets.

2. CONFIRMATION OF EXISTING SECURITY

For the avoidance of doubt, each Chargor confirms for the benefit of the Secured Parties that with effect from the Effective Date, the Original Security and the 2018 Supplemental Security shall (a) remain in full force and effect notwithstanding the amendments referred to in clause 4 (*Restatement*) of the 2020 Amendment Agreement and (b) continue to secure its Amended Secured Obligations under the Finance Documents (including, but not limited to, under the Amended Facilities Agreement).

3. COMMON PROVISIONS

3.1 Common provisions as to all Security

All the Security created by or pursuant to this Supplemental Security Agreement is:

- (a) created with full title guarantee (subject only to the Original Security and the 2018 Supplemental Security);
- (b) created in favour of the Security Trustee as trustee for the Secured Parties and the Security Trustee shall hold the benefit of this Supplemental Security Agreement and the Security created by or pursuant to it on trust for the Secured Parties; and
- (c) continuing security for the payment and discharge of all the Amended Secured Obligations.

3.2 Supplemental Security

All the Security created by or pursuant to Clauses 4 (*Supplemental Fixed Security*) and 5 (*Supplemental Floating Charge*) is created in addition and without prejudice to the security confirmation contained in Clause 2 (*Confirmation of Existing Security*) and without prejudice but subject only to the Original Security and the 2018 Supplemental Security.

3.3 Consent for Fixed Security

Each Chargor creates each Fixed Security subject to obtaining any necessary consent to such Fixed Security from any relevant third party.

4. SUPPLEMENTAL FIXED SECURITY

4.1 Mortgage of Real Property

Each Chargor charges, by way of first legal mortgage, its Mortgaged Property.

4.2 Fixed charge over Real Property

Each Chargor charges (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 4.1 (*Mortgage of Real Property*)), by way of first fixed charge, all of its rights, title and interest from time to time in and to its Real Property and all Related Rights (for the avoidance of doubt, not including Related Rights in respect of Restricted Assets).

4.3 Fixed charge over Tangible Moveable Property

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to the Tangible Moveable Property (other than any Restricted Assets) and all Related Rights (for the avoidance of doubt, not including Related Rights in respect of Restricted Assets).

4.4 Fixed charge over Accounts

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Accounts and all Related Rights.

4.5 Fixed charge over contracts

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to any contract or agreement to which that Chargor is a party (other than any Restricted Assets) (including each of its interest or currency rate swap, cap, floor, collar or option transactions) and all Related Rights (for the avoidance of doubt, not including Related Rights in respect of Restricted Assets).

4.6 Fixed charge over Monetary Claims

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Monetary Claims (other than any Restricted Assets and claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Supplemental Security Agreement) and all Related Rights (to the extent not already charged under this Clause 4.6 and for the avoidance of doubt, not including Related Rights in respect of Restricted Assets).

4.7 Fixed charge over Investments

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Investments and all dividends, interest and other monies payable in respect of those Investments and all Related Rights (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise).

4.8 Fixed charge over Shares

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Shares 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).

4.9 Fixed charge over Intellectual Property

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Intellectual Property (other than any Restricted Assets) and all Related Rights (for the avoidance of doubt, not including Related Rights in respect of Restricted Assets).

4.10 Fixed charge over goodwill

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to any goodwill, rights and claims in relation to the uncalled capital of that Chargor.

4.11 Fixed charge over Parent Loan

Logistics Group Limited charges (to the extent not validly and effectively assigned pursuant to Clause 4.12 (*Assignment of Parent Loan*), by way of first fixed charge, all of its rights, title and interest from time to time in and to the Parent Loan and all Related Rights.

4.12 Assignment of Parent Loan

Logistics Group Limited assigns and agrees to assign absolutely, all of its rights, claims, title and interest from time to time in and to the Parent Loan and all Related Rights.

5. SUPPLEMENTAL FLOATING CHARGE

5.1 Floating charge

- (a) Each Chargor charges by way of first floating charge in favour of the Security Trustee all present and future assets and undertaking of that Chargor.
- (b) The floating charge created pursuant to paragraph (a) of Clause 5.1 above shall be deferred in point of priority to all Fixed Security validly and effectively created by that Chargor under the Finance Documents in favour of the Security Trustee as security for the Secured Obligations.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to paragraph (a) of Clause 5.1 above.

6. MISCELLANEOUS

6.1 Incorporation of provisions from the Amended Facilities Agreement

The provisions of clauses 1.4 (*Third party rights*), 9.3 (*Default interest*), 13 (*Tax gross up and Indemnities*), 15 (*Other Indemnities*), 15.4 (*Indemnity to the Security Trustee*), 17 (*Costs and Expenses*), 30 (*Set-off*), 32 (*Notices*), 33.1 (*Accounts*), 33.2 (*Certificates and determinations*), 34 (*Partial invalidity*) and 36 (*Amendments and waivers*) of the Amended Facilities Agreement are incorporated into this Supplemental Security Agreement as if expressly set out in full in this Supplemental Security Agreement, but so that references in those clauses to the Amended Facilities Agreement are references to this Supplemental Security Agreement.

6.2 Incorporation of provisions from the Original Security Agreement

The provisions of clauses 2 (*Covenant to Pay*), 5.2 (*Crystallisation: by notice*) (other than clause 5.2(b)), 5.3 (*Crystallisation: automatic*) (other than clause 5.3(b)), 6 (*Provisions as to Security and Perfection*), 7 (*Further Assurance*), 8 (*Shares and Investments*), 9 (*Accounts*), 10 (*Monetary Claims*), 11 (*Information and Access Undertaking*), 12 (*Enforcement of Security*), 13 (*Extension of Powers and Right of Appropriation*), 14 (*Appointment of Receiver or Administrator*), 15 (*Powers of Receivers*), 16 (*Application of Monies*), 17 (*Protection of Purchasers*), 19 (*Effectiveness of Security*), 20 (*Prior Security Interests*), 21 (*Subsequent Security Interests*), 22 (*Suspense Accounts*), 23 (*Release of Security*), 24 (*No Assignment or Transfers by Chargor*), 25 (*Discretion and Delegation*), and 27 (*Jurisdiction*) and

Schedules 2 and 3 of the Original Security Agreement are incorporated into this Supplemental Security Agreement as if set out in full in this Supplemental Security Agreement, but so that references in those clauses to:

- (a) the "Facilities Agreement" are references to the "Amended Facilities Agreement";
- (b) the "Secured Obligations" are references to the "Amended Secured Obligations";
- (c) "Charged Assets" are references to the assets of each Chargor charged in favour of, or assigned (whether at law or in equity) to the Security Trustee pursuant to this Supplemental Security Agreement; and
- (d) "this Debenture" are references to this Supplemental Security Agreement.

6.3 Original Security Agreement and 2018 Supplemental Security

Except insofar as supplemented by this Supplemental Security Agreement, the Original Security Agreement and the 2018 Supplemental Security shall remain in full force and effect.

6.4 No merger

For the avoidance of doubt, any mortgage, charge or assignment (whether at law or in equity) created by the Original Security Agreement and the 2018 Supplemental Security shall continue in full force and effect notwithstanding this Supplemental Security Agreement and shall not merge in any security constituted by this Supplemental Security Agreement or be released, extinguished or affected in any way by the security constituted by this Supplemental Security Agreement.

7. EXTENSION OF POWERS

The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Supplemental Security Agreement shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Amended Secured Obligations shall be deemed due and payable for that purpose) on the date of this Supplemental Security Agreement.

8. POWER OF ATTORNEY

8.1 Appointment and powers

Each Chargor by way of security irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, 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 for:

- (a) carrying out any obligation imposed on any Chargor by this Supplemental Security Agreement or any other agreement binding on such Chargor to which the Security Trustee is party (including the execution and delivery of any deeds,

charges, assignments or other security and any transfers of the Charged Assets and perfecting and/or releasing the Security created or intended to be created in respect of the Charged Assets); and

- (b) enabling the Security Trustee and any Receiver to exercise (subject to clause 8.5 (*Waiver of voting rights by Security Trustee*) of the Original Security Agreement), as such clause is incorporated pursuant to Clause 6.2 of this Supplemental Security Agreement), or delegate the exercise of, any of the Collateral Rights (including, after the occurrence of an Enforcement Event, the exercise of any right of a legal or beneficial owner of the Charged Assets).

8.2 Exercise of power

The power of attorney set out in Clause 8.1 (*Appointment and powers*) may only be exercised following:

- (a) the occurrence of an Enforcement Event;
- (b) a failure by a Chargor to comply with any provision of this Supplemental Security Agreement where:
 - (i) such failure is deemed material by the Security Trustee in its sole discretion; and
 - (ii) a reasonable period (to be not more than 5 Business Days) of notice of such failure has been given, if practicable, to such Chargor.

8.3 Ratification

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

9. GOVERNING LAW

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

THIS SUPPLEMENTAL SECURITY AGREEMENT has been signed by the Security Trustee and executed as a deed by each Chargor and is delivered by it on the date stated at the beginning of this Supplemental Security Agreement.

**SCHEDULE 1
THE CHARGORS**

Chargor	Jurisdiction
Logistics Group Limited, registration number 07950784	England and Wales
Arrow XL Limited, registration number 04358875	England and Wales
HDN (NI) Limited, registration number 05885956	England and Wales
Yodel Delivery Network Limited, registration number 05200072	England and Wales
Parcelpoint Limited, registration number 06763295	England and Wales

Notices, in each case, to:

2nd Floor, 14 St George Street
London W1S 1FE

Attn: Philip L Peters / Nicholas J Hopper

Fax: +44 (0) 20 7413 0917

with a copy to:

Weil Gotshal & Manges (London) LLP
110 Fetter Lane
London EC4A 1AY

Attn: Tom Richards

Fax: +44 (0)20 7903 0990

**SCHEDULE 2
THE SHARES**

Chargor	Name of Company	Description and Number of Shares Held
Logistics Group Limited	Arrow XL Limited	5,000,001 ordinary share of £1
Logistics Group Limited	Yodel Delivery Network Limited	825,000,000 ordinary shares of £1 (the Excluded HDNL Shares are held but not charged)
Yodel Delivery Network Limited	Parcelpoint Limited	55,100,000 ordinary shares of £1
Yodel Delivery Network Limited	HDN (NI) Limited	10,000,000 ordinary shares of £1

EXECUTION PAGES TO SUPPLEMENTAL SECURITY AGREEMENT

The Chargors

EXECUTED AS A DEED by LOGISTICS GROUP LIMITED

By: I. L. PIETERS

Name: _____

Title: Director

In the presence of:

Signature of witness: _____

Name: SUSAN D. KITCHEN

Occupation: Personal Assistant

Address: _____

EXECUTED AS A DEED by ARROW XL LIMITED

By: I. L. PIETERS

Name: _____

Title: Director

In the presence of:

Signature of witness: _____

Name: SUSAN D. KITCHEN

Occupation: Personal Assistant

Address: _____

EXECUTED AS A DEED by YODEL DELIVERY NETWORK LIMITED

By: P. L. PETERS

Name: [REDACTED]

Title: Director

In the presence of:

Signature of witness: [REDACTED]

Name: SUSAN D. KITCHEN

Occupation: Personal Assistant

Address: [REDACTED]

EXECUTED AS A DEED by PARCELPPOINT LIMITED

By: P. L. PETERS

Name: [REDACTED]

Title: Director

In the presence of:

Signature of witness: [REDACTED]

Name: SUSAN D. KITCHEN

Occupation: Personal Assistant

Address: [REDACTED]

EXECUTED AS A DEED by HDN (NI) LIMITED

By: P. L. DIETELS

Name: [REDACTED]

Title: Director

In the presence of:

Signature of witness: [REDACTED]

Name: SUSAN D. KITCHEN

Occupation: Personal Assistant

Address: [REDACTED]

The Security Trustee

For and on behalf of **HSBC BANK PLC**

By:



Name: John-Paul Way

Title: Managing Director, UK Banking