



Registration of a Charge

Company name: **EDDIE STOBART LOGISTICS PLC**

Company number: **08922456**



X658XOSH

Received for Electronic Filing: **27/04/2017**

Details of Charge

Date of creation: **25/04/2017**

Charge code: **0892 2456 0002**

Persons entitled: **THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND, 2
BURLINGTON PLAZA, BURLINGTON ROAD, DUBLIN 4, IRELAND AS
SECURITY AGENT (AS TRUSTEE FOR EACH OF THE SECURED PARTIES)**

Brief description:

Contains fixed charge(s).

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: 8922456

Charge code: 0892 2456 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th April 2017 and created by EDDIE STOBART LOGISTICS PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th April 2017 .

Given at Companies House, Cardiff on 28th April 2017

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

EXECUTION VERSION

DATED 25 April 2017

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND
AS SECURITY AGENT

SECURITY OVER SHARES AGREEMENT

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THIS AGREEMENT is made by way of deed on 25 April 2017

BY:

- (1) **THE PERSONS** listed in Schedule 1 (*The Chargors*) (each a "**Chargor**") in favour of
- (2) **THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND** as trustee for each of the Secured Parties on the terms and conditions set out in the Intercreditor Agreement (the "**Security Agent**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"**Acceleration Event**" means the giving of notice pursuant to clause 24.16 (*Acceleration*) of the Senior Facility Agreement.

"**Administration Event**" means:

- (a) the presentation of an application to the court for the making of an administration order in relation to any Chargor; or
- (b) the giving of written notice by any person (who is entitled to do so) of its intention to appoint an administrator of any Chargor or the filing of such a notice with the court.

"**Charged Portfolio**" means the Shares and all dividends, interest and other monies at any time payable in respect of the Shares and all other rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, Security, guarantees, indemnities, covenants for title, proceeds of sale and other monies and proceeds in respect of or derived from the Shares (whether by way of redemption, bonus, preference, option, substitution, conversion, compensation or otherwise) held by, to the order of, or on behalf of the Chargor at any time.

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

"**Intercreditor Agreement**" means the intercreditor agreement on or about the date of this Agreement between, amongst others, Eddie Stobart Logistics plc (formerly known as Greenwhitestar UK plc) as the Parent, Greenwhitestar Limited as the Company, The Governor and Company of the Bank of Ireland, BNP Paribas, London Branch, AIB Group (UK) plc, Allied Irish Banks Plc and KBC Bank NV as the Senior Arrangers and The Governor and Company of the Bank of Ireland as Senior Agent and Security Agent.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver and that term will include any appointee made under a joint or several appointment.

"Secured Obligations" means all present and future obligations and liabilities of each Chargor (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by that Chargor or by some other person) to the Security Agent (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to each of the Finance Documents including any liability in respect of any further advances made under the Finance Documents, except for any obligation or liability which, if it were included, would cause that obligation or liability or any of the Security in respect thereof, to be unlawful, prohibited or invalid by or under any applicable law.

"Security Period" means the period beginning on the date of this Agreement and ending on the date on which the Security Agent is satisfied that the Secured Obligations have been irrevocably and unconditionally discharged in full and no Secured Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to any Chargor or any other person under any of the Finance Documents.

"Senior Facility Agreement" means the senior facility agreement dated on or about the date of this Agreement between, amongst others, Eddie Stobart Logistics plc (formerly known as Greenwhitestar UK plc) as the Parent, Greenwhitestar Acquisitions Limited as the Company, the companies named therein as Obligor, The Governor and Company of the Bank of Ireland as Coordinator, The Governor and Company of the Bank of Ireland, BNP Paribas, London Branch, AIB Group (UK) plc, Allied Irish Banks Plc and KBC Bank NV as Mandated Lead Arrangers, The Governor and Company of the Bank of Ireland as the Agent and Security Agent (as defined therein) (as amended, supplemented, extended or restated from time to time).

"Shares" means any stocks, shares, debentures and other securities listed in Schedule 2 (*Shares*) and all of each Chargor's other present and future shares in the capital of any Material Company incorporated in England and Wales held by, to the order, or on behalf, of any Chargor at any time.

1.2 Terms defined in other Finance Documents

Unless defined in this Agreement, or the context otherwise requires, a term defined in the Senior Facility Agreement or in any other Finance Document has the same meaning in this Agreement, or any notice given under or in connection with this Agreement.

1.3 Construction

In this Agreement:

- (a) the rules of interpretation contained in clauses 1.2 (*Construction*) and 1.3 (*Currency Symbols and definitions*) of the Senior Facility Agreement shall apply to the construction of this Agreement, or in any notice given under or in connection with this Agreement;

- (b) any reference to the "**Security Agent**", 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 Agent, any person for the time being appointed as Security Agent in accordance with the Intercreditor Agreement; and
- (c) references in this Agreement to any Clause or Schedule shall be to a Clause or Schedule contained in this Agreement.

1.4 **Incorporation of provisions from Senior Facility Agreement**

Clauses 1.4 (*Third party rights*), 14 (*Tax gross up and indemnities*), 16 (*Other indemnities*), 34.1 (*Accounts*), 34.2 (*Certificates and determinations*) and 37 (*Amendments and waivers*) of the Senior Facility Agreement are deemed to form part of this Agreement as if expressly incorporated into it and as if all references in those clauses to the Senior Facility Agreement were references to this Agreement.

1.5 **Present and future assets**

- (a) A reference in this Agreement to any Shares or other asset includes, unless the contrary intention appears, present and future Shares and other assets.
- (b) The absence of or incomplete details of any Shares in Schedule 2 (*Shares*) shall not affect the validity or enforceability of any Security under this Agreement.

1.6 **Security Agent assumes no obligation**

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

2. **COVENANT TO PAY**

2.1 **Covenant to pay**

Each Chargor covenants with the Security Agent that it shall, on demand of the Security Agent pay, discharge and satisfy the Secured Obligations when they fall due and indemnify the Security Agent and each of the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Obligations in accordance with their respective terms.

2.2 **Default interest**

If any Chargor fails to pay any amount payable by it under this Agreement on its due date, interest shall accrue on the overdue amount (both before and after judgment) at the rate determined in accordance with and on the terms set out in clause 10.3 (*Default interest*) of the Senior Facility Agreement.

3. **CHARGE**

- (a) Each Chargor charges, with full title guarantee and by way of first fixed charge, in favour of the Security Agent as trustee for the Secured Parties, as continuing security for the payment and discharge of all of the Secured Obligations, all of its rights, title and interest from time to time in and to the Charged Portfolio.
- (b) Each Chargor acknowledges that the security interests granted in favour of the Security Agent pursuant to paragraph (a) above will take priority over any other security interest or lien that any Chargor may have over the Charged Portfolio (whether legal or equitable) and that any such security interest or lien in favour of the relevant Chargor will be subordinate in ranking to the charges created pursuant to paragraph (a) above.

4. **PROVISIONS AS TO SECURITY AND PERFECTION**

4.1 **Negative pledge and restriction on dealings**

Except as permitted under the Finance Documents, no Chargor shall at any time during the Security Period create or permit to subsist any Security over all or any part of the Charged Portfolio or dispose of or otherwise deal with any part of the Charged Portfolio.

4.2 **Implied covenants for title**

- (a) The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 3 (*Charge*).
- (b) It shall be implied in respect of Clause 3 (*Charge*) that each Chargor is disposing of the Charged Portfolio free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

4.3 **Deposit of share certificates**

Each Chargor shall:

- (a) as soon as reasonably practicable on or after the date of this Agreement, deposit with the Security Agent (or procure the deposit of) all certificates or other documents of title to the Shares and stock transfer forms in respect of such Shares (executed in blank by it or on its behalf); and
- (b) promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Charged Portfolio (or upon acquiring any interest therein), notify the Security Agent of that occurrence and deposit with the Security Agent (or procure the deposit of) (i) all certificates or other documents of title representing such items and (ii) such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf) in respect thereof as the Security Agent may request.

4.4 Further advances

Subject to the terms of the Senior Facility Agreement, each Lender is under an obligation to make further advances to each Chargor and that obligation will be deemed to be incorporated in this Agreement as if set out in this Agreement.

5. FURTHER ASSURANCE

5.1 Further assurance

- (a) The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 5.2 (*Necessary action*).
- (b) Subject to the Agreed Security Principles, each Chargor shall promptly, at its own cost, do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notarisations, registrations, notices 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):
 - (i) to create, perfect and/or protect the Security created or intended to be created in respect of the Charged Portfolio (which may include the execution by that Chargor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, the Charged Portfolio) or for the exercise of the Collateral Rights; and/or
 - (ii) following the occurrence of an Acceleration Event, to facilitate the realisation of the Charged Portfolio.

5.2 Necessary action

Subject to the Agreed Security Principles, each Chargor shall take all such action as is available to it (including making all filings and registrations and applying for relief against forfeiture) as may be necessary or as may reasonably be requested by the Security Agent 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 Agreement.

6. SHARES

6.1 Dividends prior to an Acceleration Event

Prior to the occurrence of an Acceleration Event, each Chargor shall be entitled to receive all dividends, interest and other monies or distributions of an income nature arising from the Charged Portfolio.

6.2 Dividends after an Acceleration Event

Upon the occurrence of an Acceleration Event, the Security Agent may, at its discretion, in the name of each relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor, apply all dividends, interest and other

monies arising from the Charged Portfolio as though they were the proceeds of sale in accordance with Clause 12 (*Application of Proceeds*).

6.3 Voting rights prior to Security Agent Notice

Prior to the giving of notice pursuant to Clause 6.4 (*Voting rights after Security Agent Notice*), each Chargor shall be entitled to exercise all voting rights in relation to the Charged Portfolio.

6.4 Voting rights after Security Agent Notice

Subject to Clause 6.5 (*Waiver of voting rights by Security Agent*), upon the occurrence of an Acceleration Event, the Security Agent may (but without having any obligation to do so) give notice to any relevant Chargor (with a copy to the Agent) that this Clause 6.4 will apply. With effect from the giving of that notice the Security Agent may, at its discretion, in the name of each relevant Chargor or otherwise and without any further consent or authority from that Chargor:

- (a) exercise (or refrain from exercising) any voting rights in respect of the Charged Portfolio;
- (b) transfer the Charged Portfolio into the name of the Security Agent or such nominee(s) of the Security Agent as it shall require; and
- (c) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Portfolio including the right, in relation to any company whose shares or other securities are included in the Charged Portfolio, to concur or participate in:
 - (i) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof);
 - (ii) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (iii) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in the manner and on the terms the Security Agent thinks fit, and the proceeds of any such action shall form part of the Charged Portfolio.

6.5 Waiver of voting rights by Security Agent

- (a) The Security Agent may, in its absolute discretion and without any consent or authority from the other Secured Parties or any relevant Chargor, at any time, by notice to any relevant Chargor (which notice shall be irrevocable), with a copy to the Agent, elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Charged Portfolio conferred or to be conferred on the Security Agent pursuant to Clause 6.4 (*Voting rights after Security Agent Notice*) and the other Secured Parties

unconditionally waive any rights they may otherwise have to require the Security Agent not to make such election or to require the Security Agent to indemnify, compensate or otherwise make good for any losses, costs or liabilities incurred by any of them in relation to or as a consequence of the Security Agent making such election.

- (b) Once a notice has been issued by the Security Agent under paragraph (a) above, on and from the date of such notice the Security Agent shall cease to have the rights to exercise or refrain from exercising voting rights and powers in respect of the Charged Portfolio conferred or to be conferred on it pursuant to Clause 6.4 (*Voting rights after Security Agent Notice*) or any other provision of this Agreement and all such rights will be exercisable by the relevant Chargor. Each relevant Chargor shall be entitled, on and from the date of such notice, to exercise all voting rights and powers in relation to the Charged Portfolio.

6.6 **Shares: Voting rights**

No Chargor shall exercise (and shall procure that any nominee acting on its behalf does not exercise) its voting rights in relation to the Charged Portfolio in any manner, or otherwise permit or agree to or concur or participate in any:

- (a) variation of the rights attaching to or conferred by all or any part of the Charged Portfolio;
- (b) increase in the issued share capital of any company whose shares are charged pursuant to this Agreement;
- (c) exercise, renunciation or assignment of any right to subscribe for any shares or securities; or
- (d) reconstruction, amalgamation, sale or other disposal of any company or any of the assets or undertaking of any company (including the exchange, conversion or reissue of any shares or securities as a consequence thereof) whose shares are charged pursuant to this Agreement,

which, adversely affects the validity or enforceability of the Security created pursuant to this Agreement or cause an Event of Default to occur **provided that** the proceeds of any such action shall form part of the Charged Portfolio, in each case, other than as permitted under the Finance Documents.

6.7 **Payment of calls**

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Shares, and in any case of default by it in such payment, the Security Agent may, if it thinks fit, make such payment on its behalf in which case any sums paid by the Security Agent shall be reimbursed by each relevant Chargor to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed in accordance with Clause 2.2 (*Default interest*).

6.8 Exercise of rights

No Chargor shall exercise any of its rights and powers in relation to any of the Charged Portfolio in any manner which would prejudice the value of, or the ability of the Security Agent to realise, the Security created pursuant to this Agreement other than where the exercise of such rights and powers is permitted under the Finance Documents.

7. PEOPLE WITH SIGNIFICANT CONTROL REGISTER REGIME

Each Chargor shall:

- (a) within the relevant timeframe specified in the notice, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006; and
- (b) promptly provide the Security Agent with a copy of that notice.

8. ENFORCEMENT OF SECURITY

8.1 Enforcement

Any time after the occurrence of:

- (a) an Acceleration Event;
- (b) an Administration Event;
- (c) a request from any Chargor to the Security Agent that it exercise any of its powers under this Agreement,

the Security created by or pursuant to this Agreement is immediately enforceable and the Security Agent may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- (i) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Portfolio (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration)); and
- (ii) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Agreement) on mortgagees and by this Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers.

9. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

9.1 Extension of powers

The power of sale or other disposal conferred on the Security Agent and on any Receiver by this 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 Secured Obligations shall be deemed due and payable for that purpose) on the date of this Agreement.

9.2 **Restrictions**

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement 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 Agreement 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 this Agreement has become enforceable in accordance with Clause 8 (*Enforcement of Security*).

9.3 **Right of appropriation**

To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended, (the "**Regulations**") apply to the Charged Portfolio, the Security Agent shall have the right to appropriate all or any part of that Charged Portfolio in or towards the payment or discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the relevant Chargor. For this purpose, the parties agree that the value of that Charged Portfolio shall be the market value of the Charged Portfolio determined by the Security Agent by reference to a public index or independent valuation, or by such other process as the Security Agent may select. The parties agree that the method of valuation provided for in this Agreement shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

9.4 **Statutory powers**

The powers conferred by this Agreement on the Security Agent are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law (as extended by this Agreement) and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Portfolio. In the case of any conflict between the statutory powers contained in any such Acts and those conferred by this Agreement, the terms of this Agreement shall prevail.

10. **APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

10.1 **Appointment and removal**

After the Security created by or pursuant to this Agreement has become enforceable in accordance with Clause 8.1 (*Enforcement*), the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent) without prior notice to any Chargor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Portfolio; or
- (b) appoint two or more Receivers of separate parts of the Charged Portfolio; or

- (c) remove (so far as it is lawfully able) any Receiver so appointed; or
- (d) appoint another person(s) as an additional or replacement Receiver(s).

10.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 10.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of each Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

10.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the Law of Property Act 1925 (as extended by this Agreement) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Portfolio.

11. POWERS OF RECEIVERS

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of any Chargor) have and be entitled to exercise, in relation to the Charged Portfolio (and any assets of any Chargor which would be part of the Charged Portfolio) in respect of which he was appointed, and as varied and extended by the provisions of this Agreement (in the name of or on behalf of any Chargor or in his own name and, in each case, at the cost of that Chargor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which any Chargor itself could do or omit to do; and

- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of any Chargor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Portfolio); or
 - (iii) bringing to his hands any assets of any Chargor forming part of, or which when got in would be, Charged Portfolio.

12. APPLICATION OF PROCEEDS

All monies received or recovered and any non-cash recoveries made or received by the Security Agent or any Receiver pursuant to this Agreement or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of his remuneration and of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Agent (notwithstanding any purported appropriation by any Chargor) in accordance with the terms of the Intercreditor Agreement.

13. PROTECTION OF PURCHASERS

13.1 Consideration

The receipt of the Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Portfolio or making any acquisition, the Security Agent or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

13.2 Protection of purchasers

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Agent or such Receiver in such dealings.

14. POWER OF ATTORNEY

14.1 Appointment and powers

Each Chargor by way of security irrevocably appoints the Security Agent 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 Agreement or any other agreement binding on such Chargor to which the Security Agent is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Portfolio and perfecting and/or releasing the Security created or intended to be created in respect of the Charged Portfolio); and
- (b) enabling the Security Agent and any Receiver to exercise (subject to Clause 6.5 (*Waiver of voting rights by Security Agent*)), or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Agreement or by law (including, after the occurrence of an Acceleration Event, the exercise of any right of a legal or beneficial owner of the Charged Portfolio),

if the Chargor has failed to perform an obligation under this Agreement and such failure has not been remedied within ten Business Days of the Security Agent requiring it to be so remedied or at any time following the occurrence of an Acceleration Event.

14.2 Ratification

Each 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.

15. EFFECTIVENESS OF SECURITY

15.1 Continuing security

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

15.2 Cumulative rights

The Security created by or pursuant to this Agreement, and the Collateral Rights, shall be cumulative, in addition to and independent of every other Security which the Security Agent or any Secured Party 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 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 Parties over the whole or any part of the Charged Portfolio shall merge into the Security constituted by this Agreement.

15.3 No prejudice

The Security created by or pursuant to this Agreement, and the Collateral Rights, shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties 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 that Security or any Collateral Right.

15.4 Remedies and waivers

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

15.5 No liability

None of the Security Agent, its nominee(s) or any Receiver shall be liable:

- (a) to account as a mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Agreement or any neglect or default in connection with the Charged Portfolio or taking possession of or realising all or any part of the Charged Portfolio,

except in the case of gross negligence or wilful default upon its part.

15.6 Partial invalidity

If, at any time, any provision of this Agreement 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 Agreement 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 intended to be created by or pursuant to this Agreement is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security.

15.7 Waiver of defences

The obligations assumed, and the Security created, by each Chargor under this Agreement, and the Collateral Rights, will not be affected by any act, omission, matter or thing which, but for this Clause 15.7, would reduce, release or prejudice any

of its obligations under, or the Security created by, this Agreement (without limitation and whether or not known to that Chargor or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) 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 Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, any Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or Security or of the Secured Obligations;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Obligations; and
- (g) any insolvency or similar proceedings.

15.8 Chargor intent

Without prejudice to the generality of Clause 15.7 (*Waiver of Defences*), each Chargor expressly confirms that it intends that the Security created under this Agreement, and the Collateral Rights, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

15.9 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any other person before claiming from that Chargor under this Agreement. This waiver applies irrespective of any law or any provision of this Agreement to the contrary.

15.10 Deferral of rights

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Agreement:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any guarantor of any Obligor's obligations under this Agreement;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under this Agreement or of any other guarantee or Security taken pursuant to, or in connection with, this Agreement by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Secured Parties to the extent necessary to enable all amounts which may be or become payable to any Secured Party by the Obligors under or in connection with this Agreement to be repaid in full and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 12 (*Application of Proceeds*).

16. PRIOR SECURITY INTERESTS

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any part of the Charged Portfolio or in case of exercise by the Security Agent or any Receiver of any power of sale under this Agreement, the Security Agent may redeem such prior Security or procure the transfer thereof to itself.
- (b) The Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on each Chargor.
- (c) All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Security Agent on demand together with accrued interest thereon calculated in accordance with Clause 2.2 (*Default interest*).

17. SUBSEQUENT SECURITY INTERESTS

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

18. SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Security Agent under this Agreement (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with any bank, building society, financial institution or other person which the Security Agent considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Agent's discretion, in or towards the discharge of any of the Secured Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

19. RELEASE OF SECURITY

19.1 Release of Security

Upon the expiry of the Security Period or in accordance with the Finance Documents, the Security Agent shall, at the request and cost of each Chargor, release and cancel the Security constituted by this Agreement and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Agent pursuant to this Agreement, in each case subject to Clause 19.2 (*Clawback*) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

19.2 Clawback

If the Security Agent reasonably considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Agreement and the Security constituted by that or those documents will continue and such amount will not be considered to have been irrevocably discharged.

20. SET-OFF

Each Chargor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the occurrence of an Acceleration Event, to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Agent to any Chargor and apply any credit balance to which that Chargor is entitled on any account with the Security Agent in

accordance with Clause 12 (*Application of Proceeds*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

21. ASSIGNMENT

21.1 No assignments or transfers by Chargor

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Agreement.

21.2 Assignments and transfers by the Security Agent

The Security Agent may assign and transfer all or any of its rights and obligations under this Agreement. The Security Agent shall be entitled to disclose such information concerning any Chargor and this Agreement as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

22. NOTICES

22.1 Communications in Writing

Each communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, shall be made by fax or letter.

22.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

- (a) in the case of a Chargor that identified with its name in Schedule 1 (*The Chargors*); and,
- (b) in the case of the Security Agent,

Address: [The Governor and Company of the Bank of Ireland
2 Burlington Plaza
Burlington Road
Dublin 4]

Fax: [+353 76 624 4655]

Attention: [John O'Dea]

or any substitute address, fax number, or department or officer as the Party may notify to the Agent pursuant to clause 33 (*Notices*) of the Senior Facility Agreement by not less than five Business Days' notice.

22.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

- (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 22.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified above (or any substitute department or officer as the Security Agent shall specify for this purpose).

22.4 English language

- (a) Any notice given under or in connection with this Agreement must be in English.
- (b) All other documents provided under or in connection with this Agreement must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23. DISCRETION AND DELEGATION

23.1 Discretion

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

23.2 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Agreement (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise, any

subsequent delegation or any revocation of such power, authority or discretion by the Security Agent or the Receiver itself.

24. **GOVERNING LAW**

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

25. **JURISDICTION**

25.1 **English Courts**

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

25.2 **Convenient Forum**

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

25.3 **Exclusive Jurisdiction**

This Clause 25 (*Jurisdiction*) is for the benefit of the Security Agent only. As a result and notwithstanding Clause 25.1 (*English Courts*), 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.

THIS AGREEMENT has been executed as, and is intended to take effect as, a deed by each Chargor and has been signed by the Security Agent on the date written on the first page of this Agreement.

**SCHEDULE 1
THE CHARGORS**

Name and Company Number of Chargor	Jurisdiction	Address, fax number and name of relevant department or officer to receive notice	
Eddie Stobart Logistics plc (formerly known as Greenwhitestar UK plc) 8922456	England and Wales	Address:	Stretton Green Distribution Park, Langford Way, Warrington, United Kingdom, WA4 4TQ
		Fax:	+44 207 4946381
		Attention:	Damien Harte, David Meir and Rupert Nichols
		Email:	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
Stobart Transport & Distribution Limited 05907280	England and Wales	Address:	Stretton Green Distribution Centre, Langford Way, Warrington, United Kingdom, WA4 4TQ
		Fax:	+44 207 4946381
		Attention:	Damien Harte, David Meir and Rupert Nichols
		Email:	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
Eddie Stobart Group Limited 03047957	England and Wales	Address:	Stretton Green Distribution Centre, Langford Way, Warrington, United Kingdom, WA4 4TQ
		Fax:	+44 207 4946381
		Attention:	Damien Harte, David Meir and Rupert Nichols
		Email:	[REDACTED] [REDACTED] [REDACTED] [REDACTED]

ESLL Group Limited
(formerly known as
Eddie Stobart Logistics
Limited)
57959

Guernsey

Address:

Old Bank Chambers, La Grande
Rue, St Martin's, Guernsey GY4
6RT

SCHEDULE 2 SHARES

Chargor	Name of Company	Issued Share Capital	Description and Number of Shares Held
Eddie Stobart Logistics plc (formerly known as Greenwhitestar UK plc)	Greenwhitestar Acquisitions Limited	£653,001 (653,001 ordinary shares of £1)	653,001 ordinary shares of £1
ESLL Group Limited (formerly known as Eddie Stobart Logistics Limited)	Stobart Transport & Distribution Limited	£100 (10,000 ordinary shares of £0.01)	10,000 ordinary shares of £0.01
Stobart Transport & Distribution Limited	Eddie Stobart Group Limited	£8,884,724 (8,884,724 ordinary shares of £1)	8,884,724 ordinary shares of £1
Eddie Stobart Group Limited	Eddie Stobart Limited	£1,000,000 (14,221,336 ordinary shares of £1)	14,221,336 ordinary shares of £1

EXECUTION PAGE

The Chargors

EXECUTED AS A DEED by
EDDIE STOBART LOGISTICS PLC
acting by a director
in the presence of:

)
)
)
)



Signature of witness:

Name (in BLOCK CAPITALS):

ADAM QUINCEY

Address:

Shearman & Sterling LLP
9 Appold Street
EC2A 2AP
London

EXECUTED AS A DEED by
ESLL GROUP LIMITED
acting by a director
in the presence of:

)
)
)
)



Signature of witness:



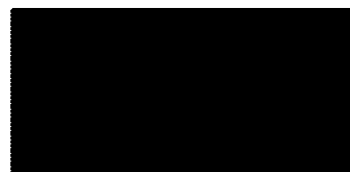
Name (in BLOCK CAPITALS):

ADAM QUINBY

Address:

Chearman & Sterling LLP
9 Appold Street
EC2A 2AP
London

EXECUTED AS A DEED by)
STOBART TRANSPORT & DISTRIBUTION)
LIMITED)
acting by a director)
in the presence of:)



Signature of witness:



Name (in BLOCK CAPITALS):

Adam Quigley

Address:

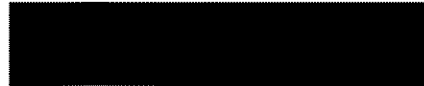
Shearman & Sterling LLP
9 Appold Street
EC2A 2AP
London

EXECUTED AS A DEED by
EDDIE STOBART GROUP LIMITED
acting by a director
in the presence of:

)
)
)
)



Signature of witness:



Name (in BLOCK CAPITALS):

ADAM QUIGLEY

Address:

Shearman & Sterling LLP
9 Appold Street
EC2A 2AP
London

The Security Agent

Signed by)
THE GOVERNOR AND COMPANY OF THE)
BANK OF IRELAND
for and on its behalf)
by its duly authorised)
Officer)

