



Registration of a Charge

Company Name: **NEXTGEN360 LIMITED**

Company Number: **08116148**



XCCUEM6J

Received for filing in Electronic Format on the: **25/09/2023**

Details of Charge

Date of creation: **15/09/2023**

Charge code: **0811 6148 0002**

Persons entitled: **STADA UK HOLDINGS LTD.**

Brief description: **INTELLECTUAL PROPERTY TRADE MARK CHARGES INCLUDE "EDGE", "EDGE E-LIQUID", "EDGE ELITE." FOR FURTHER DETAILS OF THE INTELLECTUAL PROPERTY TRADE MARK CHARGES PLEASE SEE THE DEFINITION OF "INTELLECTUAL PROPERTY" AND SCHEDULE 1 IN THE DEED.**

Contains floating 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: **BIRD AND BIRD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8116148

Charge code: 0811 6148 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th September 2023 and created by NEXTGEN360 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th September 2023 .

Given at Companies House, Cardiff on 26th September 2023

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED 15 September 2023

NEXTGEN360 LIMITED

and

STADA UK HOLDINGS LTD.

**CHARGE OVER INTELLECTUAL
PROPERTY**

**Bird & Bird LLP
12 New Fetter Lane
London EC4A 1JP**

**Tel: 020 7415 6000
www.twobirds.com
Ref: HMBH/JOH/STAU.A.1**

CONTENTS

CLAUSE

1.	Definitions and interpretation.....	1
2.	Covenant to pay	4
3.	Grant of security	4
4.	Liability of the Chargor.....	4
5.	Representations and warranties	5
6.	General covenants.....	6
7.	Powers of the Seller.....	7
8.	When security becomes enforceable.....	8
9.	Enforcement of security.....	9
10.	Receiver.....	10
11.	Powers of Receiver.....	11
12.	Delegation	13
13.	Application of proceeds	13
14.	Costs and indemnity	14
15.	Further assurance	15
16.	Power of attorney	15
17.	Release	16
18.	Assignment and transfer.....	16
19.	NO Set-off	16
20.	Amendments, waivers and consents.....	17
21.	Partial invalidity.....	17
22.	Counterparts	17
23.	Third party rights.....	18
24.	Further provisions	18
25.	Notices	19
26.	Governing law and jurisdiction	20

SCHEDULE

Schedule 1 Intellectual Property	21
--	----

THIS DEED dated ¹⁵
September 2023 is made between:

PARTIES

- (1) **NEXTGEN360 LIMITED** incorporated and registered in England and Wales with company number 08116148 whose registered office is at Units 5 - 6 Castle Hill Horsfield Way, Bredbury Park Industrial Estate, Stockport, Cheshire, England, SK6 2SU ("**Chargor**"); and
- (2) **STADA UK HOLDINGS LTD.** a private limited company incorporated in England and Wales under registration number 08637720 whose registered office address is at 200 Longwater Avenue, Reading, RG2 6GP ("**Seller**").

RECITALS

- (A) Pursuant to the terms and conditions of the SPA:
 - (a) the Seller has agreed to sell and the Purchaser has agreed to purchase the Shares; and
 - (b) the consideration for the sale of the Shares shall in part be Deferred Consideration payable by the Purchaser in accordance with the terms and conditions of the SPA.
- (B) Under this deed, the Chargor provides security to the Seller for the liabilities of the Purchaser in respect of Deferred Consideration payable in accordance with the terms and conditions of the SPA.

WHEREBY IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the SPA shall, unless otherwise defined in this deed, have the same meaning in this deed. In addition, the following definitions apply in this deed:

"Deferred Consideration" has the meaning given to it under the SPA.

"Delegate" means any person appointed by the Seller or any Receiver pursuant to clause 12 and any person appointed as attorney of the Seller or any Receiver or Delegate.

"Insolvency Event" means:

- (a) the Chargor stops or suspends payment of any of its debts or is unable to, or admits its inability to, pay its debts as they fall due;
- (b) the Chargor commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors with a view to rescheduling any of its indebtedness (because of actual or anticipated financial difficulties);
- (c) a moratorium is declared in respect of any indebtedness of the Chargor;

- (d) any action, proceedings, procedure or step is taken in relation to: (i) the suspension of payments, a moratorium in respect of any indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of the Chargor; (ii) or a composition, compromise, assignment or arrangement with any creditor of the Chargor; or (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor or any of its assets;
- (e) the value of the Chargor's assets is less than its liabilities (taking into account contingent and prospective liabilities); or
- (f) any event occurs in relation to the Chargor that is analogous to those set out in paragraphs (a) to (e) above in any jurisdiction.

"Intellectual Property" means all rights of the Chargor in respect of the trade marks specified in Schedule 1, in each case including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

"Purchaser" means Wilson George Group Limited a private limited company incorporated in England and Wales under registration number 13350744 whose registered office address is at Irwell Point Rechar Way, Swinton, Manchester, M27 8BW.

"Receiver" means a receiver, receiver and manager or administrative receiver appointed by the Seller under clause 10.

"Secured Assets" means all the assets, property and undertaking of the Chargor which are, or are expressed to be, subject to the Security created by, or pursuant to, this deed (and references to the Secured Assets shall include references to any part of them).

"Secured Liabilities" means all present and future obligations and liabilities of the Purchaser and the Chargor to the Seller, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Deferred Consideration or this deed (including, without limitation, those arising under clause 24), together with all interest (including, without limitation, default interest) accruing in respect of those obligations or liabilities.

"Security" means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

"Security Period" means the period starting on the date of this deed and ending on the date on which the Seller is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

"SPA" means the Share Purchase Agreement relating to the sale and purchase of the Shares and entered into between the Seller and the Purchaser on or around the date of this deed

"VAT" means value added tax or any equivalent tax chargeable in the UK or elsewhere.

1.2 Interpretation

In this deed:

- 1.2.1 clause, Schedule and paragraph headings shall not affect the interpretation of this deed;
- 1.2.2 a **person** includes an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to **writing** or **written** includes email;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 1.2.11 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and a reference to a paragraph is to a paragraph of the relevant Schedule;
- 1.2.12 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an **amendment** includes a novation, supplement or variation (and **amend** and **amended** shall be construed accordingly);
- 1.2.14 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration or resolution;

1.2.16 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and

1.2.17 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 **Clawback**

If the Seller considers that an amount paid by the Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.4 **Law of Property (Miscellaneous Provisions) Act 1989**

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of any agreement and of any side letters between any parties in relation to the Secured Liabilities are incorporated into this deed.

1.5 **Schedules**

The Schedules form part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedules.

2. **COVENANT TO PAY**

The Chargor shall, on demand, pay to the Seller and discharge the Secured Liabilities when they become due.

3. **GRANT OF SECURITY**

3.1 As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Seller by way of a first fixed charge all the Intellectual Property.

3.2 As a further continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Seller by way of first floating charge any asset referred to under Clause 3.1 which is not, for any reason, effectively charged by that clause by way of first fixed charge.

4. **LIABILITY OF THE CHARGOR**

4.1 **Liability not discharged**

The Chargor's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

4.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Seller that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;

4.1.2 the Seller renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any

compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or

- 4.1.3 any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Chargor.

4.2 **Immediate recourse**

The Chargor waives any right it may have to require the Seller to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Chargor.

5. **REPRESENTATIONS AND WARRANTIES**

5.1 **Times for making representations and warranties**

The Chargor makes the representations and warranties set out in this clause 5 to the Seller on the date of this deed and on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

5.2 **Status**

It is a limited company, duly incorporated and validly existing under the laws of England and Wales.

5.3 **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this deed.

5.4 **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by this deed do not and will not conflict with:

- 5.4.1 any law or regulation applicable to it;
- 5.4.2 its constitutional documents; or
- 5.4.3 any agreement or instrument binding upon it or any of its assets.

5.5 **Secured Assets**

- 5.5.1 It is the sole legal and beneficial owner of the Secured Assets and has good and valid title to, the Secured Assets.
- 5.5.2 The Secured Assets are free from any Security other than the Security created by this deed.
- 5.5.3 It is unaware of any infringement or likely infringement of any of the Secured Assets.
- 5.5.4 All Secured Assets are valid and subsisting and there are and have been no claims, challenges, disputes or proceedings, pending or threatened, in relation to the ownership, validity or use of any of the Secured Assets.

- 5.5.5 Exploitation of the Secured Assets will not infringe the rights of any third party.
- 5.5.6 There is no breach of any law or regulation which materially and adversely affects the Secured Assets.
- 5.5.7 There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever, that materially and adversely affect the Secured Assets.

5.6 **Avoidance of security**

No Security expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Chargor or otherwise.

5.7 **Enforceable security**

This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Chargor, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

6. **GENERAL COVENANTS**

6.1 The Chargor covenants with the Seller during Security Period to:

- 6.1.1 not at any time, except with the prior written consent of the Seller:
 - 6.1.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Assets;
 - 6.1.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets; or
 - 6.1.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party;
- 6.1.2 not do, or permit to be done, any act or thing, which will or could reasonably depreciate, jeopardise or otherwise prejudice the Security held by the Seller or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this Deed;
- 6.1.3 promptly provide to the Seller whatever information, documents or papers relating to the Secured Assets as the Seller may from time to time reasonably request;
- 6.1.4 promptly upon becoming aware of the same give the Seller notice in writing of any breach of:
 - 6.1.4.1 any representation or warranty set out in Clause 5; and
 - 6.1.4.2 any covenant set out in this Clause 6;
- 6.1.5 take all necessary action to perfect, safeguard and maintain present and future rights in, or relating to, the Secured Assets including, without limitation, by observing all covenants and stipulations relating to those

rights, and by paying all applicable renewal fees, licence fees and other outgoings and any amount required to be paid to any third party to protect its title to the Secured Assets;

- 6.1.6 duly register this deed in such register or registers or with such authorities as may be available for the purpose, whether in the UK or elsewhere, and in such name or names as may be required by the law of the place of registration, such of the foregoing as may be capable of such registration, provided that the Seller shall be responsible for the costs of first registering this deed at Companies House and the UK Intellectual Property Office following signing of this deed;
- 6.1.7 use its best endeavours to detect any infringement of the Secured Assets in the United Kingdom and other rights subject to this Security and if it becomes aware of any such infringement at once give to the Seller all information in its possession with regard to it and will, at the request of the Seller (acting reasonably), but at its own cost, commence and diligently prosecute, or will permit the Seller in the name and at the cost of the Seller to commence and diligently prosecute, all proceedings necessary to prevent such infringements or to recover damages in respect of them;
- 6.1.8 use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Seller informed of all matters relating to each such registration;
- 6.1.9 not permit any Intellectual Property to be abandoned, cancelled or to lapse;
- 6.1.10 at its own cost, prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Seller may reasonably require) in favour of the Seller as the Seller shall in its absolute discretion from time to time require over all or any part of the Secured Assets and give all notices, orders and directions which the Seller may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Secured Assets; and
- 6.1.11 the Chargor shall, unless the Seller agrees otherwise in writing, comply with the terms of any document, agreement or arrangement comprising the Secured Assets.

7. POWERS OF THE SELLER

7.1 Power to remedy

- 7.1.1 The Seller shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Chargor of any of its obligations contained in this deed.
- 7.1.2 The Chargor irrevocably authorises the Seller and its agents to do all things that are necessary or desirable for that purpose.
- 7.1.3 The Chargor shall reimburse the Seller, on a full indemnity basis, for any monies the Seller expends in remedying a breach by the Chargor of its obligations contained in this deed, and such monies shall carry interest in accordance with clause 14.1.

7.2 Exercise of rights

- 7.2.1 The rights of the Seller under clause 7.1 are without prejudice to any other rights of the Seller under this deed.
- 7.2.2 The exercise of any rights of the Seller under this deed shall not make the Seller liable to account as a mortgagee in possession.

7.3 Seller has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Seller in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

7.4 Conversion of currency

- 7.4.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Seller may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 7.4) from their existing currencies of denomination into any other currencies of denomination that the Seller may think fit.
- 7.4.2 Any such conversion shall be effected at Barclays Bank plc's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- 7.4.3 Each reference in this clause 7.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

7.5 Indulgence

The Seller may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with the Chargor) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this deed or to the liability of the Chargor for the Secured Liabilities.

8. WHEN SECURITY BECOMES ENFORCEABLE

8.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall become immediately enforceable if:

- 8.1.1 the Purchaser fails to comply with any obligation in respect of payment of the Deferred Consideration to the Seller;
- 8.1.2 any incorrect or misleading representation is made by the Chargor in, or in connection with, this deed;
- 8.1.3 there is a breach by the Chargor of any covenant contained in this deed; or
- 8.1.4 an Insolvency Event occurs in relation to the Chargor.

8.2 Discretion

After the security constituted by this deed has become enforceable, the Seller may, in its absolute discretion, 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 Secured Assets.

9. ENFORCEMENT OF SECURITY

9.1 General

9.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.

9.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 8.1.

9.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

9.2 Redemption of prior Security

9.2.1 At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Seller may:

9.2.1.1 redeem any prior Security over any Secured Asset;

9.2.1.2 procure the transfer of that Security to itself; and

9.2.1.3 settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Chargor).

9.2.2 The Chargor shall pay to the Seller immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this deed as part of the Secured Liabilities.

9.3 Protection of third parties

No purchaser, mortgagee or other person dealing with the Seller, any Receiver or any Delegate shall be concerned to enquire:

9.3.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

9.3.2 whether any power the Seller, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or

9.3.3 how any money paid to the Seller, any Receiver or any Delegate is to be applied.

9.4 Privileges

Each Receiver and the Seller is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

9.5 Exclusion of liability

Neither the Seller, nor any Receiver or Delegate, shall be liable to the Chargor or any other person:

- 9.5.1 (by reason of entering into possession of a Secured Asset, or for any other reason) to account as mortgagee in possession in respect of all or any of the Secured Assets;
- 9.5.2 for any loss on realisation, or for any act, default or omission for which a mortgagee in possession might be liable; or
- 9.5.3 for any expense, loss or liability:
 - 9.5.3.1 relating to the enforcement of, or any failure to enforce or delay in enforcing, any security constituted by or pursuant to this deed;
 - 9.5.3.2 relating to an exercise of rights, or by any failure to exercise or delay in exercising, rights under this deed; or
 - 9.5.3.3 arising in any other way in connection with this deed,

except that this does not exempt the Seller or any Receiver or Delegate from liability for losses caused by the gross negligence, fraud or wilful misconduct of the Seller or the relevant Receiver or Delegate.

9.6 Conclusive discharge to purchasers

The receipt of the Seller, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Seller, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it thinks fit.

10. RECEIVER

10.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Chargor, the Seller may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

10.2 Removal

The Seller may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

10.3 Remuneration

The Seller may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

10.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Seller under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

10.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Seller despite any prior appointment in respect of all or any part of the Secured Assets.

10.6 Agent of the Chargor

Any Receiver appointed by the Seller under this deed shall be the agent of the Chargor and the Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Seller.

11. POWERS OF RECEIVER

11.1 General

11.1.1 Any Receiver appointed by the Seller under this deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in clause 11.2 to clause 11.15.

11.1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.

11.1.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.

11.1.4 Any exercise by a Receiver of any of the powers given by clause 11 may be on behalf of the Chargor, the directors of the Chargor (in the case of the power contained in clause 11.10) or itself.

11.2 Employ personnel and advisers

11.2.1 A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit.

11.2.2 A Receiver may discharge any such person or any such person appointed by the Chargor.

11.3 **Make and revoke VAT options to tax**

A Receiver may make, exercise or revoke any VAT option to tax as it thinks fit.

11.4 **Remuneration**

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Seller may prescribe or agree with it.

11.5 **Manage or reconstruct the Chargor's business**

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Chargor.

11.6 **Dispose of Secured Assets**

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

11.7 **Valid receipts**

A Receiver may give a valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

11.8 **Make settlements**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of the Chargor or relating in any way to any Secured Asset.

11.9 **Legal action**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.

11.10 **Insure**

A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 14, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Chargor under this deed.

11.11 **Borrow**

A Receiver may, for whatever purpose it thinks fit, raise and borrow money either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Seller consents, terms under which that security ranks in priority to this deed).

11.12 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

11.13 Delegation

A Receiver may delegate its powers in accordance with this deed.

11.14 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising as, and do all those acts and things, an absolute beneficial owner could exercise or do, in the ownership and management of the Secured Assets or any part of the Secured Assets.

11.15 Incidental powers

A Receiver may do any other acts and things that it:

- 11.15.1 may consider desirable or necessary for realising any of the Secured Assets;
- 11.15.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or
- 11.15.3 lawfully may or can do as agent for the Chargor.

12. DELEGATION**12.1 Delegation**

The Seller or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 16.1).

12.2 Terms

The Seller and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

12.3 Liability

Neither the Seller nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability of any nature arising from any act, default, omission or misconduct on the part of any Delegate.

13. APPLICATION OF PROCEEDS**13.1 Order of application of proceeds**

All monies received or recovered by the Seller, a Receiver or a Delegate under this deed or in connection with the realisation or enforcement of all or part of the security constituted by this deed shall (subject to the claims of any person having prior rights

and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Seller's right to recover any shortfall from the Chargor):

- 13.1.1 in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Seller (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;
- 13.1.2 in or towards payment of the Secured Liabilities in any order and manner that the Seller determines; and
- 13.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

13.2 Appropriation

Neither the Seller, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

13.3 Suspense account

All monies received by the Seller, a Receiver or a Delegate under this deed:

- 13.3.1 may, at the discretion of the Seller, Receiver or Delegate, be credited to a suspense account;
- 13.3.2 shall bear interest, if any, at the rate agreed in writing between the Seller and the Chargor; and
- 13.3.3 may be held in that account for so long as the Seller, Receiver or Delegate thinks fit.

14. COSTS AND INDEMNITY

14.1 Costs

The Chargor shall, promptly on demand, pay to, or reimburse, the Seller and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) properly incurred by the Seller, any Receiver or any Delegate in connection with:

- 14.1.1 the Secured Assets;
- 14.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the security constituted by this deed or any of the Seller's, a Receiver's or a Delegate's rights under this deed;
- 14.1.3 any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) under or in connection with this deed;
- 14.1.4 any release of any security constituted by this deed; or
- 14.1.5 taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment) at the rate and in the manner specified in the SPA.

14.2 Indemnity

14.2.1 The Chargor shall, promptly on demand, indemnify the Seller, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or properly incurred by any of them arising out of or in connection with:

14.2.1.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets;

14.2.1.2 taking, holding, protecting, perfecting, preserving, releasing or enforcing (or attempting to do so) the security constituted by this deed; or

14.2.1.3 any default or delay by the Chargor in performing any of its obligations under this deed.

14.2.2 Any past or present employee or agent may enforce the terms of this clause 14.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

15. FURTHER ASSURANCE

15.1 Further assurance

The Chargor shall promptly, at its own expense, take whatever action the Seller or any Receiver may reasonably require for:

15.1.1 creating, perfecting or protecting the security created or intended to be created by this deed;

15.1.2 facilitating the realisation of any Secured Asset; or

15.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Seller or any Receiver in respect of any Secured Asset,

including, without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Seller or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Seller may consider necessary or desirable.

16. POWER OF ATTORNEY

16.1 Appointment of attorneys

By way of security, the Chargor irrevocably appoints the Seller, every Receiver and every Delegate separately to be the attorney of the Chargor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- 16.1.1 the Chargor is required to execute and do under this deed; or
- 16.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Seller, any Receiver or any Delegate.

16.2 Ratification of acts of attorneys

The Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 16.1.

17. RELEASE

- 17.1 Subject to clause 24.3, at the end of the Security Period, the Seller shall, at the request and cost of the Chargor, take whatever action is necessary to release the Secured Assets from the security constituted by this deed and reassign the Secured Assets to the Chargor if appropriate.

18. ASSIGNMENT AND TRANSFER

18.1 Assignment by Seller

- 18.1.1 At any time, without the consent of the Chargor, the Seller may assign any of its rights or transfer any of its rights and obligations under this deed to a member of the Seller Group provided that if such assignee ceases to be a member of the Seller Group, the Seller shall procure that such assignee assigns any rights or obligations assigned or transferred to it back to the Seller or to another member of the Seller Group.
- 18.1.2 The Seller may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Chargor, the Secured Assets and this deed that the Seller considers appropriate.

18.2 Assignment by Chargor

The Chargor may not assign any of its rights, or transfer any of its rights or obligations, under this deed or enter into any transaction which would result in any of those rights or obligations passing to another person.

19. NO SET-OFF

- 19.1.1 A party may not set off liabilities owed by it to the other party against liabilities owed to it by the other party.
- 19.1.2 All payments made by the Chargor to the Seller under this deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

20. AMENDMENTS, WAIVERS AND CONSENTS

20.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

20.2 Waivers and consents

20.2.1 A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any subsequent right or remedy. It only applies to the circumstances in relation to which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

20.2.2 A failure by the Seller to exercise, or delay by it in exercising any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Seller shall be effective unless it is in writing.

20.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

21. PARTIAL INVALIDITY

21.1 Partial invalidity

If, at any time, any provision of this deed is or becomes invalid, illegal or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

22. COUNTERPARTS

22.1 Counterparts

22.1.1 This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

22.1.2 Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by fax or email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.

- 22.1.3 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

23. THIRD PARTY RIGHTS

23.1 Third party rights

- 23.1.1 Except as expressly provided elsewhere in this deed, a person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed.
- 23.1.2 Notwithstanding any term of this deed, the consent of any person who is not a party to this deed is not required to rescind or vary this deed at any time.

24. FURTHER PROVISIONS

24.1 Independent security

The security constituted by this deed shall be in addition to, and independent of, any other security or guarantee that the Seller may hold for any of the Secured Liabilities at any time. No prior security held by the Seller over the whole or any part of the Secured Assets shall merge in the security created by this deed.

24.2 Continuing security

The security constituted by this deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Seller discharges this deed in writing.

24.3 Discharge conditional

Any release, discharge or settlement between the Chargor and the Seller shall be conditional on no payment or security received by the Seller in respect of the Secured Liabilities being avoided, reduced, set aside or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or for any other reason. Despite any such release, discharge or settlement:

- 24.3.1 the Seller or its nominee may retain this deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Seller deems necessary (acting reasonably) to provide the Seller with security against any such avoidance, reduction or order for refund; and
- 24.3.2 the Seller may recover the value or amount of such security or payment from the Chargor subsequently as if the release, discharge or settlement had not occurred.

24.4 Certificates

Any certification or determination by the Seller of any rate or amount under this deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

24.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.

25. NOTICES

25.1 Delivery

Any notice or other communication given to a party under or in connection with this deed shall be:

25.1.1 in writing;

25.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax; and

25.1.3 sent to:

25.1.3.1 the Chargor at:

Irwell Point

Rechar Way

Swinton

Manchester M27 8BW

Attention: Ben Wilson and Dieno George

[REDACTED]

25.1.3.2 the Seller at:

200 Longwater Avenue

Reading

RG2 6GP

Attention: Felix Vonberg and Stephen Neumer

[REDACTED]

or to any other address or email address as is notified in writing by one party to the other from time to time.

25.2 Receipt by Chargor

Any notice or other communication that the Seller gives to the Chargor shall be deemed to have been received:

25.2.1 if delivered by hand, at the time it is left at the relevant address;

25.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and

25.2.3 if sent by e-mail, when sent unless the sender has received notification that such e-mail has not been successfully delivered.

A notice or other communication given as described in clause 25.2.1 or clause 25.2.3 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

25.3 Receipt by Seller

Any notice or other communication given to the Seller shall be deemed to have been received only on actual receipt.

25.4 Service of proceedings

This clause 25 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

26. GOVERNING LAW AND JURISDICTION

26.1 Governing law

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.











26.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation. Nothing in this clause shall limit the right of the Seller to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

26.3 Other service

The Chargor irrevocably consents to any process in any legal action or proceedings under clause 26.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

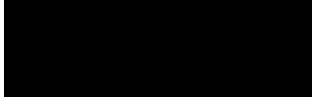
Schedule 1
Intellectual Property

Title	Image	Country	Official No.	Classes
EDGE		UK	UK00917987427	05, 34
EDGE (figurative)		UK	UK00003615710	05, 34
EDGE E- LIQUID (Device)		UK	UK00003160523	34
EDGE ELITE (figurative)		UK	UK00003703566	05, 34
EDGE GO (figurative)		UK	UK00003615703	34
EDGE HYBRID (figurative)		UK	UK00003615725	34
EDGE PRO (figurative)		UK	UK00003615693	34
E-LIQUID PRIMA (Figurative)		UK	UK00003163750	34
LiQuid (Figurative)		UK	UK00916404063	34
LiQuid (Figurative)		UK	UK00003066584	34
LiQuid MADE IN BRITAIN LOVED WORLDWIDE (figurative)		UK	UK00003615728	34

AS WITNESS the hands of the parties hereto or their duly authorised agents the day and year first above written.

Executed as a **DEED** by **NEXTGEN360 LIMITED**)
acting by Kathryn Heywood, a director, in the)
presence of:)


.....
Signature of Director

Signature of witness: 

Name of witness: Pawel Niewiarowski
.....

Address of witness: 

Occupation of witness: Vice President of Operations UK
.....

Executed as a **DEED** by **STADA UK HOLDINGS LTD.**)
acting by Nigel Stephenson, a director,)
in the presence of:)


.....
Signature of Director

Signature of witness: 

Name of witness: Pawel Niewiarowski
.....

Address of witness: 

Occupation of witness: Vice President of Operations UK
.....