



Registration of a Charge

Company Name: **STITCH & STORY LTD**

Company Number: **08474230**



XB6CZ46Q

Received for filing in Electronic Format on the: **17/06/2022**

Details of Charge

Date of creation: **08/06/2022**

Charge code: **0847 4230 0001**

Persons entitled: **CRONOS CONSULTING LIMITED**

Brief description: **NONE**

Contains floating charge(s) .

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: **HARRISON CLARK RICKERBYS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8474230

Charge code: 0847 4230 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th June 2022 and created by STITCH & STORY LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th June 2022 .

Given at Companies House, Cardiff on 20th June 2022

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



Companies House



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

Dated 8 June 2022

STITCH & STORY LTD

and

CRONOS CONSULTING LIMITED

DEBENTURE

BAT0263-0001

CONTENTS

Clause Heading	Page
1. Definitions and Interpretation	2
2. Covenant to Pay	4
3. Grant of Security	4
4. Crystallisation of Floating Charge	5
5. Perfection of Security	6
6. Further Assurance	6
7. Undertakings	6
8. Enforcement of Security	7
9. Powers of the Security Trustee	8
10. Appointment of Receiver	8
11. Powers of Receiver	9
12. Application of Moneys	10
13. Protection of Purchasers	11
14. Power of Attorney	11
15. Continuing Security	12
16. Set-Off and Currency	12
17. New Accounts	12
18. Expenses and Indemnity	13
19. Miscellaneous	13
20. Notices	14
21. Counterparts	14
22. Governing Law	14
23. Jurisdiction	14

HCB
MB THIS DEED is made on 8 June 2022 by
(1) ~~STITCH~~ ^{Slitch} & STORY LTD incorporated and registered in England and Wales with company number 08474230 whose registered office is at 133 Whitechapel High Street, Office 1.08, London E1 7QA (the Company).

in favour of

- (2) **CRONOS CONSULTING LIMITED** incorporated and registered in England and Wales with company number 05061157 whose registered office is at Flat 504 417 Wick Lane, Bow, London, E3 2JG (the **Security Trustee**).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Loan Note Instrument shall have the same meaning when used in this Deed and, in addition:

"Account Bank" means any bank or financial institution with whom the Company holds an account from time to time.

"Charged Property" means all the assets of the Company which from time to time are the subject of the security created or expressed to be created in favour of the Security Trustee by or pursuant to this Deed.

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

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Trustee.

"Event of Default" has the meaning given to it in the Loan Note Instrument.

"Finance Documents" means the Loan Note Documents, this Deed and any other document designated as such by the Security Trustee and the Company.

"Financial Collateral" shall have the same meaning as in the Financial Collateral Regulations.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003/3226).

"Loan Note Documents" means the Loan Note Instrument and the Loan Notes and any other documents entered into pursuant to any of them.

"Loan Note Instrument" means the loan note instrument constituting the Loan Notes.

"Loan Notes" means the £100,000 12% fixed rate secured loan notes 2022.

"Notice of Assignment" means a notice of assignment in substantially the form as may be agreed between the Security Trustee and the Company.

"Receiver" means a receiver or receiver and manager or administrative receiver appointed pursuant to the provisions of this Deed or any applicable law.

"Related Rights" means, in relation to any asset,

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any income, moneys and proceeds paid or payable in respect of that asset.

"Secured Obligations" means all present and future obligations and liabilities of the Company to the Secured Parties, 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 Finance Documents, together with all interest (including, without limitation, default interest) accruing in respect of those obligations or liabilities.

"Secured Parties" means the Noteholders, the Security Trustee, any Receiver and any Delegate.

"Security" means any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Financial Collateral Arrangement" shall have the same meaning as in the Financial Collateral Regulations.

"Security Period" means the period starting on the date of this Deed and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full to the satisfaction of the Security Trustee and no further Secured Obligations are capable of being outstanding.

1.2 Interpretation

In this Deed:

- (a) clause and schedule headings are for convenience of reference only and shall not affect the construction of this Deed;
- (b) references to Clauses and Schedules are references to the Clauses of and Schedules to this Deed;
- (c) references to this Deed or any other agreement or instrument shall be construed as references to that agreement or instrument as amended, novated, supplemented, extended or restated;
- (d) references to a person shall be construed to include that person's assigns, transferees or successors in title and shall be construed as including any individual, firm, trust, partnership, joint venture, company, corporation, unincorporated body of persons or any state or agency thereof, whether or not having separate legal personality;
- (e) references to a provision of law are references to that provision as amended or re-enacted;

- (f) words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- (g) the words "**including**" shall not be construed as limiting the generality of the words preceding it.

1.3 Third Party Rights

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce or enjoy the benefit of any term of this Deed.

1.4 Security Trust

- (a) The Security Trustee declares that he shall hold the Security constituted by this Deed on trust for the Secured Parties on the terms contained in this Deed.
- (b) Each of the parties to this Deed agrees that the Security Trustee shall have only those duties, obligations and responsibilities expressly specified in this Deed (and no others shall be implied).
- (c) The Security Trustee and every attorney, agent or other person appointed by him under or in connection with this Deed shall be entitled to be indemnified out of amounts received by the Security Trustee under this Deed against all liabilities and expenses properly incurred in the execution of any power, trust, authority or discretion in connection with this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted to be done in any way relating to this Deed.

1.5 Effect as a Deed

This Deed is intended to take effect as a deed, notwithstanding that the Security Trustee may have executed it under hand only.

2. COVENANT TO PAY

The Company covenants that it will, on demand, pay and discharge the Secured Obligations to the Security Trustee when due.

3. GRANT OF SECURITY

3.1 Floating Charge

The Company charges and agrees to charge by way of first floating charge all of its present and future stock in trade (wherever located).

3.2 Qualifying Floating Charge

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to any floating charge created by this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

3.3 Financial Collateral

To the extent that the Charged Property constitutes Financial Collateral, the Company agrees that such Charged Property shall be held or designated so as to be under the control of the Security Trustee (or by a person acting on its behalf) for the purposes of the Financial Collateral Regulations. To the extent that the Charged Property constitutes Financial Collateral and is subject to a Security Financial Collateral Arrangement created by or pursuant to this Deed, the Security Trustee shall have the right at any time after this Deed becomes enforceable, to appropriate all or any part of that Charged Property in or towards the payment or discharge of

the Secured Obligations. The value of any Charged Property appropriated in accordance with this Clause shall be (a) in the case of cash, the amount standing to the credit of any account, together with accrued but unposted interest, at the time the right of appropriation is exercised, and (b) in the case of Investments, the market price of that Charged Property at the time the right of appropriation is exercised, as listed on any recognised market index, or as determined by such other method as the Security Trustee may select (acting reasonably). The Company agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations.

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Conversion of Floating Charge

The Security Trustee may at any time by notice in writing to the Company immediately convert the floating charge created by Clause 3.1 (*Floating Charge*) into a fixed charge as regards any property or assets specified in the notice if:

- (a) an Event of Default has occurred and is continuing; or
- (b) the Security Trustee reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- (c) the Security Trustee reasonably considers that it is desirable in order to protect the priority of the security.

4.2 Automatic Conversion

- (a) If, without the prior written consent of the Security Trustee,
 - (i) the Company disposes of any of the Charged Property other than in the ordinary course of trading on an arm's length basis or as otherwise with the prior written consent of the Security Trustee; or
 - (ii) any steps are taken for any of the Charged Property to become subject to any Security in favour of any other person; or
 - (iii) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
 - (iv) a resolution is passed or an order is made for the winding-up, dissolution, or re-organisation of or any steps are taken for the appointment of an administrator in respect of the Company,

the floating charge created under Clause 3.1 (*Floating Charge*) by the Company will automatically be converted (without notice) with immediate effect into a fixed charge in respect of the relevant Charged Property.

- (b) At any time after the floating charge constituted under this Deed shall have crystallised as a fixed charge over all or part of the Charged Property pursuant to this Clause 4 but before the appointment of any Receiver pursuant hereto, the said fixed charge shall upon the written consent of the Security Trustee cease to attach to the assets then subject to the fixed charge and shall again subsist as a floating charge.
- (c) The floating charge created under this Deed shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Company.

5. PERFECTION OF SECURITY

5.1 Deposit of Title Documents

If requested by the Security Trustee, the Company shall deposit with the Security Trustee all deeds and documents of title relating to the Charged Property.

5.2 Notices of Assignment

The Company shall, promptly following request by the Security Trustee give notice in form and substance satisfaction to the Security Trustee to each Account Bank of the charging of the Company's rights and interest in its bank accounts and shall use reasonable endeavours to procure that each Account Bank will promptly provide an acknowledgement to the Security Trustee of such notice.

6. FURTHER ASSURANCE

- (a) The Company shall, at its own expense, promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonable specify (and in such form as the Security Trustee may reasonable require):
 - (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment, or other Security over all or any of the assets which are, or intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Security Trustee;
 - (ii) to confer on the Security Trustee Security over any property and assets of the Company located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or
 - (iii) to facilitate the realisation of the assets which are, or intended to be, the subject of this Deed.
- (b) The Company shall take all such action as is available to it (including makings all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee.

7. UNDERTAKINGS

The Company covenants and agrees with the Security Trustee that it will, during the Security Period, comply with the covenants in this Clause 7 (*Undertakings*).

7.1 General

- (a) Notification of default

The Company shall notify the Security Trustee of any Event of Default or event or circumstance which would, on the expiry of any grace period, the giving of notice, the making of any determination, satisfaction of any other condition or any combination thereof, constitute an Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

- (b) Authorisations

The Company shall promptly obtain all consents and authorisations necessary (and do all that is needed to maintain them in full force and effect) under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability and admissibility in evidence of this Deed in its jurisdiction of incorporation.

(c) Compliance with law

The Company shall comply in all respects with all laws to which it may be subject if failure to do so would materially impair its ability to perform its obligations under this Deed.

(d) Change of business

The Company shall not make any substantial change to the nature or scope of its business as carried out on the date of this Deed.

(e) Information

The Company shall supply to the Security Trustee:

- (i) all documents dispatched by the Company to its shareholders (or any class of them), or its creditors generally, at the same time as they are dispatched;
- (ii) details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Company as soon as it becomes aware of them and which might, if adversely determined, have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this Deed or any document evidencing the Secured Obligations; and
- (iii) promptly, any further information about the financial condition, business and operations of the Company as the Security Trustee may reasonably request.

8. ENFORCEMENT OF SECURITY

8.1 Enforcement

The security constituted by this Deed shall become immediately enforceable at any time after the occurrence of an Event of Default which has not been remedied or waived.

8.2 Powers on enforcement

At any time after the security created under this Deed becomes enforceable, the Security Trustee may, without notice to the Company and whether or not it has appointed a Receiver, exercise:

- (a) all or any of the powers, authorities and discretions conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Deed);
- (b) all of the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986; and
- (c) all or any of the powers conferred by this Deed.

8.3 No Liability as Mortgagee in Possession

Neither the Security Trustee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission for which a mortgagee in possession might otherwise be liable.

9. POWERS OF THE SECURITY TRUSTEE

9.1 Extension of Powers

The power of sale conferred on the Security Trustee and on any Receiver by this Deed 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 execution of this Deed.

9.2 Restrictions

Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed.

9.3 Power of Leasing

At any time after the security created by this Deed becomes enforceable, the Security Trustee may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

9.4 Discretion

Any liberty or power which may be exercised or any determination which may be made hereunder by the Security Trustee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

9.5 Delegation

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

9.6 Power to Remedy

If at any time the Company does not comply with any of its obligations under this Deed, the Security Trustee may (but shall not be obliged to) rectify such default and the Company irrevocably authorises the Security Trustee, its employees and agents, at the Company's expense, to do all such things as are necessary or desirable to rectify such default.

10. APPOINTMENT OF RECEIVER

10.1 Appointment and Removal

(a) At any time after the security created under this Deed becomes enforceable, or if requested to do so by the Company, the Security Trustee may (by deed or otherwise and acting through its authorised officer):

- (i) appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Property;
- (ii) remove (so far as it is lawfully able) any Receiver(s) so appointed;
- (iii) appoint another person(s) as an additional or replacement Receiver(s); and
- (iv) appoint one or more persons to be an administrator of that Company.

(b) Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by the Company under schedule A1 to the Insolvency Act 1986 nor the doing of anything by the Company with a view to obtaining such a moratorium (including any preliminary

decision or investigation) shall be, or be construed as:

- (i) an event under this Deed which causes any floating charge created by this Deed to crystallise;
- (ii) an event under this Deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by the Company; or
- (iii) a ground under this deed for the appointment of a Receiver.

10.2 Capacity of Receivers

Each Receiver shall be:

- (a) an agent of the Company which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration; and
- (b) entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925).

11. POWERS OF RECEIVER

11.1 General Powers

Every Receiver shall have all the powers:

- (a) conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act;
- (b) set out in Schedule 1 to the Insolvency Act 1986; and
- (c) conferred from time to time on receivers by statute.

11.2 Additional Powers

In addition to the powers referred to in Clause 11.1 (*General Powers*) a Receiver shall have the power, at the cost of the Company and either in his own name or in the name of the Company or (with the written approval of the Security Trustee) in the name of the Security Trustee:

- (a) to take possession of, collect and get in all or any part of the Charged Property;
- (b) to carry on, manage or concur in carrying on and managing all or any part of the business of the Company;
- (c) to borrow or raise money and secure the payment of any money in priority to the charges created by this Deed for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;
- (d) without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925, to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all or any part of the Charged Property in any manner and on such terms as he thinks fit and the consideration for any such transaction may consist of cash or of shares or securities of another company (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments; all moneys paid

to the holder of such Security in accordance with such accounts shall form part of the Secured Obligations;

- (e) to sever any fixtures (including trade and tenants fixtures) from the property of which they form part, without the consent of the Company;
- (f) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Property, including, without limitation, all voting and other rights attaching to the Investments;
- (g) to make and effect all repairs, renewals, improvements, and insurances;
- (h) to redeem any prior Security in respect of all or any of the Charged Property and to settle and pass the accounts of the holder of such prior Security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Company; all moneys paid to the holder of such Security in accordance with such accounts shall form part of the Secured Obligations;
- (i) to promote the formation of subsidiaries of the Company for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Company and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;
- (j) to take such proceedings and to make any arrangement or compromise which the Security Trustee or the Receiver may think fit;
- (k) to appoint managers, officers and agents at such salaries and for such periods as the Receiver may determine;
- (l) to exercise in relation to all or any part of the Charged Property all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property; and/or
- (m) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Property.

12. APPLICATION OF MONEYS

12.1 Application

- (a) All moneys received or recovered by the Security Trustee or any Receiver pursuant to this Deed shall (subject to the rights and claims of any person having security ranking in priority to the security constituted by this Deed) be applied in the following order:
 - (i) first, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Security Trustee or any Receiver and the payment of the remuneration of any Receiver;
 - (ii) second, in or towards payment of any debts or claims which are required by law to be paid in preference to the Secured Obligations, but only to the extent to which such debts or claims have such preference;

- (iii) third, in or towards payment of all matters referred to in the first three paragraphs of Section 109(8) of the Law of Property Act 1925 (other than the remuneration of the Receiver);
 - (iv) fourth, in or towards satisfaction of the Secured Obligations; and
 - (v) fifth, any surplus shall be paid to the Company or any other person entitled thereto.
- (b) Only money actually paid by the Receiver to the Security Trustee, or received or recovered by the Security Trustee under this Deed, shall be capable of being applied in or towards the satisfaction of the Secured Obligations and the Company shall have no rights in respect of the application by the Security Trustee of any sums received, recovered or realised by the Security Trustee under this Deed.

12.2 Suspense Account

Until all Secured Obligations have been irrevocably and unconditionally paid and discharged in full, the Security Trustee and any Receiver may place and keep for such time as it thinks prudent any moneys received, recovered or realised under or by virtue of this Deed in a separate or suspense account to the credit of either the Company or of the Security Trustee without any obligation to apply all or any part of such moneys in or towards the discharge of the Secured Obligations. Amounts standing to the credit of such suspense account shall bear interest at a fair market rate.

12.3 Avoidance of Payments

If the Security Trustee reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Company under this Deed and the security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid.

13. PROTECTION OF PURCHASERS

13.1 Receipts

The receipt of the Security Trustee or its delegate or any Receiver shall be conclusive discharge to a purchaser in any sale or disposal of any of the Charged Property.

13.2 Protection of Purchasers

No purchaser or other person dealing with the Security Trustee or its delegate or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any notice to the contrary, or be concerned to see whether any such delegation by the Security Trustee shall have lapsed for any reason or have been revoked.

14. POWER OF ATTORNEY

14.1 Appointment

The Company, by way of security and to more fully secure the performance of its obligations under this Deed, irrevocably appoints the Security Trustee, each person to whom the Security Trustee shall from time to time have delegated the exercise of the power of attorney conferred by this Clause and any Receiver jointly and severally to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be necessary for:

- (a) carrying out any obligation imposed on the Company by this Deed that the Company has failed to perform (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property); and
- (b) enabling the Security Trustee and any Receiver to exercise any of the powers conferred on them by or pursuant to this Deed or by law.

14.2 Ratification

The Company ratifies and confirms and agree to 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. CONTINUING SECURITY

15.1 Continuing Security

The security created by or pursuant to this Deed will be a continuing security for the Secured Obligations notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or other matter or thing whatsoever and will be without prejudice and in addition to and shall not merge with any other right, remedy or security which the Security Trustee may hold at any time for the Secured Obligations and will not be affected by any release, reassignment or discharge of such other right, remedy or security.

15.2 Settlements conditional

Any release, discharge or settlement between the Company and the Security Trustee shall be conditional upon no security, disposition or payment to the Security Trustee by the Company or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to bankruptcy or insolvency or for any other reason whatsoever, and if such condition shall not be fulfilled the Security Trustee shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

16. SET-OFF AND CURRENCY

16.1 Consolidation of accounts and set off

In addition to any general lien or similar rights to which it may be entitled by operation of law, the Security Trustee may at any time and without notice to the Company combine or consolidate all or any of the Company's then existing accounts with and liabilities to the Security Trustee and set off or transfer any sum or sums standing to the credit of any one of more of such accounts in or towards satisfaction of the Secured Obligations.

16.2 Currency

For the purpose of or pending the discharge of the Secured Obligations, the Security Trustee may, in its sole discretion, convert any moneys received, recovered or realised in any currency under this Deed (including the proceeds of any previous conversion under this Clause) from their existing currency into any other currency at such rate or rates of exchange and at such time as the Security Trustee thinks fit.

17. NEW ACCOUNTS

If the Security Trustee at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property it may open a new account or accounts with the Company. If the Security Trustee does not open a new account or accounts it shall nevertheless be treated as if it had done so as at the time when it received or was deemed

to have received such notice and as from such time all payments made to the Security Trustee shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount of the Secured Obligations.

18. EXPENSES AND INDEMNITY

18.1 Expenses

The Company shall, from time to time on demand of the Security Trustee, pay or reimburse the Security Trustee on a full indemnity basis for all costs and expenses (including legal fees) together with any VAT or similar taxes thereon incurred by it in connection with the preparation, execution, perfection, amendment, enforcement, discharge and/or assignment of this Deed. Such costs and expenses shall form part of the Secured Obligations.

18.2 Indemnity

The Company shall, notwithstanding any release or discharge of all or any part of the security constituted by this Deed, indemnify the Security Trustee, its agents, attorneys and any Receiver against any action, proceeding, claim, loss, liability and cost which it may sustain:

- (a) in the exercise (or purported exercise) of any of the rights, powers or discretions vested in them by this Deed (or by law); and/or
- (b) in connection with or otherwise relating to this Deed or the Charged Property.

19. MISCELLANEOUS

19.1 No Deduction

All payments to be made to the Security Trustee under this Deed shall be made in freely available funds and shall be made clear of and without deduction for or on account of tax. If the Company is required by law to make a tax deduction, the sum payable by the Company shall be increased to the extent necessary to ensure that, after the making of such deduction, the recipient of such sum receives and retains a net sum equal to the sum which it would have received and retained had no such deduction been made or required to be made.

19.2 Assignment and disclosure of information

The Security Trustee may assign and transfer all or any of its rights and obligations under this Deed. The Security Trustee shall be entitled to disclose such information concerning the Company and this Deed as the Security Trustee 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.

19.3 Perpetuity Period

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of one hundred and twenty five years from the date of this Deed.

19.4 Remedies and Waivers

No failure on the part of the Security Trustee to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver thereof, nor shall any single or partial exercise of any Collateral Right preclude any further or other exercise of that or any other Collateral Right.

19.5 No Liability

None of the Security Trustee, its delegate(s) nominee(s) or any Receiver shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in

connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

19.6 Partial Invalidity

If, at any time, any provision of this Deed 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 Deed 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 Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

19.7 Certificates

A certificate of the Security Trustee specifying any amount due from the Company shall, in the absence of manifest error, be prima facie evidence of such amount.

20. NOTICES

- (a) All notices under or in connection with this Deed shall be given in writing in English and may be made by letter.
- (b) The address (and the department or officer, if any, for whose attention the communication is to be made) of each party shall be its registered address from time to time and shall be marked for the attention of the directors, or any substitute address or department or officer as the parties may notify to each other by not less than five Business Days' notice.
- (c) Any notice to the Company will be effective when it has been left at the relevant address or two Business Days after being deposited in the post, postage prepaid, in an envelope correctly addressed to the addressee.
- (d) Any notice to the Security Trustee will be effective only when actually received by the Security Trustee.

21. COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.

22. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

23. JURISDICTION

23.1 English Courts

The courts of England have exclusive jurisdiction to settle any disputes (a "**Dispute**") arising out of, or connected with this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity).

23.2 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.

23.3 Exclusive Jurisdiction

This Clause 23 is for the benefit of the Security Trustee only. As a result and notwithstanding Clause 23.1 (*English Courts*), it does not prevent the Security Trustee from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Trustee may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been signed on behalf of the Security Trustee and **EXECUTED AS A DEED** by the Company and is delivered by them on the date first specified above.

COMPANY

Executed as a **DEED** by
STITCH & STORY LTD by **Jennifer Lam**, a
director, in the presence of:

DocuSigned by:
[Redacted Signature]
671D67ABE29F408...
Director

DocuSigned by:
[Redacted Signature]
632BD7318BB3484...

Witness signature
Kelvin Au

Witness name:.....
Witness address:.. [Redacted Address]

.....

SECURITY TRUSTEE

Executed as a **DEED** by **CRONOS**
CONSULTING LIMITED by **Christopher Bell**, a
director in the presence of:

DocuSigned by:
[Redacted Signature]
5063807CC08B466...
Director

DocuSigned by:
[Redacted Signature]
B22E053C011C427...

Witness signature
Robert A S McDermott

Witness name:.....
Witness address:.. [Redacted Address]

.....