



Registration of a Charge

Company Name: **BLOOMBOXCLUB LIMITED**

Company Number: **09791800**



Received for filing in Electronic Format on the: **05/05/2022**

XB3DKS2Z

Details of Charge

Date of creation: **22/04/2022**

Charge code: **0979 1800 0001**

Persons entitled: **CAY INNOVATIONS INC**

Brief description: **ALL RIGHTS, TITLE AND INTERESTS IN EACH AND EVERY PERSONAL PROPERTY REFERRED TO IN THE INSTRUMENT.**

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 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **JONATHAN MASUCCI**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9791800

Charge code: 0979 1800 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd April 2022 and created by BLOOMBOXCLUB LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th May 2022 .

Given at Companies House, Cardiff on 6th May 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**

GENERAL SECURITY AGREEMENT

THIS AGREEMENT is effective as of the 22nd day of April, 2022 (the “Effective Date”)

BETWEEN:

Debtor

Name: BLOOMBOXCLUB LIMITED
Address: 8TH Floor 4 More London Riverside, London, England
SE1 2AU
Attention: Lorne RAPKIN
Email: loirne@plantx.com

Secured Party

Name: CAY INNOVATIONS INC.
Address: Mahogany Corporate Center
Lyford Cay Bahamas
Attention: Constanza REMONDA
Email: cotyremonda@gmail.com

WHEREAS the Secured Party is acting as a Guarantor pursuant to a loan agreement (the “**Loan Agreement**”) dated as of the date hereof in the principal amount of \$2,000,000 and as may be further amended from time to time.

NOW THEREFORE in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby grant, covenant and agree as follows:

I. Grant of Security Interest

The Debtor hereby grants to the Secured Party a security interest, and grants, mortgages and charges as and by way of a fixed and specific mortgage and charge to and in favour of the Secured Party, in all of the Debtor's rights, title and interests in and to each and every personal property described or referred to in Section 2 below (collectively, the “**Collateral**”), all pursuant to and in accordance with the provisions of this Agreement.

2. **Description of Collateral**

Subject to any exception agreed upon in writing by the Debtor and the Secured Creditor, the Collateral includes all of the following personal property, and all of the leasehold interests and other property described in the following ;

- (a) all equipment now or hereafter owned by the Debtor and all interests, rights and benefits, accounts receivable both present and future, of the Debtor in or to equipment including, without limitation, office, warehouse and other furniture, machinery, tools, rolling stock, vehicles, accessories, spare parts, supplies and other tangible personal property;
- (b) all chattel paper now or hereafter owned or held by the Debtor and all interests, rights and benefits, both present and future, of the Debtor in, under or to chattel paper;
- (c) each and every document of title now or hereafter owned by the Debtor or of which the Debtor is or becomes a holder, whether negotiable or non-negotiable, including, without limitation, each and every warehouse receipt and bill of lading, and all interests, rights and benefits, both present and future, of the Debtor in, under or to each and every document of title;
- (d) each and every instrument now or hereafter owned by the Debtor or of which the Debtor is or becomes a holder, and all interests, rights and benefits, both present and future, of the Debtor in, under or to each and every instrument;
- (e) all investment property, security certificates and each and every security now or hereafter owned by the Debtor or of which the Debtor is or becomes a holder including, without limitation, all shares, stocks, warrants, bonds, debentures, debenture stock or the like issued by a corporation or other person, or a partnership, association or government, each and every option on futures, clearing house option, every financial asset and all interests, rights and benefits, both present and future, of the Debtor in, under or to each and every one of the foregoing;
- (f) all money of the Debtor and all money hereafter acquired by the Debtor and each and every account, debt, claim and demand of every nature and kind which is now due, owing or accruing due or which may hereafter become due, owing or accruing due to the Debtor, or which the Debtor now has or may hereafter have and all interests, rights and benefits, both present and future of the Debtor in or to each and every account, debt, claim and demand including, without limitation, claims against the Crown and claims under insurance policies;
- (g) all patents, industrial designs, trade-marks, trade secrets and know-how owned by the Debtor including without limitation, environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively, "**Intellectual Property**");
- (h) each and every intangible now or hereafter owned by the Debtor or of which the Debtor is or becomes a holder, and all interests, rights and benefits, both present and future, of the Debtor in, under or to each and every intangible;
- (i) with respect to the property described in each of subparagraphs 2.(a) to 2.(h) inclusive, all substitutions and replacements thereof, improvements, increases, additions and accessions thereto and all interests, rights and benefits, both present and future, of the Debtor in, under or to the same;

- (j) with respect to the property described in each of subparagraphs 2. (a) to 2.(i) inclusive, identifiable or traceable personal property in any form derived directly or indirectly from any dealing with such property or the proceeds therefrom and includes any payment representing indemnity or compensation for loss of or damage to such property or proceeds therefrom; and
- (k) with respect to the property described in each of subparagraphs 2.(a) to 2.(j) inclusive, all books, accounts, invoices, letters, deeds, contracts, security, securities, instruments, bills, notes, writings, papers, documents and records in any form evidencing or relating thereto, and all other rights and benefits to which the Debtor is now or may hereafter become entitled in respect thereof.

In this Agreement, the words "accessions", "account", "certificated security", "chattel paper", "clearing house option", "document of title", "equipment", "financial asset", "goods", "instrument", "intangible", "inventory", "investment property", "money", "motor vehicle", "option on futures", "personal property", "proceeds", "security", "security certificate", "security interest", and "uncertificated security". In this Agreement, each reference to "Collateral" shall, unless the context otherwise requires, include and be read as "Collateral or any part thereof".

All of the Collateral, insofar as the same is not intangible property, is now and will hereafter be kept at the address set out above.¹

3. **Secured Obligations**

The security interests, mortgages and charges granted hereby secure the performance and the payment to the Secured Party of all obligations, debts and liabilities (including, without limitation, on account of damages) of the Debtor to the Secured Party arising under the Loan Agreement (collectively, the "**Obligations**") and, in addition thereto, the reasonable costs and expenses, including reasonable legal, accounting, receiver and other similar reasonable fees and disbursements, incurred by the Secured Party in connection with its realization on the Collateral (collectively, the "**Expenses**").

4. **Attachment**

- (a) Each of the Debtor and the Secured Party acknowledges and confirms that the security interests, mortgages and charges granted hereby shall attach:
 - (i) forthwith upon the Effective Date with respect to each and every property included in the Collateral and in which the Debtor then has rights; and
 - (ii) forthwith upon the Debtor first acquiring rights in each and every property included in the Collateral and in which the Debtor first acquires such rights subsequent to the Effective Date.

For greater certainty, without in any way limiting the above, each of the Debtor and the Secured Party acknowledges and confirms that they have not agreed to postpone the time for attachment of the said security interests, mortgages and charges.

- (b) Notwithstanding the provisions of paragraph 4(a) above, it is acknowledged that the attachment of a security interest in investment property, security certificates or any component thereof or any other financial asset may not occur until such time as the parties have complied with the

provisions of this Agreement relating to attachment of a security interest to investment property, security certificates or any component thereof or any other financial asset.

- (c) The Debtor hereby agrees with the Secured Party that at any time while any of the Obligations remain outstanding and not satisfied in full by the Debtor, the Secured Party shall have the right to require the Debtor to execute any and all documents necessary or advisable to give effect to this Agreement, as determined by the Secured Party, acting reasonably.

(d) **Debtor's Warranties**

The Debtor hereby represents and warrants to and covenants with the Secured Party as follows and acknowledges that the Secured Party is, in part, relying upon such representations, warranties and covenants in accepting the security interests, mortgages and charges granted upon the terms of this Agreement:

- (e) **Title to Collateral:** The Debtor is the owner of the Collateral, which Collateral is and shall at all times be kept free and clear of any and all, mortgages, hypothecs, pledges, claims, adverse claims, demands, liens, charges, security interests, and other encumbrances of any kind whatsoever, or of any agreements, rights and equities creating in favour of any claimant or creditor a right relating to any particular Collateral that is in priority to the right of any ordinary creditors relating to that Collateral other than (i) those given by the Debtor to or in favour of the Secured Party, (ii) those consented to in writing by the Secured Party including without limitation any registrations set out in schedule A; and (iii) subordinate liens granted to secure financing arrangements involving the Debtor.²

5. **Debtor's Covenants**

The Debtor covenants and agrees with the Secured Party that:

- (a) **Obligations:** The Debtor shall pay, perform, satisfy, fulfil and discharge the Obligations when due.
- (b) **Possession/Description:** Forthwith upon request by the Secured Party after the occurrence of an Event of Default which is continuing, the Debtor shall deliver forthwith to the Secured Party such further details respecting the Collateral and, if the Collateral includes crops, or oil, gas or other minerals to be extracted, or timber to be cut, identification and legal description (in registerable form) of the lands concerned. Such further details and legal description so delivered shall be deemed to be contained in and form part of this Agreement.

6. **Events of Default**

Forthwith upon the occurrence of any of the following events (an "**Event of Default**"), the Obligations will, upon the Secured Party delivering written notice to the Debtor, become due and payable in full and, to the extent applicable, be required to be fully performed:

- (a) the failure of the Debtor to pay when due any payment of any of the Obligations which non-payment has not been cured within 15 Business Days (as such term is defined in the Loan Agreement) of written notice by the Secured Party to the Debtor of the same;

- (b) the Debtor taking any action or commencing any proceeding or any action or proceeding being taken or commenced by another person or persons against the Debtor relating to the reorganization, readjustment, compromise or settlement of the debts owed by the Debtor to its creditors where such reorganization, readjustment, compromise or settlement shall affect a substantial portion of the Debtor's assets, including without limitation, the filing of a notice of intention to make a proposal or the filing of a proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act*, or the commencement of any similar action or proceeding by the Debtor or such person or persons;
- (c) the Debtor committing any act of bankruptcy pursuant to or set out under the provisions of the *Bankruptcy and Insolvency Act*;
- (d) the filing of an application for a bankruptcy order against the Debtor pursuant to the provisions of the *Bankruptcy and Insolvency Act*; and
- (e) a receiver, interim receiver, receiver and manager, liquidator or other similar administrator being appointed in respect of the Collateral or any part thereof or the taking by a Secured Party, lien claimant, other encumbrancer, judgement creditor or a person asserting similar rights of possession of the Collateral or any part thereof.

7. **Rights and Remedies**

Forthwith upon the occurrence of an Event of Default only so long as such Event of Default is continuing, and after giving effect to any applicable cure period, the security interests, mortgages and charges granted herein shall be enforceable and the Debtor and the Secured Party shall have, in addition to any other rights and remedies provided by law, the rights and remedies of a debtor and a secured party respectively provided by this Agreement. In addition, the Secured Party may take possession of the Collateral and enforce any rights of the Debtor in respect of the Collateral by any method available in or permitted by law and may require the Debtor to assemble the Collateral and deliver or make the Collateral available to the Secured Party at any place within Metropolitan Vancouver¹ and surrounding area as may be designated by the Secured Party.

The Debtor authorizes the Secured Party to designate, in its sole discretion, any number of years as the registration period in any financing statement or financing change statement filed with respect to this Agreement or any other agreement delivered by the Debtor to the Secured Party ("**Designated Period**").

The Debtor acknowledges and confirms that:

- (a) all registration costs in connection with the filing of the aforesaid financing statements or financing change statements are and shall be reasonable and shall form part of the Expenses;
- (b) the designation of the number of years comprising the Designated Period shall not constitute an acknowledgement by or commitment or other obligation of the Secured Party to provide financial assistance (whether by loan, agreement or otherwise) to the Debtor at any time or from time to time during the Designated Period; and
- (c) the Secured Party shall be entitled to exercise all of its rights and remedies provided for in this Agreement forthwith upon the occurrence of an Event of Default, after giving effect to the applicable cure period, notwithstanding that such Event of Default may occur prior to the expiration of the Designated Period.

8. **Notice of Disposition**

Unless not required to do so by applicable law, the Secured Party shall give to the Debtor at least 15 days written notice of the Secured Party's intention to dispose of the Collateral. Such notice must be sent by registered mail to the last known post office address of the Debtor and by email at the address noted on page 1 of this Agreement

9. **Receiver - Appointment**

The Secured Party may take proceedings in any court of competent jurisdiction for the appointment of a receiver, interim receiver or a receiver and manager (the "receiver") of the Collateral or of any part thereof or may by instrument in writing appoint any person to be a receiver of the Collateral or of any part thereof and may remove any receiver so appointed by the Secured Party and appoint another in his stead.

10. **Receiver - Powers**

Any receiver appointed hereunder by instrument in writing shall have power (a) to take possession of the Collateral or any part thereof and, without liability or obligation to the Debtor, to maintain, preserve and protect the same; and (b) to dispose of the Collateral in whole or in part, and any such disposition may be by public sale (whether by auction, tender or otherwise), private sale, lease or otherwise, and at such time and place and on such terms and for such price and manner of payment thereof, all as such receiver may, in its sole discretion, determine; provided that any such receiver shall be and is deemed to be the agent of the Debtor and the Secured Party shall not in any way be responsible for any misconduct, negligence or nonfeasance of any such receiver.

11. **Proceeds of Disposition/Deficiency**

Any proceeds of any disposition of any of the Collateral shall be applied by the Secured Party firstly on account of the Expenses, and any balance of such proceeds shall be applied by the Secured Party on account of the Obligations (other than the Expenses) in such order of application as the Secured Party may from time to time effect and the same shall not be subject to dispute by the Debtor. If such proceeds fail to satisfy the Obligations, the Debtor shall be liable for the full amount of the deficiency resulting to the Secured Party.

12. **General Provisions**

- (a) Discharge: The Debtor shall not be discharged from the Obligations by any extension of time, additional advances, renewals, amendments or extensions to this Agreement, any waiver by or failure of the Secured Party to enforce any provision of this Agreement or any other agreement, the taking of further security, releasing security, extinguishment of the security interests, mortgages and charges as to all or any part of the Collateral, or any other act except a release or discharge by the Secured Party of the security interests, mortgages and charges granted hereby upon the full payment and performance of the Obligations, at which time the Secured Party shall, at the Debtor's expense, deliver to the Debtor all certificated security, uncertificated security and any other financial asset held by the Secured Party and all necessary discharges and releases of the security interests, mortgages and charges granted hereby.
- (b) Other Security:
 - (i) The security constituted by this Agreement is in addition to and not in substitution for any other security, guarantee or right from time to time held by the Secured Party;

- (ii) The Secured Party may realize upon or enforce all or part of any security, guarantee or right from time to time held by it in any order it desires and any realization by any means upon any security, guarantee or right shall not bar realization upon any other security, guarantee or right; and
- (iii) The taking of any action or proceeding or refraining from so doing or any other dealings with or in respect of any other security, guarantee or right from time to time held by the Secured Party shall not release or affect the security provided for in this Agreement and the taking of the security hereby granted or any proceedings hereunder for the realization of the security hereby granted shall not release or affect any other security, guarantee or right from time to time held by the Secured Party.
- (c) Waiver, etc.: No failure or delay on the part of the Secured Party to exercise any right provided for in or contemplated by this Agreement and no waiver as to an Event of Default hereunder shall operate as a waiver thereof unless made in writing and signed by the Secured Party and, in that event, such waiver shall operate only as a waiver of the right or Event of Default expressly referred to therein. Nothing in this Agreement and nothing referred to in the Obligations shall preclude any other remedy by action or otherwise for the enforcement of this Agreement or the payment and performance in full of the Obligations.
- (d) No Assignment: Neither party may assign its rights or benefits under this Agreement without the prior written consent of the other party.
- (e) Entire Agreement: This Agreement sets forth the entire intent and understanding of the parties relating to the subject matter hereof and supersedes and replaces all prior agreements and commitments, whether written or oral, made between the parties and all earlier discussions and negotiations between them. The parties are not relying upon and there are no collateral or other representations, warranties, agreements or covenants made by any of the parties hereto which are not contained herein.
- (f) Further Assurances: Each of the parties hereto shall and will, from time to time and at all times hereafter upon every reasonable written request so to do, make, do, execute and deliver, or cause to be made, done, executed and delivered, all such further papers, acts, deeds, assurances and things as may be necessary or desirable in the opinion of any party or counsel for any party, acting reasonably, for implementing and carrying out more effectually the true intent and meaning of this Agreement including, without limitation, to cause attachment of or to perfect or better perfect the security interests, mortgages and charges of the Secured Party in the Collateral or any part thereof.
- (g) Severability: In the event that any covenant or provision contained in this Agreement is held to be invalid, illegal or unenforceable in whole or in part, the validity, legality and enforceability of the remaining covenants and provisions shall not be affected or impaired thereby and all such remaining covenants and provisions shall continue in full force and effect. All covenants and provisions hereof are declared to be separate and distinct covenants or provisions, as the case may be.
- (h) Headings: All headings and titles in this Agreement are for convenience of reference only and shall not affect the interpretation of the terms hereof.
- (i) Gender, etc.: In construing this Agreement, all words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require, and the verb agreeing therewith shall be construed as agreeing with the required

word and pronoun. Words such as "hereunder", "hereto", "hereof", "herein" and other words commencing with "here" shall, unless the context clearly indicates the contrary, refer to the whole of this Agreement and not to any particular paragraph or part thereof.

- (j) **Binding Effect:** All rights of the Secured Party hereunder shall enure to the benefit of its successors and permitted assigns and all obligations of the Debtor hereunder shall bind the Debtor, legal personal representatives and permitted assigns. Each reference to the Secured Party in this Agreement shall be deemed to include a reference to the Secured Party, its successors and permitted assigns and each reference to the Debtor in this Agreement shall be deemed to include a reference to the Debtor, legal personal representatives and permitted assigns.
- (k) **Governing Law:** This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in force in the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. Each party irrevocably submits to the exclusive jurisdiction of the courts of Ontario with respect to any matter arising hereunder or related hereto.
- (l) **Notice:** Any demand, notice, request, consent, approval or other communication required or permitted to be made or given by any party hereto to any other party hereto in connection with this Agreement shall be in writing and shall be made or given by personal delivery to such party and by transmittal by electronic means of communication or, if postal services and deliveries are then operating, by mailing the same by prepaid registered post to such party at its address noted on page 1 of this Agreement together with transmittal by electronic means to the address noted on page 1 of this Agreement, and/or at such other address which the party to whom such communication is being given may have designated by notice given in accordance with the provisions of this paragraph. Any communication so delivered or transmitted by electronic means of communication shall be deemed to have been given and received on the day of delivery or transmittal, if a business day, or if not a business day, on the business day next following the day of delivery or transmittal, and any communication so mailed shall be deemed to have been given and received on the fourth business day following and exclusive of the date of mailing. In this paragraph, "business day" means any day except a Saturday, Sunday or statutory holiday in the Province of Ontario or British Columbia. Either party may give notice in writing to the other in the manner provided in this paragraph of any change of email address or address of the party giving such notice, and from and after the giving of such notice, the email address or address therein specified shall be deemed to be the email address or address of such party for purposes of this paragraph.
- (m) **Failure to Perfect:** The Secured Party shall not be liable or accountable for any negligence or failure to perfect its security interests, mortgages and charges granted herein, seize, collect, realize, sell or obtain payment for the Collateral or any part thereof and shall not be bound to institute proceedings for the purpose of seizing, collecting, realizing or obtaining possession or payment of the same for the purpose of preserving the rights of the Debtor or any other person, firm or corporation in respect of same.
- (n) **No Amendment:** This Agreement may not be amended, altered or qualified except by a memorandum in writing signed by all of the parties hereto and any amendment, alteration or qualification hereof shall be null and void and shall not be binding upon any party who has not signed such memorandum.
- (o) **Power of Attorney:** The Secured Party, or any receiver appointed hereunder is hereby irrevocably constituted as the duly appointed lawful attorney of the Debtor with full power to

make, do, execute and deliver all such documents, assignments, acts, matters or things on behalf of the Debtor with the right to use the name of the Debtor whenever and wherever it may be deemed necessary or expedient in all cases after an Event of Default and only so long as such Event of Default is continuing and after giving effect to the applicable cure period. The power of attorney hereby granted is a power coupled with an interest and shall survive the dissolution, liquidation, winding-up or other termination of existence of the Debtor. The Debtor agrees to and does hereby ratify all acts done and all documents executed and delivered by the Secured Party pursuant to the power of attorney hereby granted and the Debtor hereby confirms that the Secured Party and all third parties are entitled to rely upon such ratification.

- (p) **Time of Essence:** Time shall be strictly of the essence of this Agreement and of every part thereof and no extension or variation of this Agreement shall operate as a waiver of this provision.
- (q) **Counterparts:** Each of the undersigned acknowledges that: (i) this document may be executed in counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same document; and (ii) executed counterparts of this document that are delivered in PDF form shall be accepted as originals.
- (r) **Debtor's Receipt:** The Debtor hereby acknowledges receipt of a fully signed copy of this Agreement.
- (s) **Independent Legal Advice.** The Debtor acknowledges having received all legal, accounting, tax and business advice in connection with the entering into of this Agreement and the related loan from independent legal counsel and independent professional advisors, and it has not relied upon the Secured Party or its legal counsel for such advice.
- (t) **Waiver of Financing Statement.** The Debtor hereby waves its right to receive a copy of any financing statements or financing change statements registered against it.

<<signature page follows>>

IN WITNESS WHEREOF the Debtor and the Secured Party have executed this Agreement and agree to be bound thereby as of the Effective Date set out above.

BLOOMBOXCLUB LIMITED



Name: Lorne RAPKIN

Title: Director

I have the authority to bind the corporation

CAY INNOVATIONS INC.

Per:



Name: Constanza REMONDA

Title: President

I have the authority to bind the corporation.