



Registration of a Charge

Company Name: **LOC8ME LIMITED**

Company Number: **11089628**



XB1WASY

Received for filing in Electronic Format on the: **14/04/2022**

Details of Charge

Date of creation: **24/03/2022**

Charge code: **1108 9628 0001**

Persons entitled: **P A SMITH & D M SMITH**

Brief description: **ASSETS OF THE BUSINESS**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **RAFFAELE RUSSO**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11089628

Charge code: 1108 9628 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th March 2022 and created by LOC8ME LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th April 2022 .

Given at Companies House, Cardiff on 22nd April 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 24 March 2022

Loc8me Limited

and

Peter Arthur Smith and Deborah Michele Smith

and

Billfreehomes Limited

DEBENTURE

THIS DEBENTURE is made as a deed on **24 March** 2022

PARTIES

- (1) **Loc8me Limited**, incorporated and registered in England and Wales with company number 11089628, whose registered office is at 6 Forest Road, Loughborough, England, LE11 3NP (the **Buyer**) and
- (2) **Peter Arthur Smith** and **Deborah Michele Smith** both of Washington House, The Green, Washington, Tyne and Wear, NE38 7AD (together the **Seller**);
- (3) **Billfreehomes Limited** incorporated and registered in England and Wales with company number 05013386 whose registered office is at 6 Forest Road, Loughborough, England, LE11 3NP ("**Company**")

(each of the Seller, the Company and the Buyer being a **Party** and together the Seller, the Company and the Buyer are the **Parties**).

RECITALS:

- (A) The Buyer and the Company have agreed to enter into this Deed to provide the Seller with the security in relation to the obligations and/or liabilities undertaken by the Buyer in the SPA which remain to be performed;
- (B) The Company has agreed to enter into this Deed as a party to it and for the Company to provide the security to the Seller as described herein.

THE PARTIES AGREE:

1 Definitions and interpretation

- 1.1 Words and expressions defined in the SPA will have the same meanings in this Deed unless they are expressly defined in this Deed.
- 1.2 In this Deed, unless otherwise provided:

Business means the business undertaken by the Company and all subsidiary companies thereto (as defined in the SPA) both now and in the future, including by any successor legal entity to the extent that the Company and/or its subsidiaries is acquired directly or indirectly or any of the Business is transferred by way of an asset sale;

Charged Assets means all the business and assets of the Company and subsidiaries (but not including any assets which are on hire, leased or rented and which title is or remains with the third party owner and not including any of the Buyer including of its shares) present or future for the time being subject to the security interests created by this Deed (being those listed in Schedules 1 and 2);

Default Rate means the lower of 4% per annum above National Westminster Bank PLC base rate from time to time in force save that if the base rate of National Westminster Bank Plc be less than 0% at any time, the Default Rate shall be 4% or that stated in the SPA and for the avoidance of doubt, a claim to the Default Rate in this Deed shall not be made in addition to any late payment interest claim under the SPA;

Encumbrance means any mortgage, charge, pledge, lien or other security interest of any kind, and any right of set off, assignment, trust, flawed asset or other agreement or arrangement whatsoever for the purpose of providing security or having similar effect to the provision of security, other than liens arising by operation of law in the ordinary course of the Buyer's business or under the Companies Act 2006 in respect of shares in the Company;

Event of Default means the failure of the Buyer to fulfil and/or perform any of its payment obligations in respect of the Deferred Consideration owed to the Seller under and in accordance with and subject to the provisions of the SPA and an Event of

Default shall not arise where the cause of that is any breach by the Seller of the SPA;

Insurance means each contract or policy of insurance to which the Business is a party or in which it has an interest;

Intellectual Property means in respect of the Business, copyright, patents, know-how, trade secrets, trade marks, trade names, the right to sue in passing off, design right, get-up, database right, customer lists, chip topography rights, mask works, utility models, domain names and all similar rights and, in each case: (i) whether registered or not, (ii) including any applications to protect or register such rights, (iii) including all renewals and extensions of such rights or applications, (iv) whether vested, contingent or future, (v) to which the Business is or may be entitled and (vi) wherever existing and the benefit of any agreement or any licence for the use of any such right;

Land means any right or interest in or over land in respect of the Charged Assets wherever situated, including without limitation any buildings and fixtures on land, and the benefit of any covenants or rights owed to any person or enforceable by such person by virtue of the ownership, possession or occupation of land and/or all freehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Buyer or in which the Buyer holds an interest (including (but not limited to) the properties briefly described in Schedule 1)

Receiver means a receiver appointed pursuant to this Deed or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and an administrative receiver (if the Seller is permitted to appoint such administrative receiver);

Secured Liabilities means the liability of the Buyer to pay the Deferred Consideration owed to the Seller pursuant to the provisions of the SPA and subject to any adjustment to it as provided for under the SPA and it is agreed that if any payment of the Deferred Consideration is not made within 10 Business Days of the due date then interest at the Default Rate from the time when the full unpaid balance of the Deferred Consideration became due and payable down to the date of payment;

SPA means an agreement dated 27 October 2021 and made between the Seller (1) and the Buyer (2) for the sale and purchase of the entire issued and to be issued share capital of the Company.

1.3 Unless the context otherwise requires:

1.3.1 each gender includes the others;

1.3.2 the singular and the plural are interchangeable;

1.3.3 references to clauses, Schedules or Appendices mean to clauses or Schedules of and Appendices to this Deed;

1.3.4 references to this Deed include its Schedule, as amended;

1.3.5 references to persons include individuals, unincorporated bodies, government entities, companies and corporations;

1.3.6 including means including without limitation;

1.3.7 clause headings do not affect their interpretation; and

1.3.8 references to legislation include any modification or re-enactment thereof but exclude any re-enactment or modification after the date of this Deed to the extent that such re-enactment or modification make any Party's obligations more onerous

1.4 Writing includes manuscript, emails and communications in Braille.

2 Buyer's obligation to pay

- 2.1 The Buyer covenants with the Seller that it will pay and discharge to the Seller the Secured Liabilities on written demand when due in such amount and at such times as is in accordance with the terms of the SPA (subject to any right to offset, withhold or deduct against such Secured Liabilities as provided under the terms of the SPA). The recourse of the Seller and the liability of the Buyer under the Deed shall only be as against the Company and its assets which comprise of the Charged Assets.
- 2.2 The making of one demand under this Deed will not affect the Seller making any further demands in accordance with the SPA and/or this Deed.
- 2.3 The Seller will not make any demand unless it is entitled to do so pursuant to the terms of the SPA and this Deed.

3 Creation of security

- 3.1 As continuing security for the payment and discharge of the Secured Liabilities the Buyer and the Company charges to the Seller in respect of the Company with full title guarantee:
 - 3.1.1 by way of fixed charge over the Business:
 - (a) any right, title or interest which the Business has now or acquires in the future to any Land; and
 - (b) the Business and assets set out in Schedule 2; and
 - 3.1.2 by way of floating charge the Business bank accounts (excluding any client accounts) and other assets not otherwise effectively charged by clause **Error! Reference source not found.**
- 3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 3.1.2.

4 Crystallisation

- 4.1 The floating charge created by clause 3.1.2 will crystallise into a fixed charge:
 - 4.1.1 by notice in writing given by the Seller to the Buyer at any time after the security constituted by this Deed becomes enforceable, specifying the Charged Assets over which the crystallisation will take effect and if no Charged Assets are specified, the notice shall take effect over all the Charged Assets of the Company but to the extent only that they will satisfy the Secured Liabilities; or
 - 4.1.2 automatically and instantly if following seven days prior written notice from the Seller to the Buyer where the Company resolves, without the Seller's prior written consent, to take or takes any step to:
 - (a) create an Encumbrance over any or all of the Charged Assets;
 - (b) create a trust over any or all of the Charged Assets;
 - (c) dispose of any of the material Charged Assets, except if such disposal is in the ordinary course of the Buyer's business;
 - (d) grant any security over any of the Charged Assets which ranks in priority to all or any of the security created by this Deed;
 - 4.1.3 automatically and without notice if any person resolves, without the Seller's prior written consent, to take or takes any step to levy any distress, execution, sequestration or other process against any or all of the Charged Assets which is not dismissed or revoked within 21 days of the Buyer becoming aware of it; or
 - 4.1.4 automatically and instantly without further notice if an Event of Default occurs and such Event of Default having first being notified by the Seller to the Buyer in writing is not remedied in accordance with the terms of the SPA within 21 days of being notified to remedy.
- 4.2 Any asset acquired by the Business after crystallisation has occurred under clause 4.1 which would be subject to a floating charge if crystallisation had not occurred will be charged by way of a fixed charge, unless the Seller confirms otherwise in writing.

- 4.3 Any charge that has crystallised under clause 4.1 may, by notice in writing given at any time by the Seller to the Buyer, be reconverted into a floating charge in relation to the Charged Assets specified in the notice and if no Charged Assets are specified, the notice shall take effect over all the Charged Assets of the Buyer.

5 Company's representation and warranties

- 5.1 The Company represents and warrants to the Seller (subject to the terms of the SPA) as follows:
- 5.1.1 **Ownership:** The Company is the legal and beneficial owner of the Charged Assets free from any Encumbrance other than the Encumbrances created by this Deed.
- 5.1.2 **Liquidation or administration:** No Encumbrance expressed to be created by this Deed is liable to be avoided or otherwise set aside on the liquidation or administration of the Buyer or otherwise.

6 Undertakings and covenants

- 6.1 The Buyer and the Company covenants not, without the prior written consent of the Seller in respect of the Business, to:
- 6.1.1 (except in the case of assets charged by way of floating charge only which the Business may deal with in the ordinary course of its business) part with possession of, or transfer, sell, lease, assign or otherwise dispose of all or any of the Charged Assets other than in the normal course of business (including for refurbishment or replacement), or attempt or agree to do so;
- 6.1.2 do or allow any act or omission which may prejudice the value to the Seller of the Charged Assets;
- 6.1.3 grant any security over all or any of the Charged Assets which ranks in priority to all or any of the security created by this Deed.
- 6.2 The Buyer covenants that it will, unless, in any case, the Seller has given its written consent otherwise:
- 6.2.1 notify the Seller in writing of any breach of this Deed immediately on it becoming aware of such breach;
- 6.2.2 maintain all plant, machinery, fixtures, fittings, vehicles, computers and other equipment part of the Charged Assets in good working order and condition;
- 6.2.3 at the expense of the Company, keep insured any of the Charged Assets including professional fees and other expenses with reputable insurers against such risks as are no less than the Seller effected for the Company and Business as at Completion;
- 6.2.4 punctually pay all insurance premiums and produce the insurance documents including any receipt on request of the Seller and apply moneys received from insurance in discharge of its obligations under this Deed. If the Buyer does not maintain insurance, the Seller may do so at the Buyer's expense;

7 Liability of Buyer

- 7.1 The Buyer's liability in respect of the Secured Liabilities is subject to the rights of the Buyer under the SPA.

8 Enforcement

The Seller may enforce this Deed at any time after:

- 8.1 the occurrence of an Event of Default;
- 8.2 the floating charge has crystallised under clause 4.

9 Appointment, powers and removal of receivers

- 9.1 At any time after the security created by this Deed becomes enforceable the Seller may without further notice appoint in writing one person to be a receiver or a receiver and manager.
- 9.2 The Seller may (acting reasonably and in accordance with customary terms) determine the remuneration of the Receiver.

- 9.3 The appointment of a Receiver will not preclude the Seller from appointing a subsequent Receiver over all or any of the Charged Assets in place of the previously appointed receiver.
- 9.4 The Receiver will be the agent of the Company and the Company will be solely liable for the acts, defaults, and remuneration of the Receiver unless and until the Company goes into liquidation after which the receiver shall act as principal. In no event will the Receiver become the agent of the Seller.
- 9.5 The Receiver will have and be entitled to exercise all the powers set out in Schedule 1 and Schedule 2 to the Insolvency Act 1986 and the Law of Property Act 1925 and will also have the power, either in his name or in the name of the Company and on arms-length terms:
 - 9.5.1 in connection with any sale or other disposition of the Charged Assets, to receive the consideration in a lump sum or in instalments and to receive shares and loan notes by way of consideration;
 - 9.5.2 to grant options, licences or any other whatsoever in the Charged Assets;
 - 9.5.3 to sever fixtures from and to repair, improve and make any alterations to, the Charged Assets;
 - 9.5.4 to exercise any voting rights appertaining to the Company;
 - 9.5.5 to do all other acts and things which the Receiver may consider desirable or necessary for realising any Charged Assets or incidental or conducive to any of the rights, powers or discretion conferred on a Receiver under or by virtue of the Deed; and
 - 9.5.6 to exercise in relation to any Charged Assets all the powers, authorities and things which he would be capable of exercising if he was absolute beneficial owner of the same;
- 9.6 Neither the Seller nor the Receiver will be liable to account as mortgagee in possession or otherwise for any money not actually received by the Seller or the Receiver.
- 9.7 Section 109 of the Law of Property Act 1925 will not apply to this Deed or to any security it creates.

10 Powers of sale, leasing etc

- 10.1 Section 103 of the Law of Property Act 1925 shall not apply to this Deed but the statutory power of sale will as between the Seller and a purchaser arise on and be exercisable at any time after the execution of this Deed but the Seller will not exercise such power unless the security created by this Deed has become enforceable or after the appointment of a Receiver under clause 9.
- 10.2 The statutory powers of sale, leasing and accepting surrenders exercisable by the Seller are extended to allow the Seller to grant or surrender leases of any land vested in the Company or in which it has an interest on such terms and conditions as the Seller may think fit provided that the security constituted by this Deed has become enforceable.
- 10.3 The statutory power of sale exercisable by the Seller is extended to allow the Seller to sever any fixtures from the land and sell them separately.
- 10.4 No person dealing with the Seller or a Receiver, its agents or delegates will be concerned with whether this Deed has become enforceable, whether any power exercised or purported to be exercised has become exercisable, whether any of the Secured Liabilities remain due upon this Deed, as to the necessity or expediency of any stipulations and conditions subject to which the sale of any Charged Asset is made, as to the propriety or regularity of the sale of any Charged Asset or to see to the application of any money paid to the Seller or the Receiver, or its agents or delegates and each dealing shall be deemed to be within the powers conferred by this Deed and to be valid and effectual accordingly.
- 10.5 Section 93 of the Law of Property Act 1925 will not apply to this Deed or to any security it creates.

11 Application of moneys received

- 11.1 Any money received under this Deed will, subject to the discharge of any prior-ranking claims, be paid or applied in the following order of priority:

- 11.1.1 in satisfaction of all costs, charges and expenses incurred and payments made by the Seller and/or the Receiver and of the remuneration of the Receiver;
 - 11.1.2 in or towards satisfaction of the Secured Liabilities; and
 - 11.1.3 as to the surplus, if any, to the person or persons entitled to it, including the Buyer.
- 11.2 The Seller may, in its absolute discretion on or at any time or times after demand and pending the payment to the Seller of the whole of the Secured Liabilities, place and keep to the credit of a separate or suspense account any money received, recovered or realised by the Seller by virtue of this Deed for so long and in such manner as the Seller may determine acting reasonably without any intermediate obligation to apply it in or towards the discharge of any of the Secured Liabilities.

12 Indemnity

- 12.1 Subject to the terms of the SPA and any Warranty and Indemnity provisions as from the Seller to the Buyer described in that SPA (which shall not be negated or conditioned by this Deed), the Company will indemnify the Seller against all and any costs, charges and expenses arising:
- 12.1.1 out of any of the assets charged or assigned pursuant to clause 3 resulting in the Company infringing or allegedly infringing any third party rights; and
 - 12.1.2 in relation to any proceedings referable to the Company brought against the Seller and/or the Receiver or to which the Seller and/or the Receiver may be joined whether as the plaintiff or defendant that relate to any of the Charged Assets.
- 12.2 The Buyer on behalf of the Company agrees that if the Buyer fails to pay any moneys in respect of the Charged Assets as stated in this Deed or to take (or not take) any action which might diminish the value of the Charged Assets to the Seller, the Seller may pay such monies or take such action and recover the cost from the Company.
- 12.3 Without prejudice to the generality of this clause the costs recoverable by the Seller and/or any Receiver under this Deed shall include:
- 12.3.1 Subject to the rights of the Buyer under the SPA, all costs, whether or not allowable on a taxation by the courts, of all proceedings for the enforcement of this Deed or for the recovery or attempted recovery of the Secured Liabilities;
 - 12.3.2 all reasonable money expended and all reasonable costs arising out of the exercise of any power, right or discretion conferred by this Deed as from the crystallisation under Clause 4 (save to the extent that an Event of Default is caused by a dispute under the SPA);
- 12.4 Any overdue amounts secured by the Deed will carry interest at the Default Rate. Interest will accrue on a day-to-day basis to the date of repayment in full and, if unpaid, will be compounded with quarterly rates on the Seller's usual quarter days. Interest shall continue to be charged and compounded on this basis after as well as before any demand or judgment.
- 12.5 Money received or held by the Seller pursuant to this debenture may, from time to time after demand of all or any part of the Secured Liabilities has been made, be converted into such currency as the Seller considers necessary or desirable to discharge the Secured Liabilities in that currency at the Seller's then prevailing spot rate of exchange, as conclusively determined by the Seller, for purchasing the currency to be acquired with the existing currency.

13 Release

- 13.1 Once the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are outstanding, at the request of the Buyer the Seller shall, promptly execute all documents as the Buyer may reasonably require to release the Charged Assets from the security constituted by this Deed. In the event that the Seller fails to provide any release as aforesaid, in circumstances where the Secured Liabilities have been paid in full, the Seller hereby irrevocably appoints the Buyer acting by any of its directors, to execute any document or form and file the same, on its behalf to demonstrate the discharge of the securities described in clause 3 of this Deed.

14 Further security

The Buyer and the Company will on the demand of the Seller execute and deliver to the Seller at the cost of the Seller any document that the Seller reasonably requires to create, enhance or perfect any fixed security over any of the Charged Assets or to give full effect to this Deed or to vest title to any of the Charged Assets in the Seller or the Seller's nominee or any purchaser only as provided for under the terms of this Deed and subject to the terms of the SPA.

15 Miscellaneous

15.1 Survival

Notwithstanding termination of this Deed, any provisions which have not been fully implemented or performed remain in full force and effect and will continue to bind, and to be enforceable against the relevant party and will not be extinguished or affected by any other event or matter except a specific and duly authorised written waiver or release of the other party to this Deed.

15.2 Variation

Variations to this Deed will only have effect when agreed in writing.

15.3 Severability

The unenforceability of any part of this Deed will not affect the enforceability of any other part.

15.4 Waiver

Unless otherwise agreed, no delay, act or omission by either party in exercising any right or remedy will be deemed a waiver of that, or any other, right or remedy.

15.5 Consent

Consent by a party, where required, will not prejudice its future right to withhold similar consent.

15.6 Further assurance

Each party will, at its own cost do all further acts and execute all further documents necessary to give effect to this Deed.

15.7 Rights of third parties

This Deed is not enforceable by any third party under the Contracts (Rights of Third Parties) Act 1999.

15.8 Assignment

Neither the Seller nor the Buyer and nor the Company may not assign any of its rights or transfer any rights or obligations under this Deed.

15.9 Entire agreement

This Deed and documents referred to in it represent the entire agreement between the parties and supersede all previous agreements, term sheets and understandings whether written or oral in respect of the debenture given under this Deed and to the extent of any conflict between the provisions of this Deed and the SPA, the terms of the SPA shall prevail.

15.10 Succession

This Deed will bind and benefit each party's successors and assignees.

15.11 Counterparts

This Deed may be signed in any number of separate counterparts. Each, when executed and delivered by a party, will be an original; all counterparts will together constitute one instrument.

16 Notices

16.1 Notices under this Deed will be in writing and sent to the persons and addresses in clause 16.2. They may be given, and will be deemed received:

16.1.1 by first-class post: two Business Days after posting;

16.1.2 by airmail: seven Business Days after posting;

16.1.3 by hand: on delivery;

16.1.4 by email: on receipt of a return mail from the correct address.

16.2 Notices will be sent to the Buyer at: Loc8me Limited, 6 Forest Road, Loughborough, England, LE11 3NP for the attention of James ETTY/Raff Russo and such notices shall be deemed given to the Company if given to the Buyer for the purposes of this Deed.

17 Confidential Information

17.1 Neither Party shall without the other's prior written consent disclose the existence of the terms of this Deed.

18 Governing law and jurisdiction

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

18.2 The Parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, this Agreement, its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS whereof the Parties have executed and delivered this Deed on the day and year first above written.

SCHEDULE 1
LAND CHARGED BY WAY OF LEGAL MORTGAGE

Part A
Registered Land

None

Part B
Unregistered Land

Description and address	Documents evidencing root of title
None	

SCHEDULE 2

ASSETS CHARGED BY WAY OF FIXED CHARGE

- 1 Shares held by the Buyer in the Company to the extent that they represent the then outstanding Secured Liabilities.
- 2 All fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment of the Business and the benefit of any agreements, licences and warranties in respect thereof.
- 3 All book debts of the Business arising in the ordinary course of its business and all benefits, security and rights held in or to secure the payment of the book debts (provided this shall not apply to any due from the Sellers under the SPA).
- 4 All debts and moneys due or payable to the Business except those referred to in paragraph 3 above including all amount standing credit of the Business's bank accounts whether such bank account is with the Seller or a third party.
- 5 All Intellectual Property belonging to the Business.
- 6 All present and future goodwill in the Business.
- 7 All rights under any agreement to which the Business is a party which has not been assigned to the Seller (not including any in respect of the SPA).

EXECUTED by **Loc8me Limited**
as a deed

)

Raffaele Russo

acting by a director in the presence of

)

Director

Melanie Caumont

.....
witness signature

Melanie Caumont

.....
witness address

29 Chestnut Grove, Nottingham, NG10 5EZ

.....
witness occupation

EXECUTED by **Billfreehomes Limited**
as a deed

)

Raffaele Russo

acting by a director in the presence of

)

Director

Melanie Caumont

.....
witness signature

Melanie Caumont

.....
witness address

29 Chestnut Grove, Nottingham, NG10 5EZ

EXECUTED by **Peter Arthur Smith**
as a Deed in the presence of

)

)

PAS

Courtney Jane Bell

.....
witness signature

CJB

.....
witness address

20 Straughan Crescent, Durham, DH1 5JU

.....
witness occupation


Physiotherapy Assistant

EXECUTED by **Deborah Michele Smith**)
as a Deed in the presence of)

Deborah M. Smith

Courtney Jane Bell

witness signature



witness address

20 Straughan Crescent, Durham, DH1 5JU

witness occupation

Physiotherapy Assistant