



**Registration of a Charge**

Company name: **CTB HOLDINGS LIMITED**

Company number: **13042520**

Received for Electronic Filing: **16/12/2020**



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**Details of Charge**

Date of creation: **10/12/2020**

Charge code: **1304 2520 0001**

Persons entitled: **GEORGE BELL AND ANNETTE BELL**

Brief description:

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**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: **REBECCA YASSIN**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 13042520

Charge code: 1304 2520 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th December 2020 and created by CTB HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th December 2020 .

Given at Companies House, Cardiff on 17th December 2020

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 10 December 2020

DEBENTURE

between

CTB HOLDINGS LIMITED

and

GEORGE BELL AND ANNETTE BELL

THIS DEED IS SUBJECT TO THE TERMS OF THE INTERCREDITOR AGREEMENT (AS DEFINED  
HEREIN)



THIS DEED is dated 10 December 2020

#### **PARTIES**

- (1) **CTB HOLDINGS LIMITED**, a company incorporated in England and Wales with company number 13042520 whose registered office is situate at Lakehouse Ewehurst Lane, Speldhurst, Tunbridge Wells, United Kingdom, TN3 0JX (the "**Company**").
- (2) **GEORGE BELL and ANNETTE BELL**, residing at Drumgelloch, Moor Road, Strathblane, Stirlingshire, G63 9EU (together the "**Vendor**")

#### **BACKGROUND**

- (i) Under the terms of the Share Exchange Agreement (as defined in this deed) it has been agreed that the Company will pay to the Vendor the Deferred Consideration (as defined therein) on the terms and conditions set out in said Share Exchange Agreement.
- (ii) It is a condition of the Share Exchange Agreement that the Company grants the Vendor this deed, which provides security to the Vendor for all of the Company's obligations to repay the Deferred Consideration to the Vendor under the Share Exchange Agreement.

#### **AGREED TERMS**

##### **1. DEFINITIONS AND INTERPRETATION**

###### **1.1 Definitions**

The following definitions apply in this deed:

**Administrator:** an administrator appointed to manage the affairs, business and property of the Company pursuant to clause 7.5.

**Business Day:** a day (other than a Saturday or Sunday) on which banks are open for general business in Edinburgh and London.

**Delegate:** any person appointed by the Vendor or any Receiver pursuant to clause 12 and any person appointed as attorney of the Vendor, Receiver or Delegate.

**Event of Default:** failure by the Company to make payment of Deferred Consideration (as defined in the Share Exchange Agreement) when due.

**Intercreditor Agreement:** the intercreditor agreement between, amongst others, the Company, the Vendor and the Senior Lender dated on or around the date of this deed.

**Permitted Security:** the cross guarantee and debenture each granted by the Company in favour of the Senior Lender on or around the date hereof.

**Receiver:** includes any person or persons appointed (and any additional person or persons appointed or substituted) as receiver by the Vendor under this deed and shall include joint Receivers;

**Secured Assets:** all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, this deed (and references to the Secured Assets shall include references to any part of them).

**Secured Obligations:** the obligations on the Company to make payment to the Vendor in terms of the Share Exchange Agreement.

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

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

**Senior Lender:** HSBC UK Bank PLC.

**Share Exchange Agreement:** the share exchange agreement between (amongst others) the Vendor and the Company entered into on or around the date hereof in respect of the shares in Bell Group UK Limited.

## 1.2 Interpretation

In this deed:

- (a) the “**Company**” or the “**Vendor**” shall include any person deriving title from them or any permitted successor or assignee;
- (b) any agreement or instrument is a reference to that agreement or instrument as amended, novated, replaced or restated in whole or in part;
- (c) a provision of law is a reference to that provision as amended or re-enacted; and
- (d) a “**Clause**” is to a clause of this deed.
- (e) words in the singular shall import the plural and *vice versa*; and
- (f) the headings in this deed are for ease of reference only.

## 1.3 Clawback

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

## 1.4 Perpetuity period

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

## 1.5 Intercreditor Agreement

This deed is subject to the terms of the Intercreditor Agreement. To the extent that there is any conflict or inconsistency between any provision of this deed and any provision of the Intercreditor Agreement, the provisions of the Intercreditor Agreement, shall prevail and have effect in preference to the relevant provision of this deed.

## 2. COVENANT TO PAY

The Company undertakes to the Vendor that it will on demand when due pay or discharge the Secured Obligations.

### **3. GRANT OF SECURITY**

#### **3.1 Floating charge**

As a continuing security for the payment and discharge of the Secured Obligations, the Company with full title guarantee charges to the Vendor, by way of first floating charge, all the undertaking, property, assets and rights of the Company owned now or in the future.

#### **3.2 Qualifying floating charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.1.

#### **3.3 Automatic crystallisation of floating charge**

The floating charge created by clause 3.1 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

- (a) the Company:
  - (i) creates, or attempts to create, without the prior written consent of the Vendor, a Security or a trust in favour of another person over all or any part of the Secured Assets (except the Permitted Security or as expressly permitted by the terms of this deed or the Intercreditor Agreement); or
  - (ii) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- (b) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Company.

#### **3.4 Crystallisation of floating charge by notice**

The Vendor may, in its sole discretion, by written notice to the Company, convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by the Vendor in that notice if:

- (a) an Event of Default occurs and is continuing; or
- (b) the Vendor considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

#### **3.5 Assets acquired after any floating charge has crystallised**

Any asset acquired by the Company after any crystallisation of the floating charge created under this deed that, but for that crystallisation, would be subject to a floating charge under this deed, shall (unless the Vendor confirms otherwise to the Company in writing) be charged to the Vendor by way of first fixed charge.

**4. LIABILITY OF THE COMPANY**

**4.1 Liability not discharged**

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Vendor that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) the Vendor renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Company.

**4.2 Immediate recourse**

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

**5. REPRESENTATIONS AND WARRANTIES**

**5.1 Representations and warranties**

The Company makes the representations and warranties set out in this clause 5 to the Vendor.

**5.2 Ownership of Secured Assets**

The Company is the sole legal and beneficial owner of the Secured Assets.

**5.3 No Security**

The Secured Assets are free from any Security other than Permitted Security and the Security created by this deed.

**5.4 No adverse claims**

The Company has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

**5.5 No adverse covenants**

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

**5.6 No breach of laws**

There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

**5.7 No interference in enjoyment**

No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.

**5.8 Avoidance of security**

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

**5.9 No prohibitions or breaches**

The entry into this deed by the Company does not, and will not, constitute a breach of any agreement or instrument binding on the Company or its assets.

**5.10 Enforceable security**

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

**5.11 Times for making representations and warranties**

The representations and warranties set out in clause 5.2 to clause 5.10 are made by the Company on the date of this deed and are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

**6. GENERAL COVENANTS**

**6.1 Negative pledge and disposal restrictions**

The Company shall not at any time, except with the prior written consent of the Vendor, such consent not to be unreasonably withheld or delayed:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this deed or any Permitted Security;
- (b) sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or
- (c) create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

**6.2 Preservation of Secured Assets**

The Company shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Vendor, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed.

**6.3 Company's waiver of set-off**

The Company waives any present or future right of set-off it may have in respect of the Secured Obligations (including sums payable by the Company under this deed).

**6.4 Compliance with laws and regulations**

- (a) The Company shall not, without the Vendor's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.
- (b) The Company shall:



- (i) comply with the requirements of any law and regulation relating to or affecting the Secured Assets or the use of it or any part of them;
- (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and
- (iii) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

#### **6.5 Enforcement of rights**

The Company shall use its best endeavours to:

- (a) procure the prompt observance and performance of the covenants and other obligations imposed on the Company's counterparties ; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Vendor may require from time to time.

#### **6.6 Notice of misrepresentation and breaches**

The Company shall, promptly on becoming aware of any of the same, notify the Vendor in writing of:

- (a) any representation or warranty set out in clause 5 which is incorrect or misleading in any material respect when made or deemed to be repeated; and
- (b) any breach of any covenant set out in this deed.

#### **6.7 Information**

The Company shall:

- (a) give the Vendor such information concerning the location, condition, use and operation of the Secured Assets as the Vendor may reasonably require;
- (b) permit any persons designated by the Vendor and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- (c) promptly notify the Vendor of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Company's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Vendor's prior approval, implement those proposals at its own expense.

#### **6.8 Payment of outgoings**

The Company shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Vendor.

**7. POWERS OF THE VENDOR**

**7.1 Power to remedy**

- (a) The Vendor shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Company of any of its obligations contained in this deed.
- (b) The Company irrevocably authorises the Vendor and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies reasonably expended by the Vendor in remedying a breach by the Company of its obligations contained in this deed shall be reimbursed by the Company to the Vendor on a full indemnity basis and shall carry interest in accordance with clause 14.1.

**7.2 Exercise of rights**

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

**7.3 Vendor has Receiver's powers**

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

**7.4 Indulgence**

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

**7.5 Appointment of an Administrator**

- (a) The Vendor may, without notice to the Company, appoint any one or more persons to be an Administrator of the Company pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.
- (b) Any appointment under this clause 7.5 shall:
  - (i) be in writing signed by a duly authorised signatory of the Vendor; and
  - (ii) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- (c) The Vendor may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 7.5 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

**8. WHEN SECURITY BECOMES ENFORCEABLE**

**8.1 Security becomes enforceable on Event of Default**

The security constituted by this deed shall become immediately enforceable if an Event of Default occurs.

**8.2 Discretion**

After the security constituted by this deed has become enforceable, the Vendor may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

**9. ENFORCEMENT OF SECURITY**

**9.1 Enforcement powers**

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this deed.

**9.2 Access on enforcement**

- (a) At any time after the Vendor has demanded payment of the Secured Obligations or if the Company defaults in the performance of its obligations under this deed or the Intercreditor Agreement, the Company will allow the Vendor or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Vendor or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Company for, or by any reason of, that entry.
- (b) At all times, the Company must use its best endeavours to allow the Vendor or its Receiver access to any premises for the purpose of clause 9.2(a) (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

**9.3 Protection of third parties**

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

- (a) whether any of the Secured Obligations have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Vendor, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- (c) how any money paid to the Vendor, any Receiver or any Delegate is to be applied.

**9.4 Conclusive discharge to purchasers**

The receipt of the Vendor, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Vendor, and every Receiver and

Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

## **10. RECEIVER**

### **10.1 Appointment**

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

### **10.2 Removal**

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

### **10.3 Power of appointment additional to statutory powers**

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Vendor under the Insolvency Act 1986 or otherwise.

### **10.4 Power of appointment exercisable despite prior appointments**

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

### **10.5 Agent of the Company**

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

## **11. POWERS OF RECEIVER**

### **11.1 General**

- (a) Any Receiver appointed by the Vendor under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 11.1 to clause 11.17.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 11 may be on behalf of the Company, the directors of the Company (in the case of the power contained in clause 11.11) or himself.

### **11.2 Employ personnel and advisers**

A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and

subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Company.

**11.3 Make VAT elections**

A Receiver may make, exercise or revoke any value added tax option to tax as he thinks fit.

**11.4 Remuneration**

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

**11.5 Realise Secured Assets**

A Receiver may collect and get in the Secured Assets or any part of them in respect of which he is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

**11.6 Manage or reconstruct the Company's business**

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

**11.7 Dispose of Secured Assets**

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

**11.8 Valid receipts**

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

**11.9 Make settlements**

A Receiver may make any arrangement, settlement or compromise between the Company and any other person that he may think expedient.

**11.10 Bring proceedings**

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

**11.11 Make calls on Company members**

A Receiver may make calls conditionally or unconditionally on the members of the Company in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the Company on its directors in respect of calls authorised to be made by them.

**11.12 Insure**

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

**11.13 Borrow**

A Receiver may, for any of the purposes authorised by this clause 11, raise money by borrowing from the Vendor (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which he is appointed on any terms that he thinks fit (including, if the Vendor consents, terms under which that security ranks in priority to this deed).

**11.14 Redeem prior Security**

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

**11.15 Delegation**

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

**11.16 Absolute beneficial owner**

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

**11.17 Incidental powers**

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

- (a) may consider desirable or necessary for realising any of the Secured Assets;
- (b) may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or
- (c) lawfully may or can do as agent for the Company.

**12. DELEGATION**

**12.1 Delegation**

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

**12.2 Terms**

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

**12.3 Liability**

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

**13. APPLICATION OF PROCEEDS**

**13.1 Order of application of proceeds**

All monies received by the Vendor, a Receiver or a Delegate pursuant to this deed, after the security constituted by this deed has become enforceable, shall be applied in the following order of priority:

- (a) in or towards payment of or provision for all costs, charges and expenses reasonably incurred by or on behalf of the Vendor (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;
- (b) in or towards payment of or provision for the Secured Obligations in any order and manner that the Vendor determines; and
- (c) in payment of the surplus (if any) to the Company or other person entitled to it.

**13.2 Appropriation**

Neither the Vendor, any Receiver nor any Delegate shall be bound to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Obligations.

**14. COSTS AND INDEMNITY**

**14.1 Costs**

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

- (a) this deed or the Secured Assets;
- (b) enforcing (or attempting to do so) any of the Vendor's, a Receiver's or a Delegate's rights under this deed; or
- (c) taking proceedings for, or recovering, any of the Secured Obligations,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Company).

**14.2 Indemnity**

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

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

- (b) enforcing (or attempting to do so) the security constituted by this deed; or
- (c) any default or delay by the Company in performing any of its obligations under this deed.

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

## **15. FURTHER ASSURANCE**

### **15.1 Further assurance**

The Company shall, at its own expense, take whatever action the Vendor or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security intended to be created by this deed;
- (b) facilitating the realisation of any Secured Asset; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Vendor or any Receiver in respect of any Secured Asset,

including, without limitation (if the Vendor or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Vendor or to its nominee) and the giving of any notice, order or direction and the making of any registration.

## **16. POWER OF ATTORNEY**

### **16.1 Appointment of attorneys**

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

- (a) the Company is required to execute and do under this deed; or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Vendor, any Receiver or any Delegate.

### **16.2 Ratification of acts of attorneys**

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

## **17. RELEASE**

Subject to clause 24.3, on the expiry of the Security Period (but not otherwise), the Vendor shall, at the request and cost of the Company, take whatever action is necessary to:

- (a) release the Secured Assets from the security constituted by this deed; and
- (b) reassign the Secured Assets to the Company.

## **18. ASSIGNMENT AND TRANSFER**

### **18.1 Assignment by Vendor**



- (a) The Vendor may, at any time, assign or transfer any or all of its rights and obligations under this deed.
- (b) The Vendor may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Company, the Secured Assets and this deed that the Vendor considers appropriate.

**18.2 Assignment by Company**

The Company may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

**19. SET-OFF**

**19.1 Vendor's right of set-off**

The Vendor may at any time set off any liability of the Company to the Vendor against any liability of the Vendor to the Company, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. Any exercise by the Vendor of its rights under this clause 19 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

**19.2 No obligation to set off**

The Vendor is not obliged to exercise its rights under clause 19.1. If, however, it does exercise those rights it must promptly notify the Company of the set-off that has been made.

**19.3 Exclusion of Company's right of set-off**

All payments made by the Company to the Vendor under this deed shall be made without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

**20. AMENDMENTS, WAIVERS AND CONSENTS**

**20.1 Amendments**

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

**20.2 Waivers and consents**

- (a) A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) A failure to exercise, or a delay in exercising, any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Vendor shall be effective unless it is in writing.

**20.3 Rights and remedies**

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

**21. SEVERANCE**

**21.1 Severance**

If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

**22. COUNTERPARTS**

**22.1 Counterparts**

- (a) This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by (a) fax or (b) email (in PDF or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, the Company shall provide the Vendor with the original of such counterpart as soon as reasonably possible thereafter.

**23. THIRD PARTY RIGHTS**

**23.1 Third party rights**

- (a) Except as expressly provided elsewhere in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.
- (b) The rights of the parties to rescind or agree any amendment or waiver under this deed are not subject to the consent of any other person.

**24. FURTHER PROVISIONS**

**24.1 Independent security**

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

**24.2 Continuing security**

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

**24.3 Discharge conditional**

Any release, discharge or settlement between the Company and the Vendor shall be deemed conditional on no payment or security received by the Vendor in respect of the Secured Obligations being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

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

**24.4 Certificates**

A certificate or determination by the Vendor as to any amount for the time being due to it from the Company under this deed shall be, in the absence of any manifest error, conclusive evidence of the amount due.

**24.5 Small company moratorium**

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:

- (a) an event under this deed which causes any floating charge created by this deed to crystallise;
- (b) 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
- (c) a ground under this deed for the appointment of a Receiver.

**25. NOTICES**

**25.1 Delivery**

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

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax or by email in accordance with clause 25.5; and
- (c) sent to:
  - (i) the Company at the address detailed in the Parties section above;

(ii) the Vendor at the address detailed in the Parties section above,

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

#### **25.2 Receipt by Company**

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

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting;
- (c) if sent by fax, when received in legible form; and
- (d) if sent by email, when a read receipt or other acknowledgement of receipt is received by the sender in accordance with clause 25.5.

A notice or other communication given as described in clause 25.2(a) or clause 25.2(c) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

#### **25.3 Receipt by Vendor**

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

#### **25.4 Service of proceedings**

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

#### **25.5 Notice by email**

A notice or other communication given under or in connection with this deed is not valid if sent by email unless sent to a director (in the case of a limited company) or member (in the case of a limited liability partnership) or other authorised representative of the recipient and the sender receives a read receipt or other acknowledgement of receipt.

### **26. GOVERNING LAW AND JURISDICTION**

#### **26.1 Governing law**

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

#### **26.2 Jurisdiction**

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Vendor to take proceedings against the Company in any other court of competent jurisdiction, nor shall the taking of proceedings in any

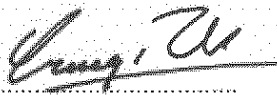
one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

**26.3 Other service**

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

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a deed by  
**CTB HOLDINGS LIMITED**  
acting by a director, in the presence of:

  
.....  
Director Signature

  
.....  
Director Name

Witness Signature: 

Witness Name: **SIOBHAN EMMIA BELL**

Witness Address: **106 CLIFTON HILL, LONDON, NW8 0TG**

Executed as a deed by **GEORGE BELL**, in the  
presence of:

.....  
Signature

Witness Signature:

Witness Name:

Witness Address:

Executed as a deed by **ANNETTE BELL**, in the  
presence of:

.....  
Signature

Witness Signature:

Witness Name:

Witness Address:

Executed as a deed by  
**CTB HOLDINGS LIMITED**  
acting by a director, in the presence of:

.....  
Director Signature


.....  
Director Name

Witness Signature:

Witness Name:

Witness Address:

Executed as a deed by **GEORGE BELL**, in the  
presence of:


  
.....  
Signature

Witness Signature:

Witness Name: SCOTT FRANE

Witness Address: 4 BANFF AVE AURORA

Executed as a deed by **ANNETTE BELL**, in the  
presence of:

  
.....  
Signature

Witness Signature:

Witness Name: SCOTT FRANE

Witness Address: 4 BANFF AVE AURORA