



Registration of a Charge

Company Name: **S&PB RETAIL (LANCASHIRE) LIMITED**

Company Number: **14011926**



XC3B471C

Received for filing in Electronic Format on the: **11/05/2023**

Details of Charge

Date of creation: **11/05/2023**

Charge code: **1401 1926 0001**

Persons entitled: **LEUMI UK GROUP LIMITED**

Brief description:

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 SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **LUKE DOLMAN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 14011926

Charge code: 1401 1926 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th May 2023 and created by S&PB RETAIL (LANCASHIRE) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th May 2023 .

Given at Companies House, Cardiff on 12th May 2023

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



Companies House



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

EXECUTION VERSION

DATED 11 May 2023

LEUMI UK GROUP LIMITED (1)

and

THE COMPANIES (2)
listed herein as Chargors

GROUP DEBENTURE

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DATE OF GROUP DEBENTURE

11 May 2023

PARTIES

- (1) **LEUMI UK GROUP LIMITED**, a company registered in England and Wales with company number 00620951 whose registered office is at Twelfth Floor, 1 Angel Court, London, EC2R 7HJ ("Leumi"); and
- (2) **THE COMPANIES LISTED IN SCHEDULE 1** (each a "Chargor" and together the "Chargors").

THIS DEED WITNESSES THAT:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this debenture:

- (a) terms and expressions defined in, or construed for the purposes of, the Receivables Finance Agreement shall have the same meanings when used in this debenture (unless expressly defined differently in this debenture); and
- (b) the following terms have the following meanings:

"Act" means the Insolvency Act 1986.

"Charged Investments" means the Charged Securities and all present and future Securities Rights accruing to all or any of the Charged Securities.

"Charged Property" means any freehold, leasehold or commonhold property the subject of a Security Interest constituted by this debenture and references to "Charged Property" shall include references to the whole or any part or part of it.

"Charged Securities" means, in relation to a Chargor:

- (i) the securities specified opposite its name in part 2 (*Charged Securities*) of Schedule 2 (*Security Assets*); and
- (ii) other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this debenture) now or in future owned (legally or beneficially) by the Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time.

"Chargor's Account" means the account(s) set out in part 5 (*Chargor's Accounts*) of Schedule 2 (*Security Assets*).

"Chattels" means, in relation to a Chargor:

- (i) all that plant, machinery and other capital equipment brief particulars of which appear in part 6 (*Chattels*) of Schedule 2 (*Security Assets*), together with any part or parts thereof and all additions, alterations, accessories, replacements and renewals or component parts thereto;
- (ii) any plant, machinery or other capital equipment notified to Leumi in accordance with 8.10(e); and
- (iii) any other plant, machinery and other capital equipment (together with any part or parts thereof and all additions, alterations, accessories, replacements and renewals or component parts thereto) now or in future owned (legally or beneficially) by the Chargor at any time.

"Clients" means the companies specified as such in Schedule 1 (each a **"Client"** and together the **"Clients"**).

"Default Interest Rate" means, in relation to a monetary liability that has not been paid when due, 5% per annum over the interest rate or discount rate (as the case may be) which applied to that monetary liability prior to the date on which it fell due under the Receivables Finance Agreement, the P&M Facility or other document under which it arose.

"Encumbrance" means any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention, flawed asset agreement, preferential right, trust arrangement or other security arrangement, whether by law or agreement, or any right conferring a priority of payment.

"Environment" means the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

"Environmental Claim" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

"Environmental Law" means all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes insofar as they relate to or apply to the Environment.

"Finished Goods" means goods owned by a Chargor and held at the Premises which are fit for sale to third parties.

"Fixed Charge Assets" means:

- (i) such of the Security Assets as for the time being shall be subject to:

- (A) the fixed charge created by clause 3.2 (*Fixed security*);
- (B) the security assignments created by clause 3.3 (*Security assignments*); and
- (ii) any other of the Security Assets in respect of which the floating charge created by clause 3.4 (*Floating charge*) shall have crystallised.

"Floating Charge Assets" means all the Security Assets, other than such of the Security Assets as shall for the time being be subject to a legal mortgage under clause 3.2(a) (*Fixed security*), a fixed charge under clause 3.2(b) (*Fixed security*) or a security assignment under clause 3.3 (*Security assignments*).

"Insurance" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of a Chargor, or in which that Chargor from time to time has an interest including, without limitation, the policies of insurance (if any) specified in Part 4 (*Insurances*) of Schedule 2 (*Security Assets*).

"Intellectual Property" means all present and future Intellectual Property Rights.

"Intellectual Property Rights" means, in relation to a Chargor:

- (i) any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests whether registered or unregistered; and
- (ii) the benefit of all applications and rights to use such assets of the Chargor,

including, without limitation, the intellectual property rights (if any) specified in part 3 (*Intellectual Property*) of Schedule 2 (*Security Assets*).

"Inventory" means a Chargor's Finished Goods and / or Work-in-Progress and / or Raw Materials.

"Non-Vesting Receivable" means any Receivable purchased or purported to be purchased by Leumi pursuant to the Receivables Finance Agreement, the ownership of which fails for any reason to vest absolutely and effectively in Leumi, together with the proceeds of such Receivable.

"Obligor" has the meaning given to it in the Receivables Finance Agreement.

"Other Receivables" means, in relation to a Chargor, all amounts of indebtedness (other than Non-Vesting Receivables and the Chargor's Account) now or at any time hereafter owing or becoming due to that Chargor on any account whatsoever and their proceeds, together with the related rights pertaining to such amounts of indebtedness and their proceeds.

"P&M Facility" means the plant & machinery facility agreement between the Client and Leumi dated 26 January 2023 and as amended, restated, supplemented or varied from time to time.

"Party" means a party to this debenture.

"Premises" means the premises specified by the Chargors to Leumi.

"Raw Materials" means the goods owned and used by a Chargor in the process of producing and forming part of that Chargor's Finished Goods.

"Real Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to any Chargor, or in which any Chargor has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 (*Real Property*) of Schedule 2 (*Security Assets*)), together with:

- (i) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;
- (ii) all easements, rights and agreements in respect thereof; and
- (iii) the benefit of all covenants given in respect thereof.

"Receivables Finance Agreement" means the receivables finance agreement between the Client and Leumi dated 26 January 2023 and as amended, restated, supplemented or varied from time to time.

"Receiver" means any receiver or receiver and manager appointed by Leumi under this debenture.

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) due, owing or incurred by the Obligors (or any of them) to Leumi on any account whatsoever and howsoever arising.

"Securities Rights" means, in relation to any Charged Securities:

- (i) all dividends, distributions and other income paid or payable on the relevant Charged Securities or on any asset referred to in paragraph (ii) of this definition; and
- (ii) all rights, monies or property accruing or offered at any time in relation to such Charged Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

"Security Assets" means, in relation to a Chargor, the undertaking and all property, rights and assets of that Chargor, whatsoever and wheresoever situated, both present and future, including the Chargor's Inventory and uncalled capital and the proceeds of such property, rights and assets.

"Security Interest" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, standard security, trust, trust arrangement for the purposes of providing security, assignment, assignment by way of security, tracing or other equitable right, or:

- (i) any other agreement or arrangement having the effect of conferring security (including any such interest arising under or in connection with any letter of credit); or
- (ii) any other security interest of any kind or preferring any obligation of any person.

"Security Period" means the period beginning on the date of this debenture and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full.

"Software" means all and any computer programs and inventory management systems, including but not limited to all source code and user interfaces associated therewith as well as all data files or other records generated thereby, used by a Chargor to:

- (i) manage, monitor, maintain, collect-in and/or realise its accounts, including its Receivables; and
- (ii) track and manage the location, use and maintenance status of its Inventory.

"Spot Rate of Exchange" means Leumi's spot rate of exchange for the purchase of the relevant currency with sterling in the London foreign exchange market at or about 11.00 am on a particular day.

"Termination Event" has the meaning given to it in the Receivables Finance Agreement.

"Third Parties Act" has the meaning given to that expression in clause 1.4(a) (*Third Party Rights*).

"Work-in-Progress" means those items incorporating Raw Materials to which a Chargor still has to complete any process or work for them to become Finished Goods.

1.2 Interpretation

Unless a contrary indication appears, in this debenture:

- (a) a reference to "Leumi", a "Chargor", the "Parent" or an "Obligor" shall be construed so as to include a reference to its successors in title, permitted assigns and permitted transferees;
- (b) a reference to "assets" includes present and future properties, revenues and rights of every description;
- (c) a reference to "this debenture", the "Receivables Finance Agreement", the "P&M Facility", any other "Finance Document" or any other agreement or instrument shall be construed as a reference to this debenture, the Receivables Finance Agreement, the P&M Facility, such other Finance Document or such other

agreement or instrument respectively as varied, amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations and liabilities of any person or provides for the making of further advances);

- (d) a reference to a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (e) a reference to a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (f) a reference to a provision of law is a reference to that provision as amended or re-enacted;
- (g) "**assets**" includes any present and future properties, revenues and rights of every description and includes uncalled capital;
- (h) a reference to any "**Secured Obligations**" includes obligations and liabilities which would be treated as such but for the liquidation or dissolution of, or a similar event affecting, an Obligor;
- (i) the expression "**Schedule B1**" shall mean Schedule B1 to the Act, the expression "**Administrator**" shall have the meaning assigned to it in paragraph 1(1) of Schedule B1 to the Act;
- (j) a Termination Event is "**continuing**" if it has not been remedied or waived;
- (k) where context allows the singular includes the plural and vice versa and any of the three genders includes either of the others;
- (l) references to clauses, paragraphs and schedules are to be construed, unless otherwise stated, as references to clauses, paragraphs and schedules of and to this debenture and references to this debenture include its schedules;
- (m) the headings of clauses and schedules are for convenience only and do not affect or limit the meaning or extent of any clause;
- (n) the meanings of general words introduced by the word "other" are not limited by reference to any preceding word indicating a particular class of acts, matters or things;
- (o) the expressions "**including**", "**includes**" and "**in particular**" do not limit or restrict any general words preceding either of them;
- (p) where Leumi has a right or option to do anything then the right or option is at its absolute discretion;

- (q) the terms of the other Finance Documents and of any side letters between any of the parties thereto in relation to any Finance Document are incorporated in this debenture to the extent required to ensure that any disposition of the property contained in this debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989;
- (r) where the meaning of any expression in or in relation to any place outside England and Wales is used and there is no exact equivalent to that expression in that place then the expression is to have the meaning of its closest equivalent in that place; and
- (s) the Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Joint and several

The liabilities and obligations of each Chargor under this debenture are joint and several. Each Chargor agrees to be bound by this debenture notwithstanding that any other Chargor which was intended to sign or be bound by this debenture did not so sign or is not bound by this debenture.

1.4 Third party rights

- (a) A person who is not a Party to this debenture shall have no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this debenture.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this debenture at any time.
- (c) A Receiver may enforce and enjoy the benefit of any clause which expressly confers rights on him, subject to paragraph (b) above and the provisions of the Third Parties Act.

1.5 Finance Document

This debenture is a Finance Document.

1.6 Receivables Finance Agreement to prevail

If there is any conflict between the provisions of this debenture and the Receivables Finance Agreement, the provisions of the Receivables Finance Agreement shall prevail.

1.7 Duration of covenants

All covenants of a Chargor under this debenture (other than a payment obligation which has been discharged) remain in force during the Security Period.

1.8 Incorporation of terms

The terms of the other Finance Documents, and of any side letters between any of the parties to them in relation to any Finance Document, are incorporated in this debenture to

the extent required to ensure that any disposition of land contained in this debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.9 Avoidance of payments

If Leumi reasonably considers that an amount paid by any Obligor under a Finance Document is reasonably likely to be avoided or otherwise set aside on the liquidation or administration of such Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this debenture.

1.10 Debenture takes effect as a deed

The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

2 COVENANT TO PAY

2.1 Covenant to pay

- (a) Each Chargor, as principal obligor and not merely as surety, hereby covenants to Leumi to pay and discharge on demand the Secured Obligations to Leumi, from time to time when such Secured Obligations fall due and payable.
- (b) Every payment by a Chargor of a Secured Obligation which is made to or for the benefit of Leumi to which that Secured Obligation is due and payable in accordance with the Finance Document under which such sum is payable to Leumi, shall operate in satisfaction to the same extent of the covenant contained in paragraph (a) above.

2.2 Default interest

- (a) Any amount which is not paid under this debenture when due and payable shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate and in the manner agreed in the Finance Document under which such amount is payable and, in the absence of such agreement, at the Default Interest Rate from time to time.
- (b) The Default Interest Rate will accrue from day to day and will be compounded at such intervals as Leumi states are appropriate.

3 GRANT OF SECURITY

3.1 Nature of security

All Security Interests and dispositions created or made by or pursuant to this debenture are created or made:

- (a) in favour of Leumi;

- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994;
- (c) as a continuing security for payment and discharge of the Secured Obligations; and
- (d) subject to the provisions of the prior Encumbrances set out in Schedule 3 (*Encumbrances*), except as otherwise varied by any separate deed.

3.2 Fixed security

Each Chargor hereby charges and agrees to charge in favour of Leumi all its right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

- (a) by way of first legal mortgage:
 - (i) the Real Property, of that Chargor, including but not limited to the Real Property (if any) specified in part 1 (*Real Property*) of Schedule 2 (*Security Assets*); and
 - (ii) the Chattels;
- (b) by way of first fixed charge:
 - (i) the Real Property not effectively mortgaged under clause 3.2(a) including such as may hereafter be acquired;
 - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land, including but not limited to all covenants for title given or entered into by any predecessor in title of a Chargor in respect of any such land or any moneys paid or payable in respect of those covenants;
 - (iii) the proceeds of sale of all Real Property;
 - (iv) the benefit of all contracts, guarantees, appointments and warranties relating to the Real Property and the Chattels and other documents to which that Chargor is a party or which are in its favour or of which it has the benefit (including, in each case, but without limitation, the right to demand and receive all monies whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them), to the extent not effectively assigned under clause 3.3 (*Security assignments*);
 - (v) all buildings, fixtures, fittings and fixed plant and machinery on that land;
 - (vi) all computers, vehicles, office equipment, plant, machinery and other equipment;

- (vii) the benefit of all contracts, licences and warranties relating to the same, other than any which are for the time being part of that Chargor's Inventory;
 - (viii) all repair, maintenance and location records, logs, tags, data, manuals and all other documents and materials similar thereto of any nature at any time maintained, held, created or used by that Chargor in relation to its Inventory;
 - (ix) in relation to a Client only, all Non-Vesting Receivables;
 - (x) the Chargor's Account;
 - (xi) all Other Receivables;
 - (xii) each of the accounts maintained by that Chargor with any bank or financial institution at any time, and all monies at any time standing to the credit of such accounts;
 - (xiii) all Software now or hereafter owned or acquired by that Chargor, including any replacement, substitution or renewal thereof, as well as all rights of that Chargor under any existing or future service or support contracts or agreements relating to the Software;
 - (xiv) all Intellectual Property (other than Software) now owned or at any time hereafter owned by that Chargor;
 - (xv) all of that Chargor's rights under any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed charge created under any other term of this clause 3.2; and
 - (xvi) all goodwill and unpaid and/or uncalled capital of that Chargor;
- (c) by way of first fixed charge:
- (i) the Charged Securities referred to in part 2 (*Charged Securities*) of Schedule 2 (*Security Assets*); and
 - (ii) all other Charged Securities (not charged by clause 3.2(c)(i)),
- in each case, together with (a) all Securities Rights from time to time accruing to those Charged Securities and (b) all rights which that Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;
- (d) to the extent not effectively assigned under clause 3.3 (*Security assignments*) below, by way of first fixed charge, each of the following:
- (i) the Insurances specified in part 4 (*Insurances*) of Schedule 2 (*Security Assets*);
 - (ii) all other Insurances (not charged under paragraph (i) above); and

- (iii) (other than in respect of third party liability or public liability Insurances) all claims under the Insurances and all proceeds of the Insurances.

3.3 Security assignments

- (a) Each Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to each of the following (such that each is subject to a separate assignment):
 - (i) all Insurances specified in part 1.A.4 (*Insurances*) of Schedule 2 (*Security Assets*); and
 - (ii) the benefit of all contracts, guarantees, appointments and warranties relating to the Chattels and other documents to which that Chargor is a party or which are in its favour or of which it has the benefit (including, in each case, but without limitation, the right to demand and receive all monies whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them), provided that nothing in this clause 3.3 shall constitute Leumi as mortgagee in possession; and
 - (iii) (other than in respect of third party liability or public liability Insurances) all claims under the Insurances and all proceeds of the Insurances.
- (b) To the extent that any Insurance described in this clause 3.3 is not assignable, the assignment which this clause purports to effect shall operate as an assignment of all present and future rights and claims of each Chargor in any proceeds of such Insurances.

3.4 Floating charge

- (a) Each Chargor hereby charges and agrees to charge in favour of Leumi all the Floating Charge Assets by way of floating charge.
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this debenture (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

3.5 Conversion of floating charge

- (a) **Conversion by notice**

Leumi may, by written notice to any Chargor:

- (i) as regards all or any of the assets of that Chargor that are specified in the notice, convert the floating charge created under this debenture into a fixed charge if a Termination Event has occurred and is continuing; or

- (ii) prior to the occurrence of a Termination Event, convert the floating charge created under this debenture into a fixed charge in respect of those Security Assets specified in such notice if, acting in good faith, Leumi considers such Security 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.

(b) Small companies

The floating charge created under this debenture shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of a Chargor.

(c) Automatic conversion

The floating charge created under this debenture shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

- (i) in relation to any Security Asset which is subject to a floating charge, if:
 - (A) a Chargor creates (or attempts or purports to create) any Security Interest on or over the relevant Security Asset without the prior written consent of Leumi; or
 - (B) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset and it is not discharged within seven Business Days; and
- (ii) over all Security Assets which are subject to a floating charge, if an administrator is appointed in respect of a Chargor or Leumi receives notice of intention to appoint such an administrator.

(d) Partial conversion

The giving of a notice by Leumi pursuant to clause 3.5(a) (*Conversion by notice*) in relation to any class of assets shall not be construed as a waiver or abandonment of the rights of Leumi to serve similar notices in respect of any other class of assets, or of any other right of Leumi.

3.6 Continuing security

The Security Interests constituted by this debenture are continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This debenture shall remain in full force and effect as a continuing security for the duration of the Security Period.

3.7 Additional and separate security

This debenture is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security Interest that Leumi may at any time hold for any Secured Obligation.

3.8 Right to enforce

This debenture may be enforced against any Chargor without Leumi first having recourse to any other right, remedy, guarantee or Security Interest held by or available to it.

4 LIABILITY OF CHARGORS RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this debenture or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. Leumi is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

5 ACCOUNTS

No monies at any time standing to the credit of any account (of any type and however designated) of a Chargor with Leumi (and no rights and benefits relating thereto) shall be capable of being assigned to any third party.

6 FLOATING CHARGE ASSETS

Each Chargor may sell or dispose of any item included in the Floating Charge Assets in the normal course of and for the purpose of carrying on its business as at the date of this debenture (but on terms not less favourable than those usual in a business of the nature of that carried on by that Chargor) until the crystallisation of the floating charge hereby created in respect of such item or of all the Floating Charge Assets.

7 REPRESENTATIONS

7.1 General

Each Chargor makes the representations and warranties set out in this clause 7 to Leumi.

7.2 No avoidance

This debenture creates the Security Interests which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of a Chargor or otherwise.

7.3 Ownership of Security Assets

Each Chargor is and will remain the sole legal and beneficial owner of, and has good, valid and marketable title to the Security Assets identified against its name in Schedule 2 (*Security Assets*).

7.4 No Security

The Security Assets are free from any Security Interest other than the Security Interests created by this debenture and the Encumbrances (if any) set out in Schedule 3 (*Encumbrances*).

7.5 No adverse claims

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

7.6 No adverse covenants

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

7.7 No breach of laws

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

7.8 No interference with enjoyment

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

7.9 Avoidance of Security

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

7.10 No prohibitions

The entry into this debenture by a Chargor does not and will not constitute a breach of any other agreement, instrument or obligation binding on that Chargor or its assets.

7.11 Environmental compliance

Each Chargor has, at all times, complied in all material respects with all applicable Environmental Law.

7.12 Charged Securities

The Charged Securities listed in Part 2 (*Charged Securities*) of Schedule 2 (*Security Assets*) are fully paid and constitute the entire share capital owned by each Chargor in the relevant company and constitute the entire share capital of each such company.

7.13 Enforceable Security

This debenture constitutes and will constitute the legal, valid, binding and enforceable obligations of each Chargor and is and will continue to be an effective Security Interest over all and every part of the Security Assets in accordance with its terms.

7.14 Time when representations are made

- (a) All the representations and warranties in this clause 7 are made by each Chargor on the date of this debenture and are also deemed to be made by each Chargor on each day until the date on which the Receivables Finance Agreement and the P&M Facility is terminated.
- (b) Each representation or warranty deemed to be made after the date of this debenture shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

8 THE CHARGORS' CONTINUING OBLIGATIONS

8.1 Restrictions on dealing

Until the full and final discharge of all the Secured Obligations, except with the prior written consent of Leumi (in the form set out in part 1 of Schedule 4 (*Disposal of Secured Assets*) and received consent in the form set out in part 2 of Schedule 4 (*Disposal of Secured Assets*)), no Chargor may:

- (a) create or permit to subsist any Security Interest on any Security Assets, except otherwise permitted by or under the Receivables Finance Agreement or the P&M Facility;
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset, except:
 - (i) as otherwise permitted by the Receivables Finance Agreement or the P&M Facility; or
 - (ii) as otherwise permitted by clause 6 (*Floating charge assets*); or
- (c) grant, or agree to grant, any licence or lease affecting the whole or any party of the Security Assets.

8.2 Dealings with and realisations of Non-Vesting Receivables, Other Receivables and the Chargor's Account

Until the full and final discharge of all the Secured Obligations:

- (a) in addition to and without prejudice to the provisions of paragraph (a) above:
 - (i) Leumi shall at all times after a Termination Event, which is continuing, have the right to collect any of the Other Receivables and each Chargor shall:
 - (A) assist Leumi in any way that it may require for that purpose; and
 - (B) if called upon to do so at any time by Leumi, shall at that Chargor's expense (including any applicable stamp duty):

- (I) complete and execute a formal written assignment of any or all of the Other Receivables in such form as Leumi may prescribe and give written notice of such assignment to every person by whom any such Other Receivable shall be owing; and
 - (II) (whether or not such written assignment shall have been executed) give irrevocable instructions to such persons to make payment of all Other Receivables (then owing or to become owing by such persons thereafter) direct to Leumi; and
- (ii) Leumi may at any time after a Termination Event, which is continuing, apply (and each Chargor agrees that Leumi may apply) any part of the Chargor's Account in the discharge of any part or the whole of the Secured Obligations; and
- (b) without prejudice to the rights of Leumi under paragraph (b) above, each Chargor shall:
 - (i) collect in the Other Receivables (except any Other Receivables assigned to Leumi under paragraph (b)) in the ordinary course of business (which expressions shall not include factoring or discounting or selling or otherwise disposing of the Other Receivables in any other way); and
 - (ii) promptly pay into a bank account any moneys which the Chargor may receive in respect of the Other Receivables.

8.3 Security Assets generally

For the duration of the Security Period, each Chargor shall:

(a) Maintenance of Security Assets

keep all tangible items included in the Security Assets in a good state of repair and condition and proper working order where failure to do so will have a material adverse effect on them or on their valuation;

(b) Insurance

- (i) insure and keep insured the Security Assets against:
 - (A) loss or damage by fire or terrorist acts, including any third party liability arising from such acts;
 - (B) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as each Chargor; and
 - (C) any other risk, perils and contingencies as Leumi may reasonably require;

- (ii) ensure such Insurance must:
 - (A) be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to Leumi; and
 - (B) be for not less than the replacement value of the relevant Security Assets (meaning in the case of any premises on any Charged Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation) and, in the case of any Charged Property, loss of rents payable by the tenants or other occupiers of any Charged Property for a period of at least three years, including provision for increases in rent during the period of insurance;
- (iii) if requested by Leumi, produce to Leumi each policy, certificate or cover note relating to any Insurance as is required by clause 8.3(b)(i);
- (iv) if requested by Leumi, procure that Leumi is named as composite insured in respect of its own separate insurable interest under each Insurance (other than public liability and third party liability insurances) effected or maintained by it or any person on its behalf in accordance with clause 8.3(b)(i) but without Leumi having any liability for any premium in relation to those Insurances unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance;
- (v) ensure that each Insurance effected or maintained by it or any person on its behalf in accordance with clause 8.3(b)(i) contains:
 - (A) a loss payee clause under which Leumi is named as first loss payee (other than in respect of any claim under any public liability and third party liability insurances);
 - (B) terms ensuring that it cannot be avoided or vitiated as against Leumi by reason of the act or default of any other insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any other insured party;
 - (C) a waiver of each insurer's rights of subrogation against each Chargor, Leumi and the tenants of any Charged Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any Charged Property or any Insurance; and
 - (D) terms ensuring that no insurer can repudiate, rescind or cancel it, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to Leumi;

- (vi) promptly pay all premiums in respect of each Insurance as is required by clause 8.3(b)(i) and do all other things necessary to keep that policy in full force and effect;
- (vii) (if Leumi so requires) give Leumi copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance as is required by clause 8.3(b)(i); and
- (viii) not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance as is required by clause 8.3(b)(i); and

(c) **Leasing, etc.**

not, except with the prior written consent of Leumi, not to be unreasonably withheld or delayed, or as otherwise permitted by the terms of the Receivables Finance Agreement or the P&M Facility, confer on any person:

- (i) any lease or tenancy of any Real Property or accept a surrender of any such lease or tenancy (whether independently or under any statutory power);
- (ii) any right or licence to occupy any freehold or leasehold land or buildings forming part of the Real Property; or
- (iii) any licence to assign or sub-let any part of the Real Property.

8.4 **Deposit of documents and notices**

- (a) Each Chargor shall, if requested by Leumi in writing, deposit with Leumi:
 - (i) all deeds and documents of title relating to the Security Assets; and
 - (ii) all local land charges, land charges and HM Land Registry search certificates and similar documents received by or on behalf of the relevant Chargor,

which Leumi may hold throughout the Security Period.

8.5 **Charged Investments - protection of security**

- (a) Each Chargor shall, immediately upon execution of this debenture or (if later) as soon as is reasonably practicable after its acquisition of any Charged Securities, by way of security for the Secured Obligations:
 - (i) deposit with Leumi (or as Leumi may direct) all certificates and other documents of title or evidence of ownership to the Charged Securities and their Securities Rights; and
 - (ii) execute and deliver to Leumi:

- (A) instruments of transfer in respect of the Charged Securities (executed in blank and left undated); and/or
 - (B) such other documents as Leumi shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Securities Rights (or to pass legal title to any purchaser).
- (b) In respect of any Charged Investment held by or on behalf of any nominee of any clearance or settlement system, each Chargor shall immediately upon execution of this debenture or (if later) as soon as reasonably practicable upon acquisition of an interest in such Charged Investment deliver to Leumi duly executed stock notes or other document in the name of Leumi (or as it may direct) issued by such nominee and representing or evidencing any benefit or entitlement to such Charged Investment.
- (c) Each Chargor shall:
 - (i) promptly give notice to any custodian of any agreement with the relevant Chargor in respect of any Charged Investment in the form required by Leumi; and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in the form required by Leumi.
- (d) If a Termination Event is continuing, each Chargor shall:
 - (i) instruct any clearance system to transfer any Charged Investment held by it for the relevant Chargor or its nominee to an account of Leumi or its nominee with such clearance system; and
 - (ii) take whatever action Leumi may request for the dematerialisation or rematerialisation of any Charged Investment held in a clearance system.

Without prejudice to the rest of this clause 8.5, Leumi may, at the reasonable expense of each Chargor, take whatever action, acting reasonably, is required for the dematerialisation or rematerialisation of the Charged Investments if a Termination Event is continuing.

- (e) Each Chargor shall promptly pay all calls or other payments which may become due in respect of its Charged Investments.
- (f) No Chargor shall nominate another person to enjoy or exercise all or any specified rights of that Chargor in relation to its Charged Investments, as contemplated by section 145 of the Companies Act 2006 or otherwise.
- (g) Each Chargor shall comply with all requests for information within its knowledge relating to the Charged Investments which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if that Chargor were a public limited company or under any similar provision contained in the articles of association or other constitutional documents of that Chargor or

otherwise relating to the Charged Investments and, if it fails to do so, Leumi may provide such information as it may have on behalf of that Chargor.

8.6 Rights of the parties in respect of Charged Investments

- (a) Unless a Termination Event is continuing, and subject to the terms of the Receivables Finance Agreement or the P&M Facility (as appropriate), each Chargor shall be entitled to:
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities; and
 - (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which:
 - (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Securities Rights unless permitted by the Finance Documents; or
 - (B) is prejudicial to the interests of Leumi.
- (b) If a Termination Event is continuing, Leumi may complete the instrument(s) of transfer for all or any Charged Securities on behalf of each Chargor in favour of Leumi or such other person as it may select.
- (c) At any time when any Charged Securities are registered in the name of Leumi or its nominee, Leumi shall be under no duty to:
 - (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Securities are duly and promptly paid or received by it or its nominee;
 - (ii) verify that the correct amounts are paid or received; or
 - (iii) take any action in connection with the taking up of any (or any offer of any) Securities Rights in respect of or in substitution for, any such Charged Securities.

8.7 Software and Intellectual Property - protection of security

Each Chargor shall:

- (a) ensure that all renewal and maintenance fees relating to any licence, registration or application for registration of any of the Software or the Intellectual Property which is requisite for the operation of the business of the relevant Chargor which may now or in future exist will be paid when falling due; and
- (b) not do or permit to be done any act which would or might jeopardise or invalidate any licence or registration of any of the Software or Intellectual Property which is requisite for the operation of the business of the relevant Chargor which may now

or in future exist nor to do any act which might assist or give rise to an application to oppose, remove, revoke or invalidate any such licence or registration.

8.8 Real Property – protection of security

- (a) Each Chargor shall notify Leumi promptly prior to the acquisition of any estate or interest in any freehold or leasehold property.
- (b) No Chargor shall do, or permit to be done, anything as a result of which any lease may be liable to forfeiture or otherwise be determined.
- (c) Each Chargor shall not, without the prior written consent of Leumi:
 - (i) pull down or remove the whole, or any part of, any building forming part of any Real Property or permit the same to occur; and
 - (ii) make or permit to be made any material alterations to any Real Property, or sever or remove or permit to be severed or removed, any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same).
- (d) Each Chargor shall:
 - (i) give full particulars to Leumi of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a "Notice") that specifically applies to any Real Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
 - (ii) (if Leumi so requires) immediately, and at the cost of the relevant Chargor, take all reasonable and necessary steps to comply with any Notice, and make, or join with Leumi in making, any objections or representations in respect of that Notice that Leumi thinks fit.

8.9 Land Registry

Each Chargor consents to an application being made by Leumi or on their behalf to the Land Registrar for the following restriction in Form P to be registered against its title to each Real Property over which Leumi has a legal mortgage:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2023 in favour of Leumi UK Group Limited referred to in the charges register."

8.10 Chattels

(a) Notice of Mortgage

Each Chargor:

- (i) shall affix to and maintain on each Chattel nominated by Leumi for this purpose, in a prominent position, a clearly legible, durable plate stating that the relevant Chattel has been mortgaged and/or charged to Leumi, in such form as Leumi may require; and
- (ii) shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with paragraph (i) above.

(b) Maintenance of Chattels

Each Chargor shall:

- (i) at its own expense, maintain each Chattel in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;
- (ii) at its own expense, renew and replace any parts of the Chattels when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value;
- (iii) keep or procure to be kept accurate, complete and up to date records of all repairs, servicing and maintenance carried out on the Chattels;
- (iv) permit Leumi, or such persons as it may nominate, at all reasonable times and on reasonable notice to enter on any premises of that Chargor to effect such maintenance or repairs to the Chattels as Leumi or its nominee considers necessary; and
- (v) not permit any Chattel to be:
 - (A) used or handled, other than by properly qualified and trained persons;
 - (B) modified, upgraded, supplemented or altered other than for the purpose of effecting maintenance or repairs permitted by this debenture; or
- (vi) overloaded or used for any purpose for which it is not designed or reasonably suitable or in any manner which would invalidate or otherwise prejudice any of the Insurances.

(c) Location of Chattels

Each Chargor shall:

- (i) keep the Chattels in its sole and exclusive possession at the location (if any) specified in part 6 of Schedule 2 (*Security Assets*) or (if no such location is specified) at the location where they are kept as the date of this debenture and (except as Leumi may approve in writing) shall not:

- (A) remove the Chattels, nor allow them to be removed, from such location; or
 - (B) part with possession or control of any of the Chattels; and
 - (ii) if required by Leumi, in the case of any Security Assets located on leasehold premises, obtain evidence in writing from any lessor of such premises that it waives absolutely all and any rights it may have now or at any time over any such Security Assets.
- (d) **Registration restriction**
- Each Chargor shall procure that no person other than that Chargor shall be registered as proprietor of any Chattel without the prior written consent of Leumi.
- (e) **Reporting and count of Chattels**
- Each Chargor shall conduct a physical count of its Chattels:
- (i) at least once every calendar month;
 - (ii) promptly after the occurrence of a Termination Event which is continuing; and
 - (iii) at any other time that Leumi requests that such a count is conducted;
- and shall promptly, upon completing such count, deliver to Leumi a copy of the count report detailing the item number, quantity, item name and item location of such Chattels.

9 POWER TO REMEDY

9.1 Power to remedy

If at any time a Chargor does not comply with any of its obligations under this debenture, Leumi (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The relevant Chargor irrevocably authorises Leumi and its employees and agents by way of security to do all such things (including entering the property of the relevant Chargor) which are necessary or desirable to rectify that default.

9.2 Mortgagee in possession

The exercise of the powers of Leumi under this clause 9 shall not render it liable as a mortgagee in possession.

9.3 Monies expended

The relevant Chargor shall pay to Leumi on demand any monies which are expended by Leumi in exercising its powers under this clause 9, together with interest at the Default Interest Rate from the date on which those monies were expended by Leumi (both before

and after judgment) until payment and otherwise in accordance with clause 2.2 (*Default Interest*).

10 ENFORCEMENT

10.1 When enforceable

The Security Interests constituted by this debenture shall become immediately enforceable if a Termination Event occurs and is continuing and shall remain so for so long as such Termination Event is continuing.

10.2 Discretion

After this debenture has become enforceable, Leumi may enforce all or any part of the Security Interests constituted by this debenture in any manner it sees fit.

10.3 Statutory powers

For the purposes of all powers implied by statute:

- (a) the power of sale and other powers conferred by section 101 of the Law of Property Act 1925 (as amended or extended by this debenture) shall be immediately exercisable upon and at any time after the Security Interests constituted by this debenture have become enforceable;
- (b) the Secured Obligations will be deemed to have become due and payable on the date of this debenture;
- (c) sections 93 and 103 of the Law of Property Act 1925 and the restriction in section 109(1) of that act shall not apply to this debenture; and
- (d) the statutory powers of leasing conferred on Leumi are extended so as to authorise Leumi to lease, make agreements for leases, accept surrenders of leases and grant options as Leumi may think fit and without the need to comply with section 99 or 100 of the Law of Property Act 1925.

10.4 Powers of Leumi

- (a) At any time after the Security Interests constituted by this debenture have become enforceable Leumi may exercise any of the following rights:
 - (i) to appoint any person to be a Receiver over any of the Fixed Charge Assets; and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as Administrator of each Chargor; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Law of Property Act 1925 (as amended or extended by this debenture) and/or all or any of the powers which are conferred by this debenture on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or

- (iv) exercise (in the name of the relevant Chargor and without any further consent or authority of that Chargor) any voting rights and any powers or rights which may be exercised by the person(s) in whose name any shares beneficially owned by the Chargor are registered, or who is the holder of any such shares; and/or
 - (v) by notice to the relevant Chargor to crystallise the floating charge created by clause 3.4 (*Floating charge*) in respect of any or all of the Floating Charge Assets (and the Chargor's right to deal with such assets in the ordinary course of business in accordance with the provisions of clause 6 (*Floating Charge Assets*) will cease as a result of such crystallisation).
- (b) Leumi is not entitled to appoint a Receiver in respect of any Security Assets which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of any Chargor.

11 APPOINTMENT, POWERS AND AGENCY OF RECEIVERS AND INDEMNITY

- 11.1 The power of appointing a Receiver under this debenture may be exercised in writing under the hand of any director or the company secretary for the time being of Leumi or of any person authorised in writing by any of them. Leumi may in like manner remove any such Receiver so appointed and (in the case of the removal or the vacation of office or the death of any such Receiver) appoint another person or persons in the place of such Receiver.
- 11.2 Upon the appointment of an Administrator to a Chargor by any means, every Receiver appointed under this debenture shall vacate office in respect of any assets of that Chargor.
- 11.3 Every Receiver so appointed shall have the power:
- (a) to take possession of, to enforce payment of and to collect or to realise any of the Security Assets in respect of which he shall have been appointed or any part thereof in such manner and upon such terms as he shall in his absolute discretion decide;
 - (b) to make any arrangement or compromise as he may consider requisite on behalf of a Chargor with any other person in respect of any of the Security Assets;
 - (c) without any of the restrictions imposed by the Law of Property Act 1925 to sell and assign any of the Security Assets on such terms and to such persons as he may consider expedient;
 - (d) to exercise all the powers provided for in the Law of Property Act 1925 as if the Receiver had been duly appointed under such Act;
 - (e) to appoint solicitors managers and agents for any of the above purposes on such terms and for such periods as the Receiver shall think fit;
 - (f) for any of the purposes hereby authorised to borrow from any bank or other person on the security of any of the Security Assets on such terms as the Receiver shall

consider expedient including (if Leumi so consents) terms by which such security shall rank in priority to the Security Interests constituted by this debenture;

- (g) to carry out and enforce performance of any contract (or any part of it) giving rise to any Non-Vesting Receivable or any Other Receivable;
- (h) to give effective receipts for all monies and other assets which may come into the Receiver's hands in the exercise of any power hereby conferred upon him; and
- (i) to do all such other acts or things which the Receiver may consider to be incidental or conducive to any other purposes authorised hereby and which he may lawfully do as agent for a Chargor.

- 11.4 If two or more individuals shall hold office as Receiver of the same item included in the Security Assets by virtue of an appointment in accordance with clause 11.1 such individuals shall have the right to exercise all or any of their powers severally as well as jointly.
- 11.5 Every Receiver appointed in accordance with clause 11.1 shall at all times be the agent of the relevant Chargor, which shall alone be responsible for all acts defaults and omissions of such Receiver and for the payment of all his remuneration, costs and expenses. Leumi shall be under no liability to any such Receiver for his remuneration, costs, expenses or in any other way whatsoever.
- 11.6 Neither Leumi nor any Receiver appointed under this debenture shall be liable to account as mortgagee in possession in respect of all or any of the Security Assets nor shall any of them be liable for loss on realisation or for any neglect or default of any nature in connection with the Security Assets for which a mortgagee in possession may be liable as such.
- 11.7 Each Chargor hereby undertakes to indemnify and hold harmless any Receiver appointed under this debenture against all actions, claims, expenses, costs and liabilities which may at any time and in any way may be incurred by him or by any person, for whose debt or default he may be answerable, in respect of anything done in the exercise or purported exercise of his powers in connection with this debenture save for negligence, wilful default or fraud.

12 PROTECTION OF THIRD PARTIES

No person (including a purchaser) dealing with Leumi or any Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable; or
- (b) whether any power which Leumi or the Receiver is purporting to exercise has become exercisable; or
- (c) whether any money remains due under any Finance Document; or
- (d) how any money paid to Leumi or to the Receiver is to be applied.

13 APPLICATION OF PROCEEDS

13.1 Application

All monies received by Leumi or any Receiver after the Security Interests constituted by this debenture have become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Security Interests constituted by this debenture) be applied in the following order:

- (a) first, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by Leumi or any Receiver and of all remuneration due to the Receiver in connection with this debenture or the Security Assets;
- (b) secondly, in or towards satisfaction of the remaining Secured Obligations; and
- (c) thirdly, in payment of any surplus to the relevant Chargor or other person entitled to it.

13.2 Contingencies

If the Security Interest constituted by this debenture is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may, in the opinion of Leumi, become so due), Leumi or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as Leumi usually grants for accounts of that size and nature) without Leumi having any intermediate obligation to apply such monies and interest or any part thereof in or towards the discharge of any of the Secured Obligations unless (in the opinion of Leumi) such monies would be sufficient to discharge all the Secured Obligations in full.

13.3 Appropriation and suspense account

- (a) Subject to clause 13.1 (*Application*), Leumi shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by a Chargor.
- (c) All monies received, recovered or realised by Leumi under or in connection with this debenture may at the discretion of Leumi be credited to a separate interest-bearing suspense account for so long as Leumi determines (with interest accruing thereon at such rate (if any) as Leumi may determine) without Leumi having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would be sufficient to discharge all the Secured Obligations in full.

14 DELEGATION

Each of Leumi and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this debenture upon any terms (including power to sub-delegate) which it may think fit. Neither Leumi nor any Receiver shall be in any way liable or responsible to any Chargor for any

loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate (except for any expense, loss, liability or damage arising from its negligence, fraud or wilful misconduct).

15 FURTHER ASSURANCE

Each Chargor shall, at its own expense, promptly take whatever action Leumi or a Receiver may reasonably require for:

- (a) creating, perfecting or protecting the Security Interest intended to be created by this debenture;
- (b) facilitating the exercise of any right, power or discretion exercisable by Leumi or any Receiver or any of its or his delegates or sub-delegates in respect of any Security Asset; and
- (c) after the Security Interest has become enforceable, facilitating the realisation of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to Leumi or to its nominees, the giving of any notice, order or direction and the making of any registration which in any such case Leumi may think expedient.

16 POWER OF ATTORNEY

Each Chargor, whilst a Termination Event is continuing, irrevocably appoints Leumi and the directors and the company secretary for the time being of Leumi and any Receiver appointed under this debenture jointly and each of them severally to be the attorney of that Chargor, to execute in the name of that Chargor such deeds and documents and to do such other things as may be requisite to perfect the title of Leumi to any of the Security Assets or to enable Leumi to exercise any of its rights under this debenture, and which that Chargor has failed to do in accordance with the Finance Documents, including its rights to enforce payment of and collect any of the Other Receivables or Non-Vesting Receivables and to realise any of the other Security Assets and for the purpose of receiving all monies payable under any Insurance and for compromising or compounding any claim under it.

17 PAYMENTS

Without prejudice to the Chargors' obligations under this debenture, Leumi may at any time discharge a Chargor's obligation to make payment of any sums due by that Chargor to Leumi by debiting such sum to any account held by Leumi (in whatever capacity) in relation to that Chargor.

18 COSTS AND EXPENSES

- 18.1 Each Chargor shall within three Business Days of demand pay to Leumi and any Receiver the amount of all costs and expenses (including legal fees incurred by any of them in connection with the taking, holding, perfection or enforcement of this debenture or the preservation of any of their respective rights under this debenture (including all

remuneration of the Receiver) and any proceedings instituted by or against Leumi or any Receiver as a consequence of taking or holding the Security Interests constituted by this debenture or of enforcing such rights, as the case may be.

- 18.2 A written certificate from Leumi's company secretary or auditor of the amount of the monetary liabilities included in the Secured Obligations at any time shall be prima facie evidence (save for manifest error) in any proceedings against any Chargor.

19 CURRENCIES

19.1 Conversion

All monies received or held by Leumi or any Receiver under this debenture may be converted from their existing currency into such other currency as Leumi or the Receiver considers necessary to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Spot Rate of Exchange. The Chargors shall indemnify Leumi against all costs, charges and expenses incurred in relation to such conversion. Neither Leumi nor any Receiver shall have any liability to the Chargors in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

19.2 Currency Indemnity

No payment to Leumi (whether under any judgment or court order or in the liquidation, administration or dissolution of a Chargor or otherwise) shall discharge the obligation or liability of that Chargor in respect of which it was made, unless and until Leumi shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, Leumi shall have a further separate cause of action against that Chargor and shall be entitled to enforce the Security Interests to recover the amount of the shortfall.

20 INDEMNITY

Each Chargor shall indemnify Leumi and any Receiver and any attorney, agent or other person appointed by Leumi under this debenture and Leumi's officers and employees (each an "Indemnified Party") on demand against any cost, loss, liability or expense (however arising) except for any expense, loss, liability or damage arising from its negligence, fraud or wilful misconduct incurred by any Indemnified Party as a result of or in connection with:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this debenture;
- (b) the Security Assets or the use or occupation of them by any person (including any Environmental Claim); or
- (c) any breach by a Chargor of any of its obligations under this debenture.

21 MISCELLANEOUS

21.1 New accounts

If Leumi receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security Interest affecting any Security Asset and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for any Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice. As from that time all payments made to Leumi will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

21.2 Changes to the Parties

- (a) No Chargor shall assign or transfer any of its rights and/or obligations under this debenture.
- (b) Subject to the terms of the Receivables Finance Agreement and the P&M Facility, Leumi may assign or transfer all or any part of its rights under this debenture. Each Chargor shall, promptly upon being requested to do so in writing by Leumi, enter into such documents as may be necessary to effect such assignment or transfer in accordance with the terms of the Receivables Finance Agreement and/or the P&M Facility.

21.3 Calculations and certificates

A certificate of Leumi specifying the amount of any Secured Obligation due from any Chargor (including details of any relevant calculation thereof) shall be prima facie evidence of such amount against that Chargor in the absence of manifest error.

21.4 Waiver, rights and remedies

No failure to exercise, nor any delay in exercising, on the part of Leumi, any right or remedy under this debenture shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

22 ADDITIONAL RIGHTS OF LEUMI

22.1 The grant by Leumi to a Chargor or to any other person, including any person for whose liability that Chargor is surety, of any time or indulgence or the making by Leumi with a Chargor or any such person of any arrangement composition or agreement not to sue shall not discharge or in any way affect any of Leumi's rights under this debenture.

22.2 Leumi may abstain from perfecting or enforcing any securities, guarantees or other rights which it may now or at any time have from or against a Chargor or any other person and may substitute, release, alter or deal with the same in any way without affecting its rights under this debenture.

22.3 If Leumi receives or is deemed to have received notice of other Security Interests which affects any of the Security Assets and is created subsequent to the date of this debenture Leumi may open a new account with the relevant Chargor. If Leumi does not at the time of such notice or deemed notice open a new account, Leumi will nevertheless be treated as having opened a new account at that time. Any payments received by Leumi from a Chargor subsequent to the time of that notice or deemed notice will be credited or treated as having been credited to a new account. Consequently no such payment will operate to reduce any of the Secured Obligations until such time as Leumi is satisfied as to the priority of this debenture over such other Security Interests.

22.4 Any discharge given by Leumi to a Chargor in respect of this debenture or of any of the Secured Obligations shall be deemed to be void and of no effect if any security taken from or payment made that Chargor or any other person, which had been taken into account by Leumi in giving that discharge, is subsequently avoided or reduced by or in pursuance of any provision of law or of any determination of a court or tribunal of competent authority. The paper on which this debenture is written shall remain the property of Leumi notwithstanding any such discharge.

23 SET-OFF

23.1 Set-off

In addition to any right of set-off to which Leumi may be entitled in law:

- (a) Leumi may set off any matured obligation of a Chargor under the Finance Documents (to the extent beneficially owned by Leumi) against any matured obligation owed by Leumi to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, Leumi may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off;
- (b) Leumi is not obliged to exercise its rights under this clause 23 unless required by law.

23.2 Time deposits

Without prejudice to clause 23.1 (*Set-off*), if any time deposit matures on any account which the Chargors has with Leumi at a time within the Security Period when:

- (a) the Security Interest constituted by this debenture has become enforceable; and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as Leumi in its absolute discretion considers appropriate unless Leumi otherwise agrees in writing.

24 NOTICES

- (a) Clause 24 (*Notices*) of the Receivables Finance Agreement is incorporated into this debenture as if fully set out in this debenture; and

- (b) the address and electronic mail of each Party for all communications or documents given under or in connection with this debenture are those identified with its name in the execution pages to this debenture or subsequently notified from time to time by the relevant Party for the purposes of the Receivables Finance Agreement or this debenture.

25 PARTIAL INVALIDITY

All the provisions of this debenture are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

26 RELEASE

- (a) Upon the expiry of the Security Period subject to clause 26(b) below (but not otherwise) Leumi shall, promptly after the request and at the cost of the Chargors, take whatever action is necessary to release and/or re-assign (without recourse or warranty) the Security Assets from the Security Interest and return all deeds and documents of title delivered to Leumi under this debenture and execute and deliver any other documents as the Chargors may reasonably require in order to give effect to this clause 26.
- (b) Where a Chargor makes a disposal, which is permitted by Leumi, Leumi shall on receipt of the full disposal proceeds, at the request and cost of that Chargor, take any action (including the provision of a letter of non-crystallisation) that is necessary to release or potentially release or re-assign to that Chargor the Security Asset which is the subject of such disposal from the Security Interests.

27 COUNTERPARTS

This debenture may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this debenture.

28 GOVERNING LAW

This debenture and any non-contractual obligations arising out of or in connection with it are governed by English law.

29 ENFORCEMENT

- 29.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this debenture (including a dispute relating to the existence, validity or termination of this debenture or any non-contractual obligation arising out of or in connection with this debenture) (a "**Dispute**").
- 29.2 Each Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Chargor shall argue to the contrary.

29.3 This clause 29 is for the benefit of Leumi only. As a result, Leumi shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, Leumi may take concurrent proceedings in any number of jurisdictions.

IN WITNESS OF WHICH this debenture has been duly executed as a deed by each of the Parties and has been delivered on the first date specified on page 1 of this debenture.

**Schedule 1
CHARGORS**

Chargor	Company number	Registered Office
S&PB Retail (Lancashire) Limited	14011926	1 Calverley Road, Oulton, Leeds, United Kingdom, LS26 8JD
S&PB Retail (Manchester) Limited	14011936	1 Calverley Road, Oulton, Leeds, United Kingdom, LS26 8JD
S&PB Retail (Merseyside) Limited	14011643	1 Calverley Road, Oulton, Leeds, United Kingdom, LS26 8JD
S&PB Retail (Midlands) Limited	14011699	1 Calverley Road, Oulton, Leeds, United Kingdom, LS26 8JD
S&PB Retail (Liverpool) Limited	14011569	1 Calverley Road, Oulton, Leeds, United Kingdom, LS26 8JD
S&PB Retail (Yorkshire) Limited	14011944	1 Calverley Road, Oulton, Leeds, United Kingdom, LS26 8JD

CLIENT(S)

Client	Company number	Registered Office
David Wood Baking Limited	06541251	1 Calverley Road, Oulton, Leeds, West Yorkshire, LS26 8JD

Schedule 2 SECURITY ASSETS

1. REAL PROPERTY

Freehold properties with registered title		
Chargor	Address	Title number
None as at the date of this Deed.		

Freehold properties with unregistered title			
Chargor	Address	Document describing the Real Property	
		Date	Parties
None as at the date of this Deed.			

Leasehold properties with registered title			
Chargor	Administrative Area	Address	Title number
None as at the date of this Deed.			

Leasehold properties with unregistered title				
Chargor	Address	Document describing the Real Property		
		Date	Document	Parties
None as at the date of this Deed.				

2. CHARGED SECURITIES

Chargor	Name of company in which shares are held	Class of shares held	Number of shares held
None as at the date of this Deed.			

3. INTELLECTUAL PROPERTY

Part 3A – Trade marks			
Proprietor/ADP number	TM number	Jurisdiction/apparent status	Mark text
None as at the date of this Deed.			

Part 3B – Registered Designs			
Proprietor/ADP number	TM number	Jurisdiction/apparent status	Mark text
None as at the date of this Deed.			

Part 3C – Patents			
Proprietor/ADP number	Application number	Jurisdiction/apparent status	Mark text
None as at the date of this Deed.			

Part 3D – Domain Names			
Proprietor/ADP number	Domain Name	Status	Next Renewal
None as at the date of this Deed.			

4. INSURANCES

Chargor	Insurer	Policy number	Expiry date
None as at the date of this Deed.			

5. CHARGOR'S ACCOUNTS

Account Holder	Account Number	Account Bank	Account bank branch address and sort code
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None as at the date of this Deed.

6. CHATTELS

**Schedule 3
ENCUMBRANCES**

(Clause 3.1(d) and 7.4)

1 Encumbrances to which this Security Interest is subject.

Schedule 4

DISPOSAL OF SECURED ASSETS

Part 1

Form of letter of Request to dispose of Secured Assets

To: The Directors
Leumi UK Group Limited

[date]

Dear Sirs

We refer to the debenture dated 2023 granted to you by us (the "**Debenture**").

We hereby request your consent to dispose of [asset] being part of the Secured Assets (as defined in the Debenture). We wish to dispose of [asset] to [purchaser] [describe terms].

Please confirm your consent to the above disposal by signing and returning the enclosed letter.

Yours faithfully

.....

for and on behalf of

[Company]

Part 2

Form of letter of consent to dispose of Secured Assets

To: [Company]

[date]

Dear Sirs

We refer to your letter of [date], a copy of which is attached.

We hereby consent to the disposal of [asset] to [purchaser] [on terms] [on the condition that [specify conditions of consent to disposal]].

Yours faithfully

.....

for and on behalf of

Leumi UK Group Limited

Execution page

CHARGORS

Executed as a deed, but not delivered until the)
first date specified on page 1 by **S&PB RETAIL**)
(DEESIDE) LIMITED acting by one director in the)
presence of:)

Karen Wood
Director

Witness signature: John Randall
Witness name: John Randall
Witness address: [REDACTED]

Address: 1 Calverley Road, Oulton, Leeds, West Yorkshire
LS26 8JD

Email Address: DW@dwbaking.com; Karen.wood@dwbaking.com

Attention: The Directors

Executed as a deed, but not delivered until the)
first date specified on page 1 by **S&PB RETAIL**)
(LANCASHIRE) LIMITED acting by one director)
in the presence of:)

Karen Wood
Director

Witness signature: John Randall
Witness name: John Randall
Witness address: [REDACTED]

Address: 1 Calverley Road, Oulton, Leeds, West Yorkshire
LS26 8JD

Email Address: DW@dwbaking.com; Karen.wood@dwbaking.com

Attention: The Directors

Executed as a deed, but not delivered until
the first date specified on page 1 by **S&PB
RETAIL (MANCHESTER) LIMITED** acting
by one director in the presence of:

)
)
)
)

Karen Wood
Director

in the presence of:

Witness signature: John Randall
Witness name: John Randall
Witness address: [REDACTED]
[REDACTED]
[REDACTED]

Address: 1 Calverley Road, Oulton, Leeds, West Yorkshire
LS26 8JD

Email Address: DW@dwbaking.com; Karen.wood@dwbaking.com

Attention: The Directors

Executed as a deed, but not delivered until
the first date specified on page 1 by **S&PB
RETAIL (MERSEYSIDE) LIMITED** acting by
one director in the presence of:

)
)
)
)

Karen Wood
Director

Witness signature: John Randall
Witness name: John Randall
Witness address: [REDACTED]
[REDACTED]
[REDACTED]

Address: 1 Calverley Road, Oulton, Leeds, West Yorkshire
LS26 8JD

Email Address: DW@dwbaking.com; Karen.wood@dwbaking.com

Attention: The Directors

Executed as a deed, but not delivered until
the first date specified on page 1 by **S&PB**
RETAIL (MIDLANDS) LIMITED acting by
one director in the presence of:

)
)
)
)

Karen Wood
Director

Witness signature:

Witness name:

John Randall

Witness address:

John Randall

Address:

1 Calverley Road, Oulton, Leeds, West Yorkshire
LS26 8JD

Email Address:

DW@dw baking.com; Karen.wood@dw baking.com

Attention:

The Directors

Executed as a deed, but not delivered until
the first date specified on page 1 by **S&PB**
RETAIL (LIVERPOOL) LIMITED acting by
one director in the presence of:

)
)
)
)

Karen Wood
Director

Witness signature:

Witness name:

John Randall

Witness address:

Address:

1 Calverley Road, Oulton, Leeds, West Yorkshire
LS26 8JD

Email Address:

DW@dw baking.com; Karen.wood@dw baking.com

Attention:

The Directors

Executed as a deed, but not delivered until)
the first date specified on page 1 by **S&PB**) Karen Wood
RETAIL (YORKSHIRE) LIMITED acting by) Director
one director in the presence of:)

Witness signature: John Randall

Witness name: John Randall

Witness address: [Redacted]

Address: 1 Calverley Road, Oulton, Leeds, West Yorkshire
LS26 8JD

Email Address: DW@dw baking.com; Karen.wood@dw baking.com

Attention: The Directors

Executed as a deed, but not delivered until)
the first date specified on page 1 by **S&PB**) Karen Wood
RETAIL LIMITED acting by one director in) Director
the presence of:)

Witness signature: John Randall

Witness name: John Randall

Witness address: [Redacted]

Address: 1 Calverley Road, Oulton, Leeds, West Yorkshire
LS26 8JD

Email Address: DW@dw baking.com; Karen.wood@dw baking.com

Attention: The Directors

LEUMI

EXECUTED and DELIVERED as a DEED by:

Alan Couzins
.....
Attorney 1 for LEUMI UK GROUP LIMITED
Name of Attorney 1:

Alan Couzins

in the presence of:

Giorgos Michail
.....
Signature of witness

Name of witness: Giorgos Michail

Occupation: Graduate Trainee
.....
Address: Pacific House
126 Dyke Road
Brighton
BN1 3TE
.....

Adrian Philip Woodward
.....
Attorney 2 for LEUMI UK GROUP LIMITED
Name of Attorney 2:

Adrian Philip Woodward

in the presence of:

Luke Dolman
.....
Signature of witness

Name of witness: Luke Dolman

Occupation: Transaction Support
.....
Address: Pacific House
126 Dyke Road
Brighton
BN1 3TE
.....

as attorneys for **LEUMI UK GROUP LIMITED** under a power of attorney dated 12 July 2022

Address: 126 Dyke Road, Brighton, East Sussex, BN1 3TE
Email: transactionsupport@leumiabl.co.uk
Attention: Transaction Support