



Registration of a Charge

Company Name: **KAGOOOL LTD**

Company Number: **05092653**



Received for filing in Electronic Format on the: **15/12/2021**

XAJEVZ9M

Details of Charge

Date of creation: **10/12/2021**

Charge code: **0509 2653 0002**

Persons entitled: **UK WORKING CAPITAL LIMITED**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT 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: **TRADEPLUS24 LIMITED**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5092653

Charge code: 0509 2653 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th December 2021 and created by KAGOOL LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th December 2021 .

Given at Companies House, Cardiff on 16th December 2021

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**

Security agreement

Dated 10 December 2021

created by

Kagool Ltd

as the Chargor

in favour of

**UK Working Capital Limited (administration provided by
Tradeplus24 Limited)**

as the Lender



CONTENTS

CLAUSE	PAGE
1. Definitions and interpretation	1
2. Security Interests	5
3. Restrictions on dealing with Security Assets	6
4. Further assurance	6
5. Assigned Account	6
6. Receivables	7
7. General undertakings	9
8. Representations and warranties	9
9. Enforcement of Security Interests	10
10. Law of Property Act	11
11. Appointment of Receivers	11
12. Rights and liabilities of Lender and Receivers	12
13. Order of application	13
14. Power of attorney	14
15. Protection of third parties	14
16. Saving provisions	15
17. Discharge of Security	17
18. Costs and expenses	17
19. Indemnity	18
20. Payments	18
21. Remedies, waivers and determinations	19
22. Separate and independent obligations	19
23. Counterparts	19
24. Governing law	19
25. Enforcement	19

THE SCHEDULES

SCHEDULE	PAGE
SCHEDULE 1 Rights of Receivers	20
SCHEDULE 2 Assigned Account	22
SCHEDULE 3 Form of notice of assignment of Receivables	23
SCHEDULE 4 Form of notice of assignment of Assigned Account	26



THIS DEED is dated 10 December 2021 and made between:

- (1) Kagool Ltd, registration number 05092653, as chargor (the "**Chargor**"); and
- (2) UK Working Capital Limited, registration number 13421834, as the lender (the "**Lender**"); and
- (3) Tradeplus24 Limited, registration number 13420612, as the Administrator.

Background

- (A) The board of directors of the Chargor is satisfied that entering this Deed would be most likely to promote the success of the Chargor for the benefit of its members as a whole and to the further benefit and advantage of the Chargor.
- (B) The Lender and the Chargor intend this document to take effect as a deed (even though the Lender only executes it under hand).
- (C) The Lender holds the benefit of this Deed on the terms of the Finance Documents.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Account Bank" means a bank or financial institution with which the Borrower holds an Assigned Account.

"Administrator" means an administrator appointed under Schedule B1 to the Insolvency Act.

"Assigned Accounts" means, in relation to the Chargor, all its right, title and interest from time to time in and to the collection account held with the Account Bank and described in Schedule 2 (*Assigned Account*) and including any substitute or replacement account or accounts as agreed by the Lender and all balances from time to time standing to the credit of or accrued or accruing on any such accounts and all Related Rights.

"Business Days" has the meaning ascribed to it in the Facility Agreement.

"Delegate" means a delegate or sub-delegate appointed by the Lender or a Receiver in accordance with this Deed.

"Enforcement Event" has the meaning ascribed to it in clause 9.2 (*Enforcement Action*) of this Deed.

"Event of Default" has the meaning ascribed to it in the Facility Agreement.

"Facility Agreement" means the facility agreement dated [●] between the Chargor as the borrower and the Lender as lender.

"Finance Document" has the meaning ascribed to it in the Facility Agreement.

"Financial Indebtedness" shall mean, in relation to the Chargor, means any indebtedness for or in respect of:

- (i) moneys borrowed;

- (ii) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with GAAP in force immediately before the adoption of IFRS 16 (Leases), have been treated as an operating lease);
- (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (viii) shares which are expressed to be redeemable;
- (ix) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (x) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (ix) above.

"GAAP" means generally accepted accounting principles, standards and practices in the United Kingdom, including IFRS.

"IFRS" means International Accounting Standards, International Financial Reporting Standards and related Interpretations, together with any future standards and related interpretations issued or adopted by the International Accounting Standards Board, in each case as amended and to the extent applicable to the relevant financial statements.

"Insolvency Act" means the Insolvency Act 1986.

"Law of Property Act" means the Law of Property Act 1925.

"Party" means a party to this Deed.

"Quasi-Security" means a transaction under which the Borrower will:

- (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by it or any of its subsidiaries (within the meaning of section 1159 of the Companies Act 2006 for the time being);

- (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

"Receivables" means, in relation to the Chargor, any and all of its present and future claims and receivables, whether actual or contingent, whether due now or becoming due hereafter, against all its clients, purchasers, suppliers, lessees or any of them, arising out of or in connection with any leasing, or other supply of goods and/or services (including the renting of properties or licensing of intellectual property rights) by or to the Chargor pursuant to any and all Receivables Contracts, and all Related Rights.

"Receivables Contract" means a contract or agreement between the Chargor and a debtor pursuant to which the debtor agrees to pay to the Chargor certain amounts in relation to a Receivable and which is set out in the Receivables Report at any time.

"Receivables Report" has the meaning ascribed to it in the Facility Agreement.

"Receiver" means a receiver and manager or other receiver appointed in respect of all or any part of the Security Assets and shall, if allowed by law, include an administrative receiver.

"Related Rights" means, in relation to a Security Asset:

- (i) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Security Asset;
- (ii) any moneys or proceeds paid or payable deriving from that Security Asset;
- (iii) any rights, claims, guarantees, indemnities, warranties, negotiable instrument, Security or covenants for title in relation to that Security Asset;
- (iv) any awards or judgments in favour of the Chargor in relation to that Security Asset; and
- (v) any other assets deriving from, or relating to, that Security Asset.

"Secured Obligations" means all present and future liabilities and obligations at any time due, owing or incurred by the Chargor to any Secured Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (i) any refinancing, novation, deferral or extension;
- (ii) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;
- (iii) any claim for damages or restitution; and

- (iv) any claim as a result of any recovery by the Chargor of a payment, prepayment, repayment, redemption, defeasance or discharge of those liabilities or obligations on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

"Secured Party" means the Lender, a Receiver or any Delegate.

"Security" has the meaning ascribed to it in the Facility Agreement.

"Security Assets" means the assets which from time to time are, or are expressed to be, the subject of the Security Interests or any part of those assets.

"Security Interests" means all or any of the Security created or expressed to be created in favour of the Lender by or pursuant to this Deed.

1.2 Incorporation of defined terms

Unless a contrary indication appears, terms defined in the Facility Agreement have the same meaning in this Deed.

1.3 Construction

(a) Unless a contrary indication appears, any reference in this Deed to:

- (i) the **"Lender"**, the **"Chargor"**, any **"Secured Party"** or any **"Party"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
- (ii) **"assets"** includes present and future properties, revenues and rights of every description;
- (iii) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerously) or replaced and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Finance Document or other agreement or instrument;
- (iv) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (v) 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);
- (vi) 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; and
- (vii) a provision of law is a reference to that provision as amended or re-enacted from time to time.

- (b) Section, Clause and Schedule headings are for ease of reference only.
- (c) An Event of Default is “**continuing**” if it has not been remedied or waived.

1.4 **Third Party Rights**

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the “**Third Parties Act**”) to enforce or to enjoy the benefit of any term of this Deed.
- (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 Deed at any time.

2. **SECURITY INTERESTS**

2.1 **Creation of Security Interests**

- (a) The Chargor, with full title guarantee and as security for the payment of all Secured Obligations, charges in favour of the Lender:
 - (i) by way of first fixed charge, all its Assigned Accounts, to the extent not validly and effectively assigned under paragraph (b) below; and
 - (ii) by way of first fixed charge, all its Receivables to the extent not validly and effectively assigned under paragraph (c) below.
- (b) The Chargor, with full title guarantee and as security for the payment of all Secured Obligations, assigns to the Lender by way of security all its Assigned Accounts.
- (c) The Chargor, with full title guarantee and as security for the payment of all Secured Obligations, assigns to the Lender by way of security all its Receivables.

2.2 **Consents**

If the consent of any party to a document is required to create fixed security over, or an assignment of, the rights of the Chargor under that document:

- (i) the Chargor shall promptly notify the Lender;
- (ii) until the consent of the relevant party has been obtained, this Deed shall secure all amounts which the Chargor may receive, or has received, under that document but exclude any fixed security over, or any assignment of, those rights;
- (iii) unless the Lender requires otherwise, the Chargor shall use reasonable endeavours to obtain the consent of the relevant party to the creation of fixed security over or, as the case may be, an assignment of, those rights under this Deed as soon as reasonably practicable; and
- (iv) on the date on which the consent of the relevant party is obtained, the fixed security over or, in respect of an asset expressed to be subject to an assignment, the assignment of, those rights under this Deed shall attach to those rights.



3. **RESTRICTIONS ON DEALING WITH SECURITY ASSETS**

3.1 **Negative pledge**

The Chargor shall not create or permit to subsist any Security or Quasi-Security over any Security Asset, except as expressly permitted by the Facility Agreement.

3.2 **Disposals**

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any Security Asset, excepts as expressly permitted by the Facility Agreement.

4. **FURTHER ASSURANCE**

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

5. **ASSIGNED ACCOUNTS**

5.1 **Restriction on the Assigned Accounts**

The Chargor shall not have any collection accounts other than those listed in Schedule 2 (*Assigned Accounts*) or those from time to time designated in writing by the Lender.

5.2 **Withdrawals – Assigned Accounts**

- (a) The Chargor shall not make any withdrawal from any Assigned Account except:
- (i) prior to the occurrence of an Event of Default which is continuing, in the ordinary course of its business; or
 - (ii) while an Event of Default is continuing, with the prior written consent of the Lender.

- (b) For the avoidance of any doubt, the Lender shall be entitled to revoke the authorisation in paragraph (a)(i) above at any time and to instruct the Account Bank to make payments directly to the Lender or to any other person as it may designate.

5.3 Documents

The Chargor shall promptly deliver to the Lender, and the Lender shall be entitled to hold, such documents relating to the Assigned Accounts as the Lender requires, including any notice to the relevant bank or financial institution of the Security Interests over them in such form as the Lender requires.

5.4 Notice of assignment

- (a) The Chargor shall provide the Lender within 5 Business Days of the date of this Deed (and, if applicable, within 5 Business Days of the date on which any substitute or replacement account as agreed by the Lender is opened) give notice of the assignment in paragraph (b) of Clause 2.1 (*Creation of Security Interests*) substantially in the form set out in Schedule 4 (*Form of notice of assignment of Assigned Account*) (or in such other form as is acceptable to the Lender) and shall use its best endeavours to ensure that each recipient Account Bank of any such notice promptly signs and returns the relevant form of acknowledgement.
- (b) For the avoidance of any doubt, the Lender shall be entitled to notify the Account Bank of the assignment in paragraph (b) of Clause 2.1 (*Creation of Security Interests*) at any time and in a form as it deems appropriate.

5.5 Confidentiality

With respect to and for the benefit of the Lender, the Chargor hereby irrevocably and unconditionally waives and releases each Account Bank from any banking secrecy and confidentiality obligations in relation to the relevant Assigned Account. To the extent required by an Account Bank, the Chargor shall promptly provide that Account Bank with a separate waiver and release letter.

6. RECEIVABLES

6.1 Documents

The Chargor shall promptly deliver to Lender, and the Lender shall be entitled to hold, executed originals of each Receivables Contract and Receivable and shall promptly deliver such other documents relating to them as the Lender requires.

6.2 Notice of assignment

- (a) Following the occurrence of an Event of Default, the Lender shall be authorised to request the Chargor to notify and/or to itself notify the debtors under the Receivables of the assignment in paragraph (b) of Clause 2.1 (*Creation of Security Interests*). All such notices to be given by the Chargor shall be substantially in the form set out in Schedule 3 (*Form of notice of assignment of Receivables*) (or in such other form as is acceptable to the Lender) and the Chargor shall use its best endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement.

- (b) Notwithstanding paragraph (a) above, the Lender shall be entitled to notify the debtors under the Receivables of the assignment in paragraph (b) of Clause 2.1 (*Creation of Security Interests*) at any time and in a form as it deems appropriate.

6.3 Chargor still liable

The Chargor shall remain liable to perform all its obligations under each Receivables Contract and Receivable. No Secured Party shall be under any obligation or liability to the Chargor or any other person under or in respect of any Receivables Contract or any Receivable.

6.4 No variation etc.

- (a) The Chargor shall not:
- (i) amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of any Receivables Contract or Receivable;
 - (ii) exercise any right to rescind, cancel or terminate any Receivables Contract or Receivable;
 - (iii) release any counterparty from any obligations under any Receivables Contract or Receivable;
 - (iv) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute such a breach; or
 - (v) except as provided in this Deed, novate, transfer or assign any of its rights under any Receivables Contract or Receivable.
- (b) The Chargor shall promptly enforce all its rights under each Receivables Contract and each Receivable.

6.5 Breach etc.

- (a) The Chargor shall notify the Lender of:
- (i) any breach of or default under a Receivables Contract or Receivable by it or any other person;
 - (ii) any right of it or any other person arising to rescind, cancel or terminate a Receivables Contract or Receivable; and
 - (iii) any claim made or to be made by it or any other party under or in connection with any Receivables Contract or Receivable,
- promptly upon becoming aware of the same.
- (b) The Chargor shall provide the Lender with reasonable details of any breach, default, right or claim of a type referred to in paragraph (a) above. The Chargor shall not take any action or proceedings in relation to any such breach, default, right or claim except with the prior consent of the Lender.

6.6 Collection

- (a) The Chargor shall promptly collect all its Receivables (and the Lender authorises the Chargor to so do) and shall take all measures (including by means of notification to the debtors under each Receivable) to hold the proceeds of collection on trust for the Lender and to ensure that the proceeds of collection are and remain subject to the Security Interest.

- (b) For the avoidance of doubt, the Lender shall be entitled to revoke the authorisation in paragraph (a) above at any time and to instruct the debtors under each Receivable to make payments directly to the Lender or to any other person as it may designate.

6.7 Payment into Assigned Accounts

The Chargor shall immediately pay all moneys received or receivable by it from any source (including all proceeds of collection of Receivables) into the Assigned Account(s). The Lender may designate different Assigned Accounts for different moneys.

6.8 Restrictions on dealing with Receivables

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, factor, transfer, discount or otherwise dispose of all or any part of any of its Receivables.

6.9 Documents

The Chargor shall promptly deliver to the Lender, and the Lender shall be entitled to hold, such documents relating to the Chargor's Receivables as the Lender requires.

7. GENERAL UNDERTAKINGS

7.1 Information

The Chargor shall supply to the Lender promptly such information regarding its financial condition, business and operations, its Security Assets and its compliance with this Deed as the Lender may reasonably request.

7.2 Access

The Chargor shall permit the Lender and/or any of its representatives (including workmen, surveyors, valuers and other persons) at all reasonable times to view the condition of, and repair, any of its Security Assets.

7.3 No other prejudicial conduct

The Chargor shall not do, or permit to be done, anything which could prejudice the Security Interests.

8. REPRESENTATIONS AND WARRANTIES

The Chargor:

- (i) makes the representations and warranties set out in clause 8 (*Representations*) of the Facility Agreement to the Lender on the date of this Deed;
- (ii) represents and warrants to the Lender that the Assigned Accounts listed in Schedule 2 (*Assigned Accounts*) are all of the relevant class of assets in which it has an interest and that are subject to an assignment in paragraph (b) of Clause 2.1 (*Creation of Security Interests*);
- (iii) represents and warrants to the Lender that the details listed in Schedule 2 (*Assigned Accounts*) are correct; and

- (iv) represents and warrants to the Lender that the Receivables and their details as listed in each Receivables Report from time to time are correctly described and have not been amended, supplemented, varied, waived, rescinded, cancelled or terminated.

9. ENFORCEMENT OF SECURITY INTERESTS

9.1 When enforceable

The Security Interests shall be immediately enforceable on and at any time after the occurrence of an Event of Default which is continuing.

9.2 Enforcement actions

- (a) At any time after the Security Interests have become enforceable, the Lender may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit (an **"Enforcement Event"**).
- (b) Upon and following the occurrence of an Enforcement Event, the Lender shall be entitled (but is not obliged), in its absolute discretion (including as to the manner, time and place at which that Enforcement Event is to take place) and without any prior notice to the Chargor and without limiting any of the powers conferred on the Lender by this Deed, to enforce the Security Interests and to:
 - (i) revoke any authorisation granted by the Lender to the Chargor under this Deed or any other Finance Document and to effect enforcement of the Security Interests including by instructing the debtors of Receivables to make payments directly to, or as directed by, the Lender;
 - (ii) undertake on its own initiative any other acts it deems appropriate to maintain, safeguard, pursue or collect any and all the Receivables and to apply the amounts collected towards the Secured Obligations; and/or
 - (iii) undertake examinations of the books, records and all other documentation as requested by the Lender of the Chargor as to the existence and details of all the Receivables Contracts and Receivables.
- (c) The Lender shall:
 - (i) not be bound to enforce any other Security or other form of credit support before enforcing the Security Interest created by this Deed;
 - (ii) be free to enforce all or only part of the Security Interests and to determine the order of enforcement of the Security Assets; and/or
 - (iii) be entitled to enforce the Security Interests in respect of all or only part of the Security Assets. Such partial enforcement shall not affect the Security Interests of the remaining Security Assets.
- (d) In connection with an Enforcement Event, the Chargor irrevocably and unconditionally:
 - (i) agrees that the Lender can instruct any person, including any other Secured Party to conduct the enforcement of the Security Interests for its account;

- (ii) waives any right of requesting that the Security Assets be realised before enforcement in any of its other assets or before exercise of any other Security interest which may have been granted to the Lender for the Secured Obligations; and
 - (iii) agrees to co-operate fully with the Lender and use its best efforts in assisting the Lender with regard to the collection of the Security Assets.
- (e) For the avoidance of doubt, the Lender shall be under no obligation to perform any of the obligations of the Chargor under any agreement, contract or similar arrangement (including any Receivables Contract or Receivable) in connection with the Security Interests and shall not become a party to them.

9.3 Law of Property Act powers

At any time after the Security Interests have become enforceable, the powers, authorities and discretions conferred by the Law of Property Act on mortgagees, including the power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act, as varied and extended by this Deed, shall be immediately exercisable.

10. LAW OF PROPERTY ACT

10.1 Section 101

The power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act on mortgagees, as varied and extended by this Deed, shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on the date of this Deed and shall be exercisable in accordance with Clause 9.3 (*Law of Property Act powers*).

10.2 Section 103

Section 103 (*Regulation of exercise of power of sale*) of the Law of Property Act shall not apply to this Deed.

10.3 Section 93

Section 93 (*Restriction on consolidation of mortgages*) of the Law of Property Act shall not apply to this Deed.

11. APPOINTMENT OF RECEIVERS

11.1 Appointment of Receivers

If:

- (i) requested by the Chargor; or
- (ii) the Security Interests have become enforceable,

without any notice or further notice, the Lender may, by deed or otherwise in writing signed by the Lender or any person authorised for this purpose by the Lender, appoint one or more persons to be a Receiver of all or any part of the Security Assets. The Lender may similarly remove any Receiver and appoint any person instead of any Receiver. If the Lender appoints more than one person as Receiver, the Lender may give those persons power to act either jointly or severally.

11.2 **Agent of Chargor**

Any Receiver shall be the agent of the Chargor for all purposes. The Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults.

11.3 **Remuneration of Receivers**

The Lender may determine the remuneration of any Receiver and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the Law of Property Act shall not apply. The Lender may direct payment of that remuneration out of moneys it receives as Receiver. The Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of the Receiver.

12. **RIGHTS AND LIABILITIES OF LENDER AND RECEIVERS**

12.1 **Rights of Receivers**

Any Receiver appointed pursuant to Clause 11 (*Appointment of Receivers*) shall have:

- (i) the rights set out in Schedule 1 (*Rights of Receivers*); and
- (ii) the rights, powers, privileges and immunities conferred by law, including:
 - (A) in the case of an administrative receiver, the rights, powers, privileges and immunities conferred by the Insolvency Act on administrative receivers duly appointed under the Insolvency Act; and
 - (B) in all other cases, the rights, powers, privileges and immunities conferred by the Law of Property Act and the Insolvency Act on receivers or receivers and managers.

12.2 **Rights of Lender**

At any time after the Security Interests have become enforceable, to the fullest extent permitted by law, any rights conferred by any Finance Document or by law upon a Receiver may be exercised by the Lender, whether or not the Lender shall have appointed a Receiver of all or any part of the Security Assets.

12.3 **Delegation**

The Lender may delegate in any manner to any person any rights exercisable by the Lender under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Lender thinks fit and the Lender may pass confidential information to any such delegate.

12.4 **Financial collateral arrangement**

- (a) To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Lender shall have the right at any time after the Security Interests have become enforceable, to appropriate any Security Asset which constitutes "financial collateral" (as defined in the Financial Collateral Regulations ("**Financial Collateral**")) in such manner as it sees fit in or towards satisfaction of the Secured Obligations in accordance with the Financial Collateral Regulations.

- (b) If the Lender is required to value any Financial Collateral for the purpose of paragraph (a) above, the value shall be:
- (i) in the case of cash, its face value at the time of appropriation; and
 - (ii) in the case of financial instruments or other Financial Collateral, their market value at the time of appropriation as determined (after appropriation) by the Lender by reference to a public index or other applicable generally recognised source or such other process as the Lender may select, including a valuation carried out by an independent investment bank, firm of accountants or other valuers appointed by the Lender,

as converted, where necessary, into the currency in which the Secured Obligations are denominated at a market rate of exchange prevailing at the time of appropriation selected by the Lender. The Parties agree that the methods of valuation set out in this paragraph (b) are commercially reasonable for the purpose of the Financial Collateral Regulations.

12.5 Possession

If the Lender, any Receiver or any Delegate takes possession of the Security Assets, it may at any time relinquish possession. Neither the Lender, any Receiver nor any Delegate shall be liable, by reason of viewing or repairing any of the present or future assets of the Chargor, as a mortgagee in possession.

12.6 Lender's liability

No Secured Party shall, either by reason of taking possession of the Security Assets or for any other reason and whether as mortgagee in possession or otherwise, be liable for:

- (i) any costs, losses, liabilities or expenses relating to the realisation of any Security Assets; or
- (ii) any act or omission of the Lender, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Security Assets or in connection with the Finance Documents, unless directly caused by its gross negligence or wilful misconduct.

13. ORDER OF APPLICATION

All amounts from time to time received or recovered by the Lender or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security Interests shall be held by the Lender on trust to apply them at any time as the Lender (in its absolute discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

- (i) in discharging any sums owing to the Lender, any Receiver or any Delegate;
- (ii) in discharging all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Security Interests or any action taken at the request of the Lender under Clause 4 (*Further assurance*);
- (iii) in payment or distribution to the Lender for application towards the discharge of the Secured Obligations in accordance with the terms of the Facility Agreement;

- (iv) if the Chargor is not under any further actual or contingent liability under any Finance Document, in payment or distribution to any person to whom the Lender is obliged to pay or distribute in priority to the Chargor; and
- (v) the balance, if any, in payment or distribution to the Chargor.

14. **POWER OF ATTORNEY**

14.1 **Appointment**

The Chargor by way of security irrevocably appoints the Lender, each Receiver and each Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (i) to do anything which the Chargor is obliged to do under any Finance Document to which it is party but has failed to do (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations as the Lender may reasonably specify (and in such form as the Lender may reasonably require in favour of the Lender or its nominee(s))); and
- (ii) to exercise any of the rights conferred on the Lender, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document or under any law.

14.2 **Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 14.1 (*Appointment*).

15. **PROTECTION OF THIRD PARTIES**

No purchaser or other person dealing with the Lender, any Receiver or its agents shall be concerned to enquire:

- (i) whether the powers conferred on the Lender, any Receiver or its agents have arisen;
- (ii) whether the powers conferred on the Lender, any Receiver or its agents have become exercisable;
- (iii) whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- (iv) whether the Lender, any Receiver or its agents is acting within such powers;
- (v) whether any money remains due under the Finance Documents and the receipt in writing of the Lender, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- (vi) as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- (vii) as to the application of any money paid to the Lender, any Receiver or its agents.

16. SAVING PROVISIONS

16.1 Continuing Security

Subject to Clause 17 (*Discharge of Security*), the Security Interests are continuing Security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

16.2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation or otherwise, without limitation, then the liability of the Chargor and the Security Interests will continue or be reinstated as if the discharge, release or arrangement had not occurred.

16.3 Waiver of defences

Neither the obligations of the Chargor under this Deed nor the Security Interests will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Finance Document or any of the Security Interests (without limitation and whether or not known to it or any Secured Party) including:

- (i) any time, waiver or consent granted to, or composition with, the Chargor or other person;
- (ii) the release of the Chargor or any other person under the terms of any composition or arrangement with any of its creditors or any creditor of any of its subsidiaries (within the meaning of section 1159 of the Companies Act 2006 for the time being);
- (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- (v) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (vii) any insolvency or similar proceedings.

16.4 Chargor intent

Without prejudice to the generality of Clause 16.3 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security Interests shall extend from time to time to any (however

fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

16.5 Immediate recourse

The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

16.6 Appropriations

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated, each Secured Party (or any trustee or agent on its behalf) may:

- (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (ii) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

16.7 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated and unless the Lender otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under the Finance Documents:

- (i) to be indemnified by the Chargor;
- (ii) to claim any contribution from any other provider of Security for or guarantor of the Chargor's obligations under the Finance Documents;
- (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;

- (iv) to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of which the Chargor had given a guarantee, undertaking or indemnity;
- (v) to exercise any right of set-off against the Chargor; and/or
- (vi) to claim or prove as a creditor of the Chargor in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with Clause 13 (*Order of application*).

16.8 Additional security

The Security Interests are in addition to and are not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Party.

16.9 Tacking

Each Secured Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

17. DISCHARGE OF SECURITY

17.1 Final redemption

Subject to Clause 17.2 (*Retention of security*), if the Lender is satisfied that all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and that all facilities which might give rise to Secured Obligations have terminated, the Lender shall at the request and cost of the Chargor release, reassign or discharge (as appropriate) the Security Assets from the Security Interests, without recourse to, or any representation or warranty by, the Lender or any of its nominees.

17.2 Retention of security

If the Lender considers that any amount paid or credited to any Secured Party under any Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably paid.

18. COSTS AND EXPENSES

18.1 Expenses

The Chargor shall, within three Business Days of demand, pay to the Lender the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Lender or any Receiver in relation to any Finance Document (including the administration, protection, realisation, enforcement or preservation of any rights under or in connection with this Deed, or any consideration by the Lender as to whether to realise or enforce the same, and/or any amendment, waiver, consent or release of any Finance Document and/or any other document referred to in this Deed).

18.2 VAT

Clause 6.3 (VAT) of the Facility Agreement shall apply as if it were set out in full in this Deed, save that references in that clause to "Finance Party" shall be treated in this Deed as being to "Secured Party".

19. INDEMNITY

The Chargor shall, within three Business Days of demand, indemnify the Lender and any Receiver against any cost, loss, liability or expense incurred by it or them as a result of:

- (i) any breach by the Chargor of this Deed; or
- (ii) the exercise or purported exercise of any of the rights, powers, discretions, authorities and remedies conferred on it or them by this Deed or otherwise relating to the Security Assets.

20. PAYMENTS

20.1 Undertaking to pay

The Chargor shall pay each of the Secured Obligations when due in accordance with its terms.

20.2 Demands

Any demand for payment made by any Secured Party shall be valid and effective even if it contains no statement of the relevant Secured Obligations or an inaccurate or incomplete statement of them.

20.3 Payments

All payments by the Chargor under this Deed shall be made to such account, with such financial institution and in such other manner as the Lender may direct.

20.4 Continuation of accounts

- (a) At any time after a Secured Party has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Security Assets of the Chargor, that Secured Party may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).
- (b) If that Secured Party does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of the Chargor to that Secured Party shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Obligations as at the time the relevant notice was received or deemed to have been received.

20.5 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Finance Documents but any such amount may or will become due, the Lender or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

21. REMEDIES, WAIVERS AND DETERMINATIONS

21.1 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Secured Party shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law.

21.2 Certificates and Determinations

Any certification or determination by the Lender or any Receiver of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22. SEPARATE AND INDEPENDENT OBLIGATIONS

The Security created by the Chargor by or in connection with any Finance Document is separate from and independent of the Security created or intended to be created by any other provider of Security by or in connection with any Finance Document.

23. COUNTERPARTS

This Deed 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 Deed.

24. GOVERNING LAW

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

25. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraphs (a) and (b) above, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

This Deed has been delivered on the date stated at the beginning of this Deed.

SCHEDULE 1
RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 11 (*Appointment of Receivers*) shall have the right, either in its own name or in the name of the Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(a) **Enter into possession**

to take possession of, get in and collect all or any part of the Security Assets, and to require payment to it or to any Secured Party of any Receivables;

(b) **Assigned Accounts**

to apply, transfer or set-off any or all of the credit balances from time to time on the Assigned Accounts in or towards payment or other satisfaction of all or part of the Secured Obligations;

(c) **Deal with Security Assets**

to sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Security Assets to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments or deferred);

(d) **Borrow money**

to borrow or raise money either unsecured or on the security of all or any part of the Security Assets (either in priority to the Security Interests or otherwise);

(e) **Rights of ownership**

to manage and use all or any part of the Security Assets and to exercise and do all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Security Assets;

(f) **Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Security Assets or any business of the Chargor;

(g) **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Security Assets or any business of the Chargor;

(h) **Redemption of Security**

to redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Security Assets and to settle the accounts of any person with an interest in all or any part of the Security Assets;

(i) **Delegation**



to delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate;

(j) **Insolvency Act**

to exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed;

(k) **Receipts**

to give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Security Assets; and

(l) **Other powers**

to do anything else it may think fit for the realisation of all or any part of the Security Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document to which the Chargor is party, the Law of Property Act or the Insolvency Act.



Chargor

EXECUTED as a **DEED** by

Kagool Ltd

acting by:

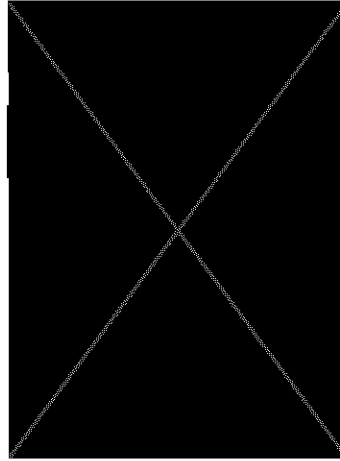
Director: Daniel James Barlow

Director: Prashant Vithal Patel

Lender

UK Working Capital Limited

By: Niels Turfboer, Managing Director



2021-12-12

2021-12-12

2021-12-12

