



Registration of a Charge

Company Name: **INOVA DESIGN SOLUTIONS LTD**

Company Number: **07513025**



XC58Y7DV

Received for filing in Electronic Format on the: **08/06/2023**

Details of Charge

Date of creation: **19/05/2023**

Charge code: **0751 3025 0006**

Persons entitled: **LAKELAND INDUSTRIES, INC**

Brief description: **GRANTED PATENT IN THE UK WITH NUMBER 'GB2532745', GRANTED PATENT IN THE UK WITH NUMBER 'GB2535279', GRANTED PATENT IN THE UK WITH NUMBER 'GB2554632', GRANTED PATENT IN THE UK WITH NUMBER 'GB2411719'. FOR FURTHER DETAILS OF THE IP CHARGED, PLEASE SEE THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating 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:

ALAN CASSELS



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7513025

Charge code: 0751 3025 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th May 2023 and created by INOVA DESIGN SOLUTIONS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th June 2023 .

Given at Companies House, Cardiff on 12th June 2023

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

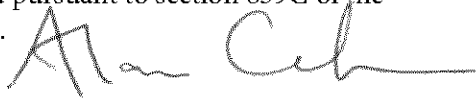


Companies House



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

For and on behalf of Burness Paul LLP, I certify that this is a true copy of an original document comprising of electronically delivered counterparts, save for the information redacted pursuant to section 859G of the Companies Act 2006.



Execution Version

Dated 19 May 2023 2023

(1) INOVA DESIGN SOLUTIONS LTD

and

(2) LAKELAND INDUSTRIES, INC

DEBENTURE

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THIS DEED IS MADE ON 19 May 2023 2023

BETWEEN:

- (1) **Inova Design Solutions Ltd** a private limited company incorporated under the laws of England and Wales with company number 07513025 whose registered office is at 86-90 Paul Street, London EC2A 4NE, United Kingdom (the "**Borrower**"); and
- (2) **Lakeland Industries, Inc** a corporation incorporated under the laws of Delaware, United States whose registered office is at 1525 Perimeter Parkway, Suite 325 Huntsville, AL, USA (the "**Lender**").

WHEREAS:

- A The Borrower has constituted up to £1,500,000 of Loan Notes (as defined below).
- B Under this Deed, the Borrower provides security to the Lender for the Borrower's obligations in respect of the Loan Notes.

IT IS AGREED AS FOLLOWS:

1. Definitions and interpretation

1.1 Definitions

Administrator	means an administrator appointed to manage the affairs, business and property of the Borrower pursuant to clause 8.6;
Business Day	means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
Delegate	means any person appointed by the Lender or any Receiver pursuant to clause 13 and any person appointed as attorney of the Lender, Receiver or Delegate;
Event of Default	means any of the events listed in paragraph 5 of Part 1 of Schedule 2 to the Loan Note Instrument;
Intellectual Property	means the Borrower's present and future patents, utility models, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential

information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world,

- (a) excluding (for the avoidance of doubt) the intellectual property rights set out at Schedule 2 which the Borrower licences from third parties; and
- (b) including (for the avoidance of doubt) the registered intellectual property rights set out at Schedule 1 and any subsequent amendments or renewals of such registrations;

**Legal
Reservations**

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under statute, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim; and
- (c) similar principles, rights and remedies under the laws of any relevant jurisdiction;

**Loan Note
Instrument**

means the loan note instrument dated the date of this Deed;

Loan Notes

means the up to £1,500,000 in principal amount of convertible secured A loan notes 2023 issued by the Borrower to the Lender on the terms set out in the Loan Note Instrument from time to time;

LPA 1925

means the Law of Property Act 1925;

Receiver

means a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Lender under clause 11;

Secured Assets	means all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, this Deed (excluding, for the avoidance of doubt the intellectual property rights set out at Schedule 2 to this Deed) (and references to the Secured Assets shall include references to any part of them);
Secured Liabilities	means all present and future monies, obligations and liabilities of the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Loan Note Instrument and/or the Loan Notes or this Deed, together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities;
Security	means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;
Security Period	means the period starting on the date of this Deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

1.2 Interpretation

In this Deed:

- (a) clause headings shall not affect the interpretation of this Deed;
- (b) a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (e) a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall

be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;

- (f) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (g) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (h) a reference to **writing** or **written** includes fax but not email;
- (i) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (j) a reference to **this Deed** (or any provision of it) or to any other agreement or document referred to in this Deed is a reference to this Deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Deed) from time to time;
- (k) unless the context otherwise requires, a reference to a clause is to a clause of this Deed;
- (l) any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- (m) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- (n) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (o) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (p) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- (q) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- (r) 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, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Clawback

If an amount paid by the Borrower in respect of the Secured Liabilities is avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall be reinstated and shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.4 Perpetuity period

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

2. Covenant to pay

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

3. Grant of security

3.1 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender by way of first fixed charge all the Intellectual Property.

3.2 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first floating charge, all the Intellectual Property of the Borrower at any time not effectively charged pursuant to clause 3.1.

3.3 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.2.

3.4 Automatic crystallisation of floating charge

The floating charge created by clause 3.2 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

(a) the Borrower:

- (i) creates, or attempts to create, without the prior written consent of the Lender, a Security or a trust in favour of another person over all or any part of the Secured Assets, except as expressly permitted by the terms of this Deed; or

- (ii) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- (b) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower.

3.5 Crystallisation of floating charge by notice

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

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

3.6 Assets acquired after any floating charge has crystallised

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

4. Liability of the Borrower

4.1 Liability not discharged

The Borrower's liability under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

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

4.2 Immediate recourse

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

5. Representations and warranties**5.1** Representations and warranties

The Borrower makes the representations and warranties set out in this clause 5 to the Lender.

5.2 Ownership of Secured Assets

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

5.3 No Security

The Secured Assets are free from any Security other than the Security created by this Deed.

5.4 No adverse claims

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

5.5 Avoidance of security

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

5.6 No prohibitions or breaches

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

5.7 Enforceable security

Subject to the Legal Reservations, this Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

5.8 Times for making representations and warranties

The representations and warranties set out in clause 5.2 to clause 5.7 are made by the Borrower on the date of this Deed are deemed to be

repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6. General covenants

6.1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Lender:

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

6.2 Preservation of Secured Assets

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

6.3 Borrower's waiver of set-off

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

6.4 Enforcement of rights

The Borrower shall use its reasonable endeavours to:

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

6.5 Notice of misrepresentation and breaches

The Borrower shall, promptly on becoming aware of any of the same, notify the Lender in writing of:

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

6.6 Information

The Borrower shall:

- (a) give the Lender such information concerning the condition, use and validity of the Secured Assets as the Lender may reasonably require;
- (b) promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense.

6.7 Payment of outgoings

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

7. Intellectual Property covenants

7.1 Preservation of rights

The Borrower shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation) by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

7.2 Registration of Intellectual Property

The Borrower shall use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Lender informed of all matters relating to each such registration.

7.3 Maintenance of Intellectual Property

The Borrower shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

8. Powers of the Lender

8.1 Power to remedy

- (a) The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this Deed.
- (b) The Borrower irrevocably authorises the Lender and its agents to do all things that are necessary for that purpose.
- (c) Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained in this Deed shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 15.1.

8.2 Exercise of rights

- (a) The rights of the Lender under clause 8.1 are without prejudice to any other rights of the Lender under this Deed.
- (b) The exercise of any rights of the Lender under this Deed shall not make the Lender liable to account as a mortgagee in possession.

8.3 Lender has Receiver's powers

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

8.4 Conversion of currency

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this Deed (including the proceeds of any previous conversion under this clause 8.4) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.
- (b) Any such conversion shall be effected at The Royal Bank of Scotland PLC's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- (c) Each reference in this clause 8.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

8.5 Indulgence

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

8.6 Appointment of an Administrator

- (a) The Lender may, without notice to the Borrower, appoint any one or more persons to be an Administrator of the Borrower pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this Deed becomes enforceable.
- (b) Any appointment under this clause 8.6 shall:
 - (i) be in writing signed by a duly authorised signatory of the Lender; and
 - (ii) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- (c) The Lender may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 8.6 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

9. When security becomes enforceable

9.1 Security becomes enforceable after an Event of Default which is continuing

The security constituted by this Deed shall become immediately enforceable after the occurrence of an Event of Default which is continuing.

9.2 Discretion

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

10. Enforcement of security

10.1 Enforcement powers

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall be immediately exercisable at any time after the security constituted by this Deed has become enforceable under clause 9.1.
- (c) Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

10.2 Prior Security

- (a) At any time after the security constituted by this Deed has become enforceable, or after any powers conferred by any Security having priority to this Deed shall have become exercisable, the Lender may:
 - (i) redeem that or any other prior Security;
 - (ii) procure the transfer of that Security to it; and
 - (iii) settle and pass any account of the holder of any prior Security.
- (b) The settlement and passing of any such account passed shall, in the absence of any manifest error, be conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Lender, be due from the Borrower to the Lender on current account and shall bear interest at the default rate of interest specified in the Loan Note Instrument and be secured as part of the Secured Liabilities.

10.3 Protection of third parties

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

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

10.4 Privileges

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

10.5 No liability as mortgagee in possession

Neither the Lender, any Receiver, any Delegate nor any Administrator shall be liable, by reason of entering into possession of a Security Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.

10.6 Conclusive discharge to purchasers

The receipt of the Lender, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Lender, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

11. Receiver

11.1 Appointment

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

11.2 Removal

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

11.3 Remuneration

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged.

11.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

11.5 Power of appointment exercisable despite prior appointments

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

11.6 Agent of the Borrower

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

12. Powers of Receiver**12.1 General**

- (a) Any Receiver appointed by the Lender under this Deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 12.2 to clause 12.16.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 12 may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in clause 12.9) or himself.

12.2 Remuneration

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

12.3 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which he is appointed, and make any demands and

take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

12.4 Manage or reconstruct the Borrower's business

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

12.5 Dispose of Secured Assets

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

12.6 Valid receipts

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

12.7 Make settlements

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

12.8 Bring proceedings

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

12.9 Make calls on Borrower members

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

12.10 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 15, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this Deed.

12.11 Powers under the LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

12.12 Borrow

A Receiver may, for any of the purposes authorised by this clause 12, raise money by borrowing from the Lender (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which he is appointed on any terms that he thinks fit (including, if the Lender consents, terms under which that security ranks in priority to this Deed).

12.13 Redeem prior Security

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

12.14 Delegation

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

12.15 Absolute beneficial owner

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

12.16 Incidental powers

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

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

13. Delegation

13.1 Delegation

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 17.1).

13.2 Terms

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

13.3 Liability

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

14. Application of proceeds

14.1 Order of application of proceeds

All monies received by the Lender, a Receiver or a Delegate pursuant to this Deed, after the security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

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

14.2 Appropriation

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

14.3 Suspense account

All monies received by the Lender, a Receiver or a Delegate under this Deed:

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realised account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower; and
- (c) may be held in that account for so long as the Lender, Receiver or Delegate thinks fit pending receipt of sufficient funds to discharge the Secured Liabilities in full.

15. Costs and indemnity

15.1 Costs

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

- (a) this Deed or the Secured Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this Deed; or
- (c) taking proceedings for, or recovering, any of the Secured Liabilities,

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

15.2 Indemnity

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

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or
- (c) any default or delay by the Borrower in performing any of its obligations under this Deed,

otherwise, in each case, than by reason of the relevant Lender's, Receiver's, Delegate's or their respective employees' gross negligence or wilful misconduct.

Any past or present employee or agent may enforce the terms of this clause 15.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

16. Further assurance

16.1 Further assurance

16.2 The Borrower shall, at its own expense, take whatever action the Lender or any Receiver may reasonably require for:

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

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

17. Power of attorney

17.1 Appointment of attorneys

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

- (a) the Borrower is required to execute and do under this Deed; or

- (b) any attorney deems necessary in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Lender, any Receiver or any Delegate.

17.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 17.1.

- 17.3 The power of attorney in clause 17.1 is granted on the date of this Deed but is only exercisable once this Deed has become enforceable.

18. Release

- 18.1 Subject to clause 25.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to:

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

19. Assignment and transfer

19.1 Assignment by Lender

- (a) The Lender may assign or transfer any or all of its rights and obligations under this Deed to any person to whom it properly assigns its rights and obligations under the Loan Note Instrument.
- (b) The Lender may disclose to any actual or proposed assignee or transferee to whom it may assign its rights and obligations under paragraph (a) above any information in its possession that relates to the Borrower, the Secured Assets and this Deed that the Lender considers appropriate.

19.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this Deed.

20. Set-off

20.1 Lender's right of set-off

The Lender may at any time set off any matured liability of the Borrower to the Lender against any matured liability of the Lender to the Borrower, whether or not either liability arises under this Deed. If the liabilities to be set off are expressed in different currencies, the Lender may convert either liability at a market rate of exchange for the purpose of set-off.

Any exercise by the Lender of its rights under this clause 20 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.

20.2 No obligation to set off

The Lender is not obliged to exercise its rights under clause 20.1. If, however, it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

20.3 Exclusion of Borrower's right of set-off

All payments made by the Borrower to the Lender under this Deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

21. Amendments, waivers and consents

21.1 Amendments

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

21.2 Waivers and consents

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

21.3 Rights and remedies

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

22. Severance**22.1** Severance

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

23. Counterparts**23.1** Counterparts

- (a) This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Transmission of an executed counterpart of this Deed (but for the avoidance of doubt not just a signature page) by fax or email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this Deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
- (c) No counterpart shall be effective until each party has executed and delivered at least one counterpart.

24. Third party rights**24.1** Third party rights

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

25. Further provisions**25.1** Independent security

The security constituted by this Deed shall be in addition to, and independent of, any other security or guarantee that the Lender may

hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Secured Assets shall merge in the security created by this Deed.

25.2 Continuing security

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

25.3 Discharge conditional

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

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

25.4 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

25.5 Small company moratorium

Notwithstanding anything to the contrary in this Deed and unless Article A52(4) of the Insolvency Act 1986 allows, neither the obtaining of a moratorium by the Borrower under Part A1 to the Insolvency Act 1986 nor the doing of anything by the Borrower with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:

- (a) an event under this Deed which causes any floating charge created by this Deed to crystallise;
- (b) an event under this Deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by the Borrower; or

- (c) a ground under this Deed for the appointment of a Receiver.

26. Notices

26.1 Delivery

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

- (a) in writing;
- (b) delivered by email, by hand, by pre-paid first-class post or other next working day delivery service; and
- (c) sent to:
 - (i) the Borrower at its registered office from time to time for the attention of 'The Directors' or by email to [REDACTED];
 - (ii) the Lender at its registered office from time to time or by email to [REDACTED] for the attention of Roger Shannon;

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

26.2 Receipt by Borrower or Lender

Any notice or other communication that one party gives to the other party under this Deed shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if delivered by email, at 9.00am local time on the next Business Day, or at the time of actual receipt if earlier; and
- (c) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.

A notice or other communication given as described in clause 26.2(a) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

26.3 Service of proceedings

This clause 26 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

27. Governing law and jurisdiction**27.1** Governing law

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

27.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

27.3 Other service

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 27.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

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

Schedule 1 Registered intellectual property**a) Granted Patents and Patent Applications****Granted Patents**

Australia	'2005220057
Australia	'2015352180
Australia	'2017270923
Brazil	'1120170110733
China	'ZL 2015800633168
China	'ZL 2017800456478
France	'FR1740089
Germany	'DE1740089
Hong Kong	'40008171 B
India	'421347
Japan	'JP6954835
Japan	'JP7026953
Mexico	'MX392830
New Zealand	'749460
South Korea	'10-2439668
United Kingdom	'GB2532745
United Kingdom	'GB2535279
United Kingdom	'GB2554632
United Kingdom	'GB2411719
USA	'US8574165
USA	'US 10,973,410
USA	'US11,125,622

Pending Patents

Brazil	'1120180741051
Canada	'2,968,319
Canada	'3,024,925
Europe	'15804203.6
Europe	'17727316.6
India	'201837048402
India	'202338004402
Japan	'2021-159752
New Zealand	'731823
South Korea	'10-2017-7016205

b) Design Registrations**Registered Designs**

Australia	'201714089
Australia	'201714091
Australia	'202010886
Australia	'202211987
Australia	'202211988
Canada	'175764
Canada	'194096

Canada	'194097
Canada	'194098
China	'ZL 2017 3 02935535
China	'ZL 2017 3 02941343
China	'ZL 2020 3 00536848
China	'ZL 2020 3 00540311
Europe	'003598002-0001
Europe	'003598002-0002
Europe	'003598002-0003
Europe	'003598002-0004
Europe	'006739173-0001
Europe	'006739173-0002
Europe	'006739173-0003
Europe	'006739173-0004
Europe	'008719272-0001
Europe	'008719272-0002
Europe	'008719272-0003
India	'327124-001
International	'DM/206482
International	'DM/222252
Japan	'1594231
Japan	'1685136
Japan	'1685137
Japan	'1685138
New Zealand	'423231
New Zealand	'423232
New Zealand	'427137
New Zealand	'430223
New Zealand	'430224
South Korea	'DM/206482
South Korea	'DM/206482
South Korea	'DM/206482
United Kingdom	'90035980020001
United Kingdom	'90035980020002
United Kingdom	'90035980020003
United Kingdom	'90035980020004
United Kingdom	'90067391730001
United Kingdom	'90067391730002
United Kingdom	'90067391730003
United Kingdom	'90067391730004
USA	'D856523
USA	'D895,125
USA	'D895,811

Pending Designs

Brazil	'BR 30 2020 000621-6
Brazil	'BR 32 2020 002469 1
Brazil	'BR 30 2022 001739 6
Brazil	'BR 30 2022 001740 0
China	'2022 3 01899250
India	'362024-001

India	'362025-001
USA	'29/724,643
USA	'29/833,480
USA	'29/833,484

c) Trademarks

Registered Trademark

Trademark number	Trademark
UK00003849054	"BODYTRAK"
UK00003125932	"Bodytrak"

Pending Trademarks

Australia
 Brazil
 Canada
 China
 EU
 India
 Japan
 South Korea
 Mexico
 New Zealand
 US

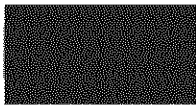
d) Product Development and Design Information

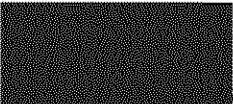
- Algorithms, including, but not limited to:
 - Core body temperature
 - Heat stress / Physiological Strain Index
 - Fall detection / Inactivity
 - Heart rate variability / Fatigue
 - Noise metering
 - Out of ear flag
- Sensor integration design and know-how
- Electronics design, schematics and gerber files
- Mechanical design, CAD files, specifications and drawings
- Bills of materials

Schedule 2 Excluded intellectual property

1. Any intellectual property whatsoever from hardware licensors, including, but not limited to: Valencell, Inc.
2. Any intellectual property whatsoever from software licensors, including, but not limited to: The MathWorks, Inc., and 2iC Limited.

SIGNED as a **DEED** by
INOVA DESIGN SOLUTIONS LTD
acting by Leon Marsh and
Geoffrey Drage two directors:

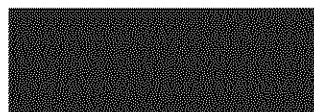
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Signature

 _____
Signature

Execution Version

SIGNED as a **DEED** by

by **CHARLES D. ROBERSON**
for and on behalf of
LAKELAND INDUSTRIES, INC.

A black rectangular box redacting the signature of Charles D. Roberson.

Chief Executive Officer,
President and Secretary