



Registration of a Charge

Company Name: **FLOWER OF LIFE LTD**

Company Number: **08050763**



Received for filing in Electronic Format on the: **12/01/2022**

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Details of Charge

Date of creation: **22/12/2021**

Charge code: **0805 0763 0004**

Persons entitled: **EUAN SMITH
FLOS VITAE LIMITED
LSG VENTURES LIMITED**

Brief description: **LICENCES, PATENT, GOODWILL AND TRADE MARK**

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **DANIEL SPAYNE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8050763

Charge code: 0805 0763 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd December 2021 and created by FLOWER OF LIFE LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th January 2022 .

Given at Companies House, Cardiff on 13th January 2022

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



Companies House



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

DATED 22 December 2021

FLOWER OF LIFE LTD (1)

**THE NOTEHOLDERS OF THE INSTRUMENT CONSTITUTING
£400,000 SECURED CONVERTIBLE LOAN NOTES 2021 (2)**

DEBENTURE

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22 December 2021

THIS DEBENTURE is dated the

PARTIES

- (1) **FLOWER OF LIFE LTD** a company incorporated and registered in England and Wales with company number **08050763** whose registered office is at Unit 2a Orchard Business Park, Scout Road, Hebden Bridge, West Yorkshire, HX7 5HZ ("the **Chargor**").
- (2) **THE NOTEHOLDERS** of the Instrument Constituting £400,000 Secured Convertible Loan Notes 2021 issued by Flower of Life Ltd ("the **Chargee**").

AGREED TERMS

1. Covenant to pay

Subject to the Intercreditor Agreement between the Parties to this Debenture and Vicarage Management No.1 Limited (The "**CBILS Lender**") (the "**Intercreditor Agreement**"), the Chargor covenants that it will on demand pay or discharge to the Chargee all moneys obligations and liabilities (whether present or future actual or contingent) howsoever arising which now or at any time hereafter may be or become due owing or incurred by the Chargor to the Chargee (whether solely or jointly with any other person and whether as principal or surety).

2. Charge

Subject to the Intercreditor Agreement, the Chargor with full title guarantee and as a continuing security charges with the payment or discharge of all moneys, obligations and liabilities hereby covenanted to be paid or discharged by the Chargor:

2.1 by way of legal mortgage:

- (a) all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or at any time hereafter (and from time to time) owned by the Chargor or in which the Chargor holds an interest including (but not limited to) the properties which are briefly described in the Schedule 1 hereto;
- (b) all trade and other fixtures, equipment, furniture, plant and machinery of the Chargor from time to time in any freehold or leasehold property of the Chargor and the proceeds of sale thereof;

and the assets charged under the terms of clause 2.1 shall hereafter be referred to as "**the Legally Mortgaged Property**";

2.2 by way of fixed charge:

- (a) all stocks, shares, loan capital, securities, bonds and investments of any kind whatsoever (whether or not marketable) now or at any time hereafter (and from time to time) owned (at law or in equity) by the Chargor, together with all allotments offered or arising in respect thereof or incidental thereto and all stocks, shares, loan capital, securities, bonds, investments, rights, income, money or property accruing, deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange, capital reorganisation, conversion, redemption, bonus, rights, preference, option or otherwise in respect thereto;

- (b) all freehold or leasehold properties hereafter acquired by the Chargor;
- (c) all present and future interests of the Chargor not effectively mortgaged or charged under the preceding provisions of this clause 2 in or over freehold or leasehold property;
- (d) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to any properties;
- (e) all present and future goodwill of the Chargor and all uncalled capital for the time being of the Chargor;
- (f) present or future rights or interests of the Chargor in respect of any patent, trade mark, service mark, trade name, registered design, design rights, copyrights, know-how and any other rights in intellectual property whether registered or unregistered and any registration or application for registration including all present and future fees, royalties and other income or rights derived therefrom or incidental thereto and including the benefit of all present and future agreements relating to the use of a licensing or exploitation of any such rights;
- (g) all book debts, other debts, receivables and liabilities of any kind whatsoever (other than any book debts owned by the Chargee under any sale and purchase agreement with the Chargor) now or at any time hereafter (and from time to time) due, owing or payable to the Chargor, including the benefit of any judgement or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any of the same and all bills of exchange, promissory notes and other negotiable instruments for the time being owned or held by the Chargor; and
- (h) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person;

2.3 by way of floating charge its undertaking and all its property, assets and rights whatsoever and wheresoever present and/or future including those for the time being charged by way of fixed charged pursuant to clause 2.2 if and to the extent that such charges as aforesaid shall fail as fixed charges but without prejudice to any such specific charges as shall continue to be effective.

3. Crystallisation

Subject to the provisions of the Intercreditor Agreement, the Chargee may convert the floating charge at any time by notice in writing to the Chargor into a fixed charge as regards all the property and assets which for the time being are the subject of such floating charge or, as the case may be, such of the said property and assets as are specified by such notice.

4. Qualifying floating charge

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

5. Negative pledge

5.1 Subject to the senior security interest of the CBILS Lender and the operation of the Intercreditor Agreement, the Chargor hereby covenants with the Chargee that it will not without the prior consent in writing of the Chargee:

- (a) create or permit to subsist any further mortgage, charge, lien, hypothecation or pledge or any other security interests, any arrangement or segregation of assets for the purpose of providing security or any other type of preferential arrangement (including without limitation, title transfer and retention arrangements) having a similar effect over all or any part of its present or future property, assets or revenues;
- (b) part with possession of, sell, transfer, lend, lease, licence or otherwise dispose of (or agree to do so) whether by a single transaction or by a number of transactions, whether related or not, the whole or any part of its assets (other than sales of stock in the ordinary course of trading at not less than market value) or revenues;
- (c) dispose of the equity of redemption in respect of any of the property, undertaking or assets charged under this Debenture.

5.2 If, notwithstanding the terms of clause 5.1 above and subject to the Intercreditor Agreement and the senior security interest of the CBILS Lender, the Chargor creates an encumbrance over any of the property or assets charged hereunder or attempts to do so without the prior consent in writing of the Chargee then the floating charge created by this Debenture over such property or assets shall automatically without notice operate as a fixed charge immediately upon such occurrence.

6. Undertakings

During the continuance of this Debenture the Chargor undertakes and agrees:

- 6.1 to keep the Legally Mortgaged Property in a good state of repair and condition and insured against such risks and in such office and for such amounts as the Chargee may require or approve and that failure to do so will entitle the Chargee to do so at the expense of the Chargor as agents of the Chargor without thereby becoming a mortgagee in possession;
- 6.2 not to part with the possession of the Legally Mortgaged Property or any part thereof; and
- 6.3 to effect and maintain such insurances as are normally maintained by prudent companies carrying on similar businesses.

7. Information

The Chargor shall from time to time supply to the Chargee such accounts or other information concerning the Chargor, its subsidiary or associated companies as the Chargee may require.

8. Enforcement

Section 103 of the Law of Property Act 1925 ("the 1925 Act") shall not apply to the security created by this Debenture, which shall immediately become enforceable and the power of sale and any other powers conferred by section 101 of the 1925 Act as varied or extended by this Debenture

shall be immediately exercisable at any time after notice demanding payment of any moneys hereby secured shall have been served by the Chargee on the Chargor. In addition, all moneys hereby secured shall become immediately due and payable without any demand on the occurrence of any of the following events ("**Events of Default**");

- 8.1 any breach by the Chargor of any term or condition (including any covenant) of this Debenture (provided that such covenant does not conflict with the Intercreditor Agreement, which shall prevail);
- 8.2 if this Debenture shall, for whatever reason, cease to be fully enforceable in accordance with its terms or, with effect from the date on which determination of the continuing nature of the security created by this Debenture or any part thereof occurs, such continuing nature is determined, whether such determination be by actual or constructive notice or be deemed to have occurred or if any binding undertaking comprised in this Debenture or any part thereof shall be breached;
- 8.3 any default by the Chargor in the performance of any terms of its agreement with the Chargee or of any term of any other agreement for borrowed moneys (whether with the Chargee or any other lender or provider of funds) whereby the due date of payment or repayment thereunder is rendered capable of acceleration, or any indebtedness of the Chargor becomes or is declared by the holder or lender thereof to be due and payable prior to its stated maturity, or such indebtedness is not repaid in full at its stated maturity or, if repayable on demand, is not repaid in full forthwith upon such demand being made, or if any guarantee or indemnity given by the Chargor is not honoured when due and called upon;
- 8.4 if any step is taken by the Chargor or any other person for the appointment of an administrator in relation to the Chargor including, without limitation, the making of an application to court or the giving or filing of notice of intention to appoint an administrator;
- 8.5 if any step is taken by the Chargor or any other person to wind up the Chargor including, without limitation, the presentation of a petition for a winding-up order or the giving of notice of a resolution to wind up the Chargor;
- 8.6 if the Chargor makes or seeks to make any composition or arrangement with its creditors;
- 8.7 if the Chargor ceases to threaten to cease to carry on its business or sells, transfers or otherwise disposes of, in any one transaction or series of related transactions, any substantial part of its assets;
- 8.8 if the Chargor is unable to pay its debts (whether within the meaning of section 123 of the Insolvency Act 1986 or otherwise) or an encumbrancer takes possession of, or a receiver or an administrative receiver is appointed over the whole or any part of its assets;
- 8.9 if any judgment, distress, warrant of attachment, writ of execution or similar process is issued, levied or enforced upon the assets of the Chargor, or if any asset held by the Chargee as security is charged or becomes encumbered elsewhere; and
- 8.10 if there shall occur in the Chargee's opinion a material effective change of control (as defined by section 840 of the Income and Corporation Taxes Act 1988) of the Chargor.

The Chargor hereby agrees to notify the Chargee as soon as it becomes aware that there has occurred an Event of Default or an event which, with the giving of notice or lapse of time or both, would be an Event of Default.

9. Administrator and Receiver

9.1 The Chargor and the Chargee both acknowledge that the Chargee would normally have the right to appoint an Administrator or Receiver should the Chargee have demanded payment of any money or liability or other sums hereby secured or immediately upon or at any time after the happening of any Event of Default or at any time after the directors of the Chargor shall have requested it so to do. However, in the context of this transaction, those rights are fully subject to the terms of the Intercreditor Agreement (which restrict the Chargee's ability to appoint an Administrator). It is the understanding of the Parties that in accordance with the Intercreditor Agreement, it would be the CBILS Lender that had the right to appoint such receiver and it will do this in accordance with the provisions of the Intercreditor Agreement and that the Receiver or Administrator would apply proceeds in accordance with the provisions of that document first to the CBILS lender and thereafter to the Chargee.

9.2 Subject to the terms of the Intercreditor Agreement, in the exercise of the powers hereby conferred the Chargee or any Administrator or Receiver may sever and sell plant machinery or other fixtures separately from the property to which they may be annexed.

10. Application of proceeds

Any moneys received under the powers hereby conferred shall subject to the repayment as far as necessary of any claims to this Debenture be paid or applied in the order of priority in the Intercreditor Agreement.

11. Powers of mortgagees

The powers conferred on mortgagees or receivers by the 1925 Act shall apply to this Debenture except so far as they are expressly or impliedly excluded and where there is any ambiguity or conflict between the powers contained in the 1925 Act and those contained in this Debenture the terms of this Debenture shall prevail.

12. Attorney

Subject to the terms of the Intercreditor Agreement, the Chargor hereby irrevocably appoints each of the Chargee and any person nominated in writing under the hand of the Chargee, including every Administrator or Receiver appointed hereunder, as Attorney of the Chargor with full power of substitution for the Chargor and in its name and on its behalf and as its act and deed to execute and seal and deliver and otherwise perfect any deed assurance agreement instrument or act which may be required or deemed proper for any of the purposes of the security created by this Debenture.

13. Continuing security

The security from time to time constituted by or pursuant to this Debenture shall be in addition to and shall be independent of any other security which the Chargee may now or at any time hold on all or any part of the assets of the Chargor for or in respect of all or any part of the moneys

obligations and liabilities hereby covenanted to be paid or discharged and it is hereby declared that no prior security held by the Chargee over the property hereby charged or any part of it shall merge in the security created hereby or pursuant hereto.

14. Notices

14.1 A demand or notice hereunder shall be in writing signed by the Chargee and may be served on the Chargor

(a) by hand or by post and either by delivery of the same to any officer of the Chargor at any place or by addressing the same to the Chargor at its registered office or a place of business last known to the Chargee; or

(b) by email to such email address notified by the Chargor to the Chargee.

14.2 If a demand or notice is sent by post it shall be deemed to have been received on the day following the day on which it was posted and shall be effective notwithstanding that it be returned undelivered.

14.3 If a demand or notice is sent by email, it shall be deemed to have been received at 9.00 am on the next working day after transmission.

14.4 A certificate signed by a director of the Chargee showing the amount payable by the Chargor pursuant to the Debenture shall, in the absence of manifest error, be binding and conclusive against the Chargor.

15. Capacity

It is hereby certified by the Chargor that this Debenture does not contravene any of the provisions of the Chargor's Memorandum or Articles of Association and has been executed in accordance therewith.

16. Governing law

This Debenture shall be governed by and construed in all respects in accordance with English law and the parties submit to the jurisdiction of the English courts.

IN WITNESS of these matters this document has been executed as a deed and delivered on the date set out at the beginning of the deed.

SCHEDULE 1

The Property

Identify any freehold or leasehold property of the Company (including Title number):

SIGNATURES OF THE PARTIES:

FLOWER OF LIFE LTD

SIGNED AND DELIVERED as a Deed by)

FLOWER OF LIFE LTD)

acting by Daniel Spayne)

a Director/Attorney in the presence of:)

(Signature of witness))

(Name of witness) Rachel Pepper)

(Address of witness))

(Occupation of witness))

DocuSigned by:

Director/Attorney

DocuSigned by:

NOTEHOLDER

SIGNED AND DELIVERED as a Deed by)

EUAN SMITH)

in the presence of:)

(Signature of witness))

(Name of witness) Nil Lante Wallace Davis)

(Address of witness))

(Occupation of witness))

DocuSigned by:

DocuSigned by:

NOTEHOLDER

SIGNED AND DELIVERED as a Deed by)

FLOS VITAE LIMITED)

Acting by Tom Wright)

in the presence of:)

(Signature of witness))

(Name of witness) Sophie Wells)

(Address of witness))

(Occupation of witness))

DocuSigned by:

Director

DocuSigned by:

NOTEHOLDER

SIGNED AND DELIVERED as a Deed by)

LSG VENTURES LIMITED)

Acting by Patrick Leoni Sceti)

in the presence of:)

DocuSigned by:
[Redacted Signature]
FC1703FF119945F

Director

(Signature of witness))

(Name of witness))

DocuSigned by:
[Redacted Signature]
AF80573C7E3A38E1
Thin Chambers

(Address of witness))

(Occupation of witness))

[Redacted Address]
[Redacted Occupation]