

DATE

2024

INTERBAY FUNDING, LTD. (1)

TITAN FUNDING TRUSTEE SCHEME AND CARLTON JAMES RETIREMENT FUND (2)

PURE HOUSE LIMITED (3)

DEED OF PRIORITY

- (1) **INTERBAY FUNDING, LTD.** incorporated and registered in England and Wales with company number 05595882 whose registered office is at Reliance House, Sun Pier, Chatham, England ME4 4ET (the "**First Chargee**");
- (2) **DANNY FULLER and CLARE FULLER** both of 31a Elmwood, Chippenham, Wiltshire SN15 1AP acting as and for the Trustees of Titan Funding Trustee Scheme and **JULIAN TEICHT** of Effingham Estates, Hurst Cottage, Outdowns, Effingham, Surrey KT24 5QP acting as and for the Trustees of Carlton James Retirement Fund (the "**Second Chargee**" and each a "**Second Chargee**" where the context so admits); and
- (3) **PURE HOUSE LIMITED** incorporated and registered in England and Wales with company number 08712400 whose registered office is at C/O Nigel B Butler Ltd Basepoint Business Centre, Rivermead Drive, Swindon, Wiltshire, England, SN5 7EX (the "**Chargor**").

Whereas

- (A) Pursuant to a facility letter dated 24 August 2017 between the First Chargee and the Chargor (as amended, supplemented or replaced from time to time, the "**Senior Agreement**"), the First Chargee has made available to the Chargor a term loan facility which, as at the date hereof, remains outstanding.
- (B) The Chargor have entered into the Senior Security Documents in order to secure the Senior Liabilities.
- (C) The Second Chargee has agreed to provide the Junior Liabilities to the Chargor and the Chargor have agreed to enter into the Junior Security Documents in order to secure the Junior Liabilities.
- (D) The Chargor, the First Chargee and the Second Chargee has agreed to enter into this Deed to regulate the respective claims against the Chargor of the First Chargee and the Second Chargee and the priorities of the respective security created by or pursuant to the Senior Security Documents and the Junior Security Documents and to make certain provisions for the enforcement of the same.

It is agreed

1 Interpretation

1.1 Definitions

In this Deed, including the recitals and the schedule (unless the context otherwise requires):

Chargee means each of the First Chargee and the Second Chargee or either of them as the context requires.

Enforcement Costs means any and all proper and reasonable costs and expenses (including, without limitation, advisers' and surveyors' costs, expenses and charges) (and value added, or similar, taxes on such costs and expenses) and any liabilities, claims and damages reasonably and properly incurred or suffered in each case in connection with the enforcement of the Securities or either of them in accordance with this Deed by either Chargee (including the exercising of rights on a winding up or bankruptcy if the provisions of clause 9 (Winding-Up) apply).

First Charge means the legal charge dated 21 September 2017 between the Chargor and the First Chargee in respect of the Property and any other charge held from time to time by the First Chargee over the Property.

First Debenture means the debenture dated 21 September 2017 executed by the Chargor in favour of the First Chargee incorporating certain fixed and floating charges and other security interests over the assets, business, and undertaking of the Chargor.

Junior Agreement means the facility letter on or around the date of this Deed and made between the (1) Second Chargee (2) and the Chargor in respect of a term loan facility to be made available to the Chargor by the Second Chargee in the amount of £45,000.00

Junior Liabilities means all Liabilities owed to the Second Chargee by the Chargor and secured by the Junior Security Documents.

Junior Security Documents means the Second Charge and all other documents entered into by the Chargor creating or evidencing a security interest in favour of the Second Chargee in relation to any Liabilities.

Liabilities means all present and future sums, liabilities and obligations payable or owing (whether actual or contingent, jointly or severally or otherwise howsoever) by the Chargor or any other person.

Property means the freehold land and property known as 30-34 Alexandra Road, Blackpool FY1 6BU and registered at HM Land Registry with title number LA506201.

Second Charge means the legal charge dated on or around the date of this Deed between the Chargor and the Second Chargee in respect of the Property.

Securities means the Senior Security Documents and the Junior Security Documents and **Security** means where the context so admits either of the Securities.

Senior Liabilities means all Liabilities owed to the First Chargee and secured by the Senior Security Documents.

Senior Security Documents means the First Charge, the First Debenture and all other documents creating a security interest in favour of the First Chargee in relation to any Liabilities.

1.2 Construction

In this Deed, save where the contrary is indicated:

- (a) the headings of clauses are inserted for ease of reference only;
- (b) any reference:
 - (i) to any document or other agreement, shall be deemed to include references to such document as amended, supplemented or replaced from time to time in accordance with the provisions of this Deed;
 - (ii) to the Chargor, the First Chargee and the Second Chargee shall be deemed to include their respective successors, transferees and assigns in accordance with their respective interests.

2 Amendments

Neither the Second Chargee nor the Chargor shall, without the prior written consent of the First Chargee, agree any modification or amendment to, or enter into any other agreement altering, the Junior Agreement or a Junior Security Document in any way which may, in the reasonable opinion of the First Chargee, affect any of the rights of the First Chargee under a Senior Agreement or a Senior Security Document.

3 Purpose of this Agreement

3.1 Consents

The First Chargee confirms its agreement to the entry by the Chargor into the Junior Security Documents and the Second Chargee confirms its agreement to the subsistence of the Senior Security Documents.

3.2 Regulation of claims

The First Chargee and the Second Chargee agree to regulate their claims against the Chargor in the manner set out in this Deed.

3.3 Status of Chargor

The Chargor enter into this Deed for the purpose of acknowledging the arrangements between the First Chargee and the Second Chargee and (save to the extent that such matters are within its control) shall have no legally binding obligations under this Deed to procure the performance of any of the arrangements in relation to the priority of claims referred to in this Deed and none

of the undertakings in this Deed on the part of the First Chargee or the Second Chargee are given to the Chargor or shall be enforceable by the Chargor.

4 Priority of Securities

4.1 The security constituted by the Senior Security Documents ranks and shall rank in priority to the security constituted by the Junior Security Documents without limit and in all respects and the security constituted by the Junior Security Documents is and shall be postponed to, and rank after, the security constituted by the Senior Security Documents.

4.2 The priorities set out in this clause 4 will not be affected by any intermediate reduction in the principal amount secured by any of the Senior Security Documents or by any intermediate reduction in or satisfaction of the Senior Liabilities.

5 Other Provisions

5.1 First Chargee's rights

The Second Chargee acknowledges and confirms that, subject to the other provisions of this Deed, the First Chargee may exercise all and any rights, powers, authorities and discretions (including the giving or refusal of consents) and perform all or any duties conferred on the First Chargee by the Senior Security Documents solely having regard to the interests of the First Chargee and without discussion with the Second Chargee and without having regard to the Second Chargee's wishes or interests.

5.2 No prejudice

The arrangements effected by this Deed shall be in addition to and shall not prejudice or affect any security or any right or remedy of either Chargee in respect of the Liabilities owed to it whether from the Chargor or any guarantor or surety.

5.3 Liquidation

The arrangements provided for in this Deed shall not be affected by the liquidation of the Chargor.

5.4 Successors in title

The First Chargee and the Second Chargee agree to procure that their successors in title, and assigns, shall deliver to each of the other parties to this Deed (excluding the Chargor) a written acknowledgement of this Deed and an agreement to be bound by its terms duly executed by that successor/assign.

6 Undertakings

6.1 No payments

The Chargor covenant that they shall not permit any circumstances to arise which would result in a breach by the Second Chargee of any of their obligations under this Deed.

6.2 No security

The Chargor further covenant on and from the date of this Deed and until there are no outstanding Senior Liabilities that they shall not subject to the other provisions of this Deed, save with the prior consent of the First Chargee:

- (a) secure all or any part of the Liabilities owed to the Second Chargee otherwise than as provided in the Junior Security Documents; or
- (b) take or omit to take any action whereby the priorities as set out in clause 4 (Priority of Securities) might be terminated, impaired or which would in any way adversely affect the interests of the First Chargee or the Second Chargee.

6.3 Release of security

If:

- (a) pursuant to an enforcement of either of the Securities, the First Chargee or the Second Chargee, as the case may be, sells or otherwise disposes of the Property and/or any related asset in accordance with the relevant Security and the terms of this Deed; or

- (b) the Chargor sell or otherwise dispose of the Property and/or such related asset with the consent or at the request of the First Chargee and the Second Chargee in accordance with the terms of this Deed;

the First Chargee and the Second Chargee will on such sale or other disposal join in any release of the security created by the relevant Security over the Property and/or such relevant asset.

7 Appointment of Receiver and Enforcement

7.1 Action by First Chargee

Nothing contained in this Deed shall prevent the First Chargee from appointing a receiver or an administrative receiver, administrator or otherwise from exercising any rights or remedies available to it under the Senior Security Documents, at any time should it consider it necessary or desirable to make such appointment or to do so in order to preserve its security interests under the Senior Security Documents (as the case may be).

7.2 Action by Second Chargee

Without prejudice to any other right or remedy of the Second Chargee in respect of the Liabilities owed to the Second Chargee, except with the prior consent of the First Chargee, the Second Chargee shall not appoint a receiver, administrative receiver or administrator pursuant to or in respect of the Junior Liabilities or exercise its power of sale or otherwise enforce its security against the Chargor under the Junior Security Documents in respect of the Junior Liabilities unless and until the Senior Liabilities shall have been satisfied in full.

8 Proceeds of Enforcement

8.1 Priorities

The respective priorities of the charges created by the Securities shall stand so that all monies realised from the Securities or either of them shall after providing for all Enforcement Costs and for payments ranking in priority as a matter of law (including the remuneration of any receiver) be applied in the following order of priority:

- (i) first, in or towards satisfaction in full of the Senior Liabilities;
- (ii) second, after the Senior Liabilities have been irrevocably discharged in full, in or towards satisfaction of the Junior Liabilities;
- (iii) third, after discharge of the Senior Liabilities and the Junior Liabilities, to the Chargor or such other person entitled to such monies.

8.2 No obligation to account

Neither Chargee shall be obliged to bring into account any preferential payments received by it pursuant to Section 386 and Schedule 6 of the Insolvency act 1986 (or as the same may be re-enacted, amended or extended by any statutory provision).

8.3 Realisations to be held on trust

Any monies realised by either Chargee in respect of the Securities shall be held on trust by such Chargee in accordance with the priorities as set out in clause 4 (Priority of Securities) and on terms that such monies shall be forthwith distributed by such Chargee in accordance with the provisions of clause 8.1.

9 Winding-Up

In the event of the winding-up, insolvency, bankruptcy or death (as applicable) of the Chargor each Chargee shall take all steps it reasonably can to recover from the Chargor sums which may be due in respect of its respective Securities and to exercise its rights (howsoever arising) against any property charged by such Securities in respect of such sum and to prove in such winding-up or insolvency, but shall hold any sums so recovered by it on trust to be applied in accordance with the provisions of clause 8 (Proceeds of Enforcement) of this Deed.

10 Repayment of Proceeds

10.1 Turnover

If:

- (a) either Chargee is obliged to repay to the Chargor or to anybody else for and on behalf of the Chargor or to or for and on behalf of any of their creditors or members any amount in respect of any amount received by it pursuant to the enforcement of either of the Securities and/or pursuant to the exercise of a right of set-off or counterclaim;
- (b) the amount so repaid by that Chargee was originally received by it with respect to Liabilities owed to that Chargee which, in accordance with the terms of clause 8 (Proceeds of Enforcement), are to rank in priority ahead of the Liabilities owed to the other Chargee; and
- (c) the other Chargee has recovered any monies pursuant to the enforcement of its Security,

then the Chargee referred to in clause 10.1(c) above shall pay to the other Chargee an amount equal to the lesser of:

- (d) the aggregate amount required to be repaid by the Chargee referred to in clause 10.1(a) above; and
- (e) the aggregate amount recovered by the Chargee referred to in clause 10.1(c) above pursuant to the enforcement of the relevant Security.

10.2 Reimbursement

If:

- (a) either Chargee (the payor) has to pay and has paid any amount under the terms of clause 10.1(a); and
- (b) that payor has to pay and has paid any amount to the other Chargee (the payee) in accordance with the terms of clause 10.1, then the Chargor shall pay to the payor an amount equal to the lesser of:
 - (i) the amount paid to the payee in accordance with clause 10.1; and
 - (ii) the amount which the payor has paid pursuant to clause 10.1(a) above.

11 Set-Off

Each Chargee may, but shall not be obliged to, exercise such rights of set-off and counterclaim as it may have in respect of the Liabilities owed to it and, if it does so, shall apply the same in the same manner and the same order of priority as if such rights were enforcement rights executed in accordance with clause 8 (Proceeds of Enforcement).

12 The Chargor

12.1 No rights

The Chargor shall not have any rights under this Deed and none of the undertakings contained in this Deed on the part of the First Chargee and the Second Chargee are given (or shall be deemed given) to the Chargor.

12.2 Authorisations

The Chargor recognise the undertakings and obligations on the parts of the First Chargee and the Second Chargee contained in this Deed and:

- (a) expressly authorises them to enforce the Senior Security Documents and the Junior Security Documents in such order as provided for in this Deed or in such other order as the First Chargee and the Second Chargee may, between themselves, see fit;
- (b) irrevocably waives any rights which they may now or in the future have to challenge or have set aside any arrangement agreed between the First Chargee and the Second Chargee in this Deed (or otherwise) relating to:
 - (i) the placing of the proceeds of the enforcement of the Senior Security Documents and/or the Junior Security Documents on a suspense account;

- (ii) the marshalling of the Senior Security Documents and/or the Junior Security Documents;
- (iii) any other matter or thing regarding the order of enforcement of such security documents and the priority of the application of the proceeds of such enforcement;
- (c) undertakes to the First Chargee and the Second Chargee to observe the provisions of this Deed at all times and not in any way to prejudice or affect the enforcement of its provisions.

12.3 No obligation to Chargor

Neither the First Chargee nor the Second Chargee shall owe any obligation, in respect of the manner of their enforcement of the Senior Security Documents or the Junior Security Documents respectively, to the Chargor save where they shall owe such obligations as are imposed by the Senior Security Documents or the Junior Security Documents or by applicable law, as the case may be.

13 Other Security

The Second Chargee undertakes to the First Chargee that it will not take or hold or seek to take or hold from the Chargor any encumbrance, guarantee or indemnity other than the encumbrances, guarantees or indemnities constituted and conferred by the Junior Security Documents.

14 Preservation of Rights

The provisions of this Deed shall not be affected, impaired or revoked by any act, omission, transaction, limitation, matter, thing or circumstance whatsoever which but for this provision might operate to affect the relative priorities of the Securities including without limitation:

- (a) any time, waiver or indulgence granted to the Chargor or any other person;
- (b) the taking of any other encumbrance from the Chargor or any other person or the variation, compromise, renewal or release of, or the failure, refusal or neglect to take, perfect or enforce, any rights remedies or encumbrances from or against the Chargor or any other person or all or any part of the security constituted by the Senior Security Documents or the Junior Security Documents or any other document; or
- (c) any amendment or supplement to or variation of the Senior Security Documents or the Junior Security Documents.

15 Information

The Chargor consent, so long as the security constituted by the Senior Security Documents and/or the security constituted by the Junior Security Documents shall remain subsisting, to the disclosure by the First Chargee and the Second Chargee to each other of such information concerning the Chargor to such extent as the First Chargee and the Second Chargee shall see fit.

16 Deposit of Title Deeds

So long as the security constituted by the Senior Security Documents is subsisting, then to the extent that, pursuant to any provision of the Senior Security Documents, the Chargor are required to deposit any deeds, share certificates or other documents with the First Chargee, any deposit in accordance with the Senior Security Documents shall satisfy any corresponding requirement to deposit such deeds or documents with the Second Chargee contained in the Junior Security Documents.

17 Power of Attorney

17.1 Appointment of attorneys

By way of security, the Second Chargee irrevocably appoints the First Chargee and each Receiver separately to be the attorney of the Second Chargee and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that the Second Chargee is required to execute and do under this Deed.

17.2 Ratification of acts of attorneys

The Second Chargee 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 powers, authorities and discretions referred to in clause 17.1.

18 Ranking

The Chargees acknowledge that the ranking of priority of Liabilities set out in this Deed shall take effect irrespective of when such Liabilities (or any of them) shall arise.

19 Variation

The provisions of this Deed may be amended in writing by letter or agreement executed as a deed by the First Chargee and the Second Chargee. Such amendment may be made without the consent of the Chargor so long as their obligations under this Deed are not increased by such amendment.

20 Costs

The Chargor shall reimburse all costs and expenses, including legal fees and value added tax, incurred by the First Chargee and the Second Chargee in connection with the preparation and negotiation of, and enforcement and preservation of rights under, this Deed.

21 Notices

Any notice or demand to any party to this Deed required to be given, made or served for any purposes under this Deed shall be given, made or served by delivering it to the address specified in the list of parties to this Deed (or such other address in the United Kingdom as is notified to the other parties for this purpose in accordance with the terms of this Deed) by hand or by facsimile on such facsimile number as shall have been notified (in accordance with this clause) to the other parties to this Deed and any notice sent by facsimile shall be deemed to have been given, made or served 2 hours after despatch provided that despatch is before 3.00 p.m. (local time at the place of destination) on any working day and in any other case at 10.00 a.m. (local time at the place of destination) on the next working day after despatch.

22 Expiry

This Deed shall cease to have effect when the Liabilities owed to both the First Chargee and the Second Chargee have been irrevocably and unconditionally paid and discharged in full and obligations owed to the First Chargee are no longer capable of becoming outstanding under the Senior Agreement or the Senior Security Documents (or any of them) and obligations owed to the Second Chargee under or pursuant to the Junior Agreement or the Junior Security Documents (or any of them) are no longer capable of becoming outstanding.

23 Counterparts

This Deed may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same document and any party may enter into this Deed by executing a counterpart.

24 Governing Law

This Deed shall be governed by, construed and interpreted in accordance with, the laws of England.

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

The Chargor

Executed as a deed by

PURE HOUSE LIMITED acting by a director in
the presence of a witness:



Y. KADIS

)
) Pure House Limited
)

Witness signature: 

Witness name: Adam Holmes

Witness address: 6 Cagney Drive

..... Swindon, SN28 4YR

Witness occupation: Operations

The First Chargee

Executed as a deed by

INTERBAY FUNDING, LTD. acting by its duly
authorised attorney in the presence of a
witness:

)
) Attorney
)

Witness signature:

Witness name:

Witness address:

.....

Witness occupation:

The Second Chargee

Executed as a deed by

TITAN FUNDING TRUSTEE SCHEME acting
by a trustee in the presence of a witness:

)
) Trustee
)

Witness signature:

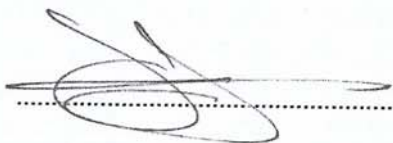
Witness name:

Witness address:

Witness occupation:

Executed as a deed by

CARLTON JAMES RETIREMENT FUND acting
by a trustee in the presence of a witness:

) 
) Trustee
) JULIAN TEICHT

Witness signature: 


Witness name: MANEL RIBES

Witness address: FLAT 3, MAJOR HOUSE COURT
16 GOLDEN MAJOR, LONDON W7 3EG

Witness occupation: STUDIO MANAGER

The Second Chargee

Executed as a deed by

)  D. Fuller
)
) Trustee
)

TITAN FUNDING TRUSTEE SCHEME acting
by a trustee in the presence of a witness:

Witness signature: M. Pigg
Witness name: MARGARET ANNE PIGG
Witness address: 33, ELIZABETH DRIVE
DEVIZES WILTS SN10 3SB
Witness occupation: RETIRED

Executed as a deed by

)
)

CARLTON JAMES RETIREMENT FUND acting
by a trustee in the presence of a witness:

) Trustee
)

Witness signature:

Witness name:

Witness address:

.....

Witness occupation: