

DEED OF PRIORITY

DATED 26/03/2019

BETWEEN

- (1) **HANDELSBANKEN PLC**
- (2) **PHILIP JOHN BUCKINGHAM AND NATALIE BUCKINGHAM AS TRUSTEES OF THE LUCY BEE SSAS**
- (3) **LUCY BEE LIMITED**

DEFINITIONS

"**Bank**" means Handelsbanken plc a company incorporated in England and Wales with company number 11305395 and whose registered office is at 3 Thomas More Square, London, E1W 1WY and whose address for service is situate at Sherwood House, 5 Bluecoats Avenue, Hertford SG14 1PB.

"**Bank's Security**" means a Debenure dated 13 September 2018 granted by the Company to the Bank and creating in part fixed charges and in part a floating charge on the Charged Property.

"**Charged Property**" means all the undertaking properly assets and rights of the Company both present and future.

"**Company**" means Lucy Bee Limited Company Number 07949199 whose registered office is situate at Amwell House, 19 Amwell Street, Hoddesdon, Herts EN118TS.

"**Company's Obligations**" means all the liabilities of the Company of any kind and in any currency (whether present future actual or contingent and whether incurred alone or jointly with another) including interest expenses commission and banking charges.

"**Lender**" means Philip John Buckingham and Natalie Buckingham as trustees of the Lucy Bee SSAS whose address for service is situate at The Moat House, 228 Hertingfordbury Road, Hertingfordbury, Hertford SG14 2LB.

"**Lender's Security**" means a Debenure dated 13 February 2015 granted by the Company to the Lender and creating in part fixed charges and in part a floating charge on the Charged Property.

"**Priority Sum**" means two hundred and fifty five thousand Pounds (£255,000.00)

1	Priority	1.1 The Bank with the consent of the Company agrees that the Lender's Security shall rank in priority to the Bank's Security as continuing securities for the payment to the Lender of the Company's Obligations to the Lender provided that the total amount recoverable by the Lender under the Lender's Security in priority to the Bank's Security shall not exceed the Priority Sum and in addition interest thereon (both before and after demand until payment), expenses, commission and banking charges and the priority of the Lender's Security shall not be affected by any fluctuations in the amount of the Company's Obligations to the Lender from time to time or by the existence at any time of a credit balance on any current account or other account. 1.2 Subject to clause 1.1 above the Lender with the consent of the Company agrees that the Bank's Security shall rank in priority to the Lender's Security as continuing securities for the payment to the Bank of the Company's Obligations to the Bank without limit and the priority of the Bank's Security shall not be affected by any fluctuations in the amount of the Company's Obligations to the Bank from time to time or by the existence at any time of a credit balance on any current account or other account
1.3	The Bank and the Lender will hold in trust any money received pursuant to the Bank's Security or the Lender's Security to give effect to the priorities declared by this deed. 1.4 The priority declared by clause 1.1 and 1.2 shall not be affected by the crystallisation of the Lender's floating charge before the Bank's floating charge.	2 Book Debts and Account Operation
2.1	Notwithstanding the terms of any charge on book debts contained in the Lender's Security and any covenant in the Lender's Security by the Company to the proceeds of any book debts into the Company's account with the Lender or with some other bank the Lender and the Company agree that:- 2.1.1 the Company shall comply with its covenant in relation to the payment of book debts contained in the Bank's Security and shall not be in breach of the Lender's Security by reason of its so complying; and 2.1.2 the Bank shall be entitled to credit any payments received in respect of book debts to any account of the Company with the Bank.	2.2
	In respect of any credit balance from time to time held on any account of the Company with the Bank the Bank may notwithstanding any charge over such credit balance held contained in the Lender's Security:- 2.2.1 at any time prior to the Lender giving the bank written notice that it has appointed a receiver or taken any steps to enforce its security permit the Company to draw upon any such credit balance; and 2.2.2 at any time set off the whole or any part of the Company's Obligations to the Bank against any such credit balance and the Bank shall not be subject to any limit in this respect.	3
Enforcement	3.1 Subject to the Bank and the Lender being entitled to take independent action (except as set out in Clauses 3.2 and 3.3) without notice or consultation where either of them considers it necessary to do so the Bank and the Lender agree that if either of them intends to enforce the Bank's Security or the Lender's Security respectively that party will give notice of such intention to the other of them prior to taking such action and	3.1

the Bank and the Lender shall consult with each other regarding the appointment of a suitable person as receiver or administrator pursuant to the Bank's Security and the Lender's Security. If the Bank or the Lender takes independent action without such notice or consultation it will forthwith give written notice to the other of such action taken.

3.2 The Lender agrees that it will not apply to the court for an administration order without the prior written consent of the Bank.

3.3 The Lender agrees that it will not take any steps to appoint an administrator until it has given at least two business days written notice to the Bank.

4 Assignment

The Lender undertakes not to assign or transfer the Lender's Security to any other person without first ensuring that such person enters into a deed with the Bank upon the same terms as this deed

5 Waiver of Confidentiality

The Company agrees that the Bank and the Lender may disclose information to each other from time to time concerning the business properly liabilities and accounts of the Company

6 Notices

6.1 Any notice by the Bank may be sent by post or fax or delivered to the Lender at the above address or the Lender's address last known to the Bank.

6.2 Any notice by the Lender may be sent by post or delivered to the Bank at its address for service detailed above.

6.3 A notice by the Bank or the Lender by first class post shall be deemed served on the next working day after posting.

6.4 A notice by the Bank by fax shall be deemed served at the time of sending.

7 Governing Law

This deed shall be governed by and construed in accordance with English law.

8 Interpretation

8.1 The expressions "Bank's Security" and "Lender's Security" include any substituted or further security taken at any time by the Bank or the Lender respectively from the Company but do not include any security which the Bank or the Lender may take from a third party.

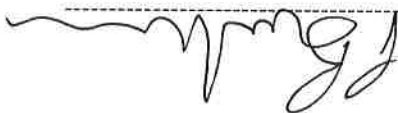
8.2 The expressions "Bank" and "Lender" where the context admits include their respective successors in title and assigns.

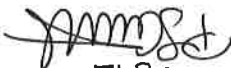
In Witness of which this deed has been duly executed

Signed and Delivered as a deed by the Company acting by a director and its secretary or two directors

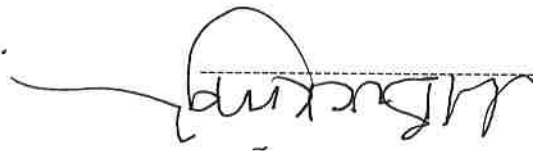
Director
M. Butting

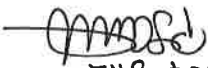
Signed and Delivered as a deed by
the Lender.

) Secretary/Director


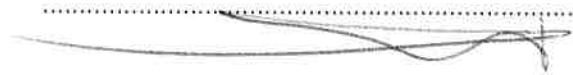
In the presence of a Witness
Name: PETRA GRANT
Address: GRADENERS COTTAGE, COOLCOTE
SE4 8HZ
Signature: 

Signed and Delivered as a deed by
the Lender.

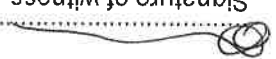
) 

In the presence of a Witness
Name: PETRA GRANT
Address: GRADENERS COTTAGE, COOLCOTE
SE4 8HZ
Signature: 

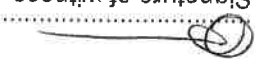
Signed as a deed by Martin Belsey, Corporate
Manager and Nikki Adams, Account Manager
Support as attorneys for Handelsbanken plc

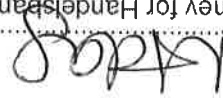

as attorney for Handelsbanken plc

In the presence of:

Signature of witness


In the presence of:

Signature of witness



as attorney for Handelsbanken plc

Rakki Rifai
Sherwood House, 5 Bluecoats
Avenue, Hatfield, SG14 1PB
Address of witness

Occupation of witness

Account Manager Support

Rakki Rifai
Sherwood House, 5 Bluecoats Avenue
Hatfield, SG14 1PB
Address of witness

Occupation of witness

Account Manager Support