

Between:

Nephesh SSAS

and

Nephesh Limited

Date: 7th July 2016

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This agreement is dated: 7th July 2016

It is made between

The "Lender" Trustees of Nephesh SSAS of 1-2 Post Office Terrace, Ponthir, Newport, Gwent, NP18 1GW

and

The "Borrower" Nephesh Limited whose registered office is situate at 1-2 Post Office Terrace, Ponthir, Newport, Gwent, NP18 1GW

Background

The purpose of this agreement is to set out the contractual terms under which a loan has been made by the Trustees of Nephesh SSAS.

The terms of this Agreement are:

1 Definitions that apply to this agreement:

"Advance"	means a part of the Loan drawn down by the Borrower at his request.
"Basic rate"	means a fixed rate of interest of 8% annually for the term of the loan.
"Higher Rate"	means a rate of interest 1% per cent higher than the Basic Rate.
"Interest Date"	means the date in each month interest is payable.
"Loan"	means the total amount of money lent now or at any later date than today, the amount outstanding as due from the Borrower to the Lender whether of capital or interest.
"Security"	means the items set out in Schedule 1 or any one or more of them.

The terms "Lender" and "Borrower" include in the case of a corporation, any associated or subsidiary company.

2 Amount of the Loan

The Loan is in the sum of £40,000 (forty thousand pounds) or such lesser sum as shall in fact have been lent by the Lender to the Borrower at any time this agreement subsists, or such lesser sum as shall be outstanding after part repayment has been made.

3 Advances

3.1 Before any new Advance may be drawn down, the Borrower shall send to the Lender such information that they may require from time to time to be satisfied as to the appropriateness and the judiciousness.

4 Repayment conditions

The Loan amount shall be repaid five years from the date that the advancement is debited from, or at an earlier date as may be required by the Lender in the Event of Default.

The loan shall be paid in instalments payable annually in arrears from the loan date.

Repayment Schedule

Payment Date	Year	Balance	Capital	Interest	Payment	Settlement Amount
11/07/17	1	40,000.00	6,777.60	2,955.07	9,732.67	42,955.07
11/07/18	2	33,222.40	7,340.14	2,392.53	9,732.67	35,614.92
11/07/19	3	25,882.25	7,949.37	1,783.30	9,732.67	27,665.55
11/07/20	4	17,932.88	8,609.16	1,123.51	9,732.67	19,056.39
11/07/21	5	9,323.72	9,323.72	408.95	9,732.67	9,732.67

5 Interest payable

5.1 Interest shall be paid at the Basic Rate

6 Early repayment of part

The Borrower may repay all or part of the Loan before the due date for repayment provided that not less than seven working days' notice is given by the Borrower to the Lender specifying the amount proposed to be prepaid. This notice then binds the Borrower to make that payment on the date he has specified.

7 Method of payment

All payments due to the Lender of both capital and interest shall be paid in pounds sterling by bankers order into such account and bank within the United Kingdom as the Lender may from time to time in writing notify.

8 Borrower's warranties

The Borrower represents and warrants that:

- 8.1 It is authorised to enter into this agreement;
- 8.2 every Trustee is authorised to accept the liabilities set out in this agreement as if it was a party;
- 8.3 the execution of this agreement, the borrowing, and the performance by the Borrower of his obligations are fully within the Borrower's legal authority, are not in breach of the Trust Deed and rules of the Borrower, and do not and will not contravene or be in conflict with any provision of law or of any agreement binding upon the Borrower.
- 8.4 the Borrower has no undisclosed contingent obligations;
- 8.5 there are no material, unrealised or anticipated losses from any present commitment of the Borrower;

- 8.6 the Borrower will advise the Lender of material adverse changes which occur at any time prior to the date of final payment;
- 8.7 no litigation, arbitration proceedings or governmental proceedings are pending or threatened against the Borrower which would, if adversely determined, materially adversely affect the financial condition of the Borrower.
- 8.8 the Borrower has filed all tax returns, if any, which are required to be filed, and has paid all taxes which have become due;
- 8.9 the Security is owned by the Borrower with no charge to any other person;

9 The Security

- 9.1 Each of the items listed in Schedule 1 is represented by a document of title which is lodged with the Lender and receipt of which the Lender acknowledges.
- 9.2 So far as the Lender has taken up an undated document of transfer of any Security, he undertakes not to date or use such document until Seven days after he has served notice of default in the terms specified in this agreement.
- 9.3 After the expiry of seven days from the date of service of a notice of default, the Lender may sell the Security or any of it in a publicly used exchange or market place and the Borrower shall not complain at the price realised.

10 Event of Default

An "event of default" occurs when:

- 10.1 the Borrower fails to pay in full and on the due date for payment any sum due and remains in default for fourteen days after the Lender by notice to the Borrower has demanded immediate payment; or
- 10.2 in the opinion of the Lender, any representation or warranty made by the Borrower is found to be incorrect; or
- 10.3 If and whenever the value of the Security, as published in a recognised publication or by a recognised market, falls below 80% of the value today, then the Lender may call upon the Borrower to make up the total value by the addition of new Security to the sum of the value today. If the Borrower fails within seven days so to make up the value of the Security, then the Lender may treat the default as an event of default and give notice accordingly.

11 Notice of default

- 11.1 Where an event of default has occurred the Lender may issue a notice of default. When the Lender does so, the whole amount of the Loan then outstanding and any unpaid interest immediately fall due for payment.
- 11.2 From the date when the Lender issues a notice of default, the rate of interest on the loan and on any unpaid interest shall be the Higher Rate and such interest shall be cumulated and calculated monthly.
- 11.3 Each Event of Default stands on its own, independently from any other Event of Default and shall not be limited by another Event of Default.

- 11.4 When an event of default happens, the Lender may serve on the Borrower a notice specifying the default.

12 Consequences of Termination

At any time after issue of a valid notice of default by the Lender:

- 12.1 the Lender may sell the Security wherever it may be, whereupon the Borrower has no further interest in the Security, but only in the proceeds of sale, if in excess of the sum of all sums due to the Lender.
- 12.2 the Borrower shall pay to the Lender:
- 12.2.1 all money due at any time under this agreement;
- 12.2.2 damages for any breach of this agreement;
- 12.3 When at any time, the Lender is entitled to sell the Security and does sell it for a sum which exceeds the total sums due to him from the Borrower, then the balance of the realisation in excess of the Loan and other sums due by the Borrower, shall be paid immediately to the Borrower.
- 12.4 The Borrower now undertakes that upon notice of default having been given, he will use his best endeavours to assist the Lender in any way possible, to transfer the Security to the name of the Lender or to a third party by way of realisation.

13 Assignment

- 13.1 This Agreement shall be binding upon any successors, permitted assigns and transferees of either party, but the Borrower shall not assign or transfer any of its rights or obligations without the previous written consent of the Lender.
- 13.2 The Lender may assign its rights obligations to any other person without consent of the Borrower.
- 13.3 The Lender may disclose to a potential assignee who may propose enter into contractual relations with the Lender, such information about the Borrower as the Lender shall consider appropriate.

14 Promise to provide information

Until all obligations of the Borrower under this agreement have been performed in full and the Loan has been repaid, the Borrower agrees that, unless at any time the Lender shall otherwise expressly consent in writing, he will furnish to the Lender:

- 14.1 Within 6 months of the Lender's Year End during the term of the loan, a financial statement will be provided to the Lender;
- 14.2 The Lender may request that the Financial Statement be Independently Audited and the Borrower will do everything necessary in an expedient manner to assist with that request. The costs for the Audit will be borne by the Borrower.
- 14.3 The Financial Statement will be prepared on a consolidated basis and in conformity with generally accepted accounting principles, duly certified by an independent and professionally qualified accountant.
- 14.4 from time to time such other information concerning the Borrower as the Lender may reasonably request.

15 Contract is divisible

Each sub paragraph in this agreement is independent and severable from each other paragraph and therefore separately enforceable. If any restriction is unenforceable for any reason but would be enforceable if part of the wording were deleted, it will apply with such deletions as may be necessary to make it valid and enforceable.

16 Notices and service

- 16.1 Any notice or other information required or authorised by this agreement to be given by either party to the other may be given by hand or sent by first class pre-paid post, or electronic means to the other party at the address last provided for that type of communication.
- 16.2 Any notice or other information given by post shall be deemed to have been given on the second day after it was posted; and proof that the envelope containing any such notice or information was properly addressed, pre-paid and posted, or that it has not been so returned to the sender, shall be sufficient evidence that it has been duly given.
- 16.3 Any notice or other information sent by electronic means, shall be deemed to have been duly sent on the date of transmission.
- 16.4 Service of any legal proceedings concerning or arising out of this agreement shall be effected by causing the same to be delivered to the party to be served at his main place of business or his registered office, or to such other address as may from time to time be notified in writing by the party concerned.

17 Headings

The headings in this document are for reference only.

18 Dispute Resolution

In the event of a dispute arising out of this agreement the parties undertake to attempt to settle it through professional mediation before commencing litigation.

19 Waiver

The failure by either party to enforce at any time or for any period any one or more of the terms or conditions of this Contract shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this Contract.

20 Jurisdiction

This Contract shall be interpreted according to the Laws of England and the parties agree to submit to the exclusive jurisdiction of the English courts.

Signed by

Trustee, Nephesh SSAS



In the presence of:

Witness Signature:



Witness Name:

ANDREW REILLY

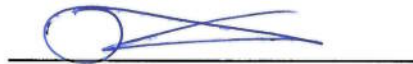
Witness Address:

154 RUSKIN AVE
ROGERSTONE
NP10 0AA

Witness Occupation:

PROJECT ENGINEER

Signed by Director, Nephesh Limited



In the presence of:

Witness Signature:



Witness Name:

ANDREW REILLY

Witness Address:

154 RUSKIN AVE
ROGERSTONE
NP10 0AA

Witness Occupation:

PROJECT ENGINEER.

Schedule 1

The security described:

A first charge over the property 4 Brynhyfryd, Glynneath, SA11 5BA

Repayment Schedule

Payment Date	Year	Balance	Capital	Interest	Payment	Settlement Amount
11/07/17	1	40,000.00	6,777.60	2,955.07	9,732.67	42,955.07
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11/07/20	4	17,932.88	8,609.16	1,123.51	9,732.67	19,056.39
11/07/21	5	9,323.72	9,323.72	408.95	9,732.67	9,732.67

Dated: 7th July 2016

Nephesh Limited

(as Chargor)

and

Nephesh SSAS

(as Charge Holders)

CHARGE OVER PROPERTY

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THIS DEED is made on:

PARTIES

- (1) Nephesh Limited of 1-2 Post Office Terrace, Newport, NP18 1GW (the **"Chargor"**); and
- (2) Djamila Djeddar acting as and for the Trustees of Nephesh SSAS whose serving office is situate at 1-2 Post Office Terrace, Newport, NP18 1GW (the **"Charge Holders"**).

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, the following words and expressions have the following meanings:

"Act" means the Law of Property Act 1925;

"Charged Property" means the property at means 4 Brynhyfryd, Glynneath, SA11 5BA

on which this Charge is secured on;

"Default Rate" means, in relation to any amount not paid on its due date by the Chargor, 1% per annum over the base rate from time to time of The Royal Bank of Scotland plc;

"Enforcement Event" means any of the following events:

- (a) the failure by the Chargor to pay when due any of the Secured Liabilities; or
- (b) any event which causes the Charge Holders reasonably to believe that the Charged Property is in danger of seizure, distress, diligence or other legal process or that this Security is otherwise for any reason in jeopardy;

"Secured Liabilities" means each and every liability which the Chargor may now or hereafter have to the Charge Holders for borrowed money, and whether for principal, interest or otherwise now or hereafter owing due or incurred by the Chargor to the Charge Holders in respect of any such liabilities together with all sums covenanted in this Deed to be paid by the Chargor to the Charge Holders;

"Security" means the security from time to time constituted by, or pursuant to, this Deed;

"Security Interest" means any mortgage, charge, pledge, hypothecation, lien, assignment, title retention, option, right of set-off, security interest, trust

arrangement and any other preferential right or agreement to confer security and any transaction which, although in legal terms is not a secured borrowing, has an economic or financial effect similar to that of a secured borrowing;

“Security Period” means the period beginning on the date of this Deed and ending on the date on which the Charge Holders are satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

“Tax” means and includes any present or future tax (including Value Added Tax), levy, impost, duty, charge, fee, deduction or withholding of any nature and any interest or penalty in respect thereof; and

“Winding-up” of a person means the administration, amalgamation, reconstruction, reorganisation, dissolution, liquidation, merger or consolidation of that person, and any equivalent or analogous procedure under the laws of any jurisdiction and a reference to **the commencement** of any of these includes a reference to the presentation of a petition to a court of competent jurisdiction or the passing of a resolution by the person for, or with a view to, any of them.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- 1.2.1 references to **the Chargor** or **the Charge Holders** shall be construed so as to include her or their successors in title and permitted assignees and transferees;
- 1.2.2 references to **Clauses** are to clauses of this Deed;
- 1.2.3 headings to **Clauses** and the contents page are for convenience only and are to be ignored in construing this Deed;
- 1.2.4 references to a **“person”** are to be construed so as to include any individual, firm, company, government, state or agency of a state, local or municipal authority, or any joint venture, association or partnership (whether or not having separate legal personality);
- 1.2.5 subject to Clause 4, references to any statute or statutory provision are to be construed as references to the same as it may have been, or may from time to time be, amended or re-enacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom;
- 1.2.6 any reference to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of a jurisdiction other than England, be deemed to include that which most nearly approximates in that jurisdiction to the English legal term;
- 1.2.7 in this Deed the masculine gender shall also include the feminine and neuter genders and vice versa;

- 1.2.8 references in this Deed to this “**Deed**” or any other deed, agreement or instrument are references to this Deed, the relevant deed, agreement or instrument as amended, supplemented, replaced or novated from time to time and include references to any document which amends, supplements, replaces, novates or is entered into, made or given pursuant to, or in accordance with, this Deed, the relevant deed, agreement or instrument; and
- 1.2.9 references in this Deed to “**including**” and “**in particular**” (and other cognate references) shall be construed as not limiting any general words or expressions in connection with which they are used.

1.3 Law of Property (Miscellaneous Provisions) Act 1989

The terms of any agreements between the parties hereto in relation to the Secured Liabilities are incorporated in this Deed to the extent required to ensure that any disposition of the Charged Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Deed shall not under the Contracts (Rights of Third Parties) Act 1999 be entitled to enforce or enjoy the benefit of any of the terms of this Deed, except the Receiver, its directors, employees and agents and any delegate or sub-delegate appointed pursuant to Clause 8.

1.5 The Charge Holders’ discretion

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Charge Holders may be exercised or made in their absolute and unfettered discretion without any obligation to give reasons therefor.

2. CHARGING PROVISIONS

The Chargor with full title guarantee charges in favour of the Charge Holders for the payment and discharge of the Secured Liabilities by way of an equitable charge over the Charged Property.

3. CERTIFICATIONS, REPRESENTATIONS AND WARRANTIES

3.1 Nature and timing

The representations and warranties set out in this Clause 3 are made in favour of the Charge Holders with the knowledge and intention that the Charge Holders are relying on and shall rely on them throughout the Security Period.

4. SECURITY TO BECOME ENFORCEABLE

4.1 Powers arising

The Secured Liabilities shall be deemed to have become due and payable, and the power of sale and other powers conferred on mortgagees by section 101 of the Act as

varied and extended by this Deed shall arise, immediately on execution of this Deed by the Chargor.

4.2 Powers exercisable

This Security shall become enforceable without notice to the Chargor on or any time after an Enforcement Event has occurred.

5. POWERS OF CHARGE HOLDERS

5.1 Powers

The Charge Holders shall have the powers conferred by the Act (as in force at the date of this Deed) and may exercise those powers in the name of the Chargor and shall in addition have the following powers:

- 5.1.1 in connection with any sale or other disposition of the Charged Property, to receive the consideration therefore in a lump sum or in instalments;

6. LIABILITY OF CHARGE HOLDERS

6.1 Receipts

The Charge Holders shall not:

- 6.1.1 be liable to account to the Chargor for anything except their actual receipts arising from the exercise of their powers under this Deed; or
- 6.1.2 be liable to the Chargor for any loss or damage arising from:
 - (a) any act, default or omission of the Charge Holders in relation to the Charged Property; or
 - (b) any exercise or non-exercise by the Charge Holders of any power, authority or discretion conferred on them in relation to the Charged Property under this Deed or the Act.

6.2 Protection of the Charge Holders

The Charge Holders shall be entitled to all the privileges and immunities which the Act confers on mortgagees under the Act.

7. APPLICATION OF PROCEEDS OF REALISATION

7.1 Order of application

All monies received by the Charge Holders shall, after this Security becomes enforceable and subject to the payment of any claims having priority to this Security, be applied in the following order (but without prejudice to the right of the Charge Holders to recover any shortfall from the Chargor and notwithstanding any purported appropriation by the Chargor):

- 7.1.1 **first**, in payment of the costs of realisation, including any costs and expenses of, or incidental to, any exercise of any power conferred by this Deed;
- 7.1.2 **secondly**, in or towards the payment of any debts or other amounts which are in law payable in preference to the Secured Liabilities ; and
- 7.1.3 **thirdly**, in or towards satisfaction of the Secured Liabilities in such order (as to principal or interest) as the Charge Holders shall, in their absolute discretion, determine,

and the surplus (if any) shall be paid to the Chargor or such other person as may be entitled to that surplus.

7.2 Variation of statutes

Clause 7.1 shall take effect as a variation of sections 99 to 109 of the Act, which as so varied are deemed incorporated into this Deed.

7.3 Contingencies

If the Charge Holders enforces this Security at a time when no Secured Liabilities are due but at a time when Secured Liabilities may or will become so due, the Charge Holders may, out of the proceeds of any recoveries effected by the Charge Holders, retain such amount as the Charge Holders consider appropriate in order to provide adequate cash cover for the contingent or future liability.

8. DELEGATION

8.1 Method of appointment

The Charge Holders may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by any of them under this Deed in relation to the Charged Property.

8.2 Terms of delegation

Any such delegation may be made on the terms (including power to sub-delegate) and subject to any regulations which the Charge Holders may think fit, and may be made either by deed or by instrument in writing under the hand of the Charge Holders or any person so authorised in writing in that behalf by the Charge Holders.

8.3 Liability of Charge Holder

The Charge Holders shall not be liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

8.4 Liability of delegates and sub-delegates

Clause 6.1 shall apply in respect of the liability of any delegate or sub-delegate referred to in this Clause 8 in all respects as though every reference in Clause 6.1 to the Charge Holders were instead a reference to such delegate or sub-delegate.

15.2 *Severability*

If a provision of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision of this Deed.

15.3 *Waivers, remedies cumulative*

The rights of the Charge Holders under this Deed:

- 15.3.1 may be exercised as often as the Charge Holders consider necessary or desirable;
- 15.3.2 are cumulative and not exclusive of their respective rights under any applicable law; and
- 15.3.3 may be waived only in writing and specifically.

15.4 *Delay*

Delay in exercising or the non-exercise of any right of the Charge Holders under this Deed is not a waiver of that right.

15.5 *Liability of the Trustees*

The Chargor acknowledges that the Charge Holders are contracting solely as the Trustees of the scheme and that their liability under this Deed is limited to the assets of the scheme.

16. **ASSIGNMENTS, TRANSFER, ETC**

16.1 *Chargor*

The Chargor may not assign, transfer or otherwise dispose of any of his rights or obligations under this Deed.

16.2 *Charge Holders*

The benefit of this Deed may be assigned in whole or in part by the Charge Holders without regard to any set-off, counterclaim or equities between the Chargor and the Charge Holders or any intermediate holder.

16.3 *Disclosure of Information*

The Charge Holders shall be entitled to disclose any information concerning the Chargor to a person to whom the Charge Holders have assigned or purported to assign the benefit of this Deed or to any person who may otherwise enter into or proposes to enter into contractual relations with the Charge Holders in relation to this Deed.

17. NOTICES

17.1 Communications to be in writing

Each communication to be made under this Deed shall be made in writing but, unless otherwise stated, may be made by facsimile or letter.

17.2 Delivery of communications

Any communication or document to be made or delivered by one person to another under this Deed shall (unless that other person has by 15 days' written notice to the other party specified another address) be made or delivered to that other person at the facsimile number or address identified with that person's signature below and shall be deemed to have been made or delivered when receipt has been acknowledged (in the case of any communication by facsimile) or (in the case of posting) two working days after being deposited in the post postage prepaid in an envelope addressed to that person at that address provided that:

17.2.1 any communication or document to be made or delivered to the Charge Holders shall be effective only when received by the Charge Holders; and

17.2.2 any communication or document made or delivered after normal business hours in the place of receipt shall not be deemed to be made or delivered until opening of business on the next working day in such place.

18. COUNTERPARTS

This Deed may be executed in any number of counterparts and this will have the same effect as if the signatures on the counterparts were on a single copy of this Deed.

19. LAW

This Deed shall be governed by English law.

IN WITNESS WHEREOF this Deed has been executed as a Deed by the Chargor and the Charge Holders and is intended to be and is hereby delivered on the date stated at the beginning of this Deed.

THE CHARGOR

EXECUTED as a DEED by (signature)
On Behalf of Nephesh Limited

In the presence of:

Witness Signature:

Witness Name:

Witness Address:

Witness Occupation:

THE CHARGE HOLDERS

EXECUTED as a DEED by (signature)
Djamila Djeddar

Acting as Trustee of
Nephesh SSAS

In the presence of:

Witness Signature:

Witness Name:

Witness Address:

Witness Occupation: