

Dated

8th July

2022

RENT DEPOSIT DEED

relating to

Ground Floor, 2a Market Place, Rugby, Warwickshire, CV21 3DY

between

REDD INVESTMENTS LIMITED

and

PIZZA WE DELIVER LIMITED

and

KARWAN HAMID



Etchell House
Etchell Court
Bonehill Road
Tamworth
B78 3HQ

Ref : HD/37550/002

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This deed is dated 8th July 2022

HM Land Registry

Tenant's title number: [] WK50Q889

Administrative area: Leicestershire: Hinckley and Bosworth

Parties

- (1) **REDD INVESTMENTS LIMITED** (Company Registration Number 06235665) whose registered office is Celtic House, 135 - 140 Hatherton Street, Walsall, WS1 1YB (**Landlord**)
- (2) **PIZZA WE DELIVER LIMITED** (Company Registration Number 12996712) whose registered office is 728 Hagley Road West, Oldbury, B68 0PN (**Assignee**)
- (3) **KARWAN HAMID** of 728, Hagley Road West, Oldbury, B68 0PN (**Assignee's Guarantor**)

BACKGROUND

- (A) This deed is supplemental and collateral to the Lease.
- (B) The Landlord is entitled to the immediate reversion to the Lease.
- (C) The residue of the Term is vested in the Tenant.

Agreed Terms

1. Interpretation

The following definitions and rules of interpretation apply in this deed.

1.1 Definitions:

Account: a separate, interest bearing deposit account at the Bank.

Bank: Barclays Bank plc and its successors and assignees or such other bank or building society in England or Wales as the Landlord may from time to time nominate.

Default: any failure by the Tenant to:

- a) pay the whole or any part of the Rents, interest, outgoings and any other sums due to, or recoverable by, the Landlord under the Lease by the due date for such payment, whether or not reserved by way of rent and whether formally demanded or not;

- b) observe and perform any tenant covenants and conditions contained or referred to in the Lease or this deed;
- c) pay any claims, demands, damages, losses, costs or other expenses arising out of, or incidental to, the enforcement of the obligations, covenants and conditions of the Tenant under the Lease or this deed.

Deposit: the Initial Deposit and any other sums from time to time standing to the credit of the Account.

Expenses: all losses arising as a consequence of (or which it is reasonably foreseeable that the Landlord will have to incur as a result of) the forfeiture or disclaimer of the Lease including (but not limited to) the following costs and expenses:

- a) the reasonable costs and expenses payable to legal advisers, surveyors and accountants for advice in connection with such forfeiture or disclaimer;
- b) the reasonable costs and expenses for marketing the Property for reletting purposes;
- c) mesne profits from the date of forfeiture or disclaimer until the date of possession by the Landlord;
- d) a sum in lieu of the Rents at an annual rate equal to the amounts payable by the Tenant under the Lease immediately before the date of forfeiture or disclaimer, in respect of the period beginning on the date that possession is obtained until the earlier of the date on which the Property is relet and the expiry of six months;
- e) the reasonable fees and expenses payable to any agents or surveyors in connection with the reletting or attempted reletting of the Property; and
- f) the reasonable costs and expenses payable to legal advisers in connection with the reletting or attempted reletting of the Property;
- g) VAT (if chargeable) in respect of the above.

Initial Deposit: the sum of £5,000.00 plus an amount equivalent to VAT of £1,000.00.

Interest: any interest accruing on the Deposit.

Lawful Assignment: an assignment of the Lease (other than an assignment in breach of the terms of the Lease).

Lease: the lease of the Property dated 17th January 2019 relating to the Ground Floor, 2a Market Place, Rugby, Warwickshire, CV21 3DY and made between Arrowcroft Northwest Limited (1) and Hulya Emali (2) and Snappy Tomato Pizza Limited (3) including all documents supplemental or collateral to that lease except this deed.

Minimum Amount: the aggregate of three months' worth of the Principal Rent and any VAT that may be payable on such sum from time to time provided that at no time shall the Minimum Amount be less than the Initial Deposit.

Principal Rent: the annual rent first reserved under the terms of the Lease (ignoring any rent free period allowed to the Tenant at the commencement of the Term) as increased from time to time in accordance with the provisions for review contained in the Lease.

Property: Ground Floor, 2a Market Place, Rugby, Warwickshire, CV21 3DY as more particularly described in and demised by the Lease.

Rents: any sums reserved as rent under the Lease.

Term: has the meaning given to it in the Lease.

VAT: value added tax or any equivalent tax chargeable in the UK.

Working Day: any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.

- 1.2 References to the **Landlord** include a reference to the person entitled for the time being to the immediate reversion of the Lease.
- 1.3 References to the **Tenant** include a reference to its successors in title and assigns.
- 1.4 The obligations of the **Guarantor** under this deed are personal to the entity named as the Guarantor in this deed.
- 1.5 The expression **tenant covenant** has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Clause headings shall not affect the interpretation of this deed.
- 1.7 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.8 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.9 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.10 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.11 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.12 References to clauses are to the clauses of this deed.

1.13 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.

1.14 A reference to **writing** or **written** includes fax but not e-mail.

2. Deposit

2.1 The Landlord acknowledges receipt of the Initial Deposit from the Tenant and undertakes to place the Initial Deposit in the Account as soon as reasonably possible, but in any event within two Working Days after the date of this deed.

2.2 The Landlord undertakes to hold the Deposit in accordance with, and subject to, the terms of this deed.

2.3 At all times the Tenant shall maintain the Deposit at a sum not less than the Minimum Amount.

2.4 The Deposit belongs to the Tenant subject to the terms of this deed.

3. Charge of the Account

3.1 The Tenant warrants to the Landlord that:

- (a) the Deposit is, and shall at all times be, free from any charge, encumbrance or other security interest in favour of any third party, whether legal or equitable;
- (b) no consent is required from any person for the Tenant to enter into this Deed and the Tenant is not prohibited from entering into this Deed by any covenant or prior security it has entered into;
- (c) the Tenant shall not assign or otherwise dispose of its interest in, or the benefit of its rights under, this deed, the Deposit or the Account (or any part of them); and
- (d) the Tenant shall not create any further charge, encumbrance or security interest over the whole, or any part of the Deposit or the Account.

3.2 The Tenant, with full title guarantee, charges its interest in the Account and the Deposit (together with the Tenant's right to the return of the Deposit or such part of the Deposit to which the Tenant is entitled under the terms of this deed), to the Landlord as security for the performance of the Tenant's obligations under the Lease and this deed.

3.3 The Tenant covenants that it shall execute any document or take any action the Landlord specifies in order to perfect or preserve the security referred to in clause 3.2.

3.4 The security created by clause 3.2 of this deed is in addition to, and shall not affect, any other security of the Landlord as regards the Tenant.

3.5 The Tenant confirms that the charge in clause 3.2 does not contravene any of the provisions of the Tenant's memorandum and articles of association and that this deed has been executed in accordance with them.

4. Landlord's Duties

4.1 The Landlord is not obliged to secure any particular rate of Interest and shall be entitled to open the Account with the Bank.

4.2 The Landlord shall not be liable to the Tenant for any loss to the Deposit or any loss of Interest arising from any act or default unless such loss arises from the wilful default or negligence of the Landlord.

5. Interest

5.1 Except where this deed provides otherwise, any Interest earned on the Deposit shall belong to the Tenant.

5.2 No interest shall be released to the Tenant where the Tenant is in Default or the Lease is forfeited or disclaimed.

5.3 Interest shall be released to the Tenant annually and only to the extent that, if credited to the Account, the Interest would cause the Deposit to exceed the Minimum Amount.

5.4 If, and for so long as, the Deposit is less than the Minimum Amount, any Interest earned on the Deposit shall not be paid out to the Tenant but shall be added to and form part of the Deposit.

5.5 The Landlord shall be entitled (but not obliged) to withhold such sums from any Interest earned on the Deposit as represent any tax that may lawfully be due and to pay such sums to the appropriate tax authority.

5.6 In circumstances where the Landlord does not decide to withhold any sums pursuant to clause 5.5, the Tenant shall indemnify the Landlord on demand against all tax payable in respect of any Interest earned on the Deposit.

6. Withdrawals

6.1 Following any Default, the Landlord shall be entitled to withdraw from the Deposit such proportion of the Deposit as may be reasonably necessary to make good that Default.

- 6.2 Subject to clause 6.5, the Landlord may make withdrawals from the Deposit as often as necessary.
- 6.3 If the Lease is forfeited or the liability of the Tenant under the Lease is disclaimed, then as compensation for the Expenses, the Landlord shall be entitled to withdraw from the Deposit such sums as may be reasonably necessary to satisfy the Expenses.
- 6.4 Any bank charges levied on the Account may be charged to the Account and met from the Deposit. If such bank charges are paid by the Landlord, the Landlord shall be entitled to withdraw from the Deposit a sum equivalent to those charges.
- 6.5 The Landlord shall give written notice to the Tenant within five Working Days following each and every withdrawal made under clause 6.1 specifying the amount of the withdrawal, the date of the withdrawal and the invoice or liability to which the withdrawal relates.
- 6.6 Any sums withdrawn from the Deposit by the Landlord pursuant to this clause 6 shall become the property of the Landlord.
- 7. Top up of the Deposit**
- 7.1 Without prejudice, and in addition to the Tenant's other obligations in this deed, the Tenant shall pay to the Landlord such sum or sums as shall be necessary to ensure that the Deposit is not less than the Minimum Amount within ten Working Days after each of the following:
- (a) the date of every occasion upon which the Landlord serves notice in writing on the Tenant that the Landlord has made a withdrawal from the Account; and
 - (b) the date upon which each and every review of the Principal Rent is settled in accordance with the terms of the Lease.
- 7.2 Where the Landlord serves notice in writing on the Tenant that the Landlord has exercised the option to tax under Schedule 10 of the Value Added Tax Act 1994 in respect of the Property, then the Tenant shall pay to the Landlord within ten Working Days from, but not including, the date of the notice, such sum as shall be necessary to ensure that the Deposit is not less than the Minimum Amount.
- 7.3 Where the Landlord has exercised its option to tax under Schedule 10 of the Value Added Tax Act 1994 and the rate of VAT applicable to the Principal Rent is increased, then the Tenant shall pay to the Landlord within ten Working Days of written demand by the Landlord such sum as shall be necessary to ensure that the Deposit is not less than the Minimum Amount.

- 7.4 The Landlord undertakes to place any monies paid to it under this clause 7, into the Account as soon as reasonably possible, but in any event within two Working Days following receipt.

8. Repayment of the Deposit

- 8.1 Subject to the rights of the Landlord under this deed, the Landlord shall repay the Deposit to the Tenant (less any outstanding bank charges, including any charges payable on closure of the Account) on the earlier of:

- (a) two months from the date on which the Tenant yields up the Property to the Landlord with vacant possession following the expiry or sooner determination of the Term; or
- (b) 20 Working Days from the date the Landlord receives written notice of a Lawful Assignment of the Lease by the Tenant;
- (c) 20 Working Days after 12 months from the date of the Lease provided that the Tenant has paid the rent and all other payments when due under the terms of the Lease and has performed the Tenant's covenants in the Lease.

- 8.2 The Landlord shall be entitled to retain from the Deposit so much of the Deposit as may in the Landlord's opinion be reasonably necessary to make good any Default.

- 8.3 Where the Deposit is paid to the Tenant pursuant to Clause 8.1(b) the Landlord shall be entitled to retain from the Deposit as much of the Deposit as may be reasonably necessary to make good any Default that occurred prior to the date of Lawful Assignment.

9. Sale of reversion

- 9.1 The Tenant agrees that the Landlord may assign the benefit of this Deed (including the charge referred to in clause 3) simultaneously with a disposal of the reversion to the Lease and the Landlord shall transfer the Deposit to its successor on completion of such assignment

- 9.2 The Tenant shall not unreasonably withhold consent to a request made by the Landlord under section 8 of the Landlord and Tenant (Covenants) Act 1995 for a release from all or any of the covenants in this deed falling to be complied with by the Landlord.

10. Costs

On completion of this deed, the Tenant shall pay the reasonable costs and disbursements of the Landlord's solicitors and its managing agents in connection with this deed. This obligation extends to costs and disbursements assessed on a full

indemnity basis and to any VAT in respect of those costs and disbursements except to the extent that the Landlord is able to recover such VAT.

11. The right of re-entry in the Lease

The right of re-entry in the Lease shall be exercisable if any covenant or condition contained in this deed falling to be complied with by the Tenant is breached, as well as if any of the events stated in the provision for re-entry in the Lease occur.

12. Guarantor's obligations

In the event of any breach of any covenant or condition falling to be complied with by the Tenant in this deed, the Guarantor shall remedy any such breach and make good to the Landlord on demand and indemnify the Landlord against all liabilities, costs, expenses, damages and losses suffered or incurred by the Landlord arising out of or in connection with any such breach.

13. Indemnity

The Tenant shall make good to the Landlord on demand, and indemnify the Landlord against, all liabilities, costs, expenses, damages and losses suffered or incurred by the Landlord arising out of or in connection with any breach of the terms of this deed.

14. Notices

Any notice given under or in connection with this deed must be in writing and must be delivered by hand, or sent by pre-paid first class post or other next working day delivery service or by any other means permitted by the Lease. A correctly addressed notice delivered by hand shall be deemed to have been delivered at the time the notice is left at the proper address. A correctly addressed notice sent by pre-paid first class post or other next working day delivery service shall be deemed to have been delivered on the second Working Day after posting.

15. Third party rights

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 any term of this deed.

16. Governing law

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

17. Jurisdiction

The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims).

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

EXECUTED as a Deed
By **MATTHEW JON REDDY**
Director of **REDD**
INVESTMENTS LIMITED
before
a witness:

.....

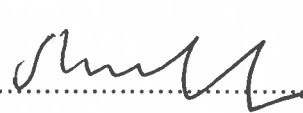
Witness signature:

Witness name:

Witness address:

Witness occupation:

EXECUTED as a Deed
By
Director of **PIZZA WE DELIVER**
LIMITED
before
a witness:


.....

Witness signature:

Witness name:

Witness address:



Witness occupation:

KHATLA MEHTEB (HONS)
SOLICITOR/COMMISSIONER FOR OATHS
LEXTON LAW SOLICITORS 428 FOLESHILL
ROAD COVENTRY CV6 5JX
TEL: 02476 666617 FAX: 02477 673234

EXECUTED as a Deed
By **KARWAN HAMID**
in the presence of:


.....

Witness signature:

Witness name:

Witness address:



Witness occupation:

KHATIJAH MIAH LL.B (HONS)
SOLICITOR/COMMISSIONER FOR OATHS
LEXTON LAW SOLICITORS 428 FOLESHILL
ROAD COVENTRY CV6 5JX
TEL: 02476 666617 FAX: 02477 673234