

## Rent Deposit Deed

Relating to Unit 4 Gray's Brewery Yard 5 Springfield Road Chelmsford

Dated 30 March 2023

- (1) **Sheet Anchor Evolve Limited**
- (2) **Lemon Pepper Holdings Limited t/a Wingstop**

132742006-1

Clarke Willmott LLP Burlington House Botleigh Grange Business Park Hedge End Southampton SO30 2AF United Kingdom  
DX: 49665 Southampton 2 t: 0345 209 1000 w: clarkewillmott.com

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This Rent Deposit Deed is made on

30 March

2023

**Between:**

- (1) **Sheet Anchor Evolve Limited** (a company incorporated and registered in England and Wales under company number 08423706) whose registered office is at Lcp House, The Pensnett Estate, Kingswinford, West Midlands DY6 7NA (the "**Landlord**"); and
- (2) **Lemon Pepper Holdings Limited** (a company incorporated and registered in England and Wales under company number 10589672) whose registered office is at 5<sup>th</sup> Floor Kings Court, 2-16 Goodge Street, London W1T 2QA (the "**Tenant**")

**1 Definitions**

In this deed the following definitions apply:

<b>"Bank"</b>	means a UK clearing bank nominated by the Landlord from time to time
<b>"Deposit"</b>	means £26,250 plus an amount equivalent to VAT in the sum of £5,250 and any additional sums (except interest) credited to the Deposit Account pursuant to this deed
<b>"Deposit Account"</b>	means a separate interest earning deposit account to be opened by the Landlord at the Bank on or immediately following the date of this deed
<b>"Early Release Date"</b>	means the date calculated in accordance with Schedule 1
<b>"Lease"</b>	means a lease of the Property made between the Landlord and the Tenant and dated the date hereof including any documents supplemental to or collateral with it
<b>"Liabilities"</b>	means all costs, claims, expenses, damages and loss properly incurred or suffered by the Landlord as a result of any breach of the tenant covenants contained in the Lease
<b>"Property"</b>	means the premises known as Unit 4 Gray's Brewery Yard 5 Springfield Road Chelmsford as more particularly described in the Lease

<b>“Release Date“</b>	means whichever is the earliest of: (a) the date of expiry or termination of the Term (however determined); and (b) the date on which the Tenant lawfully assigns the Lease ; (c) the Early Release Date
<b>“Rent“</b>	means the annual rent reserved by the Lease
<b>“Term“</b>	means the term of years created by the Lease and the period of any holding over or any statutory continuation of the tenancy granted by the Lease under the Landlord and Tenant Act 1954
<b>“VAT“</b>	means value added tax payable under the Value Added Tax Act 1994 (or any similar or equivalent tax payable instead of or as well as VAT)

## **2 Interpretation**

- 2.1 This deed is supplemental to and collateral to the Lease.
- 2.2 Any covenant by more than one person is joint and several.
- 2.3 Any terms that are defined in the Lease have the same meaning when used in this deed.
- 2.4 References to the Tenant are to the person from time to time entitled to the Lease.
- 2.5 References to the Landlord are to the first named party to this deed and do not include successors in title to the immediate reversion to the Lease.
- 2.6 Unless otherwise stated, a reference to any statute or statutory instrument is a reference to it as it is in force from time to time and includes any subordinate legislation made from time to time under that provision and any legislation amending, consolidating or replacing it.

## **3 Deposit**

The Tenant must on signing this deed pay the Deposit to the Landlord to secure the due performance by the Tenant of the Tenant covenants contained in the Lease and to meet the obligations set out in this deed.

## **4 Deposit Account**

The Landlord will place the Deposit (and any further sums received from the Tenant under this deed) in the Deposit Account.

## **5 Interest and deductions**

- 5.1 All interest credited to the Deposit Account must be left in the Deposit Account except that the Landlord may deduct from that interest:
- 5.1.1 all bank charges relating to the Deposit Account;
  - 5.1.2 if so required by law income tax or corporation tax or other tax from time to time payable on any interest earned (the Landlord accounting to HM Revenue & Customs for such tax and obtaining and supplying to the Tenant a certificate of deduction of tax (if any) and such other details as are normally supplied by the Bank relating to tax deducted);
  - 5.1.3 any tax which may be claimed by HM Revenue & Customs from the Landlord and which has not been deducted by the Landlord in any payment of interest to the Tenant;
  - 5.1.4 the reasonable and proper costs of the Landlord in the management and administration of the Deposit Account.
- 5.2 At intervals of not less than 12 months the Tenant may by notice require the Landlord to instruct the Bank to draw on the Deposit Account and pay to the Tenant an amount equal to the interest that has been credited to the Deposit Account at the date of the notice less the deductions referred to in clause 5.1. No such payment will be made if there is at that date any default by the Tenant or to the extent that the payment would cause the balance in the Deposit Account to be less than the Deposit.

## **6 Recourse**

- 6.1 The Landlord is entitled to withdraw from the Deposit Account the sum required to make good any Liabilities.
- 6.2 If the Lease is terminated by disclaimer or forfeiture the Landlord will be entitled to withdraw from the Deposit Account a sum equivalent to all Liabilities at the date of termination and to all rents and other outgoings that would have been payable if the Lease had not been disclaimed or forfeited.
- 6.3 In addition to the sums described in sub-clauses 6.1 and 6.2 the Landlord is entitled to withdraw from the Deposit Account a sum equivalent to any VAT and all legal and other costs, charges and expenses properly incurred by the Landlord in relation to any breach disclaimer or forfeiture on a full indemnity basis.
- 6.4 If the Landlord exercises its right under clause 6.1 or 6.3 to withdraw a sum from the Deposit Account the Tenant must within ten working days upon receipt of notice from the Landlord confirming the amount required and the reason for the withdrawal pay into the Deposit Account the sum required to restore the amount of the Deposit.
- 6.5 Prior to exercising its right under clause 6.1 or 6.3, the Landlord shall notify the Tenant that the Deposit Balance is to be reduced by such sum as may be specified to settle any Liabilities. If the Tenant does not pay to the Landlord the sums specified within ten working days after being notified, the Landlord may withdraw those sums from the Deposit Account.

**7 Rent review**

If the Rent reserved by the Lease is increased following any rent review the amount of the Deposit will immediately be increased to equate to three months' Rent plus a sum equivalent to VAT on that amount and the Tenant must immediately pay the additional sum into the Deposit Account.

**8 Duration of deposit arrangements**

8.1 The Deposit Account must be maintained until whichever is the later of:

8.1.1 the Release Date; and

8.1.2 the date the Liabilities are discharged in full.

8.2 The Deposit Account must be closed on the later of the dates mentioned in subclauses 8.1.1 and 8.1.2. Any balance in the Deposit Account must be applied to satisfy all the Landlord's claims referred to in clause 6 and any remaining balance must be paid to the Tenant within 14 days.

**9 Benefit of covenants**

9.1 The Landlord's liability under this deed is personal and, subject to compliance with clause 8.2, shall cease upon the disposal of the immediate reversion to the Lease.

9.2 On disposal of the immediate reversion to the Lease the Landlord must:

9.2.1 procure that the obligations on the part of the Landlord in this deed are enforceable by the Tenant against the new owner of the reversion to the Lease and that the new owner of the reversion covenants by deed with the Tenant to hold the Deposit under this deed in accordance with the terms and conditions of this deed; and

9.2.2 transfer the balance of the Deposit Account to the new owner of the reversion to the Lease.

**10 Interest**

The Tenant must pay to the Landlord interest at the Interest Rate as defined in the Lease on any sum which remains unpaid after the due date calculated from the due date until payment (both before and after any judgment).

**11 Charge of the Deposit**

11.1 The Tenant with full title guarantee charges to the Landlord by way of fixed charge its interest in the Deposit Account as security for money payable to the Landlord in the event of any breach of the tenant covenants contained in the Lease or otherwise payable to the Landlord pursuant to this deed.

11.2 The Tenant covenants that all sums in the Deposit Account from time to time are and will at all times be free from any charge (other than the charge under clause 11.1) and that it will promptly execute any document or take any action required by the Landlord in order to perfect the charge under clause 11.1.

## **12 Declarations**

The parties agree and declare that:

- 12.1 The liability of the Tenant is not limited to the Deposit and the Landlord's rights under this deed are without limitation to any rights or remedies which the Landlord may enjoy under the Lease.
- 12.2 The proviso for re-entry contained in the Lease is exercisable on any breach of any obligation on the part of the Tenant contained in this deed as well as on the happening of any of the events mentioned in the Lease.
- 12.3 Each provision of this deed is severable and distinct from every other provision and the unenforceability of any provision shall not affect the enforceability of any of the other provisions.

## **13 Governing law and jurisdiction**

This deed is governed by and construed in accordance with the laws of England and the parties submit to the exclusive jurisdiction of the courts of England.

**EXECUTED AS A DEED** on the date first set out at the beginning of this deed.

## Schedule 1

### Early Release Date

#### 1 Definitions

1.1 This Schedule uses the following definitions:

- “Accounting Period”** means the period in respect of which accounts are required to be drawn up for the Tenant which, for the purposes of this Deed, is not to be less than 12 months and not to be greater than 15 months in relation to each Accounting Period
- “Calculation Date”** means the last day of the final Accounting Period in respect of the Tenant’s Accounts provided under paragraph 2.1
- “Rental Figure”** means the yearly rent payable under the Lease at the rate reserved at the Calculation Date and an amount equal to VAT payable on that yearly rent
- “Tenant’s Accounts”** means accounts of the Tenant, including a profit and loss account and balance sheet, drawn up in respect of an Accounting Period which have been audited by a firm of chartered accountants who have certified them to provide a true and fair view of the matters to which they relate in accordance with approved auditing standards and the Companies Acts

#### 2 Early Release Date

2.1 The Early Release Date will be the date one month after the Tenant provides to the Landlord copies of the Tenant’s Accounts:

- 2.1.1 for three consecutive Accounting Periods;
- 2.1.2 that expire on or after the third anniversary of the date of this Deed;
- 2.1.3 with the date on which the final set of Tenant’s Accounts were audited being not more than four months before the date on which the Tenant provides the Tenant’s Accounts to the Landlord; and
- 2.1.4 disclosing Tenant’s net profits after tax for each of the Accounting Periods are equal to or greater than three times the Rental Figure;

Executed as a Deed by  
**SHEET ANCHOR EVOLVE LIMITED**  
acting by two directors

) .....  
) Director  
) .....  
) .....  
Director

Executed as a Deed by  
**LEMON PEPPER HOLDINGS LIMITED**  
acting by two directors or a director  
and its secretary

) .....  
) Director  
) .....  
) .....  
Director or Secretary

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*Herman Salota*  
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DocuSigned by:  
*[Signature]*  
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