

LOAN NOTE INSTRUMENT

relating to
£8,754,276.60 6.5% Secured Loan Notes 2020

REAL GOOD FOOD PLC

This deed is subject to the terms of an intercreditor agreement dated on or around the date of this deed and made between (1) Lloyds Bank plc, (2) Lloyds Bank Commercial Finance Limited, (3) the entities named in Part 1 of the schedule to such deed as Downing Investors, (4) the companies listed in part 2 of the schedule to such deed as Shareholder Investors and (5) the companies listed in part 3 of the schedule to such deed as Original Obligors.

BRODIES^{LLP}

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DEED dated 28 June 2017

REAL GOOD FOOD plc, incorporated under the Companies Act 1985 with Registered No. 04666282 and having its Registered Office at International House, 1 St. Katharine's Way, London E1W 1XB (hereinafter called "**the Company**")

WHEREAS:-

the Board of Directors of the Company duly authorised and empowered to do so under the Memorandum and Articles of Association of the Company by a resolution passed on 26 June 2017 created £8,754,276.60 6.5% Secured Loan Notes 2020 and resolved to constitute the same in manner hereinafter appearing.

NOW IT IS DECLARED as follows:-

1 Definitions

1.1 In this Deed unless there is something in the subject or context inconsistent therewith the expressions following shall have the following meanings, namely:-

1.1.1 "**Business Day**" means a day on which banks are open for business in England;

1.1.2 "**Downing Strategic**" means Downing Strategic Micro-Cap Investment Trust plc (10626295);

1.1.3 "**Event of Default**" means any of the events listed in Clause 7 of this Deed;

1.1.4 "**Extraordinary Resolution**" bears the meaning set out in paragraph 21 of Part 3 of the Schedule;

1.1.5 "**Group**" means the Company, its subsidiaries and any holding company of the Company from time to time and the expression "a member of the Group" shall be construed accordingly;

1.1.6 "**Indebtedness**" means any indebtedness and payments due or incurred in respect of:-

1.1.6.1 money borrowed or raised but excluding inter-company indebtedness within the Group;

1.1.6.2 any bond, note, loan notes, debenture or similar instrument;

1.1.6.3 the principal amount for the time being outstanding in respect of acceptance or documentary credit facilities (not being acceptances or documentary credit facilities in the ordinary course of business);

- 1.1.6.4 rental and other payment obligations under leases and hire-purchase agreements and instalments under conditional sale agreements (in all cases whether in respect of land, machinery, equipment or otherwise);
 - 1.1.6.5 guarantees or other assurances against financial loss in respect of indebtedness of any person falling within any of paragraphs 1.1.6.1 to 1.1.6.4 above;
 - 1.1.6.6 the receipt of credit or deferred payment arrangements in respect of the purchase price of raw materials for any period exceeding 3 months;
 - 1.1.6.7 the amount so far as from time to time reasonably ascertainable of any contingent liability under any indemnity, counter-indemnity, guarantee, bonding or other securityship obligation;
 - 1.1.6.8 receivables sold or discounted;
 - 1.1.6.9 the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset; and
 - 1.1.6.10 any other transaction having the commercial effect of a borrowing or raising of money;
- 1.1.7 **"Intercreditor Agreement"** means the intercreditor agreement dated on or around the date hereof between, *inter alios*, the Company, Lloyds Bank plc, Lloyds Commercial Finance Limited, the Security Trustee, and the Shareholder Investors (as defined therein) and;
- 1.1.8 **"Investors"** means Downing Strategic, MI Downing Monthly and MI Downing UK;
- 1.1.9 **"London Stock Exchange"** means London Stock Exchange plc;
- 1.1.10 **"Material Adverse Effect"** means a material adverse effect on:
- 1.1.10.1 the business, operations, property, condition (financial or otherwise) or prospects of the Group taken as a whole;
 - 1.1.10.2 the ability of any member of the Group to perform its obligations hereunder or under the Security Documents;
 - 1.1.10.3 the validity or enforceability of or the effectiveness or ranking of any security granted or purported to be granted pursuant to the Security Documents or the rights or remedies of the Security Trustee hereunder or in terms of the Security Documents;

- 1.1.11 **"MI Downing Monthly"** means MI Downing Monthly Income Fund;
- 1.1.12 **"MI Downing UK"** means MI Downing UK Micro Cap Growth Fund (IC000563);
- 1.1.13 **"Noteholders"** means the person or persons from time to time entered in the register hereinafter mentioned as holders of the Notes;
- 1.1.14 **"Notes"** means the said £8,754,276.60 6.5% Secured Loan Notes 2020 hereby constituted and for the time being issued and outstanding or as the context may require a specific portion thereof;
- 1.1.15 **"recognised investment exchange"** means an investment exchange as defined in Section 285 FSMA 2000;
- 1.1.16 **"redemption"** includes repayment and vice versa and the words **"redeem"**, **"repay"**, **"redeemable"**, **"repayable"**, **"redeemed"** and **"repaid"** shall be construed accordingly;
- 1.1.17 **"Relevant Rate"** means 6.5% per annum;
- 1.1.18 **"Schedule"** means the Schedule annexed and executed as relative hereto;
- 1.1.19 **"Security Documents"** means (i) the debenture dated on or around the date hereof granted by the Company in favour of the Security Trustee and (ii) the Intercreditor Agreement;
- 1.1.20 **"Senior Security"** has the meaning ascribed to that term in the Intercreditor Agreement;
- 1.1.21 **"Security Trustee"** means Downing LLP in its capacity as security trustee for Downing Strategic, MI Downing Monthly and MI Downing UK or such other security trustee as is appointed by the Noteholders from time to time in accordance with the security trust deed dated on or around the date hereof between the Noteholders and Downing LLP;
- 1.1.22 **"Shareholder Debt"** shall have the meaning ascribed to that term in the Intercreditor Agreement;
- 1.1.23 **"Shareholder Security"** shall have the meaning ascribed to that term in the Intercreditor Agreement;
- 1.1.24 **"Subscription Agreement"** means the subscription agreement entered into on or around the date hereof between the Company, Downing Strategic, MI Downing Monthly and MI Downing UK; and

- 1.1.25 **"these presents"** means this Deed and the Schedule as from time to time modified in accordance with the provisions herein contained and shall include any supplemental deed executed in accordance with the provisions hereof.
- 1.2 Save as herein expressly defined, words and expressions defined in the Companies Act 2006 shall bear the same meanings in these presents.
- 1.3 Any reference to an enactment is a reference to it as already amended and includes a reference to any future re-enactment and/or amendment of it.
- 1.4 Words importing the singular number only shall include the plural number and vice versa and words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and corporations.
- 1.5 An Event of Default is **"continuing"** if it has not been remedied or waived in writing by the Noteholders (acting reasonably).
- 1.6 Any decision of the Noteholders under or in terms of this Deed shall be a unanimous decision of the holders of all Notes and any decision to take or refrain from taking any action hereunder shall be taken or made only with the agreement of all Noteholders.

2 Name of Notes

The Notes shall be known as the 6.5% Secured Loan Notes 2020.

3 Covenant to Repay and Interest

- 3.1 The Company hereby binds and obliges itself that it shall redeem the Notes (subject to earlier repayment in accordance with the terms of this Deed) at par on the date falling 36 months after the date of this Instrument (the **"Redemption Date"**), provided that if the Notes or any of them are redeemed for any reason prior to the Redemption Date they shall be redeemed at a sum equal to (i) £1.19 per £1 of Notes less (ii) the amount of any interest payments made prior to such redemption. Interest accrued on the Loan Notes being redeemed shall be payable on the date of redemption. Any early repayment (including any early repayment at the option of the Company) of part of the Notes shall be paid to Noteholders in the proportion which the amount of Notes held by that Noteholder bears to the total amount of Notes in issue at the time of such redemption. The Company shall in the meantime and until all the Notes shall have been redeemed pay to each Noteholder interest on the Notes held by that Noteholder. Interest shall be payable at the Relevant Rate to the Noteholders and if not paid, shall be compounded quarterly. Interest shall be paid on 31 March, 30 June, 30 September and 31 December in every year in respect of the three months ending on those dates but so that the first payment of interest shall be due on the 30 June 2017 and shall be in respect of the period from the date of issue of the Notes to the 30 June 2017 (both dates inclusive) PROVIDED that if any sum is not paid on the due date for payment or the next Business Day thereafter interest will accrue on such sum that remains unpaid from the due date until such sum is paid at a rate equal to 4 per cent per annum above the Relevant Rate.

- 3.2 Notwithstanding clause 3.1, the Company shall redeem, at the redemption price set out in clause 3.1, such number of Notes prior to the Redemption Date as is equal to 50% of the value of any Shareholder Debt redeemed on that date.

4 Security

- 4.1 The obligations of the Company in terms of this Deed shall be secured by The Security Documents.
- 4.2 The Company shall contemporaneously with its execution of these presents execute and deliver to the Security Trustee on behalf of the Noteholders the Security Documents.

5 Ranking of Notes

- 5.1 The whole of the Notes as and when issued shall rank *pari passu* equally and rateably without discrimination or preference in all respects.
- 5.2 The provisions of this Deed are subject in all respects to the provisions of the Intercreditor Agreement.

6 Certificates

Every certificate for the Notes shall be in the form or substantially in the form shown in Part 1 of the Schedule and have endorsed thereon conditions in the form also shown in Part 2 of the Schedule. The Company shall not be bound to register more than four persons as the joint holders of any Notes. Every Noteholder shall be entitled without charge to one certificate for the Notes held by him but joint holders of Notes will be entitled only to one certificate in respect of the Notes held by them jointly and such certificate shall be delivered to that one of the joint holders who is first named on the Register or to such other person as the joint holder may in writing direct. Where a Noteholder transfers part only of the Notes comprised in a certificate, the old certificate shall be cancelled and a new certificate for the balance of such Notes issued without charge.

7 Events of Default

If:-

- 7.1 the Company makes default in the payment on the due date of any money which has become due hereunder and such default has not been remedied within a period of five Business Days after the due date for such payment in the case of amounts due by way of principal and interest;
- 7.2 the Company fails to observe or perform any of the material obligations, conditions or provisions contained herein or in the Security Documents and (except where the Noteholders determine that such failure is not capable of remedy, when no such notice as is mentioned below shall be required), such failure continues for a period of fifteen Business Days following the giving of notice in writing by the Noteholders to the Company of such failure;

- 7.3 any representation or warranty given by the Company (whether jointly with others or not) under the Subscription Agreement proves to have been untrue when made in any material respect or there is a material breach by the Company of the Subscription Agreement.
- 7.4 the resolutions referred to in clause 2.1.6.1 of the Subscription Agreement are not duly passed at a general meeting of the Company held on 21 July 2017.
- 7.5 the Investors have not been allotted with the Second Subscription Shares (as defined in the Subscription Agreement) by 31 July 2017, save only where the Investors have failed to advance the relevant Subscription Monies (as defined in the Subscription Agreement).
- 7.6 the obligations expressed to be assumed by the Company hereunder or in terms of the Security Documents are not or cease to be legal, valid, binding and enforceable obligations and/or any of the Security Documents does not or ceases to create the security which that Security Document purports to create.
- 7.7 any diligence (other than any diligence on the dependence of an action or to found jurisdiction), distress, execution, expropriation, attachment, sequestration or other process is levied or enforced upon or sued out against any material part of the property or assets or revenues of the Group (taken as a whole) and such diligence, distress, execution, expropriation, attachment, sequestration or other process is not removed discharged or paid out within fifteen Business Days of being levied;
- 7.8 any member of the Group is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 or certifies that it is unable to pay its debts as and when they fall due, suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- 7.9 any corporate action, legal proceedings or other procedure or step is taken in relation to:
- 7.9.1 the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangements, scheme of arrangement or otherwise) of any member of the Group;
 - 7.9.2 by reason of actual or anticipated financial difficulties, a composition, compromise, assignment or arrangement with any other creditor of a member of the Group;
 - 7.9.3 the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any member of the Group or any of its assets; or
 - 7.9.4 any security interest is enforced over the assets of any member of the Group;

except for any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement or a members' voluntary liquidation; a voluntary reconstruction or arrangement entered into in each case with the prior written consent of the Noteholders.

- 7.10 without the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed), any member of the Group which carries on a business as at the date of this deed ceases to carry on all or substantially the whole of its business or threatens to cease to carry on the same or substantially changes the nature of its business save where the business of that member of the Group is carried on by another member of the Group in the United Kingdom;
- 7.11 anything analogous to or having substantially similar effects to any of the events specified in clauses 7.8, 7.8 or 7.9 shall occur under the law of any applicable jurisdiction;
- 7.12 any Indebtedness becomes due and payable prior to the due date for repayment thereof by reason of default or event of default (howsoever described) and steps are taken to obtain repayment thereof unless and for so long as, such default or event of default is being contested in good faith;
- 7.13 any member of the Group shall create or purport to create or permit to subsist any security, mortgage, charge or lien (other than a lien arising by operation of law) ranking or purporting to rank in priority to the rights of the Noteholders hereunder other than as permitted by Clause 9.2;
- 7.14 the banking facilities made available to any member of the Group other than any overdraft facilities are withdrawn, or
- 7.15 a person or persons acting in concert (within the meaning of the City Code on Takeovers and Mergers) acquire shares in the capital of the Company which together represent more than one half of the voting rights of shares in the Company;
- 7.16 any member of the Group enters into any amalgamation, demerger, merger, consolidation or corporate reconstruction;
- 7.17 any event or circumstance occurs which the Noteholders believe (acting reasonably) has or is reasonably likely to have a Material Adverse Effect,

then, at once or at any time thereafter, the Noteholders may by notice in writing to the Company, declare the Notes to be immediately due and payable whereupon they shall become so due and payable together with accrued interest thereon and any other amounts then payable under this Deed, and the security created by the Security Documents shall become enforceable (subject always to the provisions of the Intercreditor Agreement).

8 Notice of Default

The Company hereby undertakes to the Noteholders that so long as any of the Notes remain outstanding the Company will forthwith upon becoming aware of any Event of Default (and in any

event no later than five Business Days after becoming so aware) give notice in writing thereof to the Noteholders.

9 Covenants by Company

The Company hereby undertakes to the Noteholders that so long as any part of the Notes is outstanding:-

- 9.1 the Company will at all times:-
- 9.1.1 carry on and conduct and procure each of its subsidiaries, if any (so long as they respectively carry on business) to carry on and conduct its and their respective businesses and affairs in a proper manner including (without prejudice to the generality of the foregoing) effecting and maintaining such insurances as are normally carried by companies carrying on similar businesses;
 - 9.1.2 give to the Noteholders on request all such information as they shall reasonably require for the purpose of the discharge of the duties and discretions vested in it under these presents and the Security Documents or by operation of law save in relation to information which the Company is prohibited from disclosing under any law or regulation that it is subject to;
 - 9.1.3 following an Event of Default and on request by the Noteholders allow the Noteholders or such person as they shall from time to time in writing for that purpose appoint (not being a person to whom the Company may reasonably object) at all reasonable times to examine all such books of account and other documents as the Noteholders may reasonably require to inspect save in relation to information which the Company is prohibited from disclosing under any law or regulation that it is subject to;
- 9.2 neither the Company nor any of its subsidiaries will, without the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed), create or allow to come into or continue in being any mortgage, charge or other form of security (other than any security arising by operation of law) over the assets of the Group or any part thereof other than:-
- 9.2.1 the Senior Security;
 - 9.2.2 the Shareholder Security; and
 - 9.2.3 the securities created by the Security Documents;
- 9.3 neither the Company nor any of its subsidiaries will, without the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed), grant any guarantee, bond, indemnity or similar assurance against loss to secure the liabilities or obligations of any other person or to maintain or assist the ability of any other person to meet its indebtedness save as may be contained in the Senior Security;

- 9.4 The Company shall not, and shall procure that no member of the Group will, without the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed):
- 9.4.1 Incur any indebtedness other than (i) the Bank Debt; (ii) the Shareholder Debt; (iii) any indebtedness incurred in terms of the Loan Notes; or (iv) indebtedness in respect of equipment hire purchase or leasing in ordinary course; or
 - 9.4.2 Other than capital expenditure set out in any business plan approved in writing by the board of directors of the Company and notified to the Noteholders, incur any capital expenditure in excess of £1,000,000 in each financial year of the Group;
 - 9.4.3 Exceed any borrowing limits applicable to it at the date of this Instrument;
- 9.5 Subject to the terms of the Intercreditor Agreement, the Company shall deliver or procure the delivery to the Security Trustee on request by the Security Trustee in support of the obligations of each member of the Group to the Security Trustee such charges over the assets of that member of the Group as the Security Trustee may reasonably require;
- 9.6 save in respect of an increase permitted by the Subscription Agreement, no member of the Group shall increase the emoluments of any director of the Group ;
- 9.7 no member of the Group will dispose of all or a substantial part of its business or assets:-
- 9.7.1 except with the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed);
 - 9.7.2 pursuant to a licensing or other agreement to facilitate the exploitation of intellectual property in the ordinary course of the Company's business; or
 - 9.7.3 where the business is transferred to another member of the Group incorporated in the United Kingdom;
- 9.8 The Company shall not and shall procure that no member of the Group will or will enter into a contract to (without the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed)):
- 9.8.1 acquire all or a material part of any business or undertaking (including that of a subsidiary);
 - 9.8.2 acquire any interest in any share capital of any company or incorporate any subsidiary undertaking;
 - 9.8.3 expand or develop or evolve its business or undertaking otherwise than through the Company or a wholly-owned subsidiary of the Company;

- 9.9 The Company shall not, and shall procure that no member of the Group will, enter into any contract or transaction other than in the ordinary and proper course of business on arm's length terms;
- 9.10 The Company shall not, and shall procure that no member of the Group will, enter into any agreement or arrangement in the nature of partnership, consortium, joint venture (where such joint venture requires the creation or incorporation of a joint venture vehicle or other equity commitment by any member of the Group); profit sharing arrangement; or amalgamation with any other person (other than as part of a solvent reconstruction), in each case save with the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed).
- 9.11 The Company shall not, and shall procure that no member of the Group will, without the prior written consent of the Noteholders:
- 9.11.1 adopt or pass any resolutions inconsistent with its articles of association; or
- 9.11.2 change its auditors other than to an auditor approved by the shareholders of the Company or such member of the Group in general meeting in accordance with the terms of such Company's articles of association.
- 9.12 All consents requiring to be given by the Noteholders under this Clause 9 shall be given by the director appointed to the board of the Company on behalf of the Noteholders or, where no such director is appointed, by the Security Trustee on behalf of the Noteholders.

10 Proceedings by the Noteholders and Security Trustee

Subject always to the terms of the Intercreditor Deed, at any time after the Notes shall have become repayable under the provisions of Clause 7 hereof, the Noteholders may (but subject always to their being indemnified to their reasonable satisfaction against all proceedings, claims or demands to which the Noteholders may be liable and all costs, charges and expenses which may be reasonably incurred by the Noteholders in connection therewith) without further notice institute such proceedings as the Noteholders may think fit to enforce repayment of the Notes and/or request the Security Trustee to take such steps as the Security Trustee may at its discretion see fit to take to enforce any of the Security Documents on behalf of all or any of the Noteholders.

11 Receipts

The receipt of the principal monies or interest payable in respect of the Notes by the Security Trustee shall be a good discharge to the Company.

12 Endorsement of Certificates

Upon any payment under any of the provisions of these presents on account of the principal moneys due in respect of the Notes, the Certificate(s) representing the Notes in respect of which such payment shall be made shall be produced to the Company who shall cause a memorandum

of the amount and date of payment to be endorsed thereon or in the case of payment in full shall retain the same but the Company may in any particular case dispense with production and enfacement of a Certificate upon such indemnity being given as it thinks sufficient.

13 Register of Notes

The Company shall at all times keep at its registered office or at the office of the Company's Registrars or at such other place as the Noteholders may approve a register showing the amount of the Notes and the date of issue and all subsequent transfers and changes of ownership thereof and the names and addresses of the Noteholders. The Noteholders or any of them and any person authorised by the Noteholders shall be at liberty at all reasonable times during office hours to inspect the said register and to take copies of or extracts from the same or any part thereof. In the event of the Noteholders requiring to convene a meeting, the Company shall at its own expense furnish the Noteholder with such copies of or extracts from the register as they shall require. The register may be closed by the Company for such periods and at such times as it may think fit provided that it shall not be closed for more than thirty days in any one calendar year. Any change of name or address on the part of any Noteholder shall forthwith be notified to the Company and thereupon the register shall be altered accordingly without charge. The Company shall at all times keep at its registered office a copy of this Deed for inspection at any time during normal business hours by any of the Noteholders and shall supply on demand to any Noteholder and at the cost of the Noteholder demanding the same a copy of these presents and any deed supplemental hereto.

14 Indemnities

Without prejudice to the right of indemnity given to Security Trustee by law the Security Trustee, the Noteholders and every attorney, agent or other person appointed by them hereunder shall (except in so far as this present provision is avoided by Section 750 of the Companies Act 2006) be indemnified by the Company against all liabilities and expenses reasonably incurred by them in the execution or purported execution of any of the trusts, powers, authorities or discretions vested in it pursuant to these presents and/or the Security Documents and against all acts, actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to these presents other than any of the foregoing which are negligent or fraudulent.

15 Underwriting, etc.

No trustee and no director or other officer of a corporation acting as trustee hereof or any associated company or subsidiary thereof shall be precluded from underwriting, guaranteeing the subscription of or subscribing or otherwise acquiring, holding or dealing with the whole or any part of the Notes or any debenture, debenture notes, shares or securities whatsoever of the Company or any other company in which the Company may be interested either with or without a commission or other remuneration or from entering into any contract of insurance with the Company for a premium or other consideration or from otherwise at any time contracting or entering into any contract or financial or other transaction with or acting as banker to the Company

or being interested in any such contract or transaction and they shall not be in any way liable to account to the Company or the Noteholders for any profits made or customary share of brokerage or commission or benefits obtained by them thereby or in connection therewith.

16 Waivers

The Noteholders may from time to time waive or authorise on such terms and conditions as to them shall seem expedient any breach or proposed breach by the Company of any of the undertakings and provisions contained herein or in the Security Documents (without prejudice to the rights of the Noteholders and/or the Security Trustee in respect of any other or subsequent breach thereof) or any act or omission which would or might otherwise on its own or together with any other act or omission constitute an event which in terms of Clause 7 hereof would make the Notes immediately repayable.

17 Enquiry By the Noteholders and Security Trustee

Except as herein expressly provided the Security Trustee and the Noteholders shall be and are hereby authorised to assume without enquiry in the absence of knowledge by or express notice to them to the contrary that the Company is duly performing, complying with and observing all the undertakings and provisions contained herein and in the Security Documents and on its part to be performed and observed and notwithstanding knowledge by or notice to the Security Trustee and/or the Noteholders of any breach of undertaking or obligation by the Company it shall be in the discretion of the Noteholders whether to take any action or proceedings or to enforce the performance thereof.

18 Modification Of Deeds

The Noteholders may at any time and from time to time concur with the Company in making any modification to these presents.

19 Conditions

The conditions upon which the Notes are to be issued (which are as set out in Part 1 of the Schedule) and the provisions contained in Parts 2 and 3 of the Schedule shall have effect in the same manner as if such provisions were herein set forth.

20 Covenant

The Company hereby undertakes to the Noteholders that it will duly perform and observe the obligations hereby imposed on it.

21 Notices

Any notice required to be given hereunder may be given by registered or special delivery letter addressed to the registered office for the time being of the party to be served and any notice so given shall be deemed to have been received at the expiration of forty-eight hours after the time of

posting. Any notice given in terms of this Clause shall be deemed to be sufficiently given for all purposes of these presents.

22 Applicable Law

These presents and the whole matters following hereon shall be construed and receive effect according to the laws of England and the parties submit to the jurisdiction of the English Courts.

23 Intercreditor Agreement

The provisions of this Deed are in all respects subject to the provisions of the Intercreditor Agreement and in the event of any conflict between the terms of this Deed and the terms of the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.

IN WITNESS WHEREOF this Deed, together with the Schedule, is executed by the Company on the day and year first before written as follows:-

SCHEDULE

PART 1

CERTIFICATE FOR THE NOTES

Certificate No: []

£[Insert nominal amount of stock represented by Certificate]

REAL GOOD FOOD PLC

(Registered in England and Wales under Number 04666282)

SECURED 6.5% LOAN NOTES 2020 created by resolution of the directors of the Company passed on [] 2016 and issued pursuant to the Memorandum and Articles of Association of the Company.

THIS IS TO CERTIFY that [insert name(s) and address(s) of the Noteholder(s)] is/are registered holder(s) of £[insert nominal amount of Notes represented by Certificate] of Secured 6.5% Loan Notes 2020 which Notes are constituted by a Deed dated [insert date of the Deed] and is issued with the benefit of and subject to the provisions contained in the said Deed and the conditions attached hereto.

Subscribed for and on behalf of
REAL GOOD FOOD PLC
on the [] day of [] 2017

.....
Director

Witness.....

Full Name.....

Address.....

.....

PART 2
THE CONDITIONS

1 Redemption

- 1.1 The principal amount of the Notes will be repaid at par on the Redemption Date; PROVIDED THAT if the Notes are redeemed for any reason on or prior to the Redemption Date they shall be redeemed at a sum equal to (i) £1.19 per £1 of Notes less (ii) the amount of any interest payments made prior to such redemption. Interest accrued on the Notes being redeemed shall be payable on the date of redemption. If any sum is not paid on the due date FOR PAYMENT or the next Business Day thereafter interest will accrue on any sum that remains unpaid from the due date until such sum is paid at a rate equal to 4 per cent per annum above the Relevant Rate.
- 1.2 All Notes redeemed in accordance with any of the foregoing provisions will be cancelled and will not be available for re-issue.

PART 3**PROVISIONS AS TO TRANSFER, TRANSMISSION AND OTHER MATTERS****1 Transfer**

- 1.1 Unless agreed otherwise in writing, the Notes may only be held by the Investors (as defined in the Subscription Agreement) or a person who has executed a deed of adherence pursuant to the Subscription Agreement
- 1.2 The Notes are transferable in amounts and multiples of £1 by instruments in writing in the usual common form (or in such other form as the directors or the Company may approve) and such instruments need not be under Seal.
- 1.3 Every instrument of transfer must be signed by or on behalf of the transferor but except in the case of the partly paid Notes need not be signed by or on behalf of the transferee. The transferor shall be deemed to remain the owner of the Notes so transferred until the name of the transferee is entered in the register in respect thereof and the Company shall not be obliged to give effect to any such instrument which purports to transfer any Notes in respect of which notice of redemption shall have been given.
- 1.4 Every instrument of transfer must be left for registration at the registered office of the Company accompanied by the Certificate of the Notes to be transferred and such other evidence as the Directors may require to prove the title of the transferor or his right to transfer the Notes but the Company shall not be bound to register more than four persons as the joint holders of any Notes.
- 1.5 All instruments of transfer which shall be registered will be retained by the Company for a period of at least six years from the date of registration of the transfer but thereafter may be destroyed or otherwise disposed of.
- 1.6 No fee shall be charged for the registration of any transfer or for the registration of any confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any Notes or for making any entry in the register relating to or affecting the title to any Notes.
- 1.7 The registration of transfers may be suspended at such times and for such periods as the Company may determine provided always that such registration shall not be suspended for more than thirty days in any one calendar year.

2 Transmission on death or bankruptcy

- 2.1 The executors or administrators of a deceased registered holder of Notes (not being one of several joint registered holders) and in the case of the deceased of one or more of the several joint registered holders the survivor or survivors of such joint registered holders shall be the only persons recognised by the Company as having any title to such Notes.

- 2.2 Any person becoming entitled to Notes in consequence of the death or bankruptcy of any holder of such Notes may upon producing such evidence that he sustains the character in respect of which he proposes to act under this paragraph or of his title as the Directors shall think sufficient have the right either to be registered in his representative capacity or to be registered himself as the holder of such Notes or to transfer such Notes subject to the preceding paragraphs as to transfer. The Directors may by notice in writing require any such person as aforesaid to elect either to be registered in his representative capacity or to be registered himself as the holder of such Notes or to transfer such Notes and, if such person fails so to elect within sixty days of the date of the said notice, he shall be deemed to have elected to be registered in his representative capacity and may be registered accordingly.

3 Interest

The interest upon the Notes shall be paid by cheque or warrant made payable to and sent to the registered holder at his registered address or in the case of joint registered holders made payable to and sent to that one of the joint registered holders who is first named on the register in respect of such Notes at its registered address or made payable to such person and sent to such address as the registered holder or all the joint registered holders may in writing direct. Every such cheque or warrant may be sent through the post at the risk of the registered holder or joint registered holders and payment of the cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the interest represented thereby.

4 Payments

- 4.1 Payment of the principal for the time being owing on the Notes or any part thereof shall be made by cheque or warrant made payable to the registered holder thereof or in the case of joint registered holders to all such holders or to such person or persons as the registered holder or all the joint registered holders may in writing direct and sent to the registered holder at his registered address or in the case of joint registered holders to that one of the joint registered holders who is first named on the register at its registered address or to such address as the registered holder or joint registered holders may in writing direct. Every such cheque or warrant may be sent through the post at the risk of the registered holder or joint registered holders and payment of any such cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the principal represented thereby.
- 4.2 If several persons are entered in the register as joint holders of any Notes then without prejudice to paragraphs 4 and 5 the receipt of any one of such persons for any principal, interest or other moneys payable on or in respect of such Notes shall be as effective a discharge to the Company as if the person signing such receipt were the sole registered holder of such Notes.
- 4.3 No unpaid interest shall bear interest against the Company. The payment by the Company of any unclaimed interest or other moneys payable in respect of the Notes into a separate account of the Company shall not constitute the Company a trustee in respect thereof and any such interest unclaimed after a period of 12 years from the date of payment shall be forfeited and shall revert to

the Company notwithstanding that in the intervening period the obligation to pay the same shall have been provided for in the books, accounts or records of the Company.

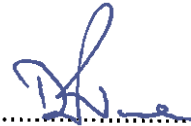
5 Certificates

If any Notes Certificate is worn out, defaced, lost or destroyed it may be replaced on such terms (if any) as to evidence and indemnity and payment of any exceptional out of pocket expenses of the Company of investigating such evidence as the directors may think fit and in the case of wearing out or defacement on delivery of the worn out or defaced Certificate to the Company.


6 Notice

- 6.1 Any notice or other document (including a Notes Certificate) may be given to or served on any Noteholder by sending the same by post in a prepaid letter addressed to such Noteholder at his registered address or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices. In the case of joint registered holders of any Notes a notice given to or document served on the Noteholder whose name stands first in the register in respect of such Notes shall be sufficient notice to or service on all the joint holders. All notices or other documents sent through the post shall be at the risk of the Noteholders to whom the same are addressed. Any Noteholder who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for service of notices shall not be entitled to receive notices of General Meetings.
- 6.2 Any notice given or document (including a Notes Certificate) served by post shall be deemed to have been given or served on the expiration of 24 hours from the time of posting and in proving such notice or service it shall be sufficient to prove that the envelope containing the notice or document was properly addressed, stamped and posted.
- 6.3 Any notice or document delivered or sent by post to or left at the registered address of any Noteholder in pursuance of these presents shall notwithstanding that such Noteholder be then dead or bankrupt and whether or not the Company has notice of his death or bankruptcy be deemed to have been duly served in respect of any Notes registered in the name of such Noteholder as sole or joint holder and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the Notes.

EXECUTED as a deed by
REAL GOOD FOOD PLC
acting by one of its directors
in the presence of:-



.....
Director

Witness..... 

Full Name..... *Chien-Wei Lui*

Address..... **Joelson JD LLP**

..... **30 Portland Place**

..... **London W1B 1LZ**