

The Trustees of the Aptus Pension Scheme
31 Wallace Brae Ruse
Reddingmuirhead
Falkirk
FK2 0GD

Kaimend Developments Limited
23 Jerviswood Drive
Cleghorn
Lanark
South Lanarkshire
ML11 7RT

15th Decemberr 2022

To the directors of Kaimend Developments Limited

NOTICE OF DEFAULT

With reference to the loan agreement dated 23rd July 2019 between Kaimend Developments Limited, as borrower, and the Trustees of the Aptus Pension Scheme, as lender (as varied by a deed of variation dated 23rd July 2020 - copies of which are attached for your reference), we note, with disappointment, that you are in breach of the terms of the agreement as you have failed to make the required payments.

As per the terms of the varied agreement, a sum of £86,800.00, comprising of £70,000.00 capital and £16,800.00 in accrued interest, became due on 23rd July 2021. This amount remains outstanding. In addition, default interest accruing since this date, under clause VI of the agreement, amounts to a further £11,900.00 to be added to the sum now owed.

Despite efforts by the Trustees to find an acceptable resolution, the full amount remains outstanding. Therefore, the Trustees have no option but to declare the loan in default and to provide you with notice, under clause VIII of the agreement, that the outstanding amount of **£98,700.00** has become immediately due and payable.

Failure to comply within ninety (90) days of the date of this Notice will result in the immediate termination of the agreement and the obligations of the Trustees to you under said agreement, and the commencement of proceedings against you to recover the outstanding amount.

Sincerely,



Acting on behalf of the Trustees of the Aptus Pension Scheme

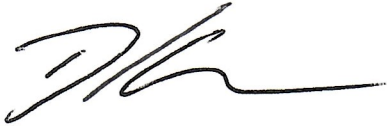
Aptus Pension Scheme (the "Scheme")
Scheme Resolution - <date>

23rd July 2020

- 1.1 The Trustees are in receipt of a loan extension request from Kaimend Developments Limited (Company No SC631020) (the Borrower), due to a delay in development and sale of assets required to honour the loan, caused by the various complications introduced by the COVID-19 pandemic.
- 1.2 The request will have the effect of extending the final repayment date from 23rd July 2020 to 23rd July 2021.
- 1.3 The Trustees have considered the terms of the following draft document actioning the extension:
 - 1.3.1 a loan variation agreement between the Scheme and the Borrower (the Variation), revising the terms of the Loan Agreement dated 23rd July 2019.
- 1.4 The Trustees have noted that, under the terms of the Variation, interest of £16,800, representing two years interest at 12% per annum, will now be payable alongside the capital amount on or before the revised term date. The total amount now payable, inclusive of capital and interest, is now £86,800
- 1.5 IT WAS RESOLVED that, having fully considered the circumstances requiring the loan extension request, the actions being taken by the Borrower to find alternative routes to repay the loan, and judging the revised terms suitable compensation for the delay in repayment, the Trustees will agree to the request and, in exercise of the powers conferred by the Scheme's governing documents, approve the Variation. Derek Knowles and Katrina Sharon Knowles, as parties to the original loan agreement, are authorised by the Trustees to sign the Variation on behalf of the Scheme.
- 1.6 Electronic signatures adopted in accordance with Electronic Signatures Regulation 2002 (SI 2002 No. 318), whether digital or encrypted, by any and all the parties included in this document are intended to authenticate this document and shall have the same force and effect as manual signatures.
- 1.7 Delivery of a copy of this resolution contemplated hereby bearing an original or electronic signature by electronic mail in portable document format (.pdf) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

1.8 There being no other business, the meeting was concluded.

Signed



Derek Knowles
TRUSTEE



Katrina Sharon Knowles
TRUSTEE



Gavin Archibald Bryce
TRUSTEE



Bianca Lynsey Bryce
TRUSTEE

Deed of Variation of Loan Agreement

Date: 23rd JULY 2020

PARTIES

1. Derek Knowles and Katrina Sharon Knowles, both of 31 Wallace Brae Rise, Reddingmuirhead, Falkirk, FK20GD, and acting as Trustees of the Aptus Pension Scheme (the "Lenders"); and
2. Kaimend Developments Limited (Company No SC631020) whose registered office is situated at 23 Jerviswood Drive, Cleghorn, Lanark, South Lanarkshire, Scotland, ML11 7RT (the "Borrower").

BACKGROUND

The APTUS PENSION SCHEME (the "Scheme") is a registered pension scheme established by an Establishing Trust Deed dated 7th August 2017 and currently governed by the rules adopted by a Trust Deed Adopting Replacement Provisions dated 29th April 2020 and all subsequent amending deeds and documentation.

A sum of £70,000 was loaned to the Borrower subject to the terms and conditions of a loan agreement dated 23rd July 2019 (the "Agreement"), a copy of which is attached to this Variation as Schedule 1.

The Lenders are presently Trustees of the Scheme and have full authority to sign this Variation on behalf of the Scheme. TrusteeCo (UK) Ltd, party to the Agreement in their capacity as a Trustee to the Scheme, was removed from the Trusts of the Scheme by a Deed of Removal dated 6th April 2020.

Owing to the ongoing economic uncertainty and present unfavourable trading conditions, the Borrower has requested a postponement of the final repayment date set out in the Agreement. The Lenders have agreed to postpone the final repayment date by one calendar year and to vary the Agreement to reflect agreed changes to the final repayment date and resulting sums due.

OPERATIVE PROVISIONS

With effect from the date of this agreement, the parties agree the following variations to the Agreement:

1. Under "WITNESSETH and it is hereby agreed and declared as follows" (page 1) of the Agreement:

The loan is for a 12 month period with full repayment plus interest due within that period

Will be removed and replaced by:

The loan is for a 24 month period with full repayment plus interest due within that period

2. On page 1 of the Agreement:

The Borrower HEREBY covenants with the Lender to repay to the Scheme the said sum of Seventy Thousand Pounds (£70,000) plus interest, by one capital plus interest payment in arrears of £78,400 calculated at the Fixed rate of Interest of 12% per annum.

Will be removed and replaced by:

The Borrower HEREBY covenants with the Lender to repay to the Scheme the said sum of Seventy Thousand Pounds (£70,000) plus interest, by one capital plus interest payment in arrears of £86,800 calculated at the Fixed rate of Interest of 12% per annum.

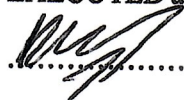
AGREEMENT

Except as set forth in this Variation, the Agreement shall remain unchanged and shall continue in full force and effect in accordance with its terms to which both parties remain bound by. In the event of conflict between this Variation and the Agreement, the terms of this Variation shall prevail.

IN WITNESS whereof this Deed has been duly executed as a deed and is intended to be and is delivered on the date first above written.

THE BORROWER

EXECUTED as a DEED by KAIMEND DEVELOPMENTS LIMITED acting by a director

 (signature) DECLAN ROONEY

Director

In the presence of:

Witness Signature: 

Witness Name: EUAN MCCLELLAND

Witness Address: 2 LYNESSE COURT
MILLFIELD DRIVE
POLMONT
FALKIRK
FK2 0SQ

Witness Occupation: FIELD SERVICE ENGINEER.

Schedule 1 – Original Loan Agreement

The Lenders

SIGNED and EXECUTED as a DEED by (signature)
Derek Knowles

Acting as Trustee of the Aptus Pension Scheme

In the presence of:

Witness Signature: *Euan D. McClelland*

Witness Name: EVAN MCCLELLAND.

Witness Address: 2 LYNESSE COURT
MILLFIELD DRIVE
POLMONT
FALKIRK
FK2 0SQ

Witness Occupation: FIELD SERVICE ENGINEER.

SIGNED and EXECUTED as a DEED by (signature)
Katrina Sharon Knowles

Acting as Trustee of the Aptus Pension Scheme

In the presence of:

Witness Signature: *Euan D. McClelland*

Witness Name: EVAN MCCLELLAND.

Witness Address: 2 LYNESSE COURT
MILLFIELD DRIVE
POLMONT
FALKIRK FK2 0SQ

Witness Occupation: FIELD SERVICE ENGINEER.