

**PRIVATE LOAN AGREEMENT – PCP292**

THIS LOAN AGREEMENT is made on TUESDAY 19<sup>TH</sup> FEBRUARY 2019 

**BETWEEN**

(1) Ian Day of 44 North Road, St Andrews, Bristol, BS6 5AF and White Horse Trustees Limited (a company registered in England with Company Registration Number 07214737) whose registered office is at Hartham Park, Corsham, Wiltshire, SN13 0RP, as Trustees of the Bristolpad Pension Scheme (the "Lender");

**AND**

(2) Prosperity Cathedral View NMPI Ltd CRN-10497876 of Devonshire House, 60 Goswell Road, London, EC1M 7AD  
(the "Borrower")

**WHEREAS**

- (A) At the request of the Borrower, the Lender has agreed to grant a loan to the Borrower for the sum specified in Annex 1 (the "Loan") subject to the terms of this Agreement.
- (B) The Borrower shall use all sums borrowed under this Agreement for the purpose set out in Annex 2.

**IT IS HEREBY AGREED BY THE PARTIES AS FOLLOWS:**

- 1) The Lender shall, upon the terms and subject to the conditions contained in this Agreement, make available the Loan to or for the benefit of the Borrower.
- 2) The Lender's obligations to make available the Loan shall be subject to this Agreement being duly executed by all parties.
- 3) The Borrower shall repay the Loan in accordance with the Repayment Schedule specified in Annex 1. The Borrower may but shall not be obliged to repay the Loan in full at any time without penalty but shall not be permitted to re-borrow any amount repaid. Without any obligation upon the Lender to do so the Lender shall be entitled to allow the Borrower extended time to pay or grant any other indulgence to the Borrower without affecting any of the rights of the Lender in whole or in part.
- 4) The Term of the Loan is for of **12 months (the Term)** from the date the lender advances the loan to the borrower and payments shall be made as specified in the Repayment Schedule in Annex 1.
- 5) The Borrower can terminate the Agreement from the advance of the loan by giving **6 weeks** notice to the other Party in writing. Notice may be served at the addresses stated above or by email and repayment in full of the loan from the Borrower to the Lender is required at the expiry date of the notice period, including any and all accrued interest.
- 6) Any demand or notice served personally shall be deemed to have been received immediately upon delivery. Any such demand or notice served by post shall be deemed to have been received at the opening of business on the first working day following the day on which it was posted by registered post or by email with registered confirmation of receipt.
- 7) Until the Loan is repaid in full in accordance with this Agreement, interest shall accrue on all outstanding amounts at the effective interest rate set out in Annex 1. Interest shall be calculated on the basis of the actual number of days elapsed between the date of the advance and the date of repayment in full.
- 8) The Borrower shall pay accrued interest to the Lender on Repayment of the Loan or any portion thereof.

- 9) Where the Borrower repays part or the whole of the Loan at any time whether before or after the Term interest will cease to accrue on the repaid amount with immediate effect.
- 10) The Term of the Loan agreement can be extended beyond the term by mutual agreement of the Parties in writing and thereafter interest shall continue to accrue at the rate specified in Annex 1.
- 11) The Lender will be allotted shares in Prosperity Cathedral View Security Ltd (the Security Company) on a pro rata basis relative to the total funding requirement from private investors, and this SPV will hold a subordinate (secondary) charge over the asset to be developed.
- 12) If the Borrower fails to pay interest accrued in the manner agreed in writing between the parties within 30 days of the monies falling due the interest rate in Annex 1 shall increase by 5% per annum from the point of default.
- 13) The Development Company will only carry out the single development in Annex 2.
- 14) The Borrower shall make payments to the Lender in respect of the Loan without any deduction or set-off unless a deduction of WHT is applicable as set out below:
  - a) Withholding tax should be deducted at a rate of 20% on all interest payment made to individuals or overseas companies where the loans are for a term of one year or more (or a loan for less than one year rolls into a second which results in a total term of greater than one year).
  - b) The Borrower is not obliged to deduct WHT on behalf of the Lender if they are a UK Limited Company.
  - c) This deduction of tax will be payable to HMRC by the Borrower on a quarterly basis.
- 15) The borrower represents and warrants (and acknowledges that the lender has relied upon the same) that so far as the borrower is aware there are no legal or other proceedings pending or threatened before any court, tribunal or regulatory authority which will materially adversely affect the financial position of the Borrower or the Lender.
- 16) The Lender may terminate the Agreement and the Loan plus Interest and Charges on Default (and any other amount outstanding) shall (subject to the service of notice and/or the obtaining of any court order by the Lender) become immediately due and payable by the Borrower, in so far as then remaining unpaid, if any of the events below occurs:
  - a) Non-payment of any payments due (including interest) within 60 days from the date on which it is due;
  - b) Commencement of any insolvency proceedings against the Borrower or the Borrower making an arrangement with creditors;
  - c) Use of the Loan otherwise than specified in Annex 2.
- 17) The Borrower shall be liable for any costs incurred by the Lender in taking any steps to obtain payment of monies due under this Agreement.
- 18) Any demand or notice in respect of this Agreement and/or the Loan shall be in writing and may be served on the Borrower at the Borrower's address as stated above.
- 19) Time shall be of the essence in respect of the Borrower's obligation under or in respect to repayment of the Loan but no failure by the Lenders to exercise or delay in exercising any right or remedy under this agreement shall operate as a waiver of it, nor shall any single or partial or defective exercise preclude the Lenders from any other or future exercise of that right or remedy.
- 20) Unless expressly provided to the contrary in this Agreement, a person who is not party to this Agreement has no right under the contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Agreement and the consent of any person who is not a party to Agreement is not required to rescind or vary this Agreement.
- 21) All amendments to this Agreement shall be in writing and signed by the Borrower and the Lenders.
- 22) This Agreement represents the entire agreement about this subject matter and supersedes any prior negotiations or agreements. All prior agreements, understandings, representations,

warranties and negotiations between the borrower and the Lenders about the subject matter of this Agreement merge into this Agreement.

- 23) The Borrower agrees not to disclose any amount of interest or arrangement fee associated with this agreement to any party not directly involved with it.
- 24) No assignment shall be made without the consent of the Borrower and the Lender.
- 25) This Agreement shall be binding upon the successors and assignees of the Borrower and the Lenders.
- 26) This Agreement shall be governed by, construed and enforced in accordance with the law of England and Wales to the jurisdiction of which the parties hereto submit.

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

Signed by INM Day

Ian Day  
(the Member Trustee on behalf of Bristolpad  
Pension Scheme)

Dated 13/2/19

Signed by Fraser Macdonald

Fraser Macdonald  
(On behalf of the Borrower)

Dated 18/2/19

Signed by J D West

J D West Director  
(the Trustee on behalf of White Horse Trustees  
Ltd)

Dated 14/2/19

*Am.*

## ANNEX 1

### Repayment Schedule - Example

Loan Amount: £75,000.00 (Seventy-Five Thousand Pounds)

Interest Payable: 15% per annum

Commencement Date: TUESDAY 19TH FEBRUARY 2019

Repayment Date	Capital Balance Remaining	Capital Repayment	Interest Accrued
End of month 1	£75,000.00	0	£937.50
End of month 2	£75,000.00	0	£1,875.00
End of month 3	£75,000.00	0	£2,812.50
End of month 4	£75,000.00	0	£3,750.00
End of month 5	£75,000.00	0	£4,687.50
End of month 6	£75,000.00	0	£5,625.00
End of month 7	£75,000.00	0	£6,562.50
End of month 8	£75,000.00	0	£7,500.00
End of month 9	£75,000.00	0	£8,437.50
End of month 10	£75,000.00	0	£9,375.00
End of month 11	£75,000.00	0	£10,312.50
End of month 12	£75,000.00	£75,000.00*	£11,250.00

\*Unless an extension has been agreed as set out in clause 10 of this agreement.

## ANNEX 2

### Loan Purpose

The Borrower shall use all sums borrowed by it under this agreement for:

Financing the development project at **Cathedral View, Cathedral Road, Derby** and associated fees and costs which will include costs for the Professional Team.

### Payment Details for Borrower:

Name of Bank	Metro Bank
Name on Account	Prosperity Cathedral View NMPI Ltd
Account Number	22136828
Sort Code	23-05-80
Iban Number	GB41MYMB23058022136828