

LOAN AGREEMENT

The SDV Property Partnership
C/o Unex Tower (5th Floor)
Station Street
Stratford
London
E15 1DA

Served at:
New Horizons Retirement Benefits Scheme
Pension Practitioner.Com Limited
Daws House
33-35 Daws Lane
London
NW7 4SD

Dated:

12th January 2017

Dear Sirs,

We refer to our recent discussions and write to confirm that the SDV Property Partnership (the "**Lender**") acting by its Partners (PAUL DAWSON, MARK PILGRIM STEVENS & NICHOLAS CHARLES VIVIAN) will make available to the Trustees of the New Horizons Retirement Benefits Scheme (the "**Borrower**") a loan facility of £40,800 (Forty Thousand and Eight Hundred Pounds) for general purposes (each advance made thereunder being a "**Loan**" and the aggregate advances made thereunder being the "**Loan**"), to be secured by a first charge over Unit 5 Kingfisher Business Park, Henwood Industrial Estate, Ashford, Kent, TN24 8DX (the "**Charge**"). The Loan is subject to the terms and conditions set out in this letter,

1 ADVANCES

1.1 General

Subject to receipt of the documents listed in paragraph 5.1 advances shall be made by credit transfer to the account of the Borrower under reference "Loan Advance".

1.2 General Loan Conditions

It is a condition of making any Loan that:

- 1.2.1 the Loan shall not at any time exceed £40,800 ("Forty Thousand and Eight Hundred Pounds")
- 1.2.2 no Loan may remain outstanding for more than five years, unless the Lender gives written consent to an extension of the repayment term; and
- 1.2.3 the Loan is secured by charge over assets specified in the Charge which in the opinion of the Lender have a net realisable value sufficient to repay the Loan, accrued interest and any costs of realisation.

2. TERM

2.1 Facility term

This facility may be cancelled by the Lender at any time by written notice to the Borrower. Subject to that, this facility will become available upon the Lender receiving the documents listed in paragraph 5.1 and will continue until terminated by mutual agreement.

2.2 *Length of Loan*

The period for which a Loan may be outstanding shall be stipulated in the Drawdown Request therefore. No Loan may be for a period exceeding five years from the date the Loan is made or if that day is not a day when banks in the City of London are open for business (a **"Business Day"**) on the preceding Business Day (the **"Term Date"**).

2.3 *Extension of Term Date*

The Lender in their absolute discretion and with the agreement of the Borrower may extend the Term Date in respect of a Loan.

3. **NATURE OF THE LOAN**

3.1 *Uncommitted*

The Loan is not committed and whether the Lender agrees to the making of any advance and in what amount is in their absolute discretion.

3.2 *Non-revolving nature*

The Loan is not revolving and if a Loan is repaid in whole or in part the Lender is not obliged to permit the repayments to be re-borrowed or to make further advances on any further occasion.

3.3 *Priority*

While the Loan remains outstanding, the Borrower covenants not without the prior written consent of the Borrower:

3.3.1 to create or allow to subsist any debt ranking in priority to the Loan, or

3.3.2 to create or allow to subsist any security over the assets of the Borrower ranking in priority to the Charge.

3.4 *Application terms*

If the Lender agrees to make any Loan to the Borrower, such Loan will, unless the Lender specifically agrees in writing otherwise, be made on the terms of this letter and will be subject to the security constituted by the Charge.

4. **OUTSTANDING REPAYABLE ON DEMAND**

4.1 *Repayment on Demand*

The Borrower shall, on the Lender first written demand, pay to the Lender the outstanding balance of the Loan or such individual Loans as the Lender may have specified together with interest, calculated in accordance with this letter, accrued to, and unpaid before, the date of payment and all other costs and expenses then owing under this letter.

4.2 *Discretion of Lender*

The Lender may make demand under this letter at any time at their discretion, and whether or not the Borrower is in default of any of the provisions of this letter, and whether or not the making or allowing to remain outstanding any Loan would be contrary to any law applicable to the Borrower.

4.3 *Enforcement of Charge*

If the Lender has made a demand for payment under paragraph 4.1 which has not been satisfied in accordance with the terms of the demand, the Lender shall be entitled to enforce the Charge forthwith and without further notice to the Borrower.

5. **CONDITIONS**

5.1 *Documentation*

The Borrower shall provide to the Lender all of the following in form and substance reasonably satisfactory to them:

- 5.1.1 a duplicate of this letter duly executed by or on behalf of the Borrower by way of acceptance of its provisions;
- 5.1.2 the Charge duly executed by the Borrower;
- 5.1.3 a copy of resolution of the Trustees approving and accepting the provisions of the Charge and authorising named persons or office holders to sign the Charge on behalf of the Borrower and authorising named persons or office holders to give any notice, request or other communications which may be required under the Charge.

6. **LOAN ACCOUNT**

The Lender shall open and maintain an account in the Lender's books of account for each Loan (each a "**Loan Account**" and together the "**Loan Accounts**") The Lender shall keep an accurate record in the Loan Account of the amount from time to time owed by the Borrower in respect of the Loan, including interest accrued.

7.0 **REPAYMENT**

7.1 *Non-Mandatory Reductions*

The Borrower may, at any time and from time to time, reduce the debit balance on the Loan Accounts by paying from other sources an amount in pound sterling to the Lender for credit in the Loan Accounts. Unless the Borrower makes an appropriation to any particular Loan Account, the Lender shall apply any repayment first to the earliest Loan outstanding.

7.2 *Repayment on demand*

The Borrower shall, on the Lender' first written demand pay to the Lender an amount equal to the then debit balance on the Loan Accounts, together with interest, calculated in accordance with this letter, accrued to, and unpaid before, the date of payment and all other costs and expenses then owing under this letter.

7.3 *Amortisation of Loan*

- 7.3.1. Upon the making of any Loan being the date of the advance of Loan "**Term Date**" shall be repaid by, "**Loan Repayment Instalments**" specified in the "**Loan Account Schedule**".
- 7.3.2 The Loan shall be repaid by paying from other sources in pounds sterling to the Borrower for credit in the relevant Loan Account an amount equal to the Loan Repayment Instalments.

7.4 *Repayment of Term Date*

Unless the Lender has agreed to extend the Term Date under paragraph 2.3, an outstanding Loan shall be repaid in full from other sources in its Term Date.

8. INTEREST

8.1 Interest Rate

Subject to paragraph 8.3, the Borrower shall pay interest on the daily debit balance on each Loan Account at the rate of 5½% above the average Bank base rate "**Base Rate**" defined below on the "**Term Date**" in accordance with the Loan Account Schedule.

The average Bank Base rate is to be calculated by reference to the following 6 leading High Street Banks:-

- The Bank of Scotland plc
- Barclays Bank plc
- HSBC Bank plc
- Lloyds Bank plc
- National Westminster Bank plc and
- The Royal Bank of Scotland plc.

8.2 Method of payment

On each Term Date, the Borrower shall, to the extent that the Borrower has not paid interest then due and payable from other funds, debit each Loan Account with the amount of interest then accrued and unpaid.

8.3 Rate of interest on overdue payments

The Borrower shall, on any amount not paid when due, pay interest at the aggregate rate of five per cent per annum plus the Barclays Bank Base Rate.

8.4 Time for payment of interest on overdue payments

The Borrower shall pay such interest accruing under paragraph 8.3 on the last Business Day in each month and on each occasion on which the overdue payment referred to in paragraph 8.3 is made to the Lender and, to the extent that the Borrower does not pay that interest from other funds, the Loan Account shall be debited with the amount of interest then accrued and due and payable but unpaid.

8.5 Tax Deductions

If the Borrower makes any payments from other funds and the Borrower is obliged to deduct tax from the payment, the grossed-up amount credited to the Loan Accounts shall be considered to have been paid by the Borrower provided that the Borrower has provided to the Lender such evidence and certificates as the Lender may require as evidence for the taxation authorities of the deduction of tax.

9.0 FEES AND EXPENSES

9.1 Initial and other costs

The Borrower shall forthwith on demand pay the Lender the amount of all reasonable and proper costs and expenses incurred by the Lender in connection with the negotiation, preparation, execution and performance of this letter and the negotiation, preparation, execution performance and registration of the Charge and the Deed of Priority at the Companies Registry and all waivers in relation to, and variations of, this letter, the Charge of e Deed of Priority.

9.2 *Enforcement costs*

The Borrower shall, forthwith on demand, pay to the Lender the amount of all costs and expenses incurred by the Lender in connection with the enforcement or attempted enforcement against the Borrower of its rights under this letter, the Charge or the Deed of Priority.

9.3 *Legal expenses and taxes*

The costs and expenses referred to above include without limitation, the fees and expenses of legal advisers and any value added tax or similar tax, and are payable in the currency in which they are incurred.

9.4 *Stamp Duty etc*

The Borrower shall pay an amount equal to any stamp, documentary and other like duties and taxes to which this letter, the Charge or the Deed of Priority may be subject or give rise.

9.5 *Transfer Charges*

The Borrower shall reimburse on demand all bank and other charges (excluding interest on money borrowed) incurred by the Lender:

9.5.1 in arranging and maintaining funding of the Loan, and

9.5.2 to carry out transfers of funds to the Borrower.

10. NOTICES

10.1 *Communications to be in writing:*

Each communication to be made under this letter shall be made in writing but, unless otherwise stated, may be made by facsimile or letter.

10.2 *Delivery of communications*

Any communication or document to be made or delivered by one person to another under this letter shall (unless that other person has by 15 days' written notice to the other party specified another address) be made or delivered to that other person at the facsimile number or address identified at the beginning of this letter and shall be deemed to have been made or delivered when receipt has been acknowledged (in the case of any communication by personal delivery or by facsimile) or (in the case of posting) two working days after being deposited in the post postage prepaid in an envelope addressed to it at that address provided that:

10.2.1 any communication or document to be made or delivered to the Lender shall be effective only when received by them; and

10.2.2 any communication or document made or delivered outside normal business hours in the place of receipt shall not be deemed to be made or delivered until opening of business on the next working day in such place.

11. INFORMATION

11.1 *Annual Accounts*

The Borrower shall provide to the Lender no later than the date upon which the unaudited accounts of the Borrower falls due with HMRC a true and complete copy of the accounts filed.

11.2 *Conditions to making Loan*

The Lender may as a condition of making any Loan require the Borrower to provide to the Lender at the cost of the Borrower such information as the Lender may in their absolute discretion consider necessary or desirable for the purposes of considering whether or not to make a Loan to the Borrower.

12 **GENERAL**

12.1 *Certificates*

The Certificate of the Lender as to Base Rate and the balance at any time on the Loan Accounts or as to any amount payable under this letter or of the fact that any amount is due and payable shall be conclusive and binding on the Borrower unless there is an obvious error.

12.2 *Severability*

If a provision of this letter is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision of this letter.

12.3 *Waivers, remedies cumulative*

The rights of the Lender under this letter may be exercised as often as the Lender considers necessary or desirable, are cumulative and not exclusive of the Lender's rights under any applicable law and may be waived only in writing and specifically.

12.4 *Delay*

Delay in exercising or the non-exercise of any of the Lenders rights under this letter is not a waiver of that right.

12.5 *Restrictions on the Borrower*

The Borrower may not assign or transfer any of its rights and/or obligations under this letter.

12.6 *Successors etc.*

This letter shall be binding on and inure to the benefit of the Borrower and the Lender from time to time and the Borrower and their respective successors and permitted assigns and references in this letter to any of them shall be construed accordingly.

12.7 *Governing Law*

This letter shall be governed by English law.

12.8 *Third Parties*

A person who is not a party to this letter has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this letter.

If you are in agreement with the above terms and conditions, please sign and return the enclosed copy of this letter.

Yours faithfully,

The SDV Property Partnership

We refer to your letter dated 12th January 2017 (of which the above is a copy) and confirm that the Borrower accepts and agrees to be bound by the terms and conditions thereof.

Director

For and on behalf of New Horizons Retirement Benefits Scheme.

Dated: 13th January 2017

17/15 Mr Allen ✓

