**HEADS OF TERMS**

**Loan Agreement on Unit 10 Heron Business Centre.**

**Date:** 26th May 2010

**1.0 PARTIES:**

**Lender:** The Glenny Property Partnership,

G R Spiller

N C Vivian

P Dawson

M P Stevens

C/o Glenny House

56 Longbridge Road

Barking

Essex, IG11 8RW

**Borrower:** New Horizons Retirement Benefits Scheme (NHRBS)

Comprising Trustees:-

(G R Spiller, N C Vivian , P Dawson & M P Stevens)

C/o Glenny House

56 Longbridge Road

Barking

Essex, IG11 8RW

**2.0** **Loan:** £X

**3.0 Security:** First legal charge over Unit 10 Heron Business Centre, Ashford, Kent

TN24 8DS.

(A freehold property investment let to Speedy Hire Centres (Southern) Limited under a lease dated 09:06:06 for a term of 10 years from 11:01:06 at a rental of £36,000 per annum exclusive.)

THE FIRST CHARGE WILL BE ON THE PROPERTY, A SECOND CHARGE DOCUMENT CAN BE PROVIDED FOR THE LEASE

**4.0 Repayment Term:** 10 Years – PLEASE ADVISE ON OPTION TO EXTEND IF REPAYMENT DIFFICULTIES ARISE

**5.0 Interest:** Interest to be charged on loan at 1% over Barclays Bank base rate

(subject to total minimum interest rate of 1.5%)

Interest to be paid quarterly. (Interest to be calculated on balance outstanding each day (including any interest charges applied to the loan) using a 365 day year as basis of daily calculation).

THIS IS COVERED IN ITEM 8 AND IN THE LOAN ACCOUNT

**6.0 Re-payment:** Loan to be repaid by equal quarterly instalments over term of loan.

Payment dates to be 28 days after each English quarter day.

Repayment of all or part of loan acceptable at anytime without penalty.

Payment of capital on quarterly basis can be deferred up to a period of 18 months during the term with interest accruing accordingly.

THIS IS COVERED IN THE LOAN ACCOUNT – WHICH WILL BE PROVIDED ON CONFIRMATION OF THE LOAN AMOUNT

1. **Immediate repayment**

**of loan:** Glenny PropertyPartnership to have right to ask for immediate re-payment of the whole of the outstanding loan in the following circumstances:-

* Failure to make the re-payments of loan or interest payments
* If any step is taken by NHRBS or its creditors under any insolvency law or any creditor attempts to enforce security
* If the security is shown to be defective for any reason
* Any material litigation or other proceedings are threatened against NHRBS which might adversely affect the ability to repay the loan or interest.
* *PAYMENT ON DEMAND CLAUSE COVER THIS IN ITEM 4.*

NCV/SAL 24 June 2010