

AGREEMENT BETWEEN

**The Borrowers detailed herein as the trustees of
Rocky Asset Management Limited Pension
Scheme**

and

Handelsbanken plc

For Bank use only

Effective Date:

HBUKAJ/05032024/15:29:59

Handelsbanken plc
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Bradmarsh Way Rotherham
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Handelsbanken is the trading name of Handelsbanken plc, which is incorporated in England and Wales with company number 11305395. Registered office: 3 Thomas More Square, London, E1W 1WY, UK. Handelsbanken plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 806852. Handelsbanken plc is a wholly-owned subsidiary of Svenska Handelsbanken AB (publ).

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THIS AGREEMENT IS MADE BETWEEN:

- (1) **Adam John Yates** of Brampton Hall, Manor Road, Brampton Bierlow, Rotherham, S63 6BL, **Helen Yates** of Brampton Hall, Manor Road, Brampton Bierlow, Rotherham, S63 6BL and **Wayne Crossland** of 23 Heron Drive, Wakefield, WF2 6SW as the trustees for the time being of the Trust (together the "**Borrowers**" and each a "**Borrower**"); and
- (2) **Handelsbanken plc** a company incorporated in England and Wales with company number 11305395, whose registered office is at 3 Thomas More Square, London, E1W 1WY and whose address for service is situate at Unit G 1st Floor The Point Bradmarsh Way Rotherham S60 1BP (the "**Bank**").

BACKGROUND

The Bank has agreed to provide the Borrowers, collectively, with a loan facility of £540,000.

Without prejudice to or limiting the effect, interpretation or the extent of the application of the Agreed Terms under this Agreement, some of the key terms of the loan facility are as follows:

Loan Term: Five years from the date on which the Loan is made.

Interest Rate: 2.6% over the Base Rate.

Interest Payment Date: Quarterly.

Repayment: The Facility is being made available on the basis that:

- 50% is repayable by way of quarterly instalments during the term of the Facility; and
- 50% is to be repaid on the Maturity Date.

For the avoidance of doubt, the repayments payable under this Agreement repay the principal amount advanced under the Facility. The interest payable under the Facility will be charged separately at the rate and the times specified above (see clause 6 for full details).

Fees: Arrangement fee of £4,000.

Documentation fee of £250.

AGREED TERMS**1 Definitions and Interpretation**

The definitions and rules of interpretation in clauses 1.1 to 1.21 (inclusive) apply in this Agreement.

1.1 Definitions

"Administration Fee" means the administration fee of £300 payable by the Borrowers on each occasion when all or part of the Loan is prepaid, repaid or recovered other than in accordance with clause 8.

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Availability Period" means the six Month period from and including the date on which the Bank has signed this Agreement.

"Bank Office" means the address of the Bank detailed in this Agreement or any such address that the Bank notifies to the Borrowers in writing from time to time, as being in replacement of the address detailed in this Agreement or in replacement of any other address previously notified as a replacement.

"Bank's Group" means in relation to the Bank, the Bank, any subsidiary or any holding company from time to time of the Bank, and any subsidiary from time to time of a holding company of the Bank; each company in the Bank's Group is a **member of the Bank's Group**.

"Base Rate" means the Bank of England's Bank Rate as published by the Bank of England from time to time provided that if such rate is below zero, the Base Rate will be deemed to be zero.

"Borrowings" means any indebtedness for or in respect of (without double counting):

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with accounting principles, bases and policies generally accepted in the United Kingdom, be treated as a finance or capital lease;
- (d) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (g) any amount raised under any other transaction (including forward sale or purchase agreement) having the commercial effect of a borrowing; and
- (h) the amount of any liability under any guarantee or indemnity for any of the items referred to in paragraphs (a) to (g) (inclusive) above.

"Business Day" means a day (other than a Saturday or Sunday) when the Bank is open for general business in London.

"Change of Control" means:

- (a) in relation to the Trust:
 - (i) any change in the trustees of the Trust;
 - (ii) any change in the identity of the persons involved in the day to day management of the Trust, or
 - (iii) any change in the identity of the beneficiaries of the Trust.

In each case from the position as at the date this Agreement is signed by the Bank, and in each case without the prior written consent of the Bank.

"Charged Property" means any land and/or buildings (whether or not registered at the relevant Land Registry) which is subject to, or expressed to be subject to, a legal mortgage (in the case of any Property situated in England or Wales) or a standard security (in the case of any Property situated in Scotland), granted or to be granted to the Bank to secure all or part of the Borrowers' Borrowings with the Bank incurred as trustees of the Trust or to secure any obligation to the Bank under any guarantee and/or indemnity entered into by any person in respect of any obligations of the Borrowers incurred as trustees of the Trust to the Bank under this Agreement.

"Disposal Proceeds" means the gross proceeds derived from the disposal of a Charged Property owned by the Borrowers (or any one or more of them), less:

- (a) any reasonable expenses incurred by the Borrowers (or any one or more of them) in connection with the disposal; and

- (b) any Tax incurred and required to be paid by the Borrowers (or any one or more of them) in connection with the disposal.

"Drawdown Date" means the date on which the Loan is made, or, in relation to a proposed Loan that has not been made, the date on which the Loan is to be made.

"Drawdown Request" means a notice substantially in the form set out in Schedule 6 to this Agreement.

"Effective Date" means the date on which the Bank Office is in actual receipt of this Agreement duly signed and dated by both the Bank and the Borrowers except that, if the Agreement has been signed and dated using an electronic signing platform, Effective Date means the date, as determined by the Bank, on which the signing of the Agreement has been unconditionally completed by both the Bank and the Borrowers.

"Environment" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water).

"Environmental Claim" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

"Environmental Law" means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

"Environmental Permits" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of the Trust conducted on or from properties owned by the Borrowers (or any one or more of them) as trustees of the Trust or any other properties used by the Trust.

"Event of Default" means any event or circumstance set out in Schedule 5.

"Facility" means the loan facility made available under this Agreement.

"Increased Costs" means:

- (a) a reduction in the rate of return from the Facility or on the Bank's overall capital;
- (b) an additional or increased cost; or
- (c) a reduction of any amount due and payable under this Agreement,

which is incurred or suffered by the Bank to the extent that it is attributable to the Bank having entered into this Agreement, or funding or performing its obligations under this Agreement.

"Interest Payment Date" means, commencing in the calendar month determined by the Bank in accordance with clause 6.3, and occurring every three months thereafter, the day in the relevant calendar month which corresponds numerically to the day selected by the Borrowers in the Drawdown Request as the day that is to be an Interest Payment Date in such calendar month and, if clause 11.5 applies to any such day the Interest Payment Date shall be adjusted in accordance with clause 11.5 and

if there is no numerically corresponding day in the relevant calendar month, the Interest Payment Date shall be the last Business Day in that calendar month.

"Lease Document" means any grant of or agreement to grant a lease, tenancy agreement, licence or other right to occupy or to receive rent in respect of all or part of a Property.

"Loan" means the loan made or to be made by the Bank to the Borrowers under this Agreement or the principal amount outstanding for the time being of that loan.

"Margin" means 2.6% per annum.

"Market Value" means market value as defined in the then current Valuation Standards issued by the Royal Institution of Chartered Surveyors (the "Red Book"). If market value ceases to be defined by the Red Book, market value shall be calculated on the basis from time to time determined by the Bank (acting reasonably).

"Material Adverse Effect" means, in the reasonable opinion of the Bank, a material adverse effect on:

- (a) the ability of the Borrowers (or any one or more of them) to comply with all or any of their or its obligations under this Agreement;
- (b) the ability of any party to a Security Document (other than the Bank) to comply with its obligations under the Security Documents to which it is a party;
- (c) the business, operations, assets, condition (financial or otherwise) or prospects of the Borrowers or the Trust;
- (d) the validity, effectiveness or enforceability of this Agreement and/or any Security Document;
- (e) the ranking of any Security granted or purporting to be granted pursuant to any Security Document; or
- (f) the rights or remedies of the Bank under this Agreement and/or any Security Document.

"Maturity Date" means the numerically corresponding day that is five years from and including the Drawdown Date except that subject to clause 11.9 (i) if the numerically corresponding day that is five years from and including the Drawdown Date is not a Business Day, the Maturity Date shall be the next Business Day in the calendar month in which the Maturity Date is to occur, if there is one, or on the immediately preceding Business Day, if there is not and (ii) if there is no numerically corresponding day in the calendar month in which the Maturity Date is to occur, the Maturity Date shall be the last Business Day in that calendar month.

"Month" means, subject to clause 11.9, a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) if the numerically corresponding day is not a Business Day, the period shall end on the next Business Day in that calendar month in which that period is to end, if there is one, or on the immediately preceding Business Day, if there is not; and
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will only apply to the last Month of any period.

"Permitted Security" means:

- (a) any Security Documents to which the Borrowers (or any one or more of them) are or is a party;
- (b) any liens arising by operation of law and in the ordinary course of the Trust's or the Borrowers' business and not as a result of any default or omission by the Borrowers (or any one or more of them); and
- (c) any title retention arrangements included in a supplier's standard conditions of supply of goods acquired by the Borrowers (or any one or more of them) as trustees of the Trust in the ordinary course of business.

"Potential Event of Default" means any event or circumstance specified in Schedule 5 which would (with the expiry of a grace period, the giving of notice or the making of any determination under this Agreement and/or any Security Document or any combination of any of the foregoing) be an Event of Default.

"Property" means any land and/or buildings (whether or not registered at the relevant Land Registry) (i) owned by the Borrowers (or any one or more of them) as trustees of the Trust and/or (ii) which is used by the Trust or by the Borrowers (or any one or more of them) as trustees of the Trust.

"Rental Income" means the aggregate of all amounts paid to the Borrowers (or any one or more of them) under a Lease Document in connection with the letting, use or occupation of all or any part of a Property owned by the Borrowers (or any one or more of them) as trustees of the Trust including:

- (a) rents, licence fees and any other moneys paid in respect of use and/or occupation;
- (b) any insurance proceeds in respect of loss of rent; and
- (c) any premium or other amount paid in respect of the grant, surrender or variation of any Lease Document.

"Repayment Instalment" means each scheduled instalment for the repayment of the Loan under clause 8.2.

"Security" means a mortgage, charge, pledge, lien, standard security, hypothec, assignment by way of security, assignation in security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Documents" means:

- (a) any document, agreement or contract evidencing or creating Security (or which is expressed to evidence or create Security) over any asset to secure any obligations of the Borrowers (or any one or more of them) to the Bank under this Agreement;
- (b) any guarantee or indemnity entered into by the Borrowers (or any one or more of them) or any other person in respect of any obligations of the Borrowers (or any one or more of them) as trustees of the Trust to the Bank and which include, without limitation, obligations under this Agreement;
- (c) any document, agreement or contract evidencing or creating Security (or which is expressed to evidence or create Security) over any asset to secure any obligation to the Bank under any guarantee and/or indemnity entered into by any person in respect of any obligations of the Borrowers (or any one or more of them) to the Bank under this Agreement; and
- (d) each document or agreement referred to in clause 14.1.1.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Tax Deduction" means a deduction or withholding for, or on account of, Tax from a payment under this Agreement.

"Total Facility Amount" means the maximum principal amount of the Facility referred to in clause 2.

"Trust" means Rocky Asset Management Limited Pension Scheme.

"Trust Deed" means the trust deed dated 22 October 2014 establishing the Trust.

"Unpaid Amount" means any sum or amount which is not paid on its due date by the Borrowers under this Agreement.

"Valuation" means a valuation from a Valuer in respect of a Charged Property addressed to and satisfactory to the Bank (in substance and content (including, without limitation, the amount of the Market

Value of any Charged Property and the basis on which the Market Value has been determined)) and on which the Bank is entitled to rely.

"**Valuer**" means such valuer or surveyor instructed, and on terms approved, by the Bank.

"**VAT**" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

"**Warranties**" means the representations and warranties set out in Schedule 1.

- 1.2 Subject to clause 1.3, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment, re-enactment or extension.
- 1.3 A reference to any retained EU legislation (as defined in the European Union (Withdrawal) Act 2018 (as amended)) or any provision of the same is to be read as a reference to such retained, direct EU legislation or provision of the same unless the contrary intention appears, as it may have been or may from time to time be amended, re-enacted or extended by domestic law and shall include any subordinate legislation made from time to time under such retained direct EU legislation or any provision of the same.
- 1.4 "**including**" shall not be construed as limiting the generality of the words preceding it.
- 1.5 A reference to a clause, part or Schedule shall be construed as a reference to a clause or part of, or Schedule to, this Agreement unless the context requires otherwise.
- 1.6 Unless the context otherwise requires the singular shall include the plural and vice versa and words denoting any gender shall include all genders.
- 1.7 A reference to this Agreement and to any provisions of it or to any other deed, document, agreement or instrument shall be construed as a reference to it in force for the time being and as amended, varied, supplemented, restated, substituted or novated from time to time.
- 1.8 A reference to a holding company or subsidiary means a holding company or subsidiary as defined in section 1159 of the Companies Act 2006.
- 1.9 A reference to a person is to be construed to include references to a corporation, firm, company, partnership, joint venture, unincorporated body of persons, trust, individual or any state or any agency of a state, whether or not a separate legal entity.
- 1.10 Any reference to the Borrowers (or any one or more of them) or the Bank shall include their respective permitted assignees or permitted transferees or successors in title.
- 1.11 All of the obligations and responsibilities of the Borrowers which affect or are given by the Borrowers in this Agreement will be binding on each person named as a Borrower separately and all of them together. This means that each Borrower is fully liable for all of the obligations and responsibilities of the other Borrowers to the Bank under this Agreement.
- 1.12 A reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.13 A reference to "**cost of funds**" in relation to the Loan means the cost to the Bank of funding, or notionally funding, an amount equal to the Loan for the relevant period, averaged as the Bank deems appropriate (acting reasonably) and expressed as an percentage rate per annum.
- 1.14 A reference to opinion, determines or determined means, unless the contrary is indicated, an opinion or determination formed or made at the discretion of the person forming or making it.
- 1.15 Clause, Schedule and part headings are for ease of reference only and are not to affect the interpretation of this Agreement.
- 1.16 A reference to "**indebtedness**" includes any obligation (whether incurred as a principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent.

- 1.17 An Event of Default is "**continuing**" if it has not been waived in writing and a Potential Event of Default is "**continuing**" if it has not been remedied or waived.
- 1.18 A "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation.
- 1.19 A reference to a "**financial reference period**" shall, where the context permits, include a reference to a financial year.
- 1.20 A reference to any asset, property, revenue or right being "**held**" by a person includes each such asset, property, revenue or right which is owned, possessed, leased or licensed by such person.
- 1.21 A reference to a time of day is a reference to London time.

2 The Facility

The Bank grants to the Borrowers, collectively, a loan facility of a total principal amount not exceeding £540,000 on the terms, and subject to the conditions, of this Agreement.

3 Purpose

- 3.1 The Borrowers shall use all money borrowed under this Agreement to assist with the purchase of 1 Beevor Court, Pontefract Road, Barnsley, S71 1HG.
- 3.2 The Bank is not obliged to monitor or verify how any amount borrowed under this Agreement is used.
- 3.3 The Borrowers may only use the money borrowed under this Agreement for the purpose stated in clause 3.1 above and furthermore each Borrower undertakes not to use any of the money borrowed under this Agreement for any purpose or in any manner that would result in a breach by it, or any other person, of any provision of the Bribery Act 2010.

4 Conditions precedent

- 4.1 The Borrowers may only make a Drawdown Request pursuant to clause 5, and the obligations of the Bank under this Agreement to make the Loan only arise, once the Bank has received all the documents and evidence specified in Schedule 3 in form and substance satisfactory to the Bank.
- 4.2 The Bank shall only be obliged to make the Loan if, on both the date of receipt of the Drawdown Request and the proposed Drawdown Date:
- 4.2.1 the Warranties are true and correct in all material respects; and
- 4.2.2 no Event of Default or Potential Event of Default is continuing or would result from the proposed Loan.
- 4.3 The conditions precedent referred to in this clause 4 are solely for the Bank's benefit. The Bank may waive them, in whole or in part, on a temporary or permanent basis, and with or without conditions, without prejudicing the Bank's right to require subsequent fulfilment of such conditions precedent pursuant to the terms of any applicable waiver.

5 Availability and drawdown

- 5.1 The Borrowers may utilise the Facility during the Availability Period in one single Loan.
- 5.2 The Borrowers may utilise the Facility by delivering a duly completed Drawdown Request in writing to the Bank by not later than 10am (or such later time as the Bank may agree) on the proposed Drawdown Date.
- 5.3 A Drawdown Request made under clause 5.2:
- 5.3.1 may only request a single Loan;
- 5.3.2 shall only be complete if:

- (i) it states a proposed Drawdown Date which is a Business Day within the Availability Period;
- (ii) the amount of the Loan requested is not more than the Total Facility Amount;
- (iii) it states the numerical day in a calendar month on which each Interest Payment Date is to fall;
- (iv) it provides clear instructions from the Borrowers to the Bank as to where the proceeds of the Loan are to be credited, paid or transferred; and

5.3.3 once it has been delivered, is irrevocable.

5.4 If any amount of the Facility is not utilised during the Availability Period, that non-utilised amount shall be automatically cancelled at the end of the Availability Period.

6 Interest and market disruption

- 6.1 The Borrowers will pay interest on the Loan at the percentage rate per annum which is the sum of (1) the Margin and (2) the Base Rate prevailing at 3.30pm on the Business Day immediately preceding the Drawdown Date or such other rate as may apply from time to time in accordance with clause 6.4 and clause 6.5.
- 6.2 The Borrowers will pay interest on the Loan in arrears on each Interest Payment Date applicable to the Loan in accordance with this clause 6.
- 6.3 As soon as reasonably practicable after the Drawdown Date the Bank shall confirm to the Borrowers (by telephone, email or post) the date on which the Interest Payment Dates shall commence which shall be not less than five Business Days from (and including) the Drawdown Date unless agreed otherwise by the Bank. Each subsequent Interest Payment Date will be the relevant numerical day falling every three months thereafter and, for the avoidance of doubt, the Bank shall determine the months in which the Interest Payment Dates shall occur.
- 6.4 Subject to clause 6.5, if the Base Rate changes at or before 3.30pm on any day, the interest rate will be adjusted by the amount by which the Base Rate has changed with effect from and including the next Business Day immediately following the date of the change to the Base Rate. Subject also to clause 6.5, if the Base Rate changes after 3.30pm on any day (including on any day that precedes the Drawdown Date), the interest rate will be adjusted by the amount by which the Base Rate has changed with effect from and including the second Business Day immediately following the date of the change to the Base Rate. The Bank's determination of when the Base Rate changes shall be conclusive.
- 6.5 If the Base Rate changes from a rate that is more than zero to a rate that is less than zero, the interest rate will be adjusted in accordance with clause 6.4 by the amount by which it would have been adjusted if the Base Rate changed to zero. If the Base Rate is zero or a rate that is less than zero and changes to a rate or another rate that is less than zero or to zero, the interest rate shall not be adjusted until the Base Rate is changed to a rate that is more than zero and then shall be adjusted in accordance with clause 6.4 by the amount by which the Base Rate is more than zero.
- 6.6 If either (i) the Base Rate is unavailable at any time when the Base Rate is to be determined or applied to the Loan in accordance with the terms of this Agreement or (ii) the Bank determines that its cost of funds in relation to the Loan for any period is or would be in excess of the Base Rate (each a "**Market Disruption Event**"), the rate of interest on the Loan for any period shall be adjusted (without any double counting) to reflect (i) the Margin and (ii) a percentage rate per annum representing the Bank's cost of funds from or by reference to whatever source(s) the Bank may reasonably select. The Borrowers will pay interest at the adjusted rate (as notified to the Borrowers by the Bank) and if the Bank or the Borrowers so require, the Bank and the Borrowers shall enter into negotiations (for a period of not more than 30 days) with a view to agreeing a substitute basis for determining the rate of interest.
- 6.7 If the Bank and the Borrowers are unable to agree an alternative basis for determining the rate of interest for the Loan, the Bank may either (i) continue to charge interest on the Loan in accordance with clause 6.6 or (ii) by written notice to the Borrowers declare the Loan, all interest accrued and all sums payable by the Borrowers under this Agreement to be immediately due and payable, whereupon they shall

become immediately due and payable, and/or terminate the obligations of the Bank under this Agreement.

7 Default interest

- 7.1 If the Borrowers do not pay any sum or amount they are obliged to pay under this Agreement when it is due, interest shall accrue daily on that Unpaid Amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 2 per cent higher than the rate which would have been payable if the Unpaid Amount had, during the period of non-payment, constituted the Loan. If the Loan is not outstanding on any such due date then the Unpaid Amount shall be deemed to be the Loan drawn down on such due date and the rate of interest that would have been payable if the Unpaid Amount had constituted the Loan shall be calculated in accordance with clause 6.1 as if the due date in respect of the Unpaid Amount were a Drawdown Date.
- 7.2 Any interest accruing under this clause 7 shall be immediately payable by the Borrowers on demand by the Bank.
- 7.3 Default interest (if unpaid) arising on an Unpaid Amount will be compounded with the Unpaid Amount at such times as the Bank shall determine, but will remain immediately due and payable.

8 Repayment

- 8.1 The Bank has agreed to provide the Facility on the basis that:
- 8.1.1 50% of the Loan, based on the amount of the Loan at the time it is made, shall be repaid in instalments; and
- 8.1.2 50% of the Loan, based on the amount of the Loan at the time it is made, shall be repaid in full in a single amount on the Maturity Date (the "**Bullet Payment**"),
- in each case in accordance with the provisions of clause 8.2.
- 8.2 The Borrowers shall repay an amount equal to 50% of the Loan, such amount to be repaid in equal instalments (insofar as possible) to be made on each Interest Payment Date occurring during the period from and including the Drawdown Date to and including the final Interest Payment Date that, subject to clause 11.10, occurs or that will occur on or before the Maturity Date. In addition, on the Maturity Date the Borrowers shall pay any amount outstanding in respect of the Loan, any accrued interest and any outstanding fees, costs, expenses or other sums which are due from the Borrowers under this Agreement.
- 8.3 From time to time the Bank will issue a supplementary letter to the Borrowers setting out the amount of the Repayment Instalments (and such other information as the Bank may provide) to be made on each Interest Payment Date from and including the date of the supplementary letter for such period as may be determined by the Bank. The Bank may also issue to the Borrowers further supplementary letters setting out the amount of the Repayment Instalments (and such other information as the Bank may provide) to be made on each Interest Payment Date from time to time in respect of such period as may be determined by the Bank (and a supplementary letter issued by the Bank shall prevail over any previous supplementary letters issued by the Bank) or the Bank may otherwise inform the Borrowers of the amount of any one or more of the Repayment Instalments to be made on each Interest Payment Date by telephone, email or such other method as the Bank may determine from time to time. The amount of the Repayment Instalments to be made on each Interest Payment Date will be calculated by reference to the number of Interest Payment Dates occurring from and including the date of the relevant supplementary letter to and including the Maturity Date and on the basis that 50% of the Loan is to be repaid in equal instalments (insofar as possible) on each Interest Payment Date.
- 8.4 In the event of any inconsistency between the amount of interest payable on any Interest Payment Date as stated in a supplementary letter issued by the Bank and the amount of interest payable on each Interest Payment Date as calculated in accordance with this Agreement, the terms of this Agreement shall prevail.
- 8.5 The Borrowers may not reborrow any part of the Facility that is repaid.
- 8.6 The Borrowers shall not repay or prepay all or any part of the Loan except in accordance with the express terms of this Agreement.

9 Prepayment

9.1 Voluntary prepayment of the Loan

9.1.1 The Borrowers may prepay part or all of the Loan by notifying the Bank in writing, such notice to be given no later than on the Business Day immediately preceding the proposed date of such prepayment. The Borrowers may only prepay all or part of the Loan if:

- (i) the notice specifies the date the Borrowers wish to make the prepayment and the amount of the prepayment;
- (ii) the date of the proposed prepayment is a Business Day; and
- (iii) the prepayment does not, or would not, result in the occurrence of an Event of Default or a Potential Event of Default.

9.1.2 Any prepayment notice that the Borrowers give under this clause 9.1 shall be irrevocable and shall oblige the Borrowers to prepay the Loan as set out in that notice.

9.2 Mandatory prepayment of the Loan

The Borrowers must immediately upon receipt apply all Disposal Proceeds in prepayment of the Loan.

9.3 The Borrowers shall pay to the Bank on the date of each prepayment made under this clause 9, a prepayment fee of 1% of the amount prepaid.

9.4 Any amount prepaid under this clause 9:

9.4.1 shall not be available for re-borrowing by the Borrowers; and

9.4.2 shall be made together with accrued interest (if requested by the Bank) on the amount prepaid and the Administration Fee.

9.5 Unless the Bank and the Borrowers agree otherwise, any amount prepaid in accordance with clause 9 shall be applied towards satisfaction of the Bullet Payment (either in full or in part depending on the amount of prepayment) and, if any of the amount prepaid remains after repaying the Bullet Payment in full, such amount shall be applied (at the Bank's sole discretion) to (i) satisfy the Repayment Instalments in inverse order of their maturity or (ii) reduce the amount of each Repayment Instalment payable after the date on which the prepayment is made to (and including) the Maturity Date on the basis that such Repayment Instalments shall be of an equal amount (insofar as possible).

9.6 Following any prepayment made by the Borrowers under this clause 9, the Bank may issue a supplementary letter setting out the amount of the Repayment Instalments (and such other information as the Bank may provide) to be made on each Interest Payment Date that occurs after the date of the relevant prepayment from and including the date of the supplementary letter for such period as may be determined by the Bank.

10 Illegality

The Bank may, by giving notice, require the Borrowers to repay the Loan together with any accrued interest on the amount to be repaid and any other sums accrued or outstanding under this Agreement (on the next Interest Payment Date for the Loan or, if earlier, on the date specified by the Bank) if it becomes unlawful for the Bank to make the Loan or perform any of its obligations contemplated under this Agreement, or allow the Loan to remain outstanding or fund or maintain the Loan.

In the event that the Bank notifies the Borrowers pursuant to this clause 10, the Facility shall be cancelled with immediate effect.

11 Payments, calculations, accounts and certificates

11.1 All interest and commission shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 365 days.

- 11.2 All sums payable by the Borrowers to the Bank under this Agreement shall be paid:
- 11.2.1 in full without deduction (except as allowed by clause 1 of part 1 of Schedule 4) set-off or counter-claim; and
 - 11.2.2 in immediately available cleared funds on the due date.
- 11.3 Without prejudice to the obligation of the Borrowers to ensure all payments due to the Bank under this Agreement are made when they become due and payable, and without prejudice to clause 19, the Borrowers authorise the Bank, on the relevant due date, to debit any of the Trust's accounts and/or any accounts held with the Bank by the Borrowers (or any one or more of them) as trustees of the Trust with the amount of any sum due to the Bank under this Agreement. The Bank shall be authorised to continue to debit any of the Trust's accounts and/or any accounts held by the Borrowers (or any one or more of them) as trustees of the Trust in accordance with this clause 11.3 until such time as all sums payable under this Agreement have been paid in full.
- 11.4 For the avoidance of doubt, the Bank shall not be under any obligation to debit any of the Trust's accounts and/or any accounts held by the Borrowers (or any one or more of them) as trustees of the Trust with the Bank in relation to any amount that is due and payable under this Agreement.
- 11.5 Any payment under this Agreement which is due to be made on a day which is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one), or the immediately preceding Business Day (if there is not).
- 11.6 If the Bank receives a payment that is insufficient to discharge all the amounts then due and payable by the Borrowers under this Agreement, the Bank shall apply that payment in settlement of the obligations of the Borrowers in the order determined by the Bank in its absolute discretion.
- 11.7 The Bank may maintain accounts evidencing the amounts owed to it by the Borrowers under this Agreement, in accordance with its usual practice. Entries in those accounts shall be prima facie evidence of the existence and amount of the Borrowers' obligations as recorded in them.
- 11.8 Without prejudice to any other provision of this Agreement, the Bank may, at any time or times, issue a certificate, determination or notification which sets out a rate that is applicable and/or an amount that is owing and/or due and payable, under this Agreement. If the Bank issues any certificate, determination or notification of a rate or any amount owing and/or due and payable under this Agreement, it shall be (in the absence of manifest error) conclusive evidence of the matter to which it relates.
- 11.9 Notwithstanding any other term of this Agreement, if:
- 11.9.1 any day that would be a Business Day, as determined by the Bank on the Drawdown Date ceases to be a Business Day (such day being referred to as an "Unscheduled Bank Holiday") or
 - 11.9.2 any day that would not be a Business Day, as determined by the Bank on the Drawdown Date becomes a Business Day (such day being referred to as an "Unscheduled Business Day"),
- and if the final day of any period (including without limitation, the Availability Period) would have ended on an Unscheduled Bank Holiday (had such day continued to be a Business Day) or would have ended on an Unscheduled Business Day (had such day been a Business Day on the Drawdown Date), then the Bank shall, in its sole discretion, determine whether the final day of any period shall occur on the Unscheduled Bank Holiday or on the Unscheduled Business Day or on the immediately preceding Business Day or on the next following Business Day in relation to that Unscheduled Bank Holiday or Unscheduled Business Day.
- 11.10 If the final Interest Payment Date as determined by the Bank on the Drawdown Date occurs on the Maturity Date and such date becomes an Unscheduled Bank Holiday, then the Bank may determine (in its sole discretion) whether the final Interest Payment Date shall be a Business Day immediately following the Maturity Date or a Business Day immediately preceding the Maturity Date (and clause 8.2 shall be adjusted accordingly).
- 11.11 If the Maturity Date as determined by the Bank would have occurred on an Unscheduled Bank Holiday (had such day continued to be a Business Day) or would have occurred on an Unscheduled Business Day (had such day been a Business Day on the Drawdown Date), then the Bank shall, in its sole

discretion, determine whether the Maturity Date shall occur on the Unscheduled Business Day or on the immediately preceding Business Day or the next following Business Day in relation to that Unscheduled Business Day, or, in relation to the Unscheduled Bank Holiday, on the immediately preceding Business Day or the next following Business Day (and the definition of "Maturity Date" shall be adjusted accordingly). The determination of when the Maturity Date would have occurred will be made by the Bank on the Drawdown Date.

12 Fees, charges and expenses

12.1 The Borrowers shall pay to the Bank:

12.1.1 an arrangement fee of £4,000 which shall be payable on the first Drawdown Date;

12.1.2 a documentation fee of £250 which shall be payable on the first Drawdown Date; and

12.1.3 a security discharge fee of £150 which shall be payable on each occasion when any Security Document is released or discharged, for whatever reason, and which shall be paid on the date of such release or discharge.

12.2 The Borrowers shall promptly on demand, pay to the Bank the amount of all costs and expenses (including legal fees, printing and other out-of-pocket costs and expenses) reasonably incurred by the Bank in connection with:

12.2.1 in addition to any fee payable by the Borrowers under clause 12.1.2, the negotiation, preparation, printing, execution and perfection of this Agreement and any other documents (including, but not limited to, the Security Documents and any Valuation) referred to in this Agreement or required in connection therewith; and

12.2.2 (a) evaluating, responding to, or complying with a request in relation to this Agreement or any Security Document or any documents referred to in any of them and/or (b) negotiating, preparing or issuing any amendment, extension, waiver, consent or suspension of rights relating to this Agreement or any Security Document or any documents referred to in any of them.

12.3 The Borrowers shall, on demand, pay to the Bank the amount of all costs and expenses (including legal fees, printing and other out-of-pocket costs and expenses) incurred by the Bank in connection with enforcing (including, but not limited to, the instituting of any proceedings), or preserving any rights under, or monitoring the provisions of this Agreement and/or any Security Document.

12.4 Any amount payable under clause 12.2 and/or clause 12.3 shall include the cost of the Bank's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Bank may notify to the Borrowers, and is in addition to any fee paid or payable to the Bank under clause 12.1.

13 Additional payment obligations

The Borrowers covenant with the Bank to perform the additional payment obligations set out in Schedule 4.

14 Security

14.1 The Borrowers' liabilities to the Bank under this Agreement shall be secured by the relevant Security Documents, including, but not limited to:

14.1.1 security in form and substance satisfactory to the Bank, details of which are set out in Schedule 7; and

14.1.2 all Security Documents entered into after the Effective Date (not referred to in clause 14.1.1 above).

15 Representations and Warranties

15.1 Each Borrower makes the Warranties to the Bank on the date it signs this Agreement.

15.2 The Warranties are deemed to be made by each Borrower on:

- 15.2.1 the date of a Drawdown Request made under clause 5;
 - 15.2.2 the Drawdown Date; and
 - 15.2.3 each day on which any amount is outstanding under this Agreement,
- by reference to the facts and circumstances existing on each such date.

16 Covenants and undertakings

- 16.1 Each Borrower covenants with the Bank as set out in Schedule 2 and undertakes to comply with those covenants.
- 16.2 The covenants given by each Borrower set out in Schedule 2 shall remain in force from the Effective Date and for so long as any amount is outstanding under this Agreement.

17 Revaluation

- 17.1 The Bank reserves the right at any time and from time to time to procure at its discretion an up to date Valuation of any Charged Property.
- 17.2 The Borrowers shall promptly on demand pay to the Bank the costs of any Valuation obtained pursuant to clause 17.1.
- 17.3 The parties agree that there shall not be any limit under this Agreement on the number of Valuations that can be procured, obtained or requested by the Bank.

18 Events of Default

- 18.1 Each of the events or circumstances set out in Schedule 5 is an Event of Default.
- 18.2 On and at any time after the occurrence of an Event of Default which is continuing the Bank may, by notice to the Borrowers:
 - 18.2.1 cancel all outstanding obligations of the Bank under this Agreement whereupon they shall immediately be cancelled; and/or
 - 18.2.2 declare that the outstanding Loan, together with accrued interest, and any other sums accrued or outstanding under this Agreement, be immediately due and payable, whereupon they shall become immediately due and payable; and/or
 - 18.2.3 declare that the outstanding Loan be payable on demand, whereupon it shall immediately become payable on demand by the Bank.

19 Set-Off

In addition to any other rights to which it may be entitled, including rights under any Security Document to which it is a party, the Bank may set off any obligation owed to it by the Borrowers (or any one or more of them) as trustees of the Trust and/or the Trust (which is or has become due and payable) under this Agreement against any obligation owed to the Borrowers (or any one or more of them) as trustees of the Trust and/or the Trust by the Bank (whether or not such obligation is due and payable). The Bank may exercise any of these rights without prior notice both before and after demand and in doing so may convert to sterling at the prevailing market rate of exchange any obligation which is in a currency other than sterling for the purpose of set-off.

20 Remedies, waivers, amendments and consents

- 20.1 Any amendment to this Agreement shall be in writing and signed by, or on behalf of, each party.
- 20.2 No failure or delay on the part of the Bank to exercise any right or remedy under this Agreement and/or the Security Documents will operate as a waiver of any such right or remedy or constitute an election to affirm. No election to affirm or waiver will have any effect unless it is made in writing.

- 20.3 No single or partial exercise of any right or remedy on the part of the Bank under this Agreement and/or the Security Documents shall preclude any other or further exercise or other right or remedy under this Agreement and/or the Security Documents.
- 20.4 The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law or otherwise.

21 Third party rights

A person who is not a party to this Agreement may not enforce or enjoy the benefit of any of its terms under the Contracts (Rights of Third Parties) Act 1999.

22 Assignment and transferability

- 22.1 No Borrower may assign or transfer any of its rights or obligations under this Agreement.
- 22.2 The Bank may:
- 22.2.1 assign any of its rights under this Agreement and/or the Security Documents to which the Borrowers (or any one or more of them) are or is a party; or
 - 22.2.2 transfer any of its rights and obligations under this Agreement and/or the Security Documents to which the Borrowers (or any one or more of them) are or is a party by novation,
- to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets.
- 22.3 In addition to the other rights provided to the Bank under this clause 22, the Bank may at any time and without having obtained the consent of the Borrowers (or any one or more of them), charge, assign, or otherwise create Security in or over all or any of its rights under this Agreement and/or any Security Document to which the Borrowers (or any one or more of them) are or is a party including any charge, assignment or other Security to secure its obligations to a federal reserve or central bank, except that no such charge, assignment or Security shall:
- 22.3.1 release the Bank from any of its obligations under this Agreement or substitute the beneficiary of the relevant charge, assignment or Security for the Bank as a party to this Agreement and/or any Security Document to which the Borrowers (or any one or more of them) are or is a party; or
 - 22.3.2 require any payments to be made by the Borrowers other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the Bank under this Agreement and/or any Security Document to which the Borrowers (or any one or more of them) are or is a party.
- 22.4 The Borrowers agree that the Bank may, when exercising any right under this clause 22, disclose to any person such information about the Borrowers (or any one or more of them), the Trust, this Agreement and/or any Security Document to which the Borrowers (or any one or more of them) are or is a party as is necessary.

23 Severance

If at any time any provision (or part of a provision) of this Agreement is or becomes invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions hereof shall not thereby be affected, reduced or impaired in any way.

24 Notices

- 24.1 Any communication to be made under or in connection with this Agreement shall be in English and (other than where this Agreement specifically states the Bank may make the communication orally) in writing and, unless otherwise stated, may be made by fax or letter.
- 24.2 The address and fax number (where applicable) of each party for any communication or document to be made or delivered under or in connection with this Agreement is:

24.2.1 in the case of the Borrowers:

- (i) if by way of post, their addresses as set out at the parties section to this Agreement; and
- (ii) if by way of fax, the fax number identified with their names below.

24.2.2 in the case of the Bank, subject to clause 24.5 below, the Bank Office,

or any substitute address or fax number as a party may notify to the other parties by not less than 5 Business Days' notice.

24.3 Any notice or other communication to be made or delivered by the Bank shall be delivered by hand, or sent by pre-paid first class letter or fax, and shall be deemed to have been received:

24.3.1 if given by hand, when left at the relevant address; or

24.3.2 if posted, at 10.00am on the second Business Day after the day on which it was deposited in the post by first class mail postage prepaid; or

24.3.3 if sent by fax, with a confirmed receipt of transmission, at the time it is transmitted.

24.4 Subject to clause 24.5 below, any notice or other communication to be given to the Bank, shall be delivered by hand at the Bank Office, or sent by pre-paid first class letter, and shall be deemed to have been received only on actual receipt.

24.5 Notwithstanding clause 24.4, any Drawdown Request may be given to the Bank by fax or email.

24.6 For the purposes of the Drawdown Request, the fax number and email address for the Bank are those identified by its name below, or any substitute fax number or email address as notified by the Bank to the Borrowers by not less than 5 Business Days' notice.

24.7 Any Drawdown Request sent to the Bank by fax, will only be effective when actually received in legible form.

24.8 Any electronic communication between the parties will be effective only when actually received in readable form and in the case of any electronic communication made by a party to the Bank only if it is addressed in such a manner as the Bank shall specify for this purpose.

24.9 Any electronic communication which becomes effective, in accordance with clause 24.8, after 5.00pm in the place of receipt shall be deemed only to become effective on the following day.

25 Restricted liability

The Bank shall not be entitled to recover from the Borrowers any amount under this Agreement in excess of the value of the assets of the Trust available to the Borrowers as trustees of the Trust.

26 Agreement becoming effective

This Agreement shall take effect on the Effective Date. However, if the Effective Date does not occur within 30 days from and including the date on which the Bank has signed this Agreement, this Agreement shall not come into effect and shall not create or give rise to (or be capable of creating or giving rise to) any legally binding or enforceable rights, obligations, liabilities or duties in relation to any person.

27 Counterparts

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

28 Governing Law and jurisdiction

28.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

- 28.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").
- 28.3 The Bank and the Borrowers agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither the Bank nor the Borrowers will argue to the contrary.
- 28.4 Clauses 28.2 and 28.3 above are for the benefit of the Bank only. As a result, the Bank shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Bank may take concurrent proceedings in any number of jurisdictions.

Schedule 1 – Representations and Warranties

1 Status

The Trust is duly established under the laws of England and Wales with power to carry on its business.

2 Powers

Each Borrower, in its own capacity and as a trustee of the Trust, has the power and authority to execute, enter into, deliver and perform its obligations under this Agreement and any Security Documents to which it is a party and the transactions contemplated by them. No limit on its powers will be exceeded as a result of the borrowing or grant of Security or the giving of any indemnity contemplated by this Agreement and the Security Documents to which it is a party.

3 Authorisations

Each Borrower, in its own capacity and as a trustee of the Trust, has taken all necessary action and obtained all necessary Authorisations to enable it to execute, enter into, deliver and perform its obligations under this Agreement and any Security Documents to which it is a party. Any such Authorisations are in full force and effect and are not subject to any conditions.

4 Binding obligations

- 4.1 The obligations expressed to be assumed by each Borrower in this Agreement and the Security Documents to which it is a party are legal, valid, binding and enforceable.
- 4.2 The entry into and performance by each Borrower of, and the transactions contemplated by, this Agreement and the Security Documents to which it is a party, do not and will not conflict with any agreement, contract or instrument binding upon it or any of its assets or any assets held by the Borrowers (or any one or more of them) as trustees of the Trust or constitute a default or termination event (however described) under any such agreement, contract or instrument.

5 Pari passu

Each Borrower's payment obligations under this Agreement and any Security Document to which it is a party rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law.

6 No default

No Event of Default is continuing.

7 No Borrowings

No Borrower (whether individually or jointly) has any Borrowings as a trustee of the Trust other than such Borrowings as are permitted pursuant to clause 3 of part 1 of Schedule 2.

8 Information

- 8.1 The information supplied by, or on behalf of, the Borrowers (or any one or more of them) and/or the Trust to the Bank in connection with this Agreement and/or any Security Document was, at the time it was supplied or at the date it was stated to be given (as the case may be):
 - 8.1.1 if it was factual information, complete, true and accurate in all material respects;
 - 8.1.2 if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was arrived at after careful consideration;
 - 8.1.3 if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and
 - 8.1.4 not misleading in any material respect, nor rendered misleading by a failure to disclose other information.

- 8.2 Nothing has occurred since the date the information referred to in clause 8.1 of Schedule 1 was supplied or the date it was stated to be given (as the case may be) which, if disclosed to the Bank, would make that information untrue or misleading in any material respect.

9 Ownership of assets

- 9.1 In relation to the assets held by the Borrowers (or any one or more of them) as trustees of the Trust:
- 9.1.1 it or they, as applicable, is or are the legal owner(s) and has or have good, valid and marketable title thereto;
 - 9.1.2 the beneficiaries of the Trust are the beneficial owners;
 - 9.1.3 it or they, as applicable, has not or have not created or allowed to subsist any Security over such assets except for the Permitted Security;
 - 9.1.4 it or they, as applicable, holds or hold valid, adequate, and appropriate insurances against all risks which are normally insured against by prudent trustees, owning or possessing similar assets or carrying on similar businesses to that carried on by the Borrowers (or any or more of them) as trustees of the Trust including without limitation professional indemnity insurance, and in the case of all policies relating to assets they are for the full replacement value of such assets; and
 - 9.1.5 it or they, as applicable, holds or hold all Authorisations necessary for the ownership of such assets and for the conduct of the Trust's business.

10 No litigation

No litigation, arbitration or administrative proceedings are taking place, pending or, to any Borrower's knowledge, threatened against the Trust and/or the Borrowers (or any or more of them) (in its own capacity or as a trustee of the Trust) or any assets held by the Borrowers (or any or more of them) as trustees of the Trust, which, if adversely determined, might reasonably be expected to have a Material Adverse Effect.

11 No breach of law

Neither the Trust nor any Borrower has breached any law or regulation which breach has or is likely to have a Material Adverse Effect.

12 Centre of main interests and establishments

For the purposes of Council of the European Union Recast Regulation on Insolvency (Regulation (EU) 848/2015) (the "**Insolvency Regulation**"), the "centre of main interests" (as that term is used in Article 3(1) of the Insolvency Regulation) of each of the Trust (if relevant) and each Borrower is situated in the United Kingdom.

Schedule 2 – Covenants

Part 1: General Covenants

1 Negative pledge

- 1.1 Neither the Borrowers nor any one or more of them shall, without the Bank's prior written consent:
- 1.1.1 create, or permit to subsist, any Security on or over any assets held by the Borrowers (or any one or more of them) as trustees of the Trust; or
 - 1.1.2 sell, transfer or otherwise dispose of any assets held by the Borrowers (or any one or more of them) as trustees of the Trust on terms whereby such asset is or may be leased to or re-acquired or acquired by the Borrowers (or any one or more of them) (whether as a trustee of the Trust or otherwise); or
 - 1.1.3 sell, transfer or otherwise dispose of any receivables of the Borrowers (or any one or more of them) as trustees of the Trust on recourse terms; or
 - 1.1.4 enter into any arrangement under which money or the benefit of a bank or other account held by the Borrowers (or any one or more of them) as trustees of the Trust may be applied, set-off or made subject to a combination of accounts.
- 1.2 Clause 1.1 of part 1 of Schedule 2 shall not apply to any Security which is Permitted Security.

2 Disposals

Neither the Borrowers nor any one or more of them shall, without the Bank's prior written consent, sell, assign, lease, transfer or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, any assets held by the Borrowers (or any one or more of them) as trustees of the Trust other than the sale of trading stock in the ordinary course of business.

3 Borrowings

- 3.1 Neither the Borrowers nor any one or more of them shall, without the Bank's prior written consent, incur or permit to be outstanding any Borrowings as a trustee of the Trust.

4 Lending and guarantees

- 4.1 Neither the Borrowers nor any one or more of them shall, in their capacity as trustees of the Trust, without the Bank's prior written consent:
- 4.1.1 give or allow to subsist or be outstanding any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any person; or
 - 4.1.2 lend or give credit to any person.

5 Ranking of obligations

Each Borrower shall ensure that its payment obligations under this Agreement and any Security Document to which it is a party, rank, and will rank, at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for those obligations mandatorily preferred by law.

6 Compliance with law

Each Borrower shall comply, in all respects, with all laws to which it is subject, if failure to do so has or is likely to have a Material Adverse Effect.

7 Change in business

Neither the Borrowers nor any one or more of them will make or permit to be made, without the prior written consent of the Bank, any material change in the scope or nature of its business or the purposes of the Trust, in either case, as carried on at the date on which the Bank has signed this Agreement.

8 Maintaining insurance

- 8.1 The Borrowers shall, at all times, maintain valid, adequate and appropriate insurances in respect of any assets held by the Borrowers (or any one or more of them) as trustees of the Trust.
- 8.2 In relation to such insurances, the Borrowers (or any one or more of them) shall:
- 8.2.1 hold and maintain insurance against all risks which are normally insured against by prudent trustees owning or possessing similar assets or carrying on similar businesses to that carried on by the Borrowers as trustees of the Trust and in the case of policies relating to assets, for the full replacement value of such assets; and
- 8.2.2 provide to the Bank copies of all such insurances upon request together with receipts evidencing that all necessary premiums have been paid.

Part 2: Information Covenants

1 Monitoring of Charged Property

- 1.1 The Borrowers shall supply to the Bank within 30 days following 31 March and 30 September in each year a half yearly report in a form and substance satisfactory to the Bank detailing the following information in respect of such half year period:
- 1.1.1 a schedule of the existing tenants of each Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust showing for each tenant the rent, service charge, valued added tax and any other amounts payable in that period (including but not limited to any contribution to insurance premiums, insurance valuations or any reserve or sinking fund) by that tenant;
- 1.1.2 details of:
- (i) any arrears of rents or service charges under any Lease Document in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust;
- (ii) any other breaches of covenant under any Lease Document in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust; and
- (iii) any step being taken to recover or remedy them;
- 1.1.3 details of any insolvency or similar proceedings affecting any tenant of a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust or any guarantor of that tenant;
- 1.1.4 details of any Lease Document in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust which has expired or been determined or surrendered or irritated and any new letting proposed; and
- 1.1.5 details of any actual or required material repairs to each Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust.
- 1.2 The Borrowers shall, promptly upon request by the Bank, provide any such further information in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust reasonably requested by the Bank.

2 Information: miscellaneous

- 2.1 The Borrowers shall supply to the Bank:
- 2.1.1 all documents dispatched by the Borrowers (or any one or more of them) on behalf of the Trust to their creditors generally, at the same time as they are dispatched;

- 2.1.2 details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Borrowers (or any one or more of them) and/or the Trust as soon as they (or any of them) become aware of them; and
- 2.1.3 promptly, any further information about the financial condition, business and operations of the Trust and/or the Borrowers (or any one or more of them) as the Bank may request at any time including, but not limited to, bank statements (for such period or periods as the Bank may require) in relation to any account held by the Trust and/or the Borrowers (or any one or more of them) as trustees of the Trust with any bank, building society or other financial institution.

3 Notification of default

The Borrowers will promptly advise and inform the Bank if any one or more of them become aware of any Event of Default or Potential Event of Default and any steps being taken to remedy such Event of Default or Potential Event of Default.

4 "Know your customer" checks

If the Bank is obliged for any reason to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Borrower shall, promptly on request of the Bank, supply (or procure the supply of) such documentation and other evidence as is reasonably requested by the Bank in order for the Bank to carry out necessary procedures and/or to satisfy itself that it has complied with all applicable laws and regulations in this regard.

5 Disclosure of information

Each Borrower agrees that the Bank may disclose to any person who is a party to a Security Document such information about the Trust, any Borrower, this Agreement or any Security Document as is necessary.

Part 3: Property Covenants

1 Occupational leases

- 1.1 Neither the Borrowers nor any one or more of them shall, without the prior written consent of the Bank:
 - 1.1.1 grant or agree to grant any lease, licence or other right to occupy or to receive rent in respect of a Charged Property held by the Borrowers (or any one or more of them) as trustees of the Trust;
 - 1.1.2 agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Lease Document in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust;
 - 1.1.3 exercise any right to break, determine or extend any Lease Document in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust;
 - 1.1.4 commence any forfeiture or irritancy proceedings in respect of any Lease Document in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust;
 - 1.1.5 grant any licence or right to use or occupy any part of a Charged Property held by the Borrowers (or any one or more of them) as trustees of the Trust;
 - 1.1.6 consent to any sublease, assignation or assignment of any tenant's interest under any Lease Document in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust; or
 - 1.1.7 agree to any change of use under, or rent review in respect of, any Lease Document in relation to a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust.

- 1.2 The Borrowers shall, in relation to any Charged Property, where the tenancy created by the relevant Lease Document is subject to a government regulated tenancy deposit scheme, deal with any deposit monies paid by the tenant of such Charged Property in accordance with the requirements of such government approved tenancy deposit protection scheme and comply with the terms of such scheme.

2 Rental Income

- 2.1 The Borrowers shall:
- 2.1.1 diligently collect or procure to be collected all Rental Income;
 - 2.1.2 exercise their rights and comply with their obligations under each Lease Document; and
 - 2.1.3 use their reasonable endeavours to ensure that each tenant complies with its obligations under each Lease Document in a proper and timely manner.
- 2.2 The Borrowers shall maintain an account (or procure that an account is maintained) with the Bank in the name of the Trust into which they shall pay, or procure the payment of, all rental income, including Rental Income from each Charged Property held by the Borrowers (or any one or more of them) as trustees of the Trust.

3 Development

- 3.1 Neither the Borrowers nor any one or more of them shall, without the Bank's prior written consent:
- 3.1.1 make or allow to be made any application for planning permission in respect of any part of a Charged Property held by the Borrowers (or any one or more of them) as trustees of the Trust; or
 - 3.1.2 carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of a Charged Property held by the Borrowers (or any one or more of them) as trustees of the Trust.
- 3.2 The Borrowers shall comply in all respects with all planning laws, permissions, agreements and conditions to which a Charged Property held by the Borrowers (or any one or more of them) as trustees of the Trust may be subject.

4 Insurances

- 4.1 In addition to the obligation on the Borrowers to maintain insurance generally in relation to their business, the business of the Trust and assets held by the Borrowers (or any one or more of them) as trustees of the Trust pursuant to clause 9.1.4 of Schedule 1 and clause 8 of part 1 of Schedule 2, the Borrowers shall, at all times, ensure that, in relation to each Charged Property held by the Borrowers (or any one or more of them) as trustees of the Trust, they maintain in full force and effect, insurance which:
- 4.1.1 insures the relevant Borrower's interest in each Charged Property and the plant and machinery thereon (including fixtures and improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed) as stated in the most recent Valuation for the relevant Charged Property plus VAT (where applicable) or for such other amount as the Bank and the Borrowers may agree;
 - 4.1.2 provides cover against loss or damage by fire, storm, tempest, flood, earthquake, landslip, heave, subsidence, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage;
 - 4.1.3 provides cover against acts of terrorism, including any third party liability arising from such acts; and
 - 4.1.4 provides cover for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under a Lease Document) including provisions for any increases in rent during the period of insurance,

together the "**Insurances**".

- 4.2 The Borrowers shall ensure that, at all times, they:
- 4.2.1 notify the insurers of the existence of each Lease Document and comply with the terms of the Insurances;
 - 4.2.2 do not do or permit anything to be done which may make void or voidable any of the Insurances;
 - 4.2.3 pay each premium for the Insurances promptly and in any event prior to the commencement of the period of insurance for which that premium is payable; and
 - 4.2.4 do all other things necessary as to keep each of the Insurances in force.
- 4.3 The Borrowers shall promptly notify the Bank of:
- 4.3.1 any termination, avoidance or cancellation of any of the Insurances made or, to the knowledge of any Borrower, threatened or pending;
 - 4.3.2 any claim, and any actual or threatened refusal of any claim, under any of the Insurances; and
 - 4.3.3 any event or circumstance which has led or may lead to a breach by the Borrowers (or any one or more of them) of any term of this clause 4 of part 3 of Schedule 2.
- 4.4 If the Borrowers fail to perform their respective obligations under this Agreement in respect of the Insurances, the Bank may take any action it reasonably considers necessary or desirable to prevent or remedy the relevant breach. The Borrowers must immediately on request by the Bank pay the costs and expenses of the Bank or its agents incurred in connection with any action taken by the Bank under this clause 4.4.

5 Environmental matters

- 5.1 The Borrowers must:
- 5.1.1 comply and ensure that any relevant third party complies with all Environmental Law;
 - 5.1.2 obtain, maintain and ensure compliance with all requisite Environmental Permits applicable to all or any of them or to a Property; and
 - 5.1.3 implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or a Property,
- where failure to do so has or is reasonably likely to have a Material Adverse Effect or result in any liability for the Bank.
- 5.2 Each Borrower must, promptly upon becoming aware, notify the Bank of:
- 5.2.1 any Environmental Claim started, or to its knowledge, threatened;
 - 5.2.2 any circumstances reasonably likely to result in an Environmental Claim; or
 - 5.2.3 any suspension, revocation or notification of any Environmental Permit.

6 Energy Performance

Each Borrower must carry out any energy efficiency improvements necessary, or take any other steps necessary, to ensure that at all times each part of a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust which is designed to be let can be let or can continue to be let without breaching any applicable laws or regulations in respect of minimum levels of energy efficiency for properties.

Part 4: Financial Covenants

1 Definitions

"Debt Service Cover" means the ratio of Gross Rental Income received during a Test Period to Handelsbanken Debt Service Costs for the same period.

"Gross Rental Income" means Rental Income in respect of a Charged Property owned by the Borrowers (or any one or more of them) as trustees of the Trust.

"Handelsbanken Debt" means the aggregate amount of all indebtedness for or in respect of all money raised or borrowed by the Borrowers (or any one or more of them) as trustees of the Trust from the Bank by way of a loan.

"Handelsbanken Debt Service Costs" means the aggregate amount of all scheduled repayment instalments which were payable by the Borrowers (or any one or more of them) as trustees of the Trust in respect of Handelsbanken Debt during each Test Period plus Handelsbanken Interest Costs which were payable during that period.

"Handelsbanken Interest Costs" means the aggregate amount of all interest and any amounts in the nature of interest (including, without limitation, the interest element of finance leases, guarantee fees, non-utilisation fees, discount and acceptance fees and payments under any hedging arrangements on a net basis but excluding arrangement fees) which were payable by the Borrowers (or any one or more of them) as trustees of the Trust in relation to the Handelsbanken Debt during each Test Period.

"Security Cover" means at any time, the proportion (expressed as a percentage) which the Handelsbanken Debt bears to the Market Value of all Charged Property in respect of which a legal mortgage (in the case of any Property situated in England or Wales) or a standard security (in the case of any Property situated in Scotland) has been created to secure the Handelsbanken Debt, calculated in accordance with the then most recent Valuation. For the purposes of this definition, "Charged Property" shall not include any land and/or buildings subject to or expressed to be subject to a legal mortgage or a standard security (i) that secures any obligation to the Bank under any guarantee and/or indemnity in respect of any obligation of the Borrowers to the Bank under this Agreement or (ii) that does not have first ranking priority. In addition, for the purposes of this definition, if "Charged Property" includes any land and/or buildings subject to or expressed to be subject to a legal mortgage or a standard security which contains (i) a specific monetary limit on all or part of the amount recoverable by the Bank thereunder, the Market Value of that Charged Property shall not exceed that limit (regardless of whether or not the limit applies to the full amount recoverable thereunder) and/or (ii) any other limit or restriction on all or part of the amount recoverable by the Bank thereunder the Bank may in its discretion (acting reasonably) reduce the Market Value of that Charged Property to take account of the effect of that limit or restriction on the amount recoverable. Finally, for the purposes of this definition, (i) "Charged Property" shall not include any land and/or buildings that are not owned, legally and beneficially, entirely by the person or persons creating the relevant legal mortgage or standard security and (ii) the Market Value of any Charged Property shall only be counted once.

"Test Date" means the relevant date or dates as set out in clause 3 of part 4 of Schedule 2.

"Test Period" means the relevant period as set out in clause 3 of part 4 of Schedule 2.

2 Financial Covenants

2.1 The Borrowers covenant with the Bank that:

2.1.1 Security Cover

Security Cover shall at no time exceed 60%.

2.1.2 Debt Service Cover

Debt Service Cover in respect of any Test Period shall not be less than 1.35:1.

3 Applicable Test Dates/Periods

The financial covenants in clause 2 of part 4 of Schedule 2 (other than that contained in clause 2.1.1) shall be tested on the relevant dates and by reference to the relevant periods detailed below:

Covenant – Debt Service Cover (clause 2.1.2)

Test Date: 31 March and 30 September in each year.

Test Period: a period of 6 months ending on a Test Date.

4 Applicable financial statements

- 4.1 The financial covenants contained in clause 2 of part 4 of Schedule 2 (other than that contained in clause 2.1.1) shall be tested by reference to any of the financial information available to the Bank or provided by the Borrowers (or any one or more of them) under part 2 of Schedule 2.

5 Disputes

If there is any dispute as to any computation under part 4 of Schedule 2, or as to the interpretation of any of the definitions applicable to financial covenants, the decision of the Bank shall, in the absence of manifest error, be conclusive and binding on the Borrowers.

Schedule 3 –Conditions Precedent

1 Constitutional documents

- 1.1 A copy of the Trust Deed, certified as true, accurate and complete by the Borrowers' solicitors.

2 Finance documents

- 2.1 This Agreement duly executed by the Borrowers.
- 2.2 An original of any Security Documents to be entered into on or around the Effective Date duly executed by the relevant Borrowers or any other person and completed to the Bank's satisfaction.

3 Other documents and evidence

- 3.1 Provision of all information required by the Bank to enable it to comply with all "know your customer" or similar identification procedures under all applicable laws and regulations.
- 3.2 Payment by the Borrowers of all fees and expenses incurred by the Bank and to be paid or reimbursed by the Borrowers under clause 12.
- 3.3 Copies of deeds of release or other appropriate documentation evidencing such release or discharge for all outstanding Security (other than Permitted Security) granted by the Borrowers (or any one or more of them) as trustees of the Trust.
- 3.4 Evidence of the Borrowers' membership of a government approved tenancy deposit protection scheme as trustees of the Trust, if applicable.
- 3.5 A copy of the current energy performance certificate(s) in respect of each Charged Property or evidence that an energy performance certificate is not required under applicable law or regulation.
- 3.6 A Valuation of each Charged Property which is to be the subject of (or is expressed to be the subject of) a Security Document to be entered into on or around the Effective Date.
- 3.7 A report on title from the Bank's solicitors in respect of each Charged Property which is to be the subject of (or is expressed to be the subject of) a Security Document to be entered into on or around the Effective Date in a form and substance to the satisfaction of the Bank.
- 3.8 Evidence that all insurances required under this Agreement or the Security Documents are in place to the Bank's satisfaction.
- 3.9 A copy of any other authorisation, document, opinion or assurance which the Bank considers necessary or desirable in connection with the entry into, and performance of, the transactions contemplated by this Agreement or the Security Documents, or for this Agreement or the Security Documents to be valid and enforceable.
- 3.10 If applicable, if any property which is or will be the subject of (or which is or will be expressed to be the subject of) a Security Document is a qualifying estate (as defined in the Economic Crime (Transparency and Enforcement) Act 2022 ("**ECTEA**")) and that property is, or will be, owned (whether in whole or part, jointly or individually) by an overseas entity (as defined in the **ECTEA**), evidence that the relevant overseas entity is properly and effectively registered on the Register of Overseas Entities ("**ROE**") at Companies House with evidence of the overseas entity's identification registration or, if the overseas entity is not registered on the ROE, a valid solicitor's or conveyancer's certificate certifying that the overseas entity falls within a specified class which is exempt from the requirement to register on the ROE.

Schedule 4 – Additional Payment Obligations

Part 1: Taxes

1 Tax gross-up

- 1.1 The Borrowers shall make all payments to be made by them under this Agreement without any Tax Deduction, unless a Tax Deduction is required by law.
- 1.2 The Borrowers shall notify the Bank promptly on becoming aware that they (or any one or more of them) must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction).
- 1.3 If the Borrowers (or any one or more of them) are or is required to make a Tax Deduction by law, the amount of the payment due from the Borrowers shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

2 Tax indemnity

- 2.1 The Borrowers shall (within three Business Days of demand by the Bank) pay to the Bank an amount equal to the loss, liability or cost which the Bank determines will be or has been (directly or indirectly) suffered for or on account of Tax by the Bank in respect of this Agreement.
- 2.2 Clause 2.1 of part 1 of Schedule 4 shall not apply:
 - 2.2.1 with respect to any Tax assessed on the Bank under the law of the jurisdiction in which the Bank is incorporated or, if different, the jurisdiction (or jurisdictions) in which the Bank is treated as resident for tax purposes, if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by the Bank; or
 - 2.2.2 to the extent a loss, liability or cost is compensated for by an increased payment under clause 1 of part 1 of Schedule 4.
- 2.3 If the Bank makes a claim under clause 2.1 of part 1 of Schedule 4, it shall notify the Borrowers as soon as is reasonably practicable of the event which gives rise to that claim, however, the Bank's entitlement to exercise its rights under clause 2.1 of part 1 of Schedule 4 is not conditional on such notification being made in accordance with this clause 2.3 of part 1 of Schedule 4.

3 Stamp Taxes

The Borrowers shall pay and, within three Business Days of demand, indemnify the Bank against any cost, loss or liability that the Bank incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of this Agreement and/or the Security Documents.

4 VAT

- 4.1 All amounts expressed to be payable under this Agreement and/or the Security Documents which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply and, accordingly, if VAT is or becomes chargeable on any supply made by the Bank to the Borrowers or the Trust under this Agreement and/or the Security Documents to which the Borrowers (or any one or more of them) are or is a party and the Bank is required to account to the relevant tax authority for the VAT, the Borrowers must pay to the Bank (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of the VAT (and the Bank must promptly provide an appropriate VAT invoice to the Borrowers).
- 4.2 Where this Agreement and/or any Security Document to which the Borrowers (or any one or more of them) are or is a party requires the Borrowers to reimburse or indemnify the Bank for any cost or expense, the Borrowers shall reimburse or indemnify (as the case may be) the Bank for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that the Bank reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

Part 2: Increased Costs

1 Increased costs

- 1.1 The Borrowers shall, within three Business Days of a demand by the Bank, pay the Bank the amount of any Increased Costs incurred by the Bank as a result of:
- 1.1.1 the introduction of or any change in (or in the interpretation, administration or application of) any law, regulation or directive (whether or not having the force of law); or
 - 1.1.2 compliance with any law, regulation or directive (whether or not having the force of law) made after the date on which the Bank has signed this Agreement.

2 Increased costs claims

- 2.1 If the Bank makes a claim under clause 1 of part 2 of Schedule 4, it shall notify the Borrowers, as soon as reasonably practicable of the event which gives rise to the claim, however, the Bank's entitlement to exercise its rights under clause 1 of part 2 of Schedule 4 is not conditional on such notification being made in accordance with this clause 2.1 of part 2 of Schedule 4.
- 2.2 As soon as practicable after a demand by the Borrowers, the Bank shall provide a certificate confirming the amount of its Increased Costs.

3 Exceptions

- 3.1 Clause 1 of part 2 of Schedule 4 does not apply to the extent any Increased Cost is:
- 3.1.1 attributable to a Tax Deduction required by law to be made by the Borrowers; or
 - 3.1.2 compensated for by clause 2 of part 1 of Schedule 4.

Part 3: Indemnities

1 Indemnities

- 1.1 The Borrowers shall indemnify the Bank within three Business Days of demand against any cost, loss or liability sustained, suffered or incurred by it as a result of:
- 1.1.1 the occurrence of an Event of Default or a Potential Event of Default; or
 - 1.1.2 any prepayment of the Loan being made other than in accordance with a notice of prepayment given in accordance with the terms of this Agreement; or
 - 1.1.3 a failure by the Borrowers (or any one or more of them) to pay any amount due under this Agreement and/or any Security Document to which it is or they are a party on its due date; or
 - 1.1.4 funding, or making arrangements to fund, the Loan requested by the Borrowers but not made by reason of the operation of any one or more of the provisions of this Agreement; or
 - 1.1.5 investigating any event which it reasonably believes is a Potential Event of Default or an Event of Default; or
 - 1.1.6 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.
- 1.2 Each indemnity in this Agreement:
- 1.2.1 is a separate and independent obligation from the other obligations in this Agreement;
 - 1.2.2 gives rise to a separate and independent cause of action;
 - 1.2.3 applies whether or not any indulgence is granted by the Bank; and

- 1.2.4 shall continue in full force and effect despite any judgment, claim, order or proof for a liquidated amount in respect of any sum due under this Agreement, or any other judgment or order.

Schedule 5 – Events of Default

1 Non-payment

- 1.1 The Borrowers (or any one or more of them) fail or fails to pay any sum payable under this Agreement when due, unless the failure to pay is caused solely by an administrative or technical error and payment is made within three Business Days of its due date.
- 1.2 Any party to a Security Document (other than the Bank) fails to pay any sum payable by it under a Security Document when due, unless its failure to pay is caused solely by an administrative or technical error and payment is made within three Business Days of its due date.

2 Non-compliance

- 2.1 The Borrowers (or any one or more of them) do not or does not comply with any provision of this Agreement (other than those referred to in clauses 1.1, 2.2 and 4 of Schedule 5). No Event of Default under this clause 2.1 of Schedule 5 will occur if the Bank considers, acting reasonably, that the failure to comply is capable of remedy and such failure to comply is remedied to the Bank's satisfaction within 14 days of the earlier of (i) the date on which the Borrowers (or any one or more of them) became aware of the failure to comply and (ii) the Bank giving notice to the Borrowers.
- 2.2 If any condition precedent has been waived by the Bank pursuant to clause 4.3 the Borrowers (or any one or more of them) do not or does not satisfy the relevant condition precedent in accordance with the terms of the applicable waiver and/or do not or does not comply with any term, provision, condition or requirement set out or referred to in the applicable waiver.
- 2.3 Any party to a Security Document (other than the Bank) does not comply with any provision of the relevant Security Document (other than those referred to in clause 1.2 of Schedule 5).

3 Misrepresentation

- 3.1 Any representation, warranty or statement made, repeated or deemed made or repeated by the Borrowers (or any one or more of them) in, or pursuant to, this Agreement (including, without limitation, the Warranties) is (or proves to have been) incomplete, untrue, incorrect or misleading when made, repeated or deemed made or repeated.
- 3.2 Any representation, warranty or statement made, repeated or deemed made or repeated by any party to a Security Document (other than the Bank) in or pursuant to the relevant Security Document is (or proves to have been) incomplete, untrue, incorrect or misleading when made, repeated or deemed made or repeated.

4 Financial Covenants

There is a breach of any of the financial covenants detailed in part 4 of Schedule 2.

5 Change of Control

A Change of Control occurs.

6 Cross-default

- 6.1 If:
 - 6.1.1 any Borrowings of any Borrower and/or any Borrowings of any party to a Security Document (other than the Bank) are not paid when due; or
 - 6.1.2 any Borrowings of any Borrower and/or any Borrowings of any party to a Security Document (other than the Bank) become due and payable, or capable of being declared due and payable, prior to its stated maturity by reason of an event of default (howsoever described); or
 - 6.1.3 any commitment for any Borrowings of any Borrower and/or any Borrowings of any party to a Security Document (other than the Bank) is cancelled or suspended by a creditor as a result of an event of default (howsoever described); or

- 6.1.4 (without limiting the foregoing) in respect of any Borrowings of any party to this Agreement or a Security Document (other than the Bank) from any member of the Bank's Group, (i) any such Borrowings is not paid when due, or (ii) any such Borrowings becomes due and payable, or capable of being declared due and payable, prior to its stated maturity by reason of an event of default (howsoever described) or (iii) any commitment for any such Borrowings is cancelled or suspended by any member of the Bank's Group as a result of an event of default (howsoever described); or
- 6.1.5 an event of default (howsoever described) occurs in respect of any other transaction, product or arrangement entered into with the Bank or any member of the Bank's Group.

7 Insolvency

- 7.1 Any Borrower stops or suspends payment of all or any of the Trust's debts, or the debts of the Borrowers (or any one or more of them) incurred as trustees of the Trust or is unable to, or admits its inability to, pay such debts as they fall due.
- 7.2 Any Borrower commences negotiations to reschedule any indebtedness, or enters into any composition, compromise, assignment or arrangement, with one or more of the creditors of the Trust or the Borrowers (or any one or more of them) as trustees of the Trust.
- 7.3 A moratorium is declared in respect of any indebtedness of the Trust and/or any indebtedness of the Borrowers (or any one or more of them) incurred as trustees of the Trust.
- 7.4 Any action, legal proceedings, or other procedure or step is taken in relation to:
- 7.4.1 the suspension of payments or a moratorium in relation to any indebtedness of the Trust and/or any indebtedness of the Borrowers (or any one or more of them) incurred as trustees of the Trust; or
 - 7.4.2 a composition, compromise, assignment or arrangement with any creditor of the Trust and/or any creditor of the Borrowers (or any one or more of them) as trustees of the Trust; or
 - 7.4.3 the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, nominee or supervisor or other similar officer in respect of the Trust and/or the whole or any part of the assets or undertaking of the Trust and/or the assets or undertaking held by the Borrowers (or any one or more of them) as trustees of the Trust; or
 - 7.4.4 the winding up, administration, reorganisation or dissolution of the Trust.
- 7.5 The aggregate value of the assets owned by the Borrowers (or any one or more of them) as trustees of the Trust is less than the aggregate of (without double counting) (i) the liabilities of the Trust and (ii) the liabilities of each Borrower incurred as a trustee of the Trust (taking into account contingent and prospective liabilities).
- 7.6 Any event occurs in relation to the Trust and/or the Borrowers (or any one or more of them) that is analogous to any of those set out in clause 7.1 to clause 7.5 (inclusive) of Schedule 5 in any jurisdiction.

8 Bankruptcy and analogous events

- 8.1 Any Borrower and/or any party to a Security Document (other than the Bank), who is a natural person, stops or suspends payment of any of its debts or is unable to, or admits its inability to, pay its debts as they fall due.
- 8.2 Any Borrower and/or any party to a Security Document (other than the Bank), who is a natural person, commences negotiations to reschedule any indebtedness, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors.
- 8.3 If, in relation to any Borrower and/or any party to a Security Document (other than the Bank), who is a natural person, such person is, or becomes, subject to a bankruptcy petition or order.
- 8.4 If, in relation to any Borrower and/or any party to a Security Document (other than the Bank), who is a natural person, any person is, or becomes, entitled to appoint a receiver over any of the assets of any Borrower or natural person.

- 8.5 If a judgment or order of any court be made against any of the Borrowers (or any one or more of them) and/or the Trust or any party to a Security Document (other than the Bank) for payment of any sum of money and is not complied with within 14 days.
- 8.6 If an application for a bankruptcy order or an application for an interim order under section 253 of the Insolvency Act 1986 is made in respect of any Borrower or a person is appointed by a court to prepare a report in respect of any of them under section 273 of the Insolvency Act 1986 or an interim receiver is appointed of any property held by any Borrower.

9 Cessation of business

Any Borrower suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of the business carried on by itself or the Trust and/or any party to a Security Document (other than the Bank) who is not a natural person, suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.

10 Creditors' process

A writ of execution be issued against, or any distress, attachment, execution, expropriation, sequestration or other analogous legal process is levied, enforced, or sued out on, or against, or affects any assets held by the Trust and/or any assets held by the Borrowers (or any one or more of them) as trustees of the Trust, and/or any assets held by any Borrower in its own capacity and has not been discharged within 14 days.

11 Enforcement of Security

Any Security on or over the assets (or any of them) held by the Trust and/or the Borrowers (or any one or more of them) as trustees of the Trust, and/or the assets held by any Borrower in its own capacity becomes enforceable or any step or procedure is taken in relation to the enforcement of any Security over the assets (or any of them) held by the Trust and/or the Borrowers (or any one or more of them) held as trustees of the Trust and/or on or over the assets (or any of them) held by any Borrower in its own capacity and/or on or over the assets of any other party to a Security Document (other than the Bank).

12 Unlawfulness and invalidity

- 12.1 It is or becomes unlawful for any party to this Agreement (other than the Bank) to perform any of its obligations under this Agreement.
- 12.2 It is or becomes unlawful for any party to a Security Document (other than the Bank) to perform any of its obligations under the relevant Security Document.
- 12.3 Any Security created or expressed to be created or evidenced by any Security Document ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than the Bank) to be ineffective.
- 12.4 Any obligation or obligations of any party to this Agreement (other than the Bank) under this Agreement are not or cease to be legal, valid, binding or enforceable.
- 12.5 Any obligation or obligations of any party to a Security Document (other than the Bank) under the relevant Security Document are not or cease to be legal, valid, binding or enforceable.
- 12.6 This Agreement and/or any Security Document ceases (whether in whole or in part) to be in full force and effect.

13 Repudiation and discontinuance

- 13.1 The Borrowers (or any one or more of them) repudiate (or repudiates) or evidence (or evidences) an intention to repudiate this Agreement.
- 13.2 Any party to a Security Document (other than the Bank) repudiates or evidences an intention to repudiate the relevant Security Document.

- 13.3 Any party to a Security Document (other than the Bank) notifies or evidences an intention to notify the Bank of its withdrawal from or discontinuance or determination of a Security Document to which it is a party.

14 Major damage

- 14.1 Any part of any Charged Property is destroyed or damaged and, in the opinion of the Bank, taking into account the amount and timing of receipt of the proceeds of insurance effected in accordance with the terms of this Agreement and/or a Security Document, the destruction or damage has or is likely to have a Material Adverse Effect.

15 Material contracts

Any Authorisation or contract entered into by any Borrower in the course of its business or in the course of business of the Trust, or any Lease Document, is terminated, not renewed or modified and in the opinion of the Bank such termination, non-renewal or modification has or is likely to have a Material Adverse Effect.

16 Material Adverse Effect

Any event or circumstance occurs which, in the opinion of the Bank, has or is likely to have a Material Adverse Effect.

17 Capacity

If any Borrower, or any party to a Security Document (other than the Bank), who is a natural person, dies or, by reason of illness or incapacity (whether mental or physical), becomes incapable of managing its own affairs.

18 Criminal proceedings

If any Borrower, or any party to a Security Document (other than the Bank), who is a natural person, is convicted of a criminal offence which, in the opinion of the Bank, has or is likely to have a Material Adverse Effect.

19 Trust

- 19.1 The termination or dissolution of the Trust occurs.
- 19.2 Any breach of trust (whether under the terms of the Trust Deed, any other deed or document or at law) in relation to the Trust occurs.
- 19.3 Any Borrower ceases to be a trustee of the Trust.
- 19.4 The Trust ceases to be registered under the Finance Act 2004.
- 19.5 Any Borrower makes, or agrees to make, any amendment, variation, supplement or replacement to the Trust Deed, without the prior written consent of the Bank.

20 Other/Miscellaneous

- 20.1 The Trust and/or any Borrower is subject to any investigation by any person, body or authority having any regulatory, professional or other supervisory functions or powers in relation to the Trust and/or any Borrower and which have, or are reasonably likely to have, an adverse outcome from the perspective of the Trust and/or the relevant Borrower.
- 20.2 The Trust and/or any Borrower is subject to any sanction, fine, punishment or any other adverse determination from any relevant professional, supervisory or regulatory person, body or authority.
- 20.3 Any court makes an order, or appoints a deputy, in respect of any Borrower under section 16 of the Mental Capacity Act 2005.

- 20.4 Any Borrower fails to pay any money owing by it to the beneficiaries of the Trust or to the other Borrowers (or any one or more of them) who are owed such money on behalf of the Trust, on the due date for payment of such money.
- 20.5 An injunction or freezing order is obtained by any person against the Borrowers (or any one or more of them) or any of their respective assets.

Schedule 6 – Form of Drawdown Request

To:
Handelsbanken plc
Unit G 1st Floor The Point
Bradmarsh Way Rotherham
S60 1BP

Dated [dd/mm/yyyy]

Dear Sirs

Agreement dated [dd/mm/yyyy] (the "Agreement")**

1. We refer to the Agreement. Terms defined in the Agreement shall have the same meaning in this Drawdown Request.
2. We wish to borrow the Loan on the following terms:

Amount: £[]

Proposed Drawdown Date: [] (or, if that is not a Business Day, the next Business Day).

Interest Payment Date***: []

Requested month of first Interest Payment Date****: []
3. We confirm that each condition specified in clause 4.2 is satisfied on the date of this Drawdown Request.
4. The proceeds of the Loan should be credited to:

[Bank account/persons details]
5. This Drawdown Request is irrevocable.

Yours faithfully

Signed by Adam John Yates
being a trustee of the Trust

Signed by Helen Yates
being a trustee of the Trust

Signed by Wayne Crossland
being a trustee of the Trust

*** please insert the 'Effective Date' as notified to you by the Bank*

**** please insert the numerical date in a calendar month that you want to be the Interest Payment Date (subject to such date being a Business Day). After drawdown of the loan, the Bank will notify you of the date of the first Interest Payment Date.*

***** please insert the requested month of the first Interest Payment Date, though the Bank will make the final determination of when the first Interest Payment Date will occur.*


Schedule 7 – Security

1. A first legal charge over 1 Beevor Court, Pontefract Road, Barnsley, S71 1HG and its associated assets (new security).


This Agreement may be signed either in manuscript or using an electronic signature. If this Agreement is signed by a party using an electronic signature, that party agrees that this method of signature shall be as conclusive of their intention to be bound by this Agreement as if signed using a manuscript signature.

THE BANK

Signed for and on behalf of the Bank



Authorised Signatory



Authorised Signatory

Bank's Fax 01709 539469

Bank's Email rotherham@handelsbanken.co.uk

Date 05/03/2024

THE BORROWERS

Agreed and accepted by the following persons being all the trustees of the Trust

**"Declaration for exemption relating to businesses
(articles 60C and 60O of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001)**

I am entering this agreement wholly or predominantly for the purposes of a business carried on by me or intended to be carried on by me.

I understand that I will not have the benefit of the protection and remedies that would be available to me under the Financial Services and Markets Act 2000 or under the Consumer Credit Act 1974 if this agreement were a regulated agreement under those Acts.

I understand that this declaration does not affect the powers of the court to make an order under section 140B of the Consumer Credit Act 1974 in relation to a credit agreement where it determines that the relationship between the lender and the borrower is unfair to the borrower.

I am aware that, if I am in any doubts as to the consequences of the agreement not being regulated by the Financial Services and Markets Act 2000 or the Consumer Credit Act 1974, then I should seek independent legal advice."

Signed by Adam John Yates
being a trustee of the Trust

Borrower's Fax

Date

Signed by Helen Yates
being a trustee of the Trust

Borrower's Fax

Date

Signed by Wayne Crossland
being a trustee of the Trust

Borrower's Fax

Date

