

Loan Facility Agreement

Parties:

Tumbles Holidays Limited

-and-

Trustees of the Tumbles Holidays Pension Scheme

-and-

Edna Ruth Richardson

-and-

John William Richardson

-and-

Deborah Ann Richardson

-and-

Kevin Pio Cranmer

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Date

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This agreement is dated: *23 JUNE 2009*

It is made between
The "Lender"
of

Trustees of the Tumbles Holidays Pension Scheme
c/o Pension Practitioner .Com Limited, Daws House, 33-35 Daws Lane,
London. NW7 4SD

and
The "Borrower"
of

Tumbles Holidays Ltd
Nettlecombe, Poughill, Bude. EX23 9EU (Company No. 05133486)

and
The "Security Holder"

Edna Ruth Richardson, John William Richardson and Deborah Ann Richardson all of Nettlecombe, Poughill, Bude. EX23 9EU, **Kevin Pio Cranmer** of 41 Proectors Road, Wokingham, Berkshire, BG40 1RP

Background

The purpose of this agreement is to set out the contractual terms under which the Lender will lend and the Borrower will borrow the sum of the Loan and matters relating to the Security which the Security Holder gives as security for the loan.

The terms of this Agreement are:

1 Definitions that apply to this agreement:

"Advance"	means a part of the Loan drawn down by the Borrower at his request.
"Basic rate"	means Interest at the rate of 6 per cent per year fixed for the term of the loan
"Financial Information"	means all information relating to the financial affairs of the Borrower including the Borrower's financial statement as on 31 March 2009 consisting of a balance sheet as on that date and a statement of income and retained earnings for the twelve months ended such date, copies of all of which have been furnished to the Lender.
"Higher Rate"	means a rate of interest 3 per cent higher than the Basic Rate.
"Interest Date"	means the date in each month when interest is payable.

"Loan" means the total amount of money lent now or at any later date than today, the amount outstanding as due from the Borrower to the Lender whether of capital or interest.

"Security" means the items set out in Schedule 1 or any one or more of them.

"The Security Holder" means those parties who have ownership in full of the Security, that are free from any encumbrances or charges to the Security

The terms "Lender" and "Borrower" include in the case of a corporation, any associated or subsidiary company and trust.

2 Amount of the Loan

The Loan is in the sum of £120,000 or such greater sum as shall in fact have been lent by the Lender to the Borrower at any time this agreement subsists, or such lesser sum as shall be outstanding after part repayment has been made.

3 Advances

3.1 The Loan shall be drawn down in a single sum as soon as this agreement has been signed.

4 Repayment conditions

The Loan shall be repaid in accordance with the provisions set out in Schedule 2:

5 Interest payable

5.1 Interest shall be calculated at the rate of the amount owing on each Capital Date in accordance with the loan schedule. It will be repaid in 12 equal installments on each Interest Date until such time that no capital amount remains outstanding.

5.2 Interest shall be paid on the Interest Date and shall be at the rate of 6% fixed for the loan term.

6 Early repayment of part

The Borrower may repay all or part of the Loan before the due date for repayment provided that not less than one month's written notice is given by the Borrower to the Lender specifying the amount proposed to be prepaid. This notice then binds the Borrower to make that payment on the date he has specified.

7 Method of payment

All payments due to the Lender of both capital and interest shall be paid in pounds sterling by bankers order into such account and bank within the United Kingdom as the Lender may from time to time in writing notify.

8 No change to capital structure

Until the Loan is repaid in full the Borrower:

- 8.1 shall not make without the prior written approval of the Lender any issue by way of capitalisation of profits or reserves;
- 8.2 shall not issue new share capital nor modify the rights attaching to its existing share capital in any way which has the effect of reducing any right attaching to the share capital which exists today;
- 8.3 shall not reduce its share capital or any uncalled liability in respect of it, or any share premium account or capital redemption reserve fund.

9 Borrower's warranties

The Borrower represents and warrants that:

- 9.1 It is authorised to enter into this agreement;
- 9.2 every subsidiary and associated company is authorised to accept the liabilities set out in this agreement as if it was a party;
- 9.3 the execution of this agreement, the borrowing, and the performance by the Borrower of his obligations are fully within the Borrower's legal authority, are not in breach of the articles of association of the Borrower, and do not and will not contravene or be in conflict with any provision of law or of any agreement binding upon the Borrower.

- 9.4 the Financial Information fairly represents the financial state of the Borrower at the date of this agreement knowing that the Lender has relied on it in granting the Loan;
- 9.5 the Financial Information has been prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of preceding financial years, and that since its date there has been no material change in the financial condition or operations of the Borrower.
- 9.6 the Borrower has no undisclosed contingent obligations;
- 9.7 there are no material, unrealised or anticipated losses from any present commitment of the Borrower;
- 9.8 the Borrower will advise the Lender of material adverse changes which occur at any time prior to the date of final payment;
- 9.9 no litigation, arbitration proceedings or governmental proceedings are pending or threatened against the Borrower which would, if adversely determined, materially adversely affect the financial condition of the Borrower or the Company or any Subsidiary;
- 9.10 the Borrower has filed all tax returns, if any, which are required to be filed, and has paid all taxes which have become due;
- 9.11 the proceeds of the Loan will be used solely for commercial purposes.

10 The Security

- 10.1 Each of the items listed in Schedule 1 is represented by share certificates of title which is lodged with the Lender and receipt of which the Lender acknowledges.
- 10.2 So far as the Lender has taken up an undated document of transfer of any Security, he undertakes not to date or use such document until seven days after he has served notice of default in the terms specified in this agreement.
- 10.3 After the expiry of seven days from the date of service of a notice of default, the Lender may sell the Security or any of it in a publicly used exchange or market place and the Borrower shall not complain at the price realised.

11 Event of Default

An "event of default" occurs when:

- 11.1 the Borrower fails to pay in full and on the due date for payment any sum due and remains in default for seven days after the Lender by notice to the Borrower has demanded immediate payment; or
- 11.2 a petition is presented for an order for the bankruptcy of the Borrower; or
- 11.3 in the opinion of the Lender, any representation or warranty made by the Borrower is found to be incorrect; or
- 11.4 If the Borrower is a company:
 - 11.4.1 a receiver is appointed to the Borrower; or
 - 11.4.2 notice is given of an Extraordinary General Meeting to resolve to wind up the Borrower; or
 - 11.4.3 a petition is presented for the winding up of the Borrower other than for the purposes of amalgamation or reconstruction.
- 11.5 If in the opinion of the Trustees the security falls below the value of the loan amount outstanding, then the Lender may call upon the Borrower to make up the total value by the addition of new Security to the sum of the value of the loan outstanding. If the Borrower fails within seven days so to make up the value of the Security, then the Lender may treat the default as an event of default and give notice accordingly.

12 Notice of default

- 12.1 Where an event of default has occurred the Lender may issue a notice of default. When the Lender does so, the whole amount of the Loan then outstanding and any unpaid interest immediately fall due for payment.
- 12.2 From the date when the Lender issues a notice of default, the rate of interest on the loan and on any unpaid interest shall be the Higher Rate and such interest shall be cumulated and calculated monthly.
- 12.3 Each Event of Default stands on its own, independently from any other Event of Default and shall not be limited by another Event of Default.
- 12.4 When an event of default happens, the Lender may serve on the Borrower a notice specifying the default.

13 Consequences of Termination

At any time after issue of a valid notice of default by the Lender:

- 13.1 the Lender may sell the Security wherever it may be, whereupon the Security Holder has no further interest in the Security, but only in the proceeds of sale, if in excess of the sum of all sums due to the Lender.
- 13.2 the Borrower shall pay to the Lender:
 - 13.2.1 all money due at any time under this agreement;
 - 13.2.2 damages for any breach of this agreement;
- 13.3 When at any time, the Lender is entitled to sell the Security and does sell it for a sum which exceeds the total sums due to him from the Borrower, then the balance of the realisation in excess of the Loan and other sums due by the Borrower, shall be paid immediately to the Security Holder.
- 13.4 The Security Holder now undertakes that upon notice of default having been given, he will use his best endeavors to assist the Lender in any way possible, to transfer the Security to the name of the Lender or to a third party by way of realisation.

14 Assignment

- 14.1 This Agreement shall be binding upon any successors, permitted assigns and transferees of either party, but the Borrower or Security Holder shall not assign or transfer any of its rights or obligations without the previous written consent of the Lender.
- 14.2 The Lender may assign its rights obligations to any other person without consent of the Borrower or the Security Holder
- 14.3 The Lender may disclose to a potential assignee who may propose enter into contractual relations with the Lender, such information about the Borrower and the Security as the Lender shall consider appropriate.

15 Promise to provide information

Until all obligations of the Borrower under this agreement have been performed in full and the Loan has been repaid, the Borrower agrees that, unless at any time the Lender shall otherwise expressly consent in writing, he will furnish to the Lender:

- 15.1 Within 3 months following the end of the Borrower's financial year a financial statement in the form and in respect of the period set out by way of example in Schedule 3;
- 15.2 from time to time a written report of any changes in the list of the Subsidiaries of the Company;
- 15.3 from time to time such other information concerning the Borrower as the Lender may reasonably request.

16 Contract is divisible

Each sub paragraph in this agreement is independent and severable from each other paragraph and therefore separately enforceable. If any restriction is unenforceable for any reason but would be enforceable if part of the wording were deleted, it will apply with such deletions as may be necessary to make it valid and enforceable.

17 Notices and service

- 17.1 Any notice or other information required or authorised by this agreement to be given by either party to the other may be given by hand or sent by first class pre-paid post, or electronic means to the other party at the address last provided for that type of communication.
- 17.2 Any notice or other information given by post shall be deemed to have been given on the second day after it was posted; and proof that the envelope containing any such notice or information was properly addressed, pre-paid and posted, or that it has not been so returned to the sender, shall be sufficient evidence that it has been duly given.
- 17.3 Any notice or other information sent by electronic means, shall be deemed to have been duly sent on the date of transmission.
- 17.4 Service of any legal proceedings concerning or arising out of this agreement shall be affected by causing the same to be delivered to the party to be served at his main place of business or his registered office, or to such other address as may from time to time be notified in writing by the party concerned.
- 17.5 The Security must be held by the Trustees for the duration of this Loan Agreement

18 Headings

The headings in this document are for reference only.

19 Dispute Resolution

In the event of a dispute arising out of this agreement the parties undertake to attempt to settle it through professional mediation before commencing litigation.

20 Waiver

The failure by either party to enforce at any time or for any period any one or more of the terms or conditions of this Contract shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this Contract.

21 Jurisdiction

This Contract shall be interpreted according to the Laws of England and the parties agree to submit to the exclusive jurisdiction of the English courts.

Signed by Trustees of the
Tumbles Holiday Pension Scheme

Trustee:



Trustee:

Signed by Tumbles Holiday Limited
acting by:

Director



Director/Secretary

Signed by Edna Ruth Richardson
In the presence of:

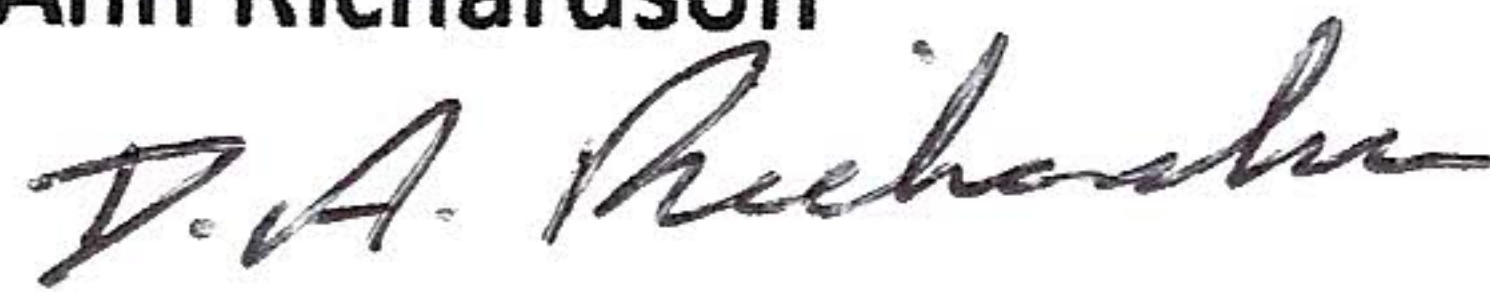


Witness name: Dawn Gibbon

address: 28 Treleven Road
Bude
Cornwall
EX23 8RZ

Signed by Deborah Ann Richardson

In the presence of:



Witness name: Dawn Gibbon

address: 28 Treleven Road
Bude
Cornwall
EX23 8RZ

Signed by **Kevin Pio Cranmer**

In the presence of:

Witness

name: 
Dawn Gibbon

address: 28 Treleven Road
Bude
Cornwall
EX23 8RZ

Signed by **John William Richardson**

In the presence of:

Witness

name: 
Dawn Gibbon

address: 28 Treleven Road
Bude
Cornwall
EX23 8RZ

Schedule 1

The Security

Assets pledged as security:

100 Ordinary shares fully paid up and subscribed to in **Tumbles Holidays Ltd** of Nettlecombe, Poughill Bude. EX23 9EU (Company No. 05133486), held by the Security Holder:

1. Deborah Anne Richardson – 20 Ordinary Shares
2. Edna Ruth Richardson – 20 Ordinary Shares
3. John William Richardson - 40 Ordinary Shares
4. Kevin Pio Harry Cranmer – 20 Ordinary Shares

Schedule 3

Annual Information Requirements

Directors Report and Unaudited Financial Report giving a statement of affairs of the Borrower, to include a Profit & Loss account and Balance Sheet