



BARCLAYS BANK PLC
Business Lending Operations
PO Box 16275
One Snowhill
Snow Hill Queensway
BIRMINGHAM
B2 2XD

PRIVATE & CONFIDENTIAL

The Trustees
The Verity & Beverley Limited Pension Scheme
The Coach House
4 The Chipping
Tetbury
Gloucestershire
GL8 8ET

Our Ref: LEN3001150327665/4753657198

Term Loan Commercial Terms

Barclays Bank PLC (the Bank) is pleased to offer the Borrower (defined below) a term loan facility (the Facility). The terms of the Facility are contained in this document (the Commercial Terms), the Standard Terms and any Product Terms delivered with the Commercial Terms.

Borrower(s):

Nathan Wesley Elphick and Ariane Isabelle Alkiviades (also known as Isabelle Bishop) as Trustees of the Verity & Beverley Limited Pension Scheme.

Parent:

Not applicable.

Facility Amount:

£90,000.00

Currency:

Sterling

Purpose:

Purchase of premises for pension fund.

Final Date for Drawing:

4 June 2015.

Loan Type:

Term Loan.

Margin:

3.690 per cent per annum.



Interest Rate Basis:

Base Rate Basis.

Breakage Costs:

Not applicable.

Interest Payment Requirements:

By debit to the Loan account.

Repayment Instalments:

120 instalments of £919.41 payable monthly commencing 1 month after the first draw down of the Facility.

Final Repayment Date:

The date falling 10 years after the date of first drawdown of the Facility.

Current Account:

The account agreed by the Bank and the Borrower from time to time to be the Current Account.

Fees:

Non-Utilisation Fee: There is no Non-Utilisation Fee.

Arrangement Fee: £1,350.00 which is payable on first drawdown of the Facility by debit to the Current account in the name of Verity & Beverley Limited.

Security Fees: The following security fees

£550.00 for the land charge

will be payable upon acceptance of the Commercial Terms by debit to the Current account in the name of Verity & Beverley Limited.

Prepayment Fee:

1.000 per cent of the amount prepaid.

Financial Covenants:

No Financial Covenants apply.

Financial Information:

The Borrower will provide the Bank with any financial information which the Bank may request from time to time.

Relevant Parties:

The Borrower and any other person who has given a guarantee or security relating to the Facility.

New Security Required:

A legal charge over The Coach House, 4 The Chipping, Tetbury, Gloucestershire on the Bank's standard form.



Existing Security:

The security listed in the Schedule to the Commercial Terms (if any).

Special Conditions:

Upon the drawdown of the Facility, the term loan facilities granted to Verity & Beverley Limited shall be repaid in full.

The Borrower shall ensure that, during the term of the Facility Agreement, (i) the terms of the Lease are not varied without the prior written consent of the Bank; and (ii) the Lease will remain in place for the duration of the Facility; and (iii) the rent payable under the Lease will not fall below the rent payable under the Lease as at the date of first drawdown under the Facility Agreement.

The **Trust Deed** means the trust deed dated the 14th November 2014 made between Verity & Beverley Limited, Nathan Wesley Elphick and Ariane Isabelle Alkiviades and the Rules defined in and annexed to that trust deed.

For the purposes of Condition 17.1(c) of the Standard Terms, "Relevant Party" shall mean each of the Relevant Parties as defined in the Commercial Terms and Verity & Beverley Limited.

Additional Conditions Precedent:

A copy of the Commercial Terms and SIPPS/SASS Product Terms signed by all the parties to it.

Confirmation satisfactory to the Bank that the lease between the Borrower and Verity & Beverley Limited (the Lease) of The Coach House, 4 The Chipping, Tetbury, Gloucestershire is in place and that it contains the following terms:

- (a) the term of the Lease is for a period equal to at least 10 years with no break clause available to either the Borrower or the tenant during that period;
- (b) the Lease does not contain any break clauses;
- (c) the Borrower has an absolute right to require an authorised guarantee agreement to be entered into if the Lease is assigned;
- (d) the Lease is a fully repairing and insuring lease; and
- (e) the lease allows for upward only rent reviews.

Product Terms:

SIPPS/SASS Product Terms.

The offer of the Facility is available for acceptance until the date falling 30 days after the date of the Commercial Terms.

Should the Commercial Terms detailed above not meet with your requirements you have the right to appeal (excluding the Standard Terms & Conditions, Pricing and Fees). For further information please visit www.barclays.co.uk/businessappeals or contact your Barclays Business Manager or call Barclays Business telephony on 0345 605 2345*.



For and on behalf of
Barclays Bank PLC

Stuart Marshall
Barclays Business Manager

13 March 2015

Barclays Bank
Telephone: 07917502900
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*Call charges may apply. Please check with your service provider. To maintain a quality service we may monitor or record phone calls.

The Facility detailed above is accepted for and on behalf of the Borrower on the terms contained in the Commercial Terms, the Standard Terms and in the Product Terms (if any) delivered with the Commercial Terms.

Nathan Wesley Elphick and Ariane Isabelle Alkiviades (also known as Isabelle Bishop) as Trustees of the Verity & Beverley Limited Pension Scheme

_____ Nathan Wesley Elphick

_____ Ariane Isabelle Alkiviades

18.03.15 Date

Verity & Beverley Limited

_____ Board Director

N. W. ELPHICK Print Name

_____ Board Director / Secretary

ARIANE ISABELLE ALKIVIADES Print Name

18.03.15 Date



THE SCHEDULE

Existing Security

There is no Existing Security.

Term Loan Standard Terms

1. Definitions

Terms defined in the Commercial Terms, these Standard Terms or any Product Terms have the same meaning when used in any part of the Facility Agreement. In the Facility Agreement, unless the context otherwise requires:

Actual Breakage Cost is calculated by subtracting the interest that the Borrower would have paid to the Bank (under the terms of the Facility Agreement) for the remainder of the fixed rate period from the interest payments which the Borrower would pay to the Bank if the Borrower entered into a new fixed interest rate on a comparable loan for the remainder of the fixed rate period. The difference in interest payments on each interest payment date is then discounted at the new fixed interest rate for the remainder of the fixed rate period. Actual Breakage Cost is the sum of the discounted differences for each interest period. There is no Actual Breakage Cost if at the date of the prepayment fixed interest rates are higher than at the date of the Facility Agreement;

Barclays Group means Barclays PLC and any of its Subsidiaries;

Bank's Base Rate means the Bank's base rate from time to time. Any changes to the Bank's Base Rate will be published in the national press but the Bank shall not be required to notify the Borrower of any changes to the Bank's Base Rate;

Business Day means a day (other than a Saturday or Sunday) on which the Bank is ordinarily open to effect transactions of the kind contemplated in the Facility Agreement and, if a payment is to be made in euros, on which any payment system chosen by the Bank is operating for the transfer of funds for the same day value;

euro means the lawful currency of member states from time to time participating in the single currency introduced in the third stage of economic union pursuant to the Treaty establishing the European Community (as amended);

Event of Default means any one of the events mentioned in Condition 17 (Events of default);

Facility Agreement means collectively the Commercial Terms, these Standard Terms and any Product Terms referred to in the Commercial Terms;

Loan means the aggregate principal amount (including any amount debited to the Loan account pursuant to the terms of the Facility Agreement) for the time being outstanding under the Facility;

month means a period starting on one day in a calendar month and ending on the corresponding day in the next calendar month or, if that is not a Business Day, on the next Business Day unless that falls in another calendar month in which case it shall end on the preceding Business Day, save that where a period starts on the last Business Day in a month or there is no corresponding day in the month in which the period ends, that period shall end on the last Business Day in the later month;

Obligor means the Borrower, the Parent (if named in the Commercial Terms) and any other person who has given a guarantee or security relating to the Facility;

Potential Event of Default means an event which, with the giving of notice, the lapse of time or the making of any determination, would constitute an Event of Default;

Reputation Risk Event means any act, matter, event or circumstance which results in, or could, in the reasonable opinion of the Bank, be expected to result in, damage to the reputation of any part of the Barclays Group;

Security Interest means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

Sterling and £ mean the lawful currency for the time being of the UK;

Subsidiary means a subsidiary undertaking as defined in the Companies Act 2006; and

VAT means value added tax or any similar tax substituted for it from time to time.

2. Interpretation

2.1 References to statutory provisions are to provisions of United Kingdom statutes and include references to amended, extended or re-enacted versions.

2.2 References to the Borrower, the Parent (if named in the Commercial Terms), an Obligor or the Bank shall include references to their respective successors and assigns.



2.3 References to **indebtedness** or **amounts outstanding** shall include any obligation for the payment or repayment of money (whether present or future, actual or contingent).

2.4 **person** means any person, firm, company, corporation, government, state, agency of a state, association, trust or partnership.

2.5 **partnership** means any partnership other than a limited liability partnership established under the Limited Liability Partnerships Act 2000.

2.6 **company** includes any company or corporation irrespective of its jurisdiction of incorporation and a limited liability partnership established under the Limited Liability Partnerships Act 2000.

2.7 References to a time of the day are references to the time in London.

2.8 The date of acceptance of the Facility Agreement and the date of the Facility Agreement means in each case, the last date on which it is accepted by the Borrower or the Parent (as the case may be).

2.9 If all or part of the Facility is denominated in the currency of a state which adopts the euro as its currency after the date of the Commercial Terms, the Bank shall be entitled to make such changes to the Facility Agreement as it reasonably considers are necessary to reflect the change over to the euro (including, without limitation, the rounding (up or down) of fixed monetary amounts to convenient fixed amounts in euros and amending any provisions to reflect the market conventions for any facility of the kind contemplated in the Facility Agreement).

2.10 A person who is not a party to the Facility Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefits of the Facility Agreement.

3. Amount

The maximum aggregate amount that the Borrower may borrow under the Facility is the Facility Amount. The Facility may only be drawn in the Currency.

4. Purpose

The Facility shall only be used for the Purpose.

5. Conditions precedent

5.1 The Facility may be drawn down by the Borrower provided that, before the first drawing, the Bank has received in form and substance satisfactory to it:

- (a) the Commercial Terms signed by the parties to it;
- (b) if required and the Borrower is or includes a company, a certified true copy of a resolution of its board of directors or members (as the case may be):
 - (i) accepting the Facility on the terms of the Facility Agreement;
 - (ii) authorising specified persons to sign the Commercial Terms; and
 - (iii) specifying those persons whose instructions (jointly or alone) the Bank is authorised to accept in all matters concerning the Facility, together with confirmed specimen signatures of each of those persons and of each of the persons referred to in (ii) above, if not already provided to the Bank;
- (c) if required and there is a Parent, a certified true copy of a resolution of the board of directors of the Parent approving the Facility Agreement and authorising specified persons to sign the Commercial Terms;
- (d) any evidence required by the Bank for the purposes of any "know your customer", "know your business" or other similar checks;
- (e) the New Security Required duly executed by the chargors/guarantors together with such other documents relating to them as the Bank requires; and
- (f) the Additional Conditions Precedent and any conditions precedent in the Product Terms.

6. Drawdown

6.1 The Borrower may request a drawing under the Facility by giving notice to the Bank (which shall be irrevocable and form and substance satisfactory to the Bank), specifying:

- (a) the drawdown date (being a Business Day on or before the Final Date for Drawing); and
- (b) the amount required in the Currency (which must be at least £25,000 or the equivalent amount in the Currency as determined by the Bank or such other amounts agreed by the Bank), by not later than 10.00 a.m. on (i) the proposed drawdown date if the Interest Rate Basis is the Base Rate Basis or (ii) the



Business Day (or the third Business Day if the Currency is not Sterling) prior to the proposed drawdown date if the Interest Rate Basis Fixed Rate Basis.

6.2 If the Interest Rate Basis is the Fixed Rate Basis the Borrower may only request drawings if a fixed rate has been agreed and only on the date(s) and in the amount(s) agreed between the Bank and the Borrower.

6.3 No drawing may be made if an Event of Default or Potential Event of Default exists or would occur if such drawing were made or if the Currency is not freely available to the Bank in the required amounts in the normal course of business in the London Interbank Market.

6.4 No drawing may be made and the Bank's obligation to advance any undrawn balance of the Facility shall cease if

a) the Borrower is or becomes, for any reason, a person to whom the Bank is prohibited from lending under any legal or regulatory requirements that are binding upon the Bank in the UK or elsewhere; or

b) a Reputation Risk Event has occurred.

6.5 Subject to the Bank acting reasonably and without undue delay, the Bank has the right to delay drawdown whilst it carries out investigations to establish if Condition 6.4 is relevant to the Facility.

7. Security

7.1 In order to protect the Bank's position in the event that the Borrower is unable to pay the Bank in full (but without affecting the terms of any security and/or guarantees), the Facility and all other indebtedness for the time being owing by the Borrower to the Bank will be secured by any security and/or guarantees which are held by the Bank from time to time (including, without limitation, the Existing Security and the New Security Required).

7.2 The Bank may at any time require any asset secured in favour of the Bank to be professionally valued at the Borrowers expense.

8. Repayment

8.1 The Borrower shall pay the Repayment Instalments as specified in the Commercial Terms. No amount which is repaid may be redrawn. If the Facility is not fully drawn by the Final Date for Drawing, any undrawn portion of the Facility shall be automatically cancelled and the Repayment Instalments shall be reduced pro rata.

8.2 The Borrower may, subject to giving

the Bank at least one month's notice, request a repayment holiday of up to twelve months. The Bank shall have absolute discretion as to whether to grant a repayment holiday and shall not be required to explain its reasons for any request which it declines. The Borrower will be notified in writing if the Bank agrees to any repayment holiday. The Bank's agreement will be conditional upon the Borrower continuing to pay interest on the Loan by debit to the Current Account.

8.3 The Bank may revise the Repayment Instalments annually if interest is capitalised or the Borrower has been granted a repayment holiday or the aggregate amount of the Repayment Instalments is insufficient to repay the Loan in full by the Final Repayment Date. The Bank will advise the Borrower of any variation to the Repayment Instalments and the Borrower will be bound to pay such instalments

8.4 Not used.

8.5 Notwithstanding any other provision of the Facility Agreement, the Borrower must repay the Loan, all accrued interest and all other amounts due in connection with the Facility in full on the Final Repayment Date.

9. Prepayment

9.1 The Borrower may prepay the Loan in full or in minimum amounts of £25,000 (or the equivalent amount in the Currency as determined by the Bank) or such other amounts agreed by the Bank together with interest accrued to the date of prepayment on the amount prepaid and any other amounts due under the Facility Agreement (including any amounts under the indemnities in Condition 20 (Indemnities)) on giving not less than 7 days' notice in writing to the Bank (which shall be irrevocable).

9.2 Any amount prepaid shall be applied towards the Repayment Instalments in inverse order of maturity. No amount which is prepaid may be redrawn.



9.3 The Borrower shall pay the Prepayment Fee together with the amounts payable under clause 9.1 above on the date of prepayment.

10. Cancellation

The Borrower may cancel the whole or any part (in minimum amounts of £25,000 (or the equivalent of such amount in the Currency as determined by the Bank) or such other amounts agreed by the Bank) of the undrawn Facility by giving not less than 7 days' notice in writing to the Bank (which shall be irrevocable) specifying the amount to be cancelled and the cancellation date. The Borrower shall, on the cancellation date, pay any accrued Non-Utilisation Fee on the amount cancelled.

11. Interest

11.1 If the Base Rate Basis applies, interest shall accrue at the rate per annum equal to the aggregate of the Margin and the Bank's Base Rate.

11.2 Not used.

11.3 If the Interest Rate Basis is the Fixed Rate Basis, and a fixed rate has been agreed (or is specified in the Commercial Terms), interest shall accrue at that fixed rate for the duration of the fixed period. At the end of the fixed period, until such time as a further fixed rate of interest per annum has been agreed in accordance with the paragraph below, interest shall accrue as if the Interest Rate Basis for the drawing were the Base Rate Basis.

If the Interest Rate Basis is the Fixed Rate Basis, the Borrower may, at any time before the Final Repayment Date, request the Bank to quote a fixed percentage rate per annum of interest for a fixed period of between one and ten years (or such other period as the Bank shall in its discretion offer). If the Bank and the Borrower agree a fixed rate shall apply, that fixed rate shall apply for the relevant period with effect from the date agreed.

For the avoidance of doubt, the Bank will not agree a new fixed rate for a fixed period which overlaps with a fixed period which is already in operation. A fixed rate, once agreed to by the Bank, is irrevocable.

11.4 Interest will be payable in arrear as specified by the Interest Payment Requirements unless otherwise agreed in writing by the Bank:

(a) in the case of interest calculated using the Bank's Base Rate, on the Bank's usual monthly charging dates in each month of each year;

(b) Not used; and

(c) in the case of interest calculated using an agreed fixed rate, at the end of each 1 or 3 month period (which the Borrower shall irrevocably select at the time the rate of interest is fixed) and on the date on which such fixed rate ends

and, in each case, on the date on which the Loan is repaid in full or the Facility is cancelled in full.

11.5 Not used.

11.6 Interest shall accrue from day to day (before and after judgment) and be calculated on the basis of the actual number of days elapsed over a 365 day year for amounts denominated in Sterling and over a 360 day year for amounts denominated in a currency other than Sterling (unless normal market practice for the relevant currency differs).

11.7 Any sum which the Borrower fails to pay when due may, at the discretion of the Bank, be treated as if it were part of the Loan (but with interest periods of a duration selected by the Bank) for the purposes of this Condition 11 and the rate of interest payable on any such sum shall be increased by 1 % per annum from the date on which the sum became payable.

11.8 The Bank may permit interest accruing on the Loan to be capitalised and added to the principal amount of the Loan on dates determined by the Bank.

12. Fees

12.1 The Borrower shall pay the Fees (plus any VAT payable on such fees) to the Bank, as specified in the Commercial Terms.

12.2 The Bank shall be entitled from time to time to review and vary the amount of any Management Fee payable by written notice to the Borrower.

12.3 Any Non-Utilisation Fee will be calculated on a daily basis from the date of acceptance of the Facility Agreement on the undrawn and uncanceled portion of the Facility and will be payable monthly in arrear, on the date the Facility (or any part of the Facility) is cancelled and on the Final Drawdown Date (or, if earlier the date the Facility becomes fully drawn).

13. Payments

13.1 All payments by the Borrower under the Facility Agreement shall be made in full to the Bank for value on the due date by such times and in such funds as the Bank may specify as being customary at the time for settlement of transactions in the Currency in the place of payment, without set-off or counterclaim and free and clear of any deduction or withholding on account of tax or otherwise. If the Borrower is required by law to make any deduction or withholding from any payment under the Facility Agreement, the sum due from the Borrower in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Bank receives a net sum equal to the sum which it would have received had no such deduction or withholding been required.

13.2 Notwithstanding Condition 12.1 (Fees), the Bank may, at its discretion, debit any sums due from the Borrower under the Facility Agreement to any account of the Borrower with the Bank.

13.3 The Bank shall be entitled to adjust the dates for the making of payments under the Facility Agreement where in the Bank's opinion it is necessary to do so in order to comply with the practice from time to time prevailing in the London Interbank Market or any other financial market relevant for the purposes of the Facility.

14. Representations and warranties

14.1 The Borrower and the Parent (if named in the Commercial Terms) represent and warrant that at all times:

- (a) It is legally empowered to borrow the Facility on the terms set out in the Facility Agreement;
- (b) it has taken all necessary action to authorise the acceptance of and the exercise of its rights under the Facility Agreement and the performance of its obligations under the Facility Agreement and all other documents to be entered into by it in connection with the Facility; and
- (c) there is no legal or other restriction on its ability to perform its obligations in respect of the Facility.

15. General undertakings

15.1 The Borrower and the Parent (if named in the Commercial Terms) undertake to procure that:

- (a) the obligations of the Borrower (and, if applicable, the Parent) in respect of the Facility shall at all times rank at least pari passu with all its other present and future unsecured obligations;
- (b) no Relevant Party shall create or agree to create or permit to subsist (other than in favour of the Bank) any Security Interest over any of its assets;
- (c) no Relevant Party will sell, transfer or otherwise dispose of the whole or any substantial part of its undertaking, property, assets or revenues, whether by a single transaction or a number of transactions (other than in the ordinary course of trading);
- (d) no Relevant Party will make any material change in the scope or nature of its business;
- (e) each Relevant Party shall maintain adequate insurance in relation to its business and assets with reputable underwriters or insurance companies against risks usually insured by persons carrying on a business such as that carried on by such Relevant Party and such other risks as the Bank may from time to time reasonably require;
- (f) the Financial Covenants (if any) and any other undertakings contained in the Facility Agreement are complied with;
- (g) it will immediately upon becoming aware of it, inform the Bank of any material litigation being threatened against a Relevant Party or the occurrence of any Event of Default or Potential Event of Default (and the steps, if any, being taken to remedy it);
- (h) if the Borrower is a partnership, the Borrower shall notify the Bank in writing immediately of any change in the membership of the partnership. Whenever possible such notification shall be given in advance of such change; and
- (i) if the Borrower comprises one or more trustees, the Borrower shall give to the Bank not less than 28 days' prior written notice of the proposed retirement of any trustee or the appointment of any new trustee (which shall not be effected without the prior written consent of the Bank) and shall notify the Bank in writing immediately upon the death of any trustee or the dissolution of any firm or corporation acting as trustee.



15.2 The Borrower agrees that the Special Conditions (if any) shall apply to the Facility.

16. Information

The Borrower and the Parent (if applicable) will provide the Bank with the Financial Information as specified in the Commercial Terms.

17. Events of default

17.1 Each of the events or circumstances set out in this Condition 17 is an Event of Default:

- (a) the Borrower does not pay on the due date any amount payable under the Facility Agreement; or
- (b) a Relevant Party does not comply with any of its obligations under or in connection with the Facility or any guarantee or security held by the Bank in respect of the Facility (other than referred to in (a) above); or
- (c) any indebtedness of any Relevant Party becomes immediately due and payable, or capable of being declared due and payable (or any commitment in respect of any such indebtedness is withdrawn or cancelled), in each case, prior to its stated maturity by reason of an event of default (however described), or any Relevant Party fails to discharge any indebtedness on its due date (other than a liability which such Relevant Party is then contesting in good faith on the basis of favourable legal advice); or
- (d) any representation or warranty made, or any information provided, by any Relevant Party in connection with the Facility is or proves to have been incorrect or misleading in any material respect when made; or
- (e) a Relevant Party is unable, or is likely to be unable, to pay its debts when due or suspends making payments on any of its debts; or
- (f) any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation of any Relevant Party other than a solvent liquidation or reorganisation of any Relevant Party which is not an Obligor;
 - (ii) a composition, assignment or arrangement with any creditor of any Relevant Party;
 - (iii) the appointment of a liquidator (other than in respect of a solvent liquidation of a Relevant Party which is not an Obligor), receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Relevant Party or any of its assets; or
 - (iv) enforcement of any Security Interest over any assets of any Relevant Party;or any analogous procedure or step is taken in any jurisdiction: or
- (g) any expropriation, attachment, sequestration, distress or execution affects any asset or assets of a Relevant Party; or
- (h) the presentation of a bankruptcy petition against, or the application for an interim order under Section 253 of the Insolvency Act 1986 in respect of, or the insolvency or death of, any Relevant Party; or
- (i) any guarantee or security relating to the Facility ceases to be legal, valid and binding on a Relevant Party; or
- (j) any guarantor giving or purporting to give notice to terminate its liabilities under any guarantee relating to the Facility; or
- (k) any Relevant Party is involved in litigation or in any other dispute which is likely in the Bank's opinion (acting reasonably) to have an adverse effect on the business of such Relevant Party; or
- (l) if the Borrower is a company, control of the Borrower (or the Parent) passing or having passed to any person or persons, acting either individually or in concert, who did not control the Borrower (or, as the case may be, the Parent) at the date of the Commercial Terms, without the prior written consent of the Bank ("control" having the meaning ascribed to it in relation to a body corporate by Section 995 of the Income Tax Act 2007); or
- (m) if a Relevant Party is a partnership, a change in the partnership which constitutes such Relevant Party for any reason, without the prior written consent of the Bank; or
- (n) if the Borrower comprises one or more trustees, any trustee ceases to act as such or any new trustee is appointed, without the prior written consent of the Bank; or
- (o) there being an adverse change in the financial or trading position or prospects of any Relevant Party which, in the Bank's reasonable opinion, is material; or
- (p) any other event of default referred to in any Product Terms occurs; or



(q) any event occurs in relation to the

Relevant Party in any jurisdiction which has an effect substantially similar to any of the events specified above, then, in any such case, the Bank's commitment to advance any undrawn balance of the Facility shall cease and the whole amount of the outstanding Loan and all accrued interest and other amounts owing under the Facility will immediately become repayable on demand in writing being made by the Bank at any time.

18. Costs and expenses

The Borrower shall reimburse to the Bank on demand on a full indemnity basis all valuation and legal fees and other out of pocket expenses (including VAT) incurred by the Bank in connection with the enforcement and/or preservation by the Bank of its rights under the Facility Agreement (and the documents referred to in the Facility Agreement).

19. Change of circumstances

19.1 In the event of any change in applicable law or regulation or the existing requirements of, or new requirements being imposed by, the Bank of England, the Financial Conduct Authority, Prudential Regulation Authority or other regulatory authority (whether or not having the force of law) which results in an increase to the Bank in the cost of funding, maintaining or making available the Facility or reduces the effective return to the Bank from the Facility, then the Borrower shall pay on demand such sum as may be certified by the Bank as being necessary to compensate for such increased cost or such reduction.

19.2 If, at any time, the Bank determines that:

- (a) it is or will become unlawful for it to carry out any of its obligations towards the Borrower in respect of the Facility; or
- (b) a Reputation Risk Event has occurred, then, upon the Bank notifying the Borrower of such event arising or existing in connection with the Borrower or any person related to the Borrower or any security and/or guarantee(s), the Borrower shall immediately prepay the Loan, together with all other amounts payable by the Borrower in respect of the Facility.

20. Indemnities

20.1 The Borrower shall indemnify the Bank on demand for any cost, expense, loss or liability suffered or incurred by the Bank in consequence of:

- (a) failure by the Borrower to borrow in accordance with a notice of drawing given by it to the Bank;
- (b) any default or delay by the Borrower in the payment of any amount when due in respect of the Facility;
- (c) the occurrence or continuance of any Event of Default or Potential Event of Default;
- (d) all or part of the Loan being prepaid or becoming repayable before its due date; or
- (e) all or part of the Loan being prepaid or becoming repayable before its due date, while interest is calculated at a fixed rate or after a fixed rate has been agreed, failure by the Borrower to draw the Facility on the dates and in the amounts agreed or in accordance with the terms of the Facility Agreement, including, without limitation, any loss (including loss of margin), expense or liability sustained or incurred by the Bank in any such event in liquidating or re-deploying funds acquired or committed to fund, make available or maintain the Loan (or any part of it) or in liquidating or varying transactions entered into in order to match, hedge or fund the Loan or any part of it and shall also extend to interest, fees and expenses paid or payable by the Bank on account of any funds borrowed in order to fund any unpaid amount arising as a result of non-payment by the Borrower of any amount due from it under the Facility Agreement.

20.2 In calculating the amounts payable pursuant to Condition 20.1 (Indemnities), the Bank may:

- (a) make or attempt to make arrangements from time to time such as hedging or swap arrangements to ensure the payment to it of all or part of the sums contemplated by the Facility Agreement or the financial equivalent;
- (b) refer from time to time to any agreement or agreements to which it is a party providing for transactions which are substantially the reverse of or which hedge or fund in whole or in part the transactions contemplated in the Facility Agreement; and
- (c) take all reasonable steps to make arrangements to avoid, mitigate or reduce the losses or the risk of losses which, in the opinion of the Bank, might otherwise arise from termination of any such



arrangements; and losses arising from them shall be treated as losses incurred as a result of the matters referred to in Condition 20.1 (Indemnities) after taking into account, as far as appropriate, the discharge or reduction of the obligations of the Bank and other such factors as the Bank shall reasonably determine to be relevant.

20.3 If any amount outstanding in respect of the Facility is paid or recovered in a currency (the "other currency") other than that in which it is required to be paid (the "contractual currency"), then, to the extent that the payment (when converted at the then applicable rate of exchange) falls short of the amount unpaid, the Borrower shall, as a separate and independent obligation, fully indemnify the Bank on demand against the amount of the shortfall. For the purposes of this paragraph the expression "rate of exchange" means the rate at which the Bank is able as soon as practicable after receipt to purchase the contractual currency in London with the other currency.

21. Notifications Binding

All notifications or determinations given or made by the Bank shall be conclusive and binding on the Borrower, except in the case of manifest error.

22. Assignment

The Borrower may not assign or transfer any of its rights in respect of the Facility. The Bank may assign or transfer all or any of its rights and/or obligations in respect of the Facility, in whole or in part, to any person or persons and may disclose to any actual or prospective assignee or transferee (or to any other person (i) in connection with a securitisation of all or any part of the Bank's loan assets from time to time or (ii) who may otherwise enter into contractual relations with the Bank in relation to the Facility) any information relevant to the Facility in the Bank's possession relating to the Borrower, the Parent (if named in the Commercial Terms) and their respective Subsidiaries on terms that such recipient is to treat in confidence any confidential information disclosed to it.

23. Set-off

The Bank may at any time after an Event of Default has occurred, without prior notice to the Borrower (and irrespective of any instructions to the contrary) apply any credit balance of the Borrower in any currency on any account or otherwise (or any amount paid to it by or on behalf of the Borrower) in or towards the payment or discharge of any indebtedness due, owing or incurred to the Bank by the Borrower. The Bank may use that credit balance (or amount) to buy any currency needed for that purpose. This right is without prejudice to any other rights the Bank may have at law.

24. Invalidity and forbearance

24.1 If any provision of any document relating to the Facility is or becomes invalid or unenforceable to any extent, the remainder of that document shall not be affected and each such provision shall be valid and enforceable to the fullest extent permitted by law.

24.2 All rights, powers and privileges under the documents relating to the Facility shall continue in full force and effect, regardless of the Bank's exercising, delaying in exercising or omitting to exercise any of them. The rights and remedies of the Bank in respect of the Facility are cumulative and not exclusive of any right or remedy provided by law.

25. Liability

25.1 Where the Borrower consists of more than one party, each such party shall be individually as well as jointly liable for all amounts payable under the Facility Agreement. In the event of death, bankruptcy, liquidation (including the passing of a resolution for liquidation) or dissolution of one or more such parties or an application for administration, an administration order or voluntary arrangement and/or any analogous proceedings in any other jurisdiction, the obligations of the other parties shall continue in full force and effect.

25.2 If the Borrower is a partnership, all partners at the time the Facility is taken up and any new partners shall be individually as well as jointly liable for all amounts payable under the Facility Agreement. If a partner leaves the partnership he or she shall continue to be jointly and individually liable until the Bank confirms in writing that such liability is cancelled. If requested, any new partner will sign any document requested by the Bank to confirm its individual and joint liability as provided for in this Condition 25.2.

26. Notices

26.1 Every notice, request or other communication shall:

- (a) be in writing delivered personally or by prepaid first class letter or facsimile transmission;
- (b) be deemed to have been received by the Borrower, in the case of a letter when delivered personally or 48 hours after it has been sent by first class post or, in the case of a facsimile transmission, at the time of transmission (provided that if the date of transmission is not a Business Day it shall be deemed to have been received at the opening of business on the next Business Day); and
- (c) be sent (i) to the Borrower at the address advised to the Bank; and (ii) to the Bank at the address advised to the Borrower from time to time or to such other address in England as may be notified in writing by the relevant party to the other.

26.2 All communications to the Bank shall be effective only on actual receipt by the Bank.

27. Governing law

27.1 The Facility Agreement, and all no contractual obligations arising out of or in connection with it, are governed by English law and the parties to it (other than the Bank) each submit to the exclusive jurisdiction of the English Courts.

27.2 Condition 27.1 (*Governing law*) is for the benefit of the Bank only. As a result, it does not prevent the Bank from taking proceedings relating to any dispute relating to the Facility or the documents relating to the Facility in any other courts with jurisdiction. To the extent allowed by law the Bank may take concurrent proceedings in any number of jurisdictions.

28. Service

The Borrower should contact the Bank if there are any terms of the Facility Agreement it wishes to discuss. Alternatively the Borrower may wish to seek independent advice to help it fully understand the Facility Agreement and the implications of its term.

Complaints about our service

The Bank wants to hear from the Borrower if the Borrower feels unhappy about the service it has received from the Bank. Letting the Bank know the Borrower's concerns gives the Bank the opportunity to put matters right for the Borrower and improve service to all the Bank's customers. If the Borrower has reason to complain the Borrower may do so in person, in writing by post or email or by telephone. Details of the Bank's complaints handling procedures are available on request from any branch, the Borrower's relationship team or servicing team, the Barclays Information Line on 0800 400 100* or www.barclays.co.uk.

Financial Ombudsman Service

If the Bank is unable to resolve the Borrower's complaint internally to its satisfaction, or the Bank has not resolved the Borrower's complaint within 8 weeks from when the Borrower first let the Bank know about its concerns and it is an eligible complainant, the Borrower may be able to refer its complaint to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E 14 9SR (www.financial-ombudsman.org.uk). The Financial Ombudsman Service is an organisation set up by law to give consumers a free and independent service for resolving disputes with financial firms. Details of those who are eligible complainants can be obtained from the Financial Ombudsman Service.

*Calls to 0800 numbers are free if made from a UK land line

Ref: BB0012 04/2012 – Term Loan

SIPP/SSAS Product Terms

1. Definitions

Terms defined in the Commercial Terms, the Standard Terms and these Product Terms have the same meaning when used in any part of the Facility Agreement. In the Facility Agreement, unless the context otherwise requires:

Debt Service means, in respect of any Relevant Period:

- (a) the aggregate amount of interest paid or capitalised under all borrowings; plus
- (b) the principal amount of borrowings repaid;

Net Rental Income means, in respect of any Relevant Period, the gross rent earned from any property charged to the Bank as security for the Borrower's obligations to the Bank less any costs relating to the management and maintenance of such property;

Pension Scheme means the pension scheme (within the meaning of section 150 of the Finance Act 2004), established by the Trust Deed and the Rules defined in and annexed to the Trust Deed;

Pensions Regulator is the body corporate established under section 1 of the Pensions Act 2004;

Pensions Ombudsman is the person appointed as the Pensions Ombudsman under section 145 of the Pension Schemes Act 1993 or as a Deputy Pensions Ombudsman under section 145A of that Act;

Property Value means the aggregate value (as determined from time to time by the Bank or, at the expense of the Borrower, by the Valuer on such bases and assumptions as the Bank may in its discretion require) of each freehold and leasehold property from time to time charged to the Bank by way of first charge as security for the Borrower's obligations; and

Valuer means the firm of valuers appointed by the Bank.

2. Financial covenants

2.1 The Borrower undertakes that

- (a) the Financial Covenants shall not be breached; and
- (b) the Loan shall not at any time exceed 50% of the aggregate value of the assets of the Pension Scheme.

2.2 The Bank may at any time at the expense of the Borrower, instruct the Valuer to carry out a Valuation of the Property.

3. Pension notifications

In addition to the general undertakings in Condition 14 (*Representations and warranties*) of the Standard Terms, the Borrower undertakes that it will provide the Bank immediately with the relevant information if any of the following occurs in relation to the Pension Scheme:

- (a) any claims, proceedings, disputes or actions (including complaints to the Pensions Ombudsman or investigations by the Pensions Regulator or Her Majesty's Revenue and Customs) are brought or threatened (other than routine claims for benefits) or any circumstances arise which might give rise to any such claim or action;
- (b) the Pensions Regulator issues any notice, injunction or interdict, makes any order, imposes any fine or penalty or otherwise exercises any of its powers (other than routine requests for information);
- (c) a person is obliged to make a report to the Pensions Regulator under section 70 of the Pensions Act 2004;
- (d) the Pension Scheme enters winding-up;
- (e) Her Majesty's Revenue and Customs withdraws the registration of the Pension Scheme; or



(f) a scheme sanction charge or a penalty arises under the Finance Act 2004.

4. Information relating to Pension Scheme

In addition to the information required under Condition 16 (*Information*) of the Standard Terms the Borrower shall deliver to the Bank at such time as they are prepared (whether to comply with the then current legal, regulatory or auditing requirements or not) the following documents in relation to the Pension Scheme:

- (a) the governing documentation;
- (b) any documents amending that governing documentation; and
- (c) any reports or notifications in relation to the Borrower made to the Pension Regulator.

5. Events of Default

The following are additional events of default which will entitle the Bank to exercise its rights in Condition 17 (*Events of default*) of the Standard Terms:

- (a) any of the circumstances in clause 3 (*Pension notifications*) of these Product Terms arises.

6. Conflict

In the event of any inconsistency or conflict, express or implied, between the provisions of the Facility Agreement and the provisions of any document creating security for the Facility, the provisions of the Facility Agreement shall prevail.



Financial Covenant Product Terms

1. Definitions

Terms defined in the Commercial Terms, the Standard Terms and these Product Terms have the same meaning when used in any part of the Facility Agreement. In the Facility Agreement, unless the context otherwise requires:

Cash Flow means, in respect of any relevant period, EBIT, adjusted as follows by:

- (a) deducting amounts paid in respect of corporation tax (including advance corporation tax);
- (b) adding amounts charged in respect of depreciation of tangible assets;
- (c) adding amounts charged in respect of amortisation of intangible assets;
- (d) deducting any increase (or adding any decrease) in Working Capital;
- (e) deducting amounts paid in respect of capital expenditure except to the extent funded from:
 - (i) the proceeds of the sale, lease, licence, transfer, loan or other disposal of assets (other than shares, business, real property or intellectual property); or
 - (ii) borrowing to fund any such disposal referred to above; and
- (f) deducting amounts of all dividends or distribution of any kind in cash or specie paid in respect of the share capital including, without limitation, the preference share capital or, (without double-counting) in respect of any unincorporated businesses, any drawings;

Cumulative Retained Profits means the cumulative aggregate of the consolidated retained profits shown in the balance sheet of the financial covenant group, in each financial year of the borrower or (as the case may be) the parent ending after the date of its most recent audited consolidated accounts as at the date of the Facility Agreement;

Debt Service means, in respect of any Relevant Period:

- (a) the aggregate amount of Gross Financing Costs paid (which for the purposes of this definition only, excludes any interest costs which are payable or capitalised); plus
- (b) the principal amounts of Gross Borrowings repaid, of the financial covenant group;

EBIT means in respect of any Relevant Period, the consolidated total operating profit before deducting any Gross Financing Costs and before taxation for continuing operations, acquisitions (as a component of continuing operations) and discontinued operations (as set out in Financial Reporting Standard No. 3) of the Financial Covenant Group but ignoring any exceptional items and in respect of unincorporated businesses, after the deduction of any drawings; and

EBITDA means in respect of any Relevant Period, EBIT before the deduction of any amount attributable to the amortisation of intangible assets and the depreciation of tangible assets of the Financial Covenant Group.

Financial Covenants means the financial covenants set out in the Commercial Terms.

Gross Borrowings means all indebtedness incurred in respect of borrowed money (together with any fixed premium on repayment) of the Financial Covenant Group and shall be deemed to include (without limitation):

- (a) the capitalised value of obligations under any hire purchase agreements and finance leasing agreements (as determined in accordance with applicable accounting standards);
- (b) indebtedness evidenced by bonds, debentures, loan stock, notes, commercial paper or similar instruments;
- (c) the nominal amount of any share capital expressed to be redeemable; and
- (d) indebtedness (including contingent liabilities) arising under or by virtue of:
 - (i) acceptance credits;
 - (ii) debt factoring, invoice or bill discounting or note purchase facilities (save to the extent that there is no right of recourse against any member of the financial covenant group);



- (iii) deferred payment for assets or services (other than normal trade credit); and
- (iv) any other transaction having substantially the same commercial effect as any of the foregoing, including (without limitation) those where liabilities are not shown as borrowings on a balance sheet by reason of being contingent, conditional or otherwise;

Gross Financing Costs means in respect of any Relevant Period, all interest, acceptance commission, payments under interest rate management arrangements (whether by way of swap, cap, collar, floor, option, forward rate Agreement or otherwise) and other continuing regular or periodic costs, charges and expenses in the nature of interest (whether paid, payable or capitalised and including the interest element in hire purchase and finance leasing charges) incurred by the Financial Covenant Group during such Relevant Period in effecting, servicing or maintaining borrowings or borrowing facilities;

Net Rental Income means, in respect of any Relevant Period, the gross rent earned from any property charged to the Bank by the Borrower, as security for the Borrower's obligations to the Bank less any costs relating to the management and maintenance of such property;

Net Tangible Assets means the aggregate of the amount paid up or credited as paid up on the issued share capital and the amount standing to the credit of the consolidated capital and revenue reserves (including share premium account, capital redemption reserve and profit and loss account) of the Financial Covenant Group but after deducting:

- (a) goodwill (including goodwill arising on consolidation) and other intangible assets;
- (b) (to the extent included) any reserve created by any upward revaluations of fixed assets made after the date of its most recent audited accounts as at the date of this offer and a copy of which has been delivered to the Bank;
- (c) (to the extent included) amounts attributable to minority interests and deferred taxation; and
- (d) any debit balance on profit and loss account, (but so that no amount shall be included or excluded more than once);

Property Value means the aggregate value (as determined from time to time by the Bank or, at the expense of the Borrower, by a valuer appointed by the Bank in consultation with the Borrower, on such bases and assumptions as the Bank may in its discretion require) of each freehold and leasehold property from time to time charged to the Bank by way of first charge as security for the Borrower's obligations;

Total Liabilities means the aggregate amount of all liabilities (including, without limitation, any amounts attributable to minority interests, deferred taxation, provisions and share capital expressed to be redeemable) of the Financial Covenant Group, to the extent that they would be included in a balance sheet under accounting principles and practices generally accepted in the United Kingdom;

Working Capital means, in respect of any Relevant Period:

- (i) the aggregate amount receivable by each member of the Group from trade debtors (net of provisions for bad or doubtful debts), other debtors and prepayments; plus
- (ii) stock and work-in-progress; less
- (iii) any amounts due to trade creditors and other creditors (excluding financial indebtedness under this Agreement) within one year (to include accruals (other than accruals of interest on financial indebtedness under this Agreement and accruals of dividends), deferred income, PAYE and VAT).

2. Financial Covenants

2.1 The Borrower or the Parent (as the case may be) undertake to comply with the financial covenants specified in the Commercial Terms.

2.2 The financial covenants shall be tested by reference to the most recent financial statements referred to in the Commercial Terms under the heading "testing". Notwithstanding the foregoing, any minimum NTA/Ratcheted NTA covenant or any Gross Borrowing Gearing Covenant are to be satisfied at all times



and the Borrower or (as the case may be) the parent shall if so required by the Bank from time to time provide the Bank with evidence of such satisfaction acceptable to the Bank.

2.3 The Borrower or (as the case may be) the Parent shall promptly notify the Bank of any proposed change in accounting principles to be adopted for the purposes of its audited accounts from those on the basis of which its most recent audited accounts as at the date of the Facility Agreement were prepared. if the Bank is of the opinion that any such change materially affects any of the financial covenants, it shall be entitled to require such covenants to be amended in such manner as it may deem appropriate to reflect such change.

2.4 All calculations for the purposes of the Financial Covenants and the related definitions shall be in accordance with accounting principles and practices generally accepted in the United Kingdom consistently applied.

2.5 The Bank may at any time require the property value to be determined.

