

Andy Johnson
1 The Pavilions, Cranford Drive
Knutsford, Cheshire
WA16 8ZR

20th January 2015

Dear Sirs,

Windermere Hydro Hotel Limited

I am writing to confirm that the application and funds for the above investment were received on the 19th January 2015.

W4GSL Ltd Retirement Benefits Scheme **£19,000**

Please find enclosed a transaction statement detailing investor's purchase of Bonds in Windermere Hydro Hotel Limited

On-going Communication

We will send out your client's Welcome Pack which will contain their Loan Note Instrument and Bond Certificate within 14 days of this confirmation letter

If you require any further information please do not hesitate to contact me.

Kind Regards



Kerrie Madden
Sales Support



WINDERMERE HYDRO HOTEL LIMITED**Unit 2.2 Waulk Mill, 51 Bengal Street, Manchester, M4 6LN****TRANSACTION STATEMENT**

Investors Name:	W4GSL Ltd Retirement Benefits Scheme
Name of Company	Windermere Hydro Hotel Limited
Class Description	A Bond
Date of Purchase	19 th January 2015
No. of Bonds	19
Price per Bond	£1,000
Total Subscription Amount	£19,000

Andy Johnson
1 The Pavilions, Cranford Drive
Knutsford, Cheshire
WA16 8ZR

4th February 2015

Dear Sirs,

Windermere Hydro Hotel Limited

I am writing to confirm that the application and funds for the above investment were received on the 2nd February 2015.

W4GSL Ltd Retirement Benefits Scheme **£13,000**

Please find enclosed a transaction statement detailing investor's purchase of Bonds in Windermere Hydro Hotel Limited

On-going Communication

We will send out your client's Welcome Pack which will contain their Loan Note Instrument and Bond Certificate within 14 days of this confirmation letter.

If you require any further information please do not hesitate to contact me.

Kind Regards



Kerrie Madden
Sales Support



WINDERMERE HYDRO HOTEL LIMITED**Unit 2.2 Waulk Mill, 51 Bengal Street, Manchester, M4 6LN****TRANSACTION STATEMENT**

Investors Name:	W4GSL Ltd Retirement Benefits Scheme
Name of Company	Windermere Hydro Hotel Limited
Class Description	A Bond
Date of Purchase	2 nd February 2015
No. of Bonds	13
Price per Bond	£1,000
Total Subscription Amount	£19,000

Andy Johnson
1 The Pavilion, Cranford Drive
Knutsford, Cheshire
WA16 8ZR

Dear Sirs,

RE: WELCOME PACK FOR Windermere Hydro Hotel Limited

Please find enclosed your welcome pack containing your executed Loan Note Instrument and signed Bond Certificate. We **strongly** recommend this certificate, together with your Loan Note Instrument are kept in a safe place as they will be needed for future reference.

On-going Communication

As part of our on-going communication with investors, we will provide updates every 6 months on your investment. Our website is updated monthly with reports on Windermere Hydro Hotel Limited.

Web: www.gdcv.co.uk

Username **WindermereHydro**

Password **HydroHotel1**

Once you receive the Welcome pack, can you please confirm receipt via email
k.madden@gdcv.co.uk

Yours Sincerely,



Kerrie Madden
Sales Support



SCHEDULE 1

Form of Bond Certificate

In relation to £2,500,000 Series A fixed rate loan notes 2020
Windermere Hydro Hotel Limited ("Company")

(Incorporated in England and Wales under company number 08450216)

Certificate No.	Principal Amount of Bonds	Number of Bonds
58	£19,000	19

ISSUE of up to £2,500,000 Series A fixed rate loan notes 2020 in denominations of £1,000 each (**Bonds**) created and issued pursuant to the Company's Articles of Association and a Resolution of its Board of Directors passed on 6th September 2013

THIS IS TO CERTIFY that **W4GSL Ltd Retirement Benefits Scheme** is/are the registered holder(s) of **19** Bonds in principal amount of **£19,000**, as constituted by and issued subject to the terms and conditions of a deed entered into by the Company on **19th January 2015 (Deed)**.

The Bonds are transferable only in accordance with the Deed. No transfer of any part of the Bonds represented by this Certificate will be registered unless accompanied by this Certificate.

The Bonds are redeemable in accordance with the terms and conditions contained in the Deed a copy of which is attached to this Certificate.

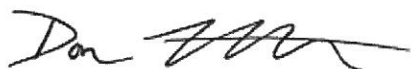
A copy of the Deed is available for inspection at the Company's registered office.

The Bonds are governed by, and are to be construed in accordance with, English law.

EXECUTED as a DEED by Windermere)
Hydro Hotel Limited acting:)



Director



Director/Secretary

DATED

31st January 2014

WINDERMERE HYDRO HOTEL LIMITED

DEED

**relating to the issue of up to £2,500,000 Series A Fixed
Rate Loan Notes 2020**

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THIS DEED is made on 31st January 2014 by **Windermere Hydro Hotel Limited** a company registered in England and Wales with number 08450216 whose registered office is at Unit 2.2, Waulk Mill, 51 Bengal Street, Manchester M4 6LN (**Company**).

BACKGROUND

The Company has pursuant to its memorandum and Articles and by resolution of the Board passed on 6th September 2013 created up to £2,500,000 Series A fixed rate loan notes 2020 to be constituted by this deed.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this deed the following words and expressions shall (except where the context otherwise requires) have the following meanings:

Articles

the articles of association of the Company from time to time in force;

Board

the board of directors of the Company for the time being or a duly constituted committee thereof;

Bondholders

the several persons for the time being entered in the Register as holders of the Bonds;

Bond

in respect of the £2,500,000 Series A fixed rate loan notes of the Company constituted by this deed or, as the case may be, the principal amount thereof for the time being issued and outstanding, each tranche of £1,000 in nominal amount, of which in total there shall be up to 2,500 Bonds in number;

Business Day

a day (which for these purposes ends at 5.30pm) on which banks are open for commercial business in the City of London other than a Saturday or Sunday;

Certificate

a certificate for the Bonds issued in accordance with clause 7 and in the form or substantially in the form of schedule 1;

Director

a director or directors of the Company or any duly appointed committee of them;

Fully Subscribed

written confirmation having been received by the Company from GDCV Investments Limited of GDCV Investments Limited having received valid applications for the aggregate subscription of not less than £2,500,000 from a person or persons who acquire or apply to acquire Bonds in the Company pursuant to the terms of the Information Memorandum;

Group

the Company and its Subsidiaries from time to time and references to a member of the Group or a "Group Member" shall be construed accordingly;

Information Memorandum

the information memorandum to be issued to a prospective Bondholder by or on behalf of the Company;

Long Stop Date

31st December 2014 or such other date as the Director may determine;

Maturity Date

the sixth anniversary of the date of this deed or, if such date is not a Business Day, the next succeeding Business Day;

Property

any commercial property purchased by the Company;

Redemption Premium

in respect of any redemption of the Bonds under this deed, an additional amount equal to fifteen per cent (15%) of the principal amount of the Bonds redeemed on the relevant date;

Register

the register of Bondholders referred to in clause 9.1;

Special Resolution

has the meaning set out in paragraph 15 of schedule 2;

Subsidiary

has the meaning given in section 1159 of the Companies Act 2006;

Tax

shall be construed so as to include all present and future taxes, charges, imposts, duties, levies, deductions, withholdings or amounts or charges of a similar nature, or any amount payable on account of, or as security for, any of the foregoing, including any penalties, fines, surcharges or interest payable in connection with such amounts, and the terms Taxes and "Taxation" shall be construed accordingly; and

Treaty on European Union

the Treaty establishing the European Community of 25 March 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (signed at Maastricht on 7 February 1992 and brought into force on 1 November 1993) as amended from time to time.

- 1.2 In this deed (unless the context otherwise requires):
- 1.2.1 words and phrases which are defined or referred to in or for the purposes of the Companies Act 2006 have the same meanings in this deed (unless otherwise expressly defined in this deed);
 - 1.2.2 reference to any gender includes all genders, reference to the singular includes the plural (and vice versa), and reference to persons includes bodies corporate, unincorporated associations and partnerships (whether or not any of the same have a separate legal personality);
 - 1.2.3 reference to a statute or a statutory provision includes reference to:
 - 1.2.3.1 the statute or statutory provision as modified or re-enacted or both from time to time except to the extent that any modification, amendment, consolidation, re-enactment or replacement made after the date of this agreement would increase the liability of the Company; and
 - 1.2.3.2 any subordinate legislation made under the statute or statutory provision (as modified or re-enacted as set out (but subject to the exception) in clause 1.2.3.1 above);
 - 1.2.4 reference to writing includes any method of representing or reproducing words in a legible form;
 - 1.2.5 reference to statutory obligations shall include obligations arising under Articles of the Treaty on European Union, and regulations, directives and decisions of the European Union as well as United Kingdom Acts of Parliament and subordinate legislation;
 - 1.2.6 reference to a clause or schedule is to a clause of, or schedule to this deed, and reference to a paragraph is to a paragraph of a schedule to this deed;

- 1.2.7 reference to the parties to this deed includes their respective permitted assigns and personal representatives;
 - 1.2.8 reference to any party to this deed comprising more than one person includes each person constituting that party;
 - 1.2.9 a body corporate shall be deemed to be associated with another body corporate if it is a holding company or a subsidiary of a holding company of that other body corporate;
 - 1.2.10 reference to any professional firm or company includes any firm or company effectively succeeding to the whole, or substantially the whole, of its practice or business;
 - 1.2.11 the contents list, headings and any descriptive notes are for ease of reference only and shall not affect the construction or interpretation of this deed;
 - 1.2.12 a "person" includes any natural person, firm, company, corporation government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;
 - 1.2.13 the "euro" shall be construed as a reference to the single currency of participating member states of the European Union.
 - 1.2.14 "redemption" includes purchase and repayment and the words "redeem" and "redeemed" shall be construed accordingly; and
 - 1.2.15 "pounds" and "£" denote lawful currency of the United Kingdom.
- 1.3 This deed incorporates the schedules into it.
- 2. AMOUNT AND STATUS OF BONDS**
- 2.1 The principal amount of the Bonds is limited to £2,500,000.
- 2.2 The Bonds shall be issued in denominations and integral multiples of £1,000 at par and for cash to such persons, at such times and on such terms and conditions as the Board may decide. The Company may from time to time (by resolution of the Board) cancel any Bonds created but unissued.
- 2.3 All the obligations and covenants contained in this deed shall be binding on the Company and the Bondholders and all persons claiming through them.
- 2.4 The Bonds constitute general and unconditional obligations of the Company which shall rank *pari passu* amongst themselves and as a secured obligation of the Company and separately *pari passu* with all other bonds and secured obligations of the Company from time to time.
- 3. INTEREST**
- 3.1 Until the Bonds are redeemed or purchased in accordance with the terms of this deed interest on the Bonds shall accrue at the rate of five per cent (5%) per annum. Interest shall increase annually in line with the Retail Price Index.
- 3.2 Interest on the Bonds will be calculated on the basis of a 365 day year, shall roll up over the term of this deed and shall not be compounded with the principal amount of the Bonds for the purposes of calculating interest accrual.
- 3.3 All accrued interest on a Bond will be payable in accordance with 3.4 below and for the avoidance of doubt no amount of accrued interest shall be compounded nor shall it be added to the principal amount of the Bonds.
- 3.4 The first payment of interest on the Bonds shall be made on the first anniversary of the earlier of the following to occur;
- 3.4.1 Full Subscription or;
 - 3.4.2 the Long Stop Date
- the "First Interest Payment Date", and interest will be paid on each Bond from the date of the purchase of that Bond up to and including the First Interest Payment Date. Interest on the Bond shall thereafter be paid on each anniversary of the First Interest Payment Date (each,

an "Interest Payment Date") in respect of the previous 12 month period ending on the day of that Interest Payment Date.

- 3.5 Interest shall accrue on the Bonds from the date of purchase of that Bond. Interest ceases to accrue on the Bonds as from the due date for redemption of the Bonds. However, if, upon due delivery of a Certificate in accordance with clause 8, payment of principal or interest on a Bond is improperly withheld or refused then interest shall continue to accrue on the relevant Bond at the same rate set out in clause 3.1 above (as well after as before judgment) up to but excluding the date of payment of amounts payable in respect of the relevant Bond.

4. REDEMPTION OF BONDS

- 4.1 Subject to the other terms of this deed, the Bonds will be redeemed at par together with any accrued interest and the Redemption Premium on the Maturity Date.
- 4.2 The Company shall be entitled, upon giving not less than seven days' prior notice in writing to the Bondholders, to redeem at any time at par the whole or any part of the Bonds together with any accrued interest for the time being outstanding thereon and the Redemption Premium, and for the avoidance of doubt, on the expiry of such notice, the Bonds in respect of which such notice has been given shall be so redeemed.
- 4.3 Save to the extent sanctioned by Special Resolution, where the Company is to redeem the Bonds but not all of the Bonds, then any such redemption shall be on a pro rata basis to each Bondholders holding of Bonds, provided always that Bonds may only be redeemed in their issued denominations of £1,000 and integral multiples thereof.
- 4.4 The Company (or a nominee or any other person which the Company shall direct) may at any time purchase any Bonds by tender (available to all Bondholders alike) or by private treaty or otherwise by agreement with the relevant Bondholder at any price whether at par or above or below par.
- 4.5 As and when the Bonds or any part of the Bonds are redeemed under the provisions of this deed, the Company shall pay to the Bondholders the full principal amount of the Bonds to be repaid together with any accrued interest and the Redemption Premium on such Bonds that are being redeemed, the amounts received being first applied against accrued interest and then the Redemption Premium.

5. ACCELERATED REPAYMENT

- 5.1 Save to the extent sanctioned by a Special Resolution, a Bondholder shall be entitled to require all of his holding of Bonds to be redeemed at par together with accrued interest up to (and including) the date of redemption and the Redemption Premium on or any time after the occurrence of any of the following events:
- 5.1.1 the failure by the Company to redeem the principal amount of the Bonds or any part of them or to pay any interest within 14 days after the due date for such redemption or payment;
- 5.1.2 the Company or any member of the Group ceasing to carry on its business or a substantial part of its business except as a result of a winding up pursuant to a scheme previously approved by Special Resolution of the Bondholders;
- 5.1.3 in relation to the Company or any member of the Group:
- 5.1.3.1 the dissolution or the passing of a resolution for voluntary winding-up (provided that this clause 5.1.3.1 shall not apply in the case of a voluntary amalgamation or reconstruction of the Company or, as the case may be, relevant member of the Group, on a solvent basis previously approved by Special Resolution); or
- 5.1.3.2 the making of a winding up order; or
- 5.1.3.3 the making of an application to court for an administration order or the giving or filing of notice of an intention to appoint an administrator; or

- 5.1.3.4 the appointment of a liquidator, administrator, receiver, receiver and manager or administrative receiver or similar officer in relation to the whole or any part of its assets, rights or revenues; or
 - 5.1.3.5 it being or becoming unable or capable of being deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986; or
 - 5.1.3.6 the taking of any steps by any person to obtain a moratorium; or
 - 5.1.3.7 it proposing or entering into any composition or arrangement with its creditors including (without prejudice to the generality of the foregoing) a voluntary arrangement under the Insolvency Act 1986 or a scheme of arrangement under part 26 of the Companies Act 2006; or
 - 5.1.3.8 proceedings being commenced under any law, regulation or procedure relating to the reconstruction or adjustment of debts.
- 5.2 The Company shall give notice to each Bondholder of the occurrence of any event mentioned in clause 5.1 as soon as is reasonably practicable following it becoming aware of the same.
6. **PAYMENTS**
- 6.1 All payments by the Company to the Bondholders, whether in respect of principal interest, Redemption Premium or any other sums due under the terms of this deed, shall be made in freely transferable, cleared sterling funds to such account as the relevant Bondholder may have specified to the Company in writing for this purpose. All such payments shall be made in full without any deduction or withholding (whether in respect of set-off, counterclaim, duties, taxes, charges or otherwise whatsoever), unless the deduction or withholding is required by law, in which event the Company shall:
- 6.1.1 ensure that the deduction or withholding does not exceed the minimum amount legally required;
 - 6.1.2 pay to the relevant taxation or other authorities within the period for payment permitted by applicable law the full amount of the deduction or withholding; and
 - 6.1.3 furnish to each of the Bondholders concerned within the period for payment permitted by the relevant law, a certificate of deduction or equivalent evidence of the relevant deduction or withholding.
- 6.2 Where a Bondholder fails to provide the Company with details or sufficient details of an account where a payment is to be made to under the terms of clause 6.1 above then the Company may send a cheque, warrant or order by post:
- 6.2.1 in the case of a sole holder, to his registered address;
 - 6.2.2 in the case of joint holders, to the registered address of the person whose name stands first in the Register;
- 6.3 Every cheque, warrant or order is sent at the risk of the person entitled to the payment and shall be made payable to the order of the person or persons entitled. The payment of the cheque, warrant or order is a good and effective discharge to the Company of its obligations in respect of payment of the relevant amount. If payment is made by a bank or other funds transfer, or by another method at the direction of the holder or holders or other person or persons entitled, the Company is not responsible for amounts lost or delayed in the course of the transfer, or in carrying out those directions.
7. **CERTIFICATES**
- 7.1 The Company shall issue a duly executed Certificate for each of the Bonds. The Certificates shall be in the form or substantially in the form set out in schedule 1 and the provisions of this deed shall be attached to each of the Certificates.
- 7.2 Each Bondholder or the joint holders of any of the Bonds shall be entitled without charge to once Certificate for the total amount of Bonds registered in his name or their names. Any Certificate in the names of joint holders of any of the Bonds shall be delivered to the first

named of such joint holders in the Register unless all such joint holders otherwise specify in writing.

- 7.3 If any Certificate is defaced worn out lost or destroyed the Company may issue anew Certificate on such terms (if any) as the Directors may require as to indemnity and evidence of defacement wearing out loss or destruction. In the case of defacement or wearing out, the defaced or worn out Certificate shall be surrendered and cancelled before the new Certificate is issued. In the case of loss or destruction, the person availing himself of the provisions of this clause shall also pay to the Company (if demanded) all expenses incidental to the investigation of evidence of loss or destruction and the preparation of any form of indemnity. There shall be entered in the Register particulars of the issue of any new Certificate and any indemnity.

8. SURRENDER AND CANCELLATION

- 8.1 A Bondholder, any of whose Bonds are due to be redeemed under any of the provisions of this deed shall, not later than the due date for redemption, deliver to the Company (at its registered office for the time being or such other place in the United Kingdom as the Company may, from time to time, notify to the Bondholders) the certificate(s) for the Bonds (or an indemnity in accordance with clause 7 where such certificate(s) is lost, defaced or destroyed) for cancellation. Upon delivery and against a receipt (if the Company so requires) for the moneys payable in respect of the Bonds, the Company shall pay to the Bondholder those moneys. If any certificate so delivered includes any Bonds which are not to be redeemed at the time at which it is so delivered, the Company shall issue to the Bondholders, without charge, a new certificate for the balance of such Bonds.
- 8.2 If any Bondholder fails to comply with the provisions of clause 8.1, the Company may pay all amounts payable in respect of the Bonds into a separate interest-bearing bank account.
- 8.3 The payment of an amount into a bank account by the Company pursuant to the provisions of clause 8.2 does not constitute the Company a trustee in respect of the amount and is deemed for all purposes to be a payment to the Bondholder and, if such amount represents all amounts payable in respect of any Bonds, the Company is discharged from all obligations in respect of such Bonds. The Company is not responsible for the safe custody of the amounts, related interest or Redemption Premium deposited into such bank account. The Company is, and the Bondholder is not, entitled to interest accrued on the amount deposited to such bank account.
- 8.4 The payment of an unclaimed amount into a bank account does not constitute the Company a trustee in respect of it. Amounts in respect of interest or Redemption Premium on any Bonds which remain unclaimed by the Bondholders for a period of six years and amounts due in respect of principal which remain unclaimed for a period of twelve years, in each case from the date on which the relevant payment first becomes due, revert to the Company and the Bondholder ceases to be entitled to the amounts.

9. REGISTER OF BONDHOLDERS

- 9.1 The Company shall at all times maintain the Register at its registered office or at such other place in the United Kingdom as it may from time to time decide in which shall be entered:
- 9.1.1 the names and addresses of the holders for the time being of the Bonds;
 - 9.1.2 the amounts of each Bondholders respective holdings of Bonds;
 - 9.1.3 the dates upon which Bondholders were respectively registered as holders of such Bonds; and
 - 9.1.4 the serial number of each Certificate issued and its date of issue and the date on which a person ceased to be a Bondholder.
- 9.2 The Company shall promptly enter in the Register each change to the information specified in clause 9.1.
- 9.3 Each Bondholder shall notify the Company of any change of his name or address and the Company upon receiving such notification shall alter the Register accordingly.

- 9.4 The Register shall at all reasonable times during business hours be open for inspection by the Bondholders or any of them or by any person authorised in writing by them. The Bondholders or any of them (or persons authorised in writing by them) may at any time and from time to time request a copy of the Register or any part of it.

10. **TITLE OF THE BONDHOLDERS**

- 10.1 The Company shall recognise the registered holder of any Bonds as the sole absolute owner of such Bonds and as alone entitled to receive and give effectual discharge for the monies comprised in them. The Company shall not be bound to take notice or see to the execution of any trust whether express or implied or constructive to which any Bonds may be subject and shall not be affected by any notice it may have whether express or constructive of the right title interest or claim of any other persons to or in such Bonds or monies.
- 10.2 Subject to clause 10.3 below, if several persons are entered in the register as joint holders of any Bonds, the receipt of any one of such persons for any monies from time to time payable in respect of such Bonds shall be as effective a discharge to the Company as if the person signing such receipt were the sole registered holder of such Bonds.
- 10.3 If several persons are entered in the register as joint holders of any Bonds and one such holder is the trustee of a self invested personal pension (**SIPP Trustee**) that SIPP Trustee shall be deemed to be the first named holder of the Bonds (and shall be recorded in the Register as such) and any monies from time to time payable in respect of such Bonds (whether capital or interest) shall be remitted and paid on the instructions of the SIPP Trustee whose receipt shall be an effective discharge to the Company.
- 10.4 The Company shall recognise the executors and administrators of a sole registered holder of a Bond as the only persons having any title or interest in such Bond on the death of such Bondholder. The Company shall recognise the survivor or survivors of joint registered holders of a Bond as the only person or persons as having any title or interest in such Bond on the death of one or more of such joint registered holders.

11. **TRANSFER OF BONDS**

- 11.1 The Company may not sell, transfer, assign, mortgage or otherwise encumber any of the Bonds or all or any part of its obligations under the Bonds.
- 11.2 Subject to the terms of this deed, a Bondholder may transfer all or any of the Bonds held by it to:
- 11.2.1 a person shown to the reasonable satisfaction of the Company to be a nominee for such Bondholder only, and by any such nominee back to the Bondholder or to another person shown to the reasonable satisfaction of the Company to be a nominee for the Bondholder; or
- 11.2.2 in the case of Bonds held by a pension scheme or other registered pension fund, to any beneficiary of that scheme or fund or to any replacement trustees or into the joint name of the existing and any new or additional trustees; or

if any transfer of Bonds is proposed to any transferee which is not as is described in clauses 11.2.1 or 11.2.2, the transferring Bondholder shall give the Company not less than 1 month's notice in writing of the proposed transfer and it will be a condition of any transfer of Bonds ("Sale Bonds") that:

- 11.2.3 the transfer has been approved by the Board;
- 11.2.4 the Sale Bonds are first offered to the other existing Bondholders on equivalent terms to those which it is proposed the Sale Bonds are to be transferred, and such Sale Bonds will be treated as offered among the existing Bondholders in proportion (as nearly as possible) to their existing holdings of Bonds (provided always for the avoidance of doubt that, Bonds shall only be transferred in their issued denominations and integral multiples of £1,000 and where the demand for the Sale Bonds by the existing Bondholders is greater than the number of Sale Bonds to be transferred the board shall, in their sole discretion and acting in good faith, decide the basis upon which Sale Bonds are to be transferred); and

- 11.2.5 the Company shall determine the timing and mechanics for such pre-emptive offers of Sale Bonds.
- 11.3 A transfer of a Bond must be by an instrument in writing which is signed by or on behalf of the transferor. The transferor shall be deemed to remain the owner of the Bonds to be transferred until the name of the transferee is entered in the Register in respect of them.
- 11.4 Any transfer of Bonds shall be made together with all rights and entitlements to accrued interest or Redemption Premium on the Bonds and the transferee of the Bonds will therefore be entitled to receive payment of all interest and Redemption Premium on redemption of the Bonds in his hands to the exclusion of the transferor.
- 11.5 Every instrument of transfer must be delivered to the registered office of the Company or to such other place as the Company may appoint for registration accompanied by the Certificate of the Bonds to be transferred together with such other evidence as the Directors or other officers of the Company authorised to deal with the transfer may reasonably require to prove the title of the transferor or his right to transfer the Bonds.
- 11.6 The Company shall retain all instruments of transfer which are registered.
- 11.7 The Company shall not register the transfer of Bonds in respect of which a notice of redemption or repayment has been given. The Company may also generally refuse to register the transfer of a Bond or Bonds, and, if it does so, the instrument of transfer must be returned to the transferee with the notice of refusal. Where a trustee is required to pay death benefits or comply with a pension-sharing order, the Directors' discretion will not be unreasonably withheld.
12. **TRANSMISSION OF BONDS**
- Any person entitled to a Bond by reason of the death or bankruptcy or insolvency of any Bondholder or otherwise by operation of law may be registered as the holder of the Bond upon such evidence of his title being produced as the Directors may reasonably require. The Company may in its sole discretion retain any payments on such a Bond until the person entitled to be registered under this clause has duly registered under the provisions of this deed.
13. **ALTERATION OF THIS DEED**
- 13.1 The provisions of this deed and the conditions on which the Bonds are held may only be altered, abrogated or added to with the consent in writing of the Company and a Special Resolution of the Bondholders.
- 13.2 The Company shall endorse on this deed a memorandum of the execution of any deed supplemental to this deed.
14. **MEETINGS OF BONDHOLDERS**
- Meetings of Bondholders for any purpose will be conducted in accordance with the provisions of schedule 2.
15. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**
- Other than a Bondholder any other person who is not a party to this deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed. This clause 16 does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
16. **NOTICES**
- 16.1 A notice to be given to or by a Bondholder under the deed shall be in writing.
- 16.2 A notice or other document may be given to a Bondholder by the Company either personally or by sending it by first class post in a pre-paid envelope addressed to the Bondholder at his registered address, or by leaving it at that address (or at another address notified for the purpose) in an envelope addressed to the Bondholder.
- 16.3 In the case of joint holders of any Bonds, a notice or other document shall be given to whichever of them is named first in the Register in respect of the joint holding and notice given in this way is sufficient notice to all joint holders save that where any such joint holder

is a SIPP Trustee any notice or other document shall only be effective if served on the SIPP Trustee.

- 16.4 If a Bondholder (or, in the case of joint holders, the person first named in the Register) has a registered address outside the United Kingdom but has notified the Company of an address in the United Kingdom at which notices or other documents may be given to him, he is entitled to have notices given to him at that address, but otherwise no such Bondholder or person is entitled to receive a notice or other document from the Company.
- 16.5 A notice or other document addressed to a Bondholder at his registered address or address for service in the United Kingdom is, if sent by post, deemed to be given within 24 hours if pre-paid as first class post and within 48 hours if pre-paid as second class post after it has been posted, and in proving service, it is sufficient to prove that the envelope containing the notice or document was properly addressed, pre-paid and posted. A notice or document not sent by post but left at a registered address or address for service in the United Kingdom is deemed to be given on the day it is left.
- 16.6 A person who becomes entitled to a Bond by transmission, transfer or otherwise is bound by a notice in respect of the Bond, which, before his name is entered in the Register, has been properly served on a person from whom he derives his title.
- 16.7 Where a person is entitled by transmission to any Bond, the Company may give a notice or other document to that person as if he were the holder of such Bond by addressing it to him by name or by the title of representative of the deceased or trustee of the bankrupt Bondholder (or by similar designation) at an address in the United Kingdom supplied for that purpose by the person claiming to be entitled by transmission. Until an address has been supplied, a notice or other document may be given in any manner in which it might have been given if the death or bankruptcy or other event had not occurred. The giving of notice in accordance with this clause 16.7 is sufficient notice to all other persons interested in the relevant Bonds.

17. Governing law

This deed shall be governed by and construed in accordance with English Law and the Company and all Bondholders submit for all purposes in connection with this deed to the exclusive jurisdiction of the English Courts.

The Company intends this document to be a deed and accordingly executes and delivers it as such.

SCHEDULE 2

Meetings of the Bondholders 1

1. CONVENING OF MEETINGS

The Company may, and shall upon the request in writing signed by any one or more of the Bondholders holding or together holding not less than 10 per cent of the principal amount of the Bonds for the time being outstanding, convene a meeting of the Bondholders to be held at such place as the Company shall determine.

2. NOTICE OF MEETINGS

2.1 At least 14 clear days' notice or, where the meeting is being convened for the purpose of passing a Special Resolution, at least 21 clear days' notice of every meeting shall be given to the Bondholders.

2.2 The notice shall specify the place, day and hour of meeting and the general nature of the business to be transacted but it shall not be necessary (except in the case of a Special Resolution) to specify in the notice the terms of any resolution to be proposed. The Notice shall state that the Bondholder is entitled to appoint a proxy to attend and on a poll to vote instead of him.

2.3 The accidental failure to give notice to or the non-receipt of notice by any of the Bondholders shall not invalidate the proceedings of or any resolution passed at any meeting.

3. QUORUM

3.1 The quorum at any meeting for the transaction of business other than the passing of a Special Resolution shall be any two or more Bondholders, holding at least a combined 10% of the principal amount of the Bonds for the time being outstanding. The quorum for passing a Special Resolution shall be any two or more persons being or representing by proxy Bondholders holding in the aggregate a clear majority in principal amount of the Bonds for the time being outstanding. No business (other than the choosing of a chairman) shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

4. ABSENCE OF QUORUM

4.1 If no quorum is present within 30 minutes from the time appointed for any meeting of the Bondholders, the meeting shall be adjourned to such day (not being less than 14 days nor more than 28 days after the date of the original meeting) and time and place as the chairman directs.

4.2 At least seven days' notice of any adjourned meeting of the Bondholders shall be given. Notice of any adjourned meeting shall, so far as possible, be given in the same manner as for the original meeting and such notice shall state that the Bondholder or Bondholders or proxies for the Bondholders present at such meetings, whatever their number or the value of the Bonds held or represented by them, will constitute a quorum.

4.3 No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

5. CHAIRMAN

The Directors may nominate in writing a person (who may be but need not be a Bondholder) to preside as chairman at a meeting but if no such person is nominated or if at any meeting the person nominated shall not be present within five minutes after the time appointed for holding the meeting the Bondholders present shall choose one of their number to be chairman.

6. **ATTENDANCE OF DIRECTORS AND ADVISERS**

The Directors, the secretary and the solicitors of the Company and any other person authorised in that behalf by the Company may attend and speak at any meeting whether or not they are a Bondholder.

7. **POWER TO ADJOURN**

7.1 The chairman may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn a meeting from time to time and from place to place or for an indefinite period.

7.2 Without prejudice to any other power which he may have under the provisions of this schedule or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:

7.2.1 secure the proper and orderly conduct of the meeting;

7.2.2 give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or

7.2.3 ensure that the business of the meeting is properly disposed of.

8. **NOTICE OF ADJOURNED MEETING**

Without prejudice to paragraph 2.2, whenever a meeting is adjourned for 28 days or more or for an indefinite period, at least seven clear days' notice specifying the place, the date and the time of the adjourned meeting and the general nature of the business to be transacted shall be given to the Bondholders and each member of the Board. Except in these circumstances and subject to paragraph 2.2, it is not necessary to give notice of an adjourned meeting or of the business to be transacted at the adjourned meeting.

9. **BUSINESS AT ADJOURNED MEETING**

No business may be transacted at an adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

10. **VOTING**

10.1 Subject to 10.2 a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

10.2 On a show of hands or on a poll the votes of the Bondholders when aggregated with all the other votes cast on a resolution shall constitute 51% of the votes so cast with the remaining votes carrying a pro rata proportion of the balance of the votes available.

11. **POLL**

11.1 If a poll is duly demanded it shall be taken in such manner and at such time and place as the chairman may direct except that a poll demanded on the election of a chairman or any question of adjournment shall be taken at the meeting without adjournment.

11.2 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice shall be given.

11.3 The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn.

11.4 The result of a poll shall be deemed to be a resolution of the meeting at which the poll was demanded.

12. **PROXIES**

12.1 The instrument appointing a proxy shall be in writing and signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either executed under its common seal or as a deed or signed by an attorney or officer so authorised. The Company may but shall not be bound to require evidence of the authority of any such attorney or officer.

- 12.2 A person appointed to act as proxy need not be a Bondholder. The chairman of the meeting may be designated as a proxy in an instrument of proxy without being named.
- 12.3 An instrument of proxy may be in the usual common form or in any other form which the Company may approve and such proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 12.4 An instrument of proxy shall be valid for any adjournment of the meeting to which it relates unless the contrary is stated on it.
- 12.5 The instrument appointing a proxy and the power of attorney under which it is signed or a notarially certified copy of such power of attorney shall be deposited at the Company's registered office or at such place as may be specified in the notice convening the meeting or any document accompanying such notice not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll to which such instrument relates. Any instrument of proxy not deposited as provided in this paragraph 10.5 shall be invalid.
- 12.6 An instrument appointing a proxy shall be invalid on the expiration of 12 months from the date of its execution.
- 12.7 A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy is given unless notification in writing of the death, insanity or revocation shall have been received at the registered office of the Company prior to the commencement of the meeting or adjourned meeting or the taking of the poll at which the proxy is to be used.
- 13. **POWERS OF MEETINGS OF BONDHOLDERS**
A meeting of the Bondholders shall in addition to any other powers have powers by Special Resolution to:
 - 13.1 sanction any scheme for the reconstruction of the Company or for the amalgamation of the Company with any other company;
 - 13.2 sanction any proposal made or approved by the Company for the exchange of the Bonds for or the conversion of the Bonds into shares, stock, debentures, debenture stock or other obligations or securities of the Company or any other company formed or to be formed, or cash or partly for, or into, such shares, stock, debentures, debenture stock or other obligations or securities as aforesaid and partly for, or into, cash and for the appointment of some person with power on behalf of the Bondholders to execute an instrument of transfer of the Bonds held by them in favour of the person to or with whom the Bonds is to be sold or exchanged, respectively;
 - 13.3 sanction the release of the Company from the payment of all or any part of the principal monies, interest or Redemption Premium owing upon the Bonds and other monies payable pursuant to this deed;
 - 13.4 sanction any modification, abrogation, extension, replacement or compromise of the rights of the Bondholders against the Company whether such rights shall arise under this deed or otherwise;
 - 13.5 assent to any modification, abrogation, extension, replacement or compromise of any provision of this deed proposed or agreed to by the Company and to authorise the Company to execute any instrument embodying the same;
 - 13.6 appoint any persons (whether Bondholders or not) as a committee to represent the interests of the Bondholders and to confer upon such committee any power or discretions which the Bondholders could themselves exercise; and
 - 13.7 sanction the disposal by the Company of its interests in any Subsidiary or other investments or assets (or the disposal by any Subsidiary or its investments or assets), otherwise than as described in the Information Memorandum.

14. **SPECIAL RESOLUTIONS**

A Special Resolution passed at a meeting of the Bondholders duly convened and held shall bind all the Bondholders whether or not present at the meeting where it was passed and each of the Bondholders shall be bound to give effect to such Special Resolution.

15. **DEFINITION OF SPECIAL RESOLUTION**

The expression "Special Resolution" means a resolution passed at meeting of the Bondholders duly convened and held in accordance with the provisions herein contained by a majority consisting of not less than 75 per cent of the persons voting thereat upon a show of hands and if a poll is demanded then by a majority consisting of not less than 75 per cent of the votes given on such poll.

16. **RESOLUTION IN WRITING**

A resolution in writing signed by the Bondholders holding between them not less than 95 per cent of the principal amount of Bonds for the time being outstanding (or by their duly authorised representatives in the case of corporations) shall be valid and effectual as if it had been passed as a Special Resolution at a meeting of the Bondholders duly convened and held. Such resolution in writing may consist of several documents in the like form each signed by or on behalf of one or more such persons.

17. **MINUTES**

The chairman shall procure that minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be provided for that purpose by the Company. Any such minutes as aforesaid if purporting to be signed by the chairman of the meeting or by the chairman of the next succeeding meeting of the Bondholders shall be conclusive evidence of the matters contained in the minutes and until the contrary is proved every such meeting in respect of which minutes have been made and signed as aforesaid shall be deemed to have been duly convened and held and all resolutions passed at such meeting to have been duly passed.

EXECUTED as a DEED but not delivered)
until the first date specified on page 1, by)
Windermere Hydro Hotel Limited by a
director in the presence of:


.....

Witness signature: *M. Moran*

Witness name: *Matthew Moran*

Address: *25 Dial Road*
Stockport

Occupation: *Administrator*

Andy Johnson
Cranfords
1 The Pavilions, Cranford Drive
Knutsford, Cheshire
WA16 8ZR

Dear Sirs,

RE: WELCOME PACK FOR Windermere Hydro Hotel Limited

Please find enclosed your welcome pack containing your executed Loan Note Instrument and signed Bond Certificate. We **strongly** recommend this certificate, together with your Loan Note Instrument are kept in a safe place as they will be needed for future reference.

On-going Communication

As part of our on-going communication with investors, we will provide updates every 6 months on your investment. Our website is updated monthly with reports on Windermere Hydro Hotel Limited.

Web: www.gdcv.co.uk

Username **WindermereHydro**

Password **HydroHotel1**

Once you receive the Welcome pack, can you please confirm receipt via email
k.madden@gdcv.co.uk

Yours Sincerely,



Kerrie Madden
Sales Support



SCHEDULE 1

Form of Bond Certificate

**In relation to £2,500,000 Series A fixed rate loan notes 2020
Windermere Hydro Hotel Limited ("Company")**

(Incorporated in England and Wales under company number 08450216)

Certificate No.	Principal Amount of Bonds	Number of Bonds
59	£13,000	13

ISSUE of up to £2,500,000 Series A fixed rate loan notes 2020 in denominations of £1,000 each (**Bonds**) created and issued pursuant to the Company's Articles of Association and a Resolution of its Board of Directors passed on 6th September 2013.

THIS IS TO CERTIFY that **W4GSL Ltd Retirement Benefits Scheme** is/are the registered holder(s) of **150** Bonds in principal amount of **£13,000**, as constituted by and issued subject to the terms and conditions of a deed entered into by the Company on 2nd February 2015 (**Deed**).

The Bonds are transferable only in accordance with the Deed. No transfer of any part of the Bonds represented by this Certificate will be registered unless accompanied by this Certificate.

The Bonds are redeemable in accordance with the terms and conditions contained in the Deed a copy of which is attached to this Certificate.

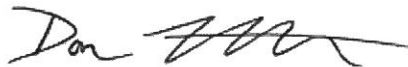
A copy of the Deed is available for inspection at the Company's registered office.

The Bonds are governed by, and are to be construed in accordance with, English law.

EXECUTED as a **DEED** by **Windermere**)
Hydro Hotel Limited acting:)



Director



Director/Secretary