BUSINESS LOAN TERMS AND CONDITIONS (UNSECURED) – AUGUST 2026 EDITION

These Business Loan Terms and Conditions (the "**Terms and Conditions**") are to be read together with the Loan Schedule in respect of the Loan (the "**Loan Schedule**"). The Loan Schedule and the Terms and Conditions are, together, the Loan Agreement. To the extent that there is any conflict between the provisions of the Loan Schedule and the provisions of these Terms and Conditions, the provisions of the Loan Schedule shall prevail. The definitions and rules of interpretation contained at Schedule 1 (Definitions and Interpretation) hereto apply to the Loan Agreement. Terms defined in the Loan Schedule and these Terms and Conditions have the same meaning when used in any part of the Loan Agreement.

1. LOAN

1.1. The Bank grants to the Borrower a Sterling term loan of a total capital amount not exceeding the Loan Amount on the terms, and subject to the conditions, of the Loan Agreement.

2. PURPOSE

2.1. The Loan shall only be used for the Purpose.

3. CONDITIONS PRECEDENT TO DRAWDOWN

3.1. The Bank shall not be obliged to provide a Loan under the Loan Agreement unless all of the following conditions are satisfied, in form and substance satisfactory to the Bank, on or before the Drawdown date of the Loan:

3.1.1. the Bank has received originals of the Loan Agreement and the Security Documents duly executed by the parties to them (other than the Bank);

3.1.2. the Bank is satisfied with any Security or guarantees in favour of the Bank in respect of the Borrower's obligations and liabilities to the Bank;

3.1.3. if the Borrower is a limited company, the Bank is satisfied with the corporate authorisations of the Borrower authorising its entry into the Loan Agreement and the Security Documents (as applicable) and the corporate authorisations of any other party to the Security Documents (as the case may be);

3.1.4. if the Borrower is a limited liability partnership, the Bank is satisfied with the resolutions of the members of the Borrower authorising its entry into the Loan Agreement and the Security Documents (as applicable) and the corporate authorisations of any other party to the Security Documents (as the case may be);

3.1.5. the Bank is satisfied that all of the information that the Borrower has supplied to it in support of the application is complete and accurate;

3.1.6. the Bank is satisfied that any existing loans granted in favour of any person other than the Bank and secured over the assets of the Borrower have been redeemed in full, unless we agree otherwise in writing, or will be on Drawdown of the Loan;

3.1.7. any Additional Conditions Precedent have been satisfied;

3.1.8. any evidence required for the Bank's "know your customer" checks or similar checks have been satisfied; and

3.1.9. no Event of Default has occurred or will occur as a consequence of the Loan being drawn.

4. DRAWDOWN

4.1. The Bank will provide the Loan under the Loan Agreement to the Borrower on satisfaction of the Conditions Precedent.

4.2. The Bank will notify the Borrower of the date of the Drawdown.

5. INTEREST

5.1. The Borrower shall pay interest on the Loan at the Interest Rate.

5.2. Interest shall be calculated daily based on a 360- day year and applied on a 30- day month.

5.3. The Borrower shall pay accrued interest on the Loan on the Payment Date for each Payment Period applicable to that Loan.

5.4. The initial Payment Period for the Loan shall start on the Drawdown date of that Loan.

5.5. If the Borrower fails to make any payment due under any Finance Document on the due date for payment, interest on the Unpaid Amount shall accrue daily, from the date of non-payment to the date of actual payment (both before and after judgment), at the Default Rate. Interest accrued under this clause 5.5 shall be immediately payable by the Borrower on demand by the Bank.

6. REPAYMENT

6.1. The Borrower shall pay the Repayment Instalments as specified in the Loan Schedule on each Payment Date.

6.2. If a Payment Period would otherwise end on a day which is not a Business Day, that Payment Period shall, instead, end on the next Business Day. If this clause 6.2 applies to a Payment Period then, the subsequent Payment Period shall be deemed to end (insofar as is possible) on the same numeric date in the relevant month as the date on which the Loan was made, and, if it is not possible for that subsequent Payment Period to end on such a date (either because the day is not a Business Day or because there is no corresponding numeric date in that month) then that Payment Period shall, instead, end on the next Business Day.

6.3. On the last day of the Term, the Borrower shall repay the balance of the Loan together with any accrued interest on the Loan and any outstanding fees, costs, expenses or other sums which are due from the Borrower under the Loan Agreement. If such date falls on a day which is not a Business Day, then the repayment will be made on the next Business Day.

6.4. The Borrower shall not repay or prepay all or any part of the Loan except in accordance with the express terms of the Loan Agreement.

6.5. Payments and any other sums due under this Loan Agreement must be made by Direct Debit from a bank account in the Borrower's name unless otherwise agreed by the Bank.

6.6. The Bank is entitled to collect payments and any other sums becoming due through any Direct Debit instruction that it has received from the Borrower. If the Borrower changes its bank details, then it should contact the Bank as soon as reasonably possible (and in any event at least 10 days before the Borrower's next Payment Date).

6.7. If, after the Acceptance Date, the Borrower cancels or requests a change to its Direct Debit then the Borrower must make alternative arrangements to make payments and other sums due under the Loan Agreement, ensuring that the Borrower's contractual payments are received by the Bank in cleared funds on or before each Payment Date.

6.8. The Bank may periodically revise the Repayment Instalments if any of the following apply: (i) the Borrower has been granted a capital repayment holiday, or (ii) if the aggregate amount of the Repayment Instalments is insufficient to repay the Loan in full by the end of the Term. The Bank will advise the Borrower of any variation to the Repayment Instalments and the Borrower will be bound to pay such instalments.

6.9. The Bank may, by giving notice, require the Borrower to repay the Loan together with any accrued interest on the amount to be repaid and any other sums accrued or outstanding under the Loan Agreement (on the next Payment Date for the Loan or, if earlier, on the date specified by the Bank) if it becomes unlawful for the Bank to make the Loan or perform any of its obligations contemplated under the Loan Agreement, or allow the Loan to remain outstanding or fund or maintain the Loan. In the event that the Bank notifies the Borrower pursuant to this clause 6.9 then any outstanding commitments of the Bank in respect of the Loan Agreement shall be automatically cancelled on that date.

7. PREPAYMENT

7.1. At any time, the Borrower may prepay all or part of the Loan provided that:

7.1.1. the Borrower gives the Bank at least five Business Days' notice in writing (and such notice shall be irrevocable and shall oblige the Borrower to prepay the Loan as set out in that notice) which specifies that the Borrower wishes to make a prepayment, the amount of the prepayment and the date of the proposed prepayment;

7.1.2. the minimum amount of any prepayment shall be £1,000;

7.1.3. if an ERC applies in accordance with clause 7.3 below then such ERC shall be payable by the Borrower to the Bank on the proposed prepayment date;
7.1.4. the date of the proposed prepayment is a Business Day;
7.1.5. the Borrower pays all accrued interest on the amount prepaid;
7.1.6. the Borrower pays any costs, expenses and charges due in accordance with the Loan Agreement whether under this clause 7 (PREPAYMENT), clause 8 (FEES, COSTS AND EXPENSES) or clause 15 (SET-OFF AND COMBINATION OF ACCOUNTS) or otherwise; and
7.1.7. the prepayment does not, or would not, result in the occurrence of an Event of Default or a Potential Event of Default.

7.2. The Borrower may elect to make Overpayments in accordance with this clause 7 (PREPAYMENT) and such Overpayments shall not attract an ERC provided that such Overpayments do not in aggregate exceed the Overpayment Allowance for the relevant 12-month period in which case the provisions of clause 7.3.2 below shall apply.

7.3. If the Borrower:
7.3.1. prepays the Loan in full within the period specified in the Loan Schedule, then an early repayment charge of 3% of the amount of the Loan prepaid shall be payable by the Borrower to the Bank on the proposed prepayment date;
7.3.2. prepays the Loan in part within the period specified in the Loan Schedule and in an amount in excess of the Overpayment Allowance for the relevant 12-month period then an early repayment charge of 3% of the amount of the Loan prepaid shall be payable by the Borrower to the Bank on the proposed prepayment date,
sub-clauses 7.3.1 and 7.3.2, each an early repayment charge ("ERC").

7.4. Any prepayment will not affect the obligation to repay the Loan in instalments as set out in clause 6 (REPAYMENT) above.

7.5. The Borrower may not re-borrow any part of the Loan that is repaid or prepaid.

8. FEES, COSTS AND EXPENSES

8.1. The Arrangement Fee shall be paid to the Bank by way of deduction from the proceeds of the Drawdown of the Loan, save that, the Borrower may with the Bank's prior consent, have the Arrangement Fee added to the Loan Amount.

8.2. Any fees and costs specified as a percentage will be calculated on the total aggregate amount of the Loan (unless otherwise stated), the actual number of days elapsed and a 365-day year.

8.3. The Borrower shall, on demand, pay to the Bank the amount of all costs and expenses (including legal, printing and out-of-pocket expenses) reasonably incurred by the Bank in connection with:
8.3.1. the negotiation, preparation, execution and perfection of the Finance Documents;
8.3.2. any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) relating to the Finance Documents;
8.3.3. releasing Security and guarantees relating to the Loan Agreement;
8.3.4. any non-recoverable VAT incurred by the Bank as a consequence of the Bank's provision of the Loan or the Bank's entry into the Finance Documents; and
8.3.5. any professional fees (including legal fees and other professional advisor fees) and costs relating to the Finance Documents.

9. INDEMNITY

9.1. The Borrower will indemnify the Bank on demand against any cost, loss or liability incurred by the Bank as a result of:
9.1.1. any prepayment of the Loan being made other than in accordance with a notice of prepayment given in accordance with the terms of the Loan Agreement;
9.1.2. a failure by any Obligor to pay any amount due under a Finance Document on its due date;
9.1.3. a Loan not being made by reason of the operation of any one or more of the provisions of the Loan Agreement (other than by reason of default or negligence by the Bank); or
9.1.4. the Bank receiving or recovering all or part of a Loan or Unpaid Amount other than on the Payment Date relating to that Loan or Unpaid Amount.

9.2. The Borrower will indemnify (and keep indemnified) the Bank on written demand against any loss or expense, including legal fees and enforcement costs, which the Bank sustains or incurs:
9.2.1. because of a default by the Borrower of any obligation assumed by it under any Finance Document; or
9.2.2. as a consequence of any Default.

9.3. The Borrower agrees to indemnify the Bank on demand in respect of any Tax, duty or other charge payable by the Bank to governmental authorities (excluding UK corporation tax and UK bank levy) directly in connection with the Loan (including but not limited to Tax on interest payments receivable by the Bank from the Borrower).

10. INCREASED COSTS

10.1. To the extent that the Bank is not compensated under any other provision in the Loan Agreement, within three Business Days of a demand by the Bank, the Borrower shall pay the Bank the amount of any Increased Costs incurred by the Bank as a result of:
10.1.1. the introduction of, or any change in (or in the interpretation, administration or application of), any law or regulation by any governmental or regulatory authority; or
10.1.2. compliance with any law or regulation made after the date of the Loan Agreement.

10.2. If the Bank intends to make a claim under clause 10.1 it shall notify the Borrower of the event that will cause that claim.

10.3. As soon as practicable after a demand by the Borrower, the Bank shall provide a certificate confirming the amount of its Increased Costs.

11. SECURITY AND GUARANTEES

11.1. The Loan will be secured at all times as a continuing security by the Security Documents.

11.2. The Borrower will enter into such further Security Documents in favour of the Bank as the Bank may from time to time require.

12. REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Bank in respect of each Obligor that:

12.1. it is duly incorporated in the case of a company or duly constituted in the case of a limited liability partnership or partnership and validly existing under the laws of the jurisdiction of its incorporation or constitution (as the case may be);

12.2. it has the power to own its assets and carry on its business as it is being conducted;

12.3. it has the power and authority to enter into, perform and has taken all necessary action to authorise its entry into the Finance Documents to which it is a party;

12.4. no limit on its powers will be exceeded as a result of the borrowing or granting of Security contemplated by the Finance Documents;

12.5. the entry into and performance by it of, and the transactions contemplated by, the Finance Documents, do not and will not contravene or conflict with:
12.5.1. its constitutional documents (as the case may be); or
12.5.2. any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
12.5.3. any law or regulation or judicial or official order, applicable to it;

12.6. it has obtained all required authorisations to enable it to enter into, exercise its rights and comply with its obligations in the Finance Documents and to make them admissible in evidence in its jurisdiction of incorporation. All such authorisations are in full force and effect;

12.7. its obligations under the Finance Documents are legal, valid, binding and enforceable in accordance with their terms;

12.8. it is not necessary to file, record or enrol any Finance Document (other than the registration of the relevant Security Document(s) under the Companies Act 2006 and, in the case of real property registration at HM Land Registry) with any court or other authority or pay any stamp, registration or similar Taxes relating to any Finance Document or the transactions contemplated by any Finance Document;

12.9. no Event of Default or Potential Event of Default has occurred or is continuing, or is reasonably likely to result from making the Loan or the entry into, the performance of, or any transaction contemplated by the Finance Documents;

12.10. no other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination thereof, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on the Borrower or to which any of its assets is subject which has or is reasonably likely to have a material adverse effect on its business, assets or condition or ability to perform its obligations under the Finance Documents;

12.11. no litigation, arbitration or administrative proceedings are taking place, pending or, to the Borrower's knowledge, threatened against it, any of its directors or any of its assets, which might reasonably be expected to have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under the Finance Documents;

12.12. each set of financial statements delivered to the Bank by the Borrower was prepared in accordance with GAAP consistently applied and gives a true and fair view of the Borrower's financial condition and operations during the relevant accounting period and was approved by the Borrower's directors in compliance with section 393 of the Companies Act 2006. There has been no material adverse change in its business or financial condition since the date of the Borrower's last year end accounts;

12.13. the information, in written or electronic format, supplied by, or on its behalf, to the Bank in connection with the Loan and the Finance Documents was, at the time it was supplied or at the date it was stated to be given (as the case may be), to the best of its knowledge and belief:

12.13.1. if it was factual information, complete, true and accurate in all material respects;

12.13.2. if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was fair and made on reasonable grounds;

12.13.3. if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and

12.13.4. not misleading in any material respect, nor rendered misleading by a failure to disclose other information,

except to the extent that it was amended, superseded or updated by more recent information supplied by, or on behalf of, the Borrower to the Bank.

12.14. The Security Documents create (or once entered into, will create):

12.14.1. valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and

12.14.2. subject to registration under section 859A of the Companies Act 2006 (save in respect of any guarantees) and, in the case of real property registration at HM Land Registry, perfected Security over the assets expressed to be subject to Security in it,

in favour of the Bank, having the priority and ranking expressed to be created in the Security Documents and ranking ahead of all (if any) Security and rights of third parties except those preferred by law.

12.15. Each of the representations and warranties in this clause 12 is deemed to be repeated by the Borrower on:

12.15.1. the date the Loan Agreement is signed;

12.15.2. the date of the Drawdown; and

12.15.3. each date immediately succeeding the date on which interest is paid under the Loan Agreement,

by reference to the facts and circumstances existing on each such date.

13. GENERAL UNDERTAKINGS

The Borrower covenants with the Bank as set out in clauses 13.1 to 13.21 (inclusive) and undertakes to comply with those covenants.

13.1. It will deliver to the Bank:

13.1.1. promptly, all notices or other documents dispatched by the Borrower to its shareholders (or any class of them) or to its creditors generally; and

13.1.2. promptly and within 10 Business Days of demand such financial or other information as the Bank may, from time to time, request.

Delivery of any financial or other information from the Borrower to the Bank can either be manual or automated via activating the Bank access, through third party connectivity providers, to the Borrower's relevant data.

13.2. It will comply with any Specific Covenants.

13.3. It will promptly, after becoming aware of them, notify the Bank of any litigation, arbitration or administrative proceedings or claim of the kind described in clause 12.11.

13.4. It will promptly obtain all consents or authorisations under any law or regulation (and do all that is needed to maintain them in full force and effect) to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability and admissibility in evidence of the Finance Documents in its jurisdiction of incorporation.

13.5. It will procure that any of its unsecured and unsubordinated obligations and liabilities under the Finance Documents rank, and will rank, at least pari passu in right and priority of payments with all its other unsecured and unsubordinated obligations and liabilities, present or future, actual or contingent, except for those obligations and liabilities mandatorily preferred by law of general application to companies.

13.6. It will comply, in all respect, with all laws, if failure to do so has or is reasonably likely to have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under the Finance Documents.

13.7. If it is a partnership, the Borrower will notify the Bank promptly of:

13.7.1. the death, bankruptcy, incapacity, expulsion or retirement of a partner of the partnership;

13.7.2. any other event which results in a person ceasing to be a partner of the partnership; and

13.7.3. a new partner being appointed to the partnership.

13.8. If it is a partnership, the Borrower will ensure that no new partner is appointed to the partnership without such partner acceding to the terms of the Loan Agreement and any other applicable Finance Document in a manner acceptable to the Bank.

13.9. If it is a limited liability partnership, the Borrower will notify the Bank promptly if any person becomes a member of the Borrower or any person ceases to be a member of the Borrower.

13.10. If it is a limited liability partnership or a partnership, the Borrower shall not:

13.10.1. distribute or repay to any members or partners, all or part of their capital contribution, any loan made by a member or partner to the Borrower or any reserves; or

13.10.2. redesignate all or any part of any member's or partner's capital contribution as a loan,

without the Bank's prior written consent.

13.11. It will notify the Bank of any Potential Event of Default or Event of Default (and the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence.

13.12. If the Bank is obliged for any reason to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower will, promptly on the request of the Bank, supply (or procure the supply of) such documentation and other evidence as the Bank may request in order for the Bank to be able to carry out, and be satisfied that it has complied with, all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

13.13. It will carry on and conduct its business in a proper and efficient manner.

13.14. The Borrower shall not (and, where applicable, will ensure that no Obligor shall) make a substantial change to the general nature of its business or operations without the prior written consent of the Bank.

13.15. The Borrower shall not at any time, save in respect of any Permitted Security:

13.15.1. create, purport to create or permit to subsist any Security on, or in relation to, any Secured Assets;

13.15.2. sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in respect of a debenture granted by the Borrower in favour of the Bank, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or

13.15.3. create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

13.16. It will not incur or permit to subsist, any obligation for Borrowed Money without the prior written consent of the Bank.

13.17. It shall effect and maintain sufficient and appropriate policies of insurance of its business and assets as would be maintained by reasonably prudent persons carrying on the same class of business as the Borrower and shall supply copies of its Insurance Policies to the Bank on written demand by the Bank.

13.18. The Borrower shall ensure that, at all times, it:

13.18.1. complies with the terms of the Insurance Policies;

13.18.2. does not do or permit anything to be done which may make void or voidable any of the Insurance Policies;

13.18.3. pays each premium for the Insurance Policies promptly, and in any event prior to the commencement of the period of insurance for which that premium is payable, and provides such evidence of the same as the Bank may require; and

13.18.4. does all other things necessary as to keep each of the Insurance Policies in force.

13.19. The Borrower shall promptly notify the Bank of:

13.19.1. any termination, avoidance or cancellation of any of the Insurance Policies made or, to its knowledge, threatened or pending;

13.19.2. any claim, and any actual or threatened refusal of any claim, under any of the Insurance Policies; and

13.19.3. any event or circumstance which has led or may lead to a breach by the Borrower of any term of clauses 13.17 to 13.21 (inclusive) of these Terms and Conditions.

13.20. If the Borrower fails to perform its obligations under the Loan Agreement in respect of the Insurance Policies, the Bank may take any action it reasonably considers necessary or desirable to prevent or remedy the relevant breach. In the event that the Borrower fails to provide copies of its Insurance Policies to the Bank within 30 days of the end of each calendar year then the Bank may put in place such insurance policies as it sees fit in respect of the Borrower, the costs of which may be debited by the Bank to the Borrower's loan account. The Borrower must immediately on request by the Bank pay the costs and expenses of the Bank or its agents incurred in connection with any action taken by the Bank under this clause 13.20.

13.21. All monies payable under any insurance policy maintained by the Borrower shall:

13.21.1. be paid immediately into a Designated Account;

13.21.2. if they are not paid into a Designated Account, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Bank; and

13.21.3. at the option of the Bank, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

14. EVENTS OF DEFAULT

14.1. Each of the events or circumstances set out in this clause 14 (other than clause 14.24) is an Event of Default.

14.2. An Obligor fails to pay any sum payable by it under any Finance Document, unless its failure to pay is caused solely by an administrative error or technical problem and payment is made within three Business Days of its due date.

14.3. An Obligor fails (other than by failing to pay), to comply with any provision of any Finance Document and (if the Bank in its sole discretion considers that the default is capable of remedy), such default is not remedied within 14 Business Days of the earlier of:

14.3.1. the Bank notifying the Borrower or the relevant Obligor of the default and the remedy required; or

14.3.2. the Borrower or the relevant Obligor becoming aware of the default.

14.4. An Obligor fails to provide any financial information requested by the Bank when due.

14.5. A breach of any Specific Covenants.

14.6. A Change of Control occurs in respect of the Borrower, or, in the Bank's opinion acting reasonably there is a significant change in the day to day management of the Borrower, without the Bank's prior written consent.

14.7. If an Obligor is a limited liability partnership, there is a change to either:

14.7.1. the identity of the members of the Borrower; or

14.7.2. the proportion of the respective interests of the members in the Borrower.

14.8. If an Obligor is a sole trader or a partnership, a natural person comprising that Obligor dies or lacks mental capacity.

14.9. If an Obligor is a body corporate or a limited liability partnership, it is dissolved or wound up.

14.10. If an Obligor is a partnership, it is dissolved, terminated or wound up.

14.11. Any representation, warranty or statement made, repeated or deemed made by an Obligor in, or pursuant to, any Finance Document is (or proves to have been) incomplete, untrue, incorrect or misleading when made, repeated or deemed made.

14.12. If:

14.12.1. any Financial Indebtedness of an Obligor is not paid when due or within any originally applicable grace period; or

14.12.2. any Financial Indebtedness of an Obligor becomes due, or capable or being declared due and payable prior to its stated maturity by reason of an event of default (howsoever described); or

14.12.3. any commitment for Financial Indebtedness of an Obligor is cancelled or suspended by a creditor of the that Obligor by reason of an event of default (howsoever described); or

14.12.4. any creditor of an Obligor becomes entitled to declare any Financial Indebtedness due and payable prior to its stated maturity by reason of an event of default (howsoever described).

14.13. An Obligor stops or suspends payment of any of its debts, or is unable to, or admits its inability to, pay its debts as they fall due.

14.14. The value of the assets of an Obligor is less than its liabilities (taking into account contingent and prospective liabilities).

14.15. A moratorium is declared in respect of any Indebtedness of an Obligor.

14.16. Any action, proceedings, procedure or step is taken for:

14.16.1. the suspension of payments, a moratorium of any Indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of an Obligor; or

14.16.2. the composition, compromise, assignment or arrangement with any creditor of an Obligor; or

14.16.3. the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of an Obligor or any of its assets; or

14.16.4. the bankruptcy of an Obligor (as the case may be); or

14.16.5. the enforcement of any Security over any assets of an Obligor.

14.17. An Obligor commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors with a view to rescheduling any of its Indebtedness (because of actual or anticipated financial difficulties).

14.18. Any event occurs in relation to an Obligor similar to those in clause 14.14 to clause 14.17 (inclusive) under the laws of any applicable jurisdiction.

14.19. A distress, attachment, execution, expropriation, sequestration or another analogous legal process is levied, enforced or sued out on, or against, an Obligor's assets and is not discharged or stayed within 21 days.

14.20. Any provision of any Finance Document is or becomes, for any reason, invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect.

14.21. An Obligor repudiates or evidences an intention to repudiate any Finance Document.

14.22. An Obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a substantial part of its business.

14.23. Any event occurs (or circumstances exist) which,in the opinion of the Bank, has or is likely to materially and adversely affect an Obligor's ability to perform all or any of its obligations under, or otherwise comply with the terms of, any Finance Document.

14.24. On and at any time after the occurrence of an Event of Default which is continuing the Bank may by notice to the Borrower:

14.24.1. cancel all outstanding obligations of the Bank under the Loan Agreement whereupon they shall immediately be cancelled; and/or

14.24.2. declare that the Loan (and all accrued interest and all other amounts outstanding under the Finance Documents) is immediately due and payable, whereupon they shall become immediately due and payable; and/or

14.24.3. declare that the Loan be payable on demand, whereupon it shall become immediately payable on demand by the Bank; and/or

15.24.4 exercise any or all of its rights, remedies, powers or discretions under the Security Documents.

15. SET-OFF AND COMBINATION OF ACCOUNTS

15.1. The Borrower shall not be entitled to withhold or delay payment of any sum under any Finance Document or, in relation to any such sum, exercise any right of set-off, counter-claim or condition. All payments by the Borrower under any Finance Document must be made without any deduction or withholding (whether in respect of set-off, counterclaim, Taxes, charges or otherwise). If the Borrower is required by law to make any deduction or withholding from any payment under any Finance Document then it shall:

15.1.1 ensure that the deduction or withholding does not exceed the minimum amount legally required;

15.1.2 pay to the relevant authorities the full amount of the deduction or withholding; and

15.1.3 pay to the Bank such additional amount as is necessary to ensure that, after the making of such deduction or withholding, the Bank receives a net sum equal to the amount that it would have received had there been no deduction or withholding.

15.2. The Bank may set off any obligation owed to it by the Borrower (which is or has become due and payable) under any of the Finance Documents against any obligation owed to the Borrower by the Bank (whether or not such obligation is due and payable).

15.3. In addition to the Bank's rights under clause 15.2, the Bank may consolidate all of the Borrower's and/or any member of its Group's liabilities to the Bank and/or any member of the Bank's group of companies under a Relevant Agreement. When calculating any amount due to the Bank under a Relevant Agreement, the Bank may (but shall not be obliged to) at any time combine accounts and/or set off or apply any debit balances against credit balances on or under a Relevant Agreement or account, and/or set off or apply:

15.3.1. any sums paid to the Bank or any member of the Bank's group of companies under a Relevant Agreement;

15.3.2. any net sale proceeds realised on the disposal of assets subject to a Security Document (whether that Security Document be in favour of the Bank or another member of the Bank's group of companies); and/or

15.3.3. any damages and/or sums awarded to the Bank or another member of the Bank's group of companies, following judgment of or decree in relation to, an issue arising from a Relevant Agreement, against any sums owing to, or any losses realised by, the Bank or another member of the Bank's group of companies pursuant to a Relevant Agreement. The term of this clause 15.3 shall be deemed to be incorporated into all Relevant Agreements.

15.4. The Bank may exercise any of its rights under this clause 15 without prior notice both before and after demand and in doing so may convert to Sterling at the prevailing market rate of exchange any obligation which is in a currency other than Sterling for the purpose of set-off.

15.5. The Bank's rights under this clause 15 are in addition to any other rights to which it may be entitled, including rights under any Security Document to which it is a party.

16. CALCULATIONS AND CERTIFICATES

16.1. The Bank shall maintain accounts evidencing the amounts owed to it by the Borrower, in accordance with its usual practice. Entries in those accounts shall be prima facie evidence of the existence and amount of the Borrower's obligations as recorded in them.

16.2. If the Bank issues any certificate, determination or notification of a rate or any amount payable under a Finance Document, it shall be (in the absence of manifest error) conclusive evidence of the matter to which it relates.

16.3. Any commission or fee shall accrue on a day-to-day basis, calculated according to the actual number of days elapsed and a year of 365 days.

17. AMENDMENTS, WAIVERS AND CONSENTS

17.1. Any amendment to any Finance Document shall be in writing and signed by, or on behalf of each party (as the case may be).

17.2. A waiver of any right or remedy under any Finance Document or by law, or any consent given under any Finance Document, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

17.3. A failure or delay by a party to exercise any right or remedy provided under any Finance Document or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm any Finance Document. No single or partial exercise of anyright or remedy provided under any Finance Document or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm any Finance Document by the Bank shall be effective unless it is in writing.

17.4. The rights and remedies provided under the Finance Documents are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

18. ASSIGNMENT AND TRANSFERS

18.1. The Bank may freely and separately assign or transfer any of its rights under any Finance Document or otherwise grant an interest in any such rights to any person or persons. On request by the Bank, the Borrower shall immediately execute and deliver to the Bank any form of instrument required by the Bank to confirm or facilitate any such assignment or transfer or grant of interest.

18.2. The Borrower may not assign any of its rights or transfer any of its rights or obligations under the Finance Documents and it shall procure that the other Obligors shall not assign any of their rights or transfer any of their rights or obligations under the Finance Documents.

19. SEVERANCE

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

20. MISCELLANEOUS

20.1. The Bank may disclose information about the Borrower's account(s) to any affiliate, their authorised agents and credit reference agencies for credit assessment, fraud prevention, processing of transactions, debt recovery and for other purposes related to the performance of the Loan Agreement.

20.2. The Bank may disclose any information relating to the Borrower, any Finance Documents or any other document related to the Borrower or the Loan:

20.2.1. to any person in connection with any proposed assignment and/or transfer;

20.2.2. to any person with whom the Bank has entered into, or proposes to enter into, any contractual arrangements in connection with any Finance Document;

20.2.3. to any company within its group of companies from time to time, or any of its or their agents, who provide services to the Bank or functions in relation to the Loan Agreement;

20.2.4. any insurer who is to or who proposes to provide insurance to the Bank in respect of the Loan;

20.2.5. to any auditor of, or other advisor to, the Bank;

20.2.6. anyone to whom information is required or requested to be disclosed by any court of competent jurisdiction or governmental, banking, Taxation or other regulatory authority or similar body;

20.2.7. anyone to whom information is required or requested to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes; and

20.2.8. to any prospective purchaser of the Bank or prospective purchaser of the whole or any part of the Bank's business and their professional advisers.

21. THE BANK'S COMPLAINT HANDLING PROCEDURES

21.1. If the Borrower has a complaint in respect of the service provided by the Bank under any of the Finance Documents, it should notify the Bank in writing and the Bank will investigate and try to put matters right and take steps to prevent it happening again. The Bank's complaints handling procedures can be found on the "Help & Contact" section of the Bank's website.

21.2. If the Borrower is not happy with the way that the Bank deals with the complaint, the Borrower may be able to refer the complaint to the Financial Ombudsman Service by writing to: Financial Ombudsman Service, Exchange Tower, Harbour Exchange, London E14 9SR. Tel: 0800 023 4567.

22. NOTICES

22.1. Any communication to be made under or in connection with the Loan Agreement shall be made in writing.

22.2. Any communication, demand or notice given by the Bank to the Borrower under the Loan Agreement may be made:

22.2.1. by letter addressed to the Borrower or any officer of the Borrower sent by first class post to or left at the Borrower's address last known to the Bank or at the Borrower's registered office; or

22.2.2. by electronic means to the Borrower's last known electronic mail address.

If sent by post, the demand or notice will be deemed to have been received at 10.00 a.m. on the second Business Day following the day the letter was posted. If delivered by hand, the demand or notice will be deemed to have been received at the time it is left at the relevant address. If sent by electronic means, the demand or notice will be deemed to have been received 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 9 a.m. on the next Business Day).

22.3. Unless otherwise advised by the Bank any notices given by the Borrower to the Bank under the Loan Agreement shall be by letter and sent by first class post or delivered by hand to: The Company Secretary, Allica Bank Limited, 4th/5th Floor, 15 Worship Street, London EC2A 2DT.

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

22.5. The Bank may rely upon any communication by telephone or email purporting to be on behalf of the Borrower by anyone notified to the Bank as being authorised to do so, without enquiry by the Bank as to authority or identity. The Borrower agrees to indemnify the Bank against any liability incurred or sustained by the Bank as a result.

23. COUNTERPARTS

23.1. Each Finance Document may be executed in any number of counterparts, each of which when executed together shall constitute a duplicate original, but all of the counterparts shall together constitute one agreement.

24. THIRD PARTY RIGHTS

24.1. A person who is not a party to the Loan Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of the Loan Agreement.

25. GOVERNING LAW AND ENFORCEMENT

25.1. The Loan Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

25.2. The Borrower and the Bank agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) that arises out of or in connection with the Loan Agreement or its subject matter or formation. Nothing in this clause shall limit the right of the Bank to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

SCHEDULE 1
Definitions and Interpretation

1. Definitions

In the Loan Agreement, unless the context otherwise requires:

Acceptance Date means the date that the Borrower signs and dates the Loan Agreement.

Additional Conditions Precedent mean any additional conditions precedent to Drawdown of a Loan specified under that definition in the Loan Schedule.

Arrangement Fee means the Bank's arrangement fee in the amount set out in the Loan Schedule.

Availability Period has the meaning given to that term in the Loan Schedule.

Bank has the meaning given to that term in the Loan Schedule.

Bank's Professional Fees means the Bank's professional fees in the amount set out in the Loan Schedule (where applicable) plus any disbursements and/or as subsequently notified to the Borrower by the Bank.

Basel III means:

a. the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer", published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;
b. the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement - Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and
c. any further guidance or standards published by the Basel Committee on Banking Supervision relating to Basel III.

Borrowed Money means (without double counting):

a. money borrowed or raised; and
b. any guarantee(s) granted in favour of a third party in respect of guaranteed obligations,

Borrowed money does not include any Indebtedness incurred under or in connection with any asset finance arrangement (including hire purchase, finance leases, conditional sale agreements or similar arrangements) entered into to finance specific assets, where recourse is limited to the relevant asset.

Borrower has the meaning given to that term in the Loan Schedule, and, if the borrower comprises two or more persons then the provisions of clause 2.2 of this Schedule 1 shall apply.

Business Day means a day on which the Bank is open for normal banking business in England.

Change of Control means a situation where the following apply:

a. any person, or group of connected persons not having control (as defined in sections 450 and 451 of the Corporation Tax Act 2010) of the Borrower on the date on which the Bank has issued the Loan Agreement acquires control of the Borrower; or
b. any shareholder of the Borrower who owns more than 50% of the issued ordinary share capital of the Borrower on the date on which the Bank has issued the Loan Agreement transfers (whether by a single transfer or a series of transfers at different times) shares constituting, in aggregate, 50% or more in nominal value of the Borrower's issued ordinary share capital.

Conditions Precedent mean the conditions precedent to Drawdown specified under clause 3 (CONDITIONS PRECEDENT TO DRAWDOWN).

CRD IV means:

a. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 as amended from time to time; and
b. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC as amended from time to time,

or any law, rules or guidance by which either of them is implemented.

Default means any Event of Default or Potential Event of Default.

Default Interest means the interest that is payable at the Default Rate.

Default Rate means 2% per annum above the Interest Rate.

Designated Account means any account of the Borrower nominated by the Bank as a designated account for the purposes of the Loan Agreement.

Drawdown means the date the Bank releases the funds to the Borrower under the Loan Agreement in accordance with clause 4 (DRAWDOWN).

ERC has the meaning given to that term under clause 7.3.

Event of Default means any of the events or circumstances listed in clauses 14.1 to 14.23 (inclusive).

Finance Documents means the Loan Agreement, the Security Documents and any other document designated as such by the Bank and the Borrower.

Financial Indebtedness means any Indebtedness of an Obligor for or in respect of:

a. borrowing or raising money (with or without security), including any premium and any capitalised interest on that money;
b. any bond, note, loan stock, debenture, commercial paper or similar instrument;
c. any acceptances under any acceptance credit facility (or dematerialised equivalent) or any note purchase or documentary credit facilities;
d. monies raised by selling, assigning or discounting receivables or other financial assets on terms that recourse may be had to the Obligor if those receivables or financial assets are not paid when due;
e. any deferred payment for assets or services acquired, other than trade credit that is given in the ordinary course of trading and which does not involve any deferred payment of any amount for more than 60 days;
f. any rental or hire charges under finance leases (whether for land, machinery, equipment or otherwise);
g. any counter-indemnity obligation in respect of any guarantee, bond, indemnity, standby letter of credit or other instrument issued by a third party in connection with the Obligor's performance of contracts;
h. any other transaction that has the commercialeffect of borrowing (including any forward sale or purchase agreement and any liabilities which are not shown as borrowed money on the Obligor's balance sheet because they are contingent, conditional or otherwise);
i. any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the mark to market value shall be taken into account); and
j. any guarantee, counter-indemnity or other assurances against financial loss that the Obligor has given for any of the items referred to in paragraphs (a) to (i) of this definition incurred by any person.

When calculating Financial Indebtedness, no liability shall be taken into account more than once.

GAAP means generally accepted accounting principles in the United Kingdom.

Guarantor means any person required by the Bank to give a guarantee to the Bank in relation to the Loan Agreement and who by giving the guarantee or third party security, either limited or unlimited, may be liable for the full debt or part of it.

Increased Costs means any:

a. reduction in the rate of return from the Loan or on the Bank's overall capital;
b. additional or increased cost; or
c. reduction of any amount due and payable under any of the Finance Documents,

resulting from:

a. the introduction of or any change in (or interpretation, administration or application of) any law or regulation; or
b. compliance with any law or regulation made after the date of the Loan Agreement; or
c. the implementation or application of, or compliance with, Basel III, CRD IV or any other law or regulation which implements Basel III or CRD IV (whether such implementation, application or compliance is by a government, regulator, the Bank or any affiliated company of the Bank),

which is suffered or incurred by the Bank or its affiliates that is attributable to the Bank having entered into the Loan Agreement or funding or performing its obligations under any of the Finance Documents.

Indebtedness means any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint and any guarantee or indemnity of any of those obligations.

Insurance Policy means each contract and policy of insurance effected or maintained by the Borrower from time to time in respect of its assets or business.

Interest Rate means the rate as specified in the Loan Schedule.

Loan means a loan or loans made or to be made by the Bank to the Borrower under the Loan Agreement or the capital amount outstanding for the time being of that loan or those loans (as the case may be).

Loan Agreement means, together, the Loan Schedule and these Terms and Conditions.

Loan Amount means the amount that the Bank will lend the Borrower under the Loan Agreement as specified in the Loan Schedule.

Obligor means the Borrower or any Guarantor.

Overpayment means the utilisation of the Overpayment Allowance by the Borrower during the 12-month period following the calculation of that Overpayment Allowance to repay or prepay a part of the Loan.

Overpayment Allowance means an amount equal to 10% of the total aggregate outstanding amount of the Loan as calculated on each anniversary of the date of first Drawdown of a Loan under the Loan Agreement and as confirmed to the Borrower by the Bank upon the Borrower's written request.

Payment Date means the last day of each Payment Period.

Payment Period means every period of three months (or such other period as is agreed by the Bank in writing) beginning on the date of Drawdown of the Loan. No Payment Period shall extend beyond the Term.

Permitted Security means:

a. any liens arising by operation of law and in the ordinary course of the Borrower's business and not as a result of any default or omission by the Borrower;

b. any normal title retention arrangements included in a supplier's standard conditions of supply of goods acquired by the Borrower in the ordinary course of trade;

c. Security granted by the Borrower in favour of the Bank;

d. Security granted by the Borrower in favour of a third party in respect of which the Bank has given its prior written consent to the Borrower.

Potential Event of Default means any event or circumstances specified in clauses 14.1 to 14.23 (inclusive) which would, on the giving of notice, expiry of any grace period, making of any determination under any of the Finance Documents or satisfaction of any other condition (or any combination thereof), become an Event of Default.

Purpose means the purpose of the Loan specified in the Loan Schedule.

Relevant Agreement means a Finance Document and any other document entered into between, on the one hand, the Borrower and/or any member of its Group and, on the other hand, the Bank and/or any member of its group of companies.

Repayment Instalments means each scheduled instalment for the repayment of the Loan and/or interest as set out in the Loan Schedule.

Secured Assets means any of the assets and undertaking of an Obligor which are subject to Security granted in favour of the Bank pursuant to any Security Document.

Security means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Security Documents means any security or guarantee documents in respect of the Security and any other documents entered into by the Borrower or any other person from time to time creating or evidencing any Security or guarantee in favour of the Bank in relation to the Borrower's liabilities and obligations to the Bank.

Specific Covenants means any specific covenants set out in the Loan Schedule.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including, but not limited to, any penalty or interest payable in connection with any failure to pay or delay in paying any of the same).

Term has the meaning given to that term in the Loan Schedule.

Unpaid Amount means any sum or amount which is not paid on its due date by the Borrower under the Loan Agreement or any other Finance Document.

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

2. Interpretation

In the Loan Agreement:

2.1 a reference to a person shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);

2.2 if the Borrower comprises two or more persons then all references to the Borrower under the Finance Documents are to all of those persons and all of those persons shall be jointly and severally liable for all of the obligations and liabilities of the Borrower under the Finance Documents;

2.3 references to statutes, statutory provisions and other legislation shall include all amendments, substitutions, modifications and re-enactments for the time being in force and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant legislation;

2.4 references to any clause, paragraph or schedule shall be construed as a reference to the clauses, paragraphs or schedules in these Terms and Conditions or the Loan Schedule respectively unless otherwise specified;

2.5 a reference to **you** or **your** means to the Borrower and to **us** or **we** means the Bank;

2.6 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and the Loan Agreement shall be binding on, and enure to the benefit of, the parties to the Loan Agreement and their respective personal representatives, successors, permitted assigns and permitted transferees;

2.7 any term or phrase defined in the Companies Act 2006 (as amended from time to time) shall (whether or not it is capitalised) bear the same meaning in the Loan Agreement;

2.8 words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;

2.9 any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;

2.10 a reference to a **partnership** means any partnership other than a limited liability partnership established under the Limited Liability Partnerships Act 2000;

2.11 a reference to a **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;

2.12 clause, schedule and paragraph headings shall not affect the interpretation of the Loan Agreement;

2.13 an Event of Default is continuing if it has not been waived;

2.14 a reference to **writing** or **written** includes email in respect of communications from the Bank to the Borrower but not in respect of communications from the Borrower to the Bank unless otherwise specified;

2.15 a document in **agreed form** is a document which is previously agreed in writing by or on behalf of the Bank and the Borrower;

2.16 a document, agreement or instrument is a reference to that document, agreement or instrument as amended or novated, supplemented, extended or restated (however fundamentally) and includes (without limiting the generality of the foregoing) any variation, increase, extension or addition of or to any loan or amount made available under any such document or any variation of the purposes for which such facility or amount may be available from time to time;

2.17 a reference to **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

2.18 a reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee) by way of security or in connection with the taking of security, or (b) its nominee. In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Companies Act 2006 shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights;

2.19 a reference to an **affiliated company** includes any subsidiary or holding company as such terms are defined in section 1159 and Schedule 6 of the Companies Act 2006 (as the same may be amended, varied or replaced) or any other subsidiary of any such holding company;

2.20 references to a time of the day are references to the time in London; and

2.21 a reference to **Sterling** and **£** mean the lawful currency for the time being of the UK.