

24 September 2010

PRIVATE & CONFIDENTIAL

Mr A [redacted] and Mr A [redacted]



Dear Mr [redacted] and Mr [redacted]

BARCLAYS FACILITIES

Please find enclosed the facility agreement for the facility recently agreed by your Relationship Director.

The facility agreement consists of the Commercial Terms, the Standard Terms and, for certain types of facilities, the Product Terms.

In order to avoid delays in releasing the funds please ensure that the facility agreement is signed and dated within the acceptance period specified at the end of the Commercial Terms.

If any conditions precedent are to be satisfied before the facilities can be drawn, please send these to us with the signed copy of the facility agreement.

Please return one **complete** copy of each facility agreement(s) to this office. The other copies of the facility agreement(s) should be kept by you.

If you have any queries relating to a facility agreement or require any amendments to it, please contact your Relationship Director.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. [redacted]', is located below the closing text.

Sterling Term Loan Commercial Terms

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

Borrower:	and /
Parent:	Not applicable.
Facility Amount:	£1,100,000.00.
Currency:	Sterling.
Purpose:	To refinance existing debt on business premises.
Final Date for Drawing:	3 January 2011.
Loan Type:	Term Loan.
Margin:	3.250 per cent per annum.
Interest Rate Basis:	Fixed Rate Basis The fixed interest rate will be 5.300 percent per annum fixed for 10 years from the date of the first drawdown of the Facility provided that the facility is drawn in full within 30 days of the date of the commercial terms. If the Facility is not drawn within this time and the Bank's fixed interest rates have changed, then the Bank will advise the Borrower of the revised fixed rate and Repayment Instalments.
Interest Payment Requirements:	By debit to the Loan account.
Repayment Instalments:	240 instalments of £7,579.63 payable monthly commencing 1 month[s] after the first drawdown of the Facility.
Final Repayment Date:	The date falling 20 years after the date of first drawdown of the Facility.
Current Account:	The account agreed by the Bank and the Borrower from time to time to be the Current Account.
Fees:	Non-Utilisation Fee: There is no Non-Utilisation Fee. Arrangement Fee: £22,000.00 which is payable upon first drawdown of the Facility by debit to the Loan account.


Security Fees: The following security fees
£550.00 for the Land Charge
will be payable upon acceptance of the Commercial Terms by debit to the
Current Account.

- Prepayment Fee:** 1.500 per cent of the amount prepaid.
- Financial Covenants:** No Financial Covenants apply.
- Financial Information:** The Borrower will provide the Bank with any financial information which
the Bank may request from time to time.
- Relevant Parties:** The Borrower and any other person who has given a guarantee or security
relating to the Facility.
- New Security Required:** The New Security Required is:

A legal charge over '1'
on the Bank's standard form.
- Existing Security:** The security listed in the Schedule to the Commercial Terms (if any).
- Special Conditions:** There are no Special Conditions.
- Additional Conditions
Precedent:** There are no Additional Conditions Precedent
- Product Terms:** There are no Product Terms.

The offer of the Facility is available for acceptance until the date falling 60 days after the date of the
Commercial Terms.

For and on behalf of



PP
Richard Bridgwood
Relationship Director

Date: 24 September 2010

Telephone: 0
e-mail: r

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

_____ /

_____ /

_____ Date

(Each authorised signatory to sign and print name underneath)

Where the Parent (if any) and/ or the Borrower is a company or a LLP, this document is to be signed for and on behalf of the Parent or the Borrower (as the case may be) by a person or persons duly authorised or, when the Facility amount is £1,000,000 or less, by two directors (or, for a LLP, members) or by one director and the company secretary. In other cases, where the Borrower comprises more than one person, all such persons (including all partners or trustees) must sign.

THE SCHEDULE

Existing Security

There is no Existing Security.

**Sterling or Single Currency
Term or Revolving Loan
Standard Terms**



* 1 - A D O D M C *

Term or Revolving Loan

Standard Terms

1. Definitions

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

Group means [redacted] and any of its Subsidiaries;

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

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

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

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

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

Interest Period means each period determined in accordance with Condition 11.5 (*Interest*) for drawings to which the LIBOR Basis applies;

LIBOR means in relation to any Loan, the applicable Screen Rate (or if no Screen Rate is available for the currency or Interest Period of that Loan, the percentage rate per annum determined by the Bank to be its cost of funds from whatever source it may select) as of the time determined by the Bank and notified to the Borrower on the first day (or, if the currency is not Sterling, the date two Business Days before the first day) of the relevant Interest Period for a

period equal or comparable to that Interest Period;

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

Mandatory Costs Rate means the percentage rate per annum (rounded up to four decimal places) calculated in accordance with the Bank's standard formula current from time to time to reflect its costs of lending resulting from the requirements of any regulatory authorities or agencies, whether having the force of law or otherwise, affecting the conduct of the Bank's business;

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

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

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

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

Screen Rate means in relation to LIBOR, the British Bankers' Association Interest Settlement Rate for the relevant currency and period displayed on the appropriate page of the Reuters screen. If the agreed page is replaced or the service ceases to be available, the Bank may specify another page or service displaying the appropriate rate;

Security Interest means a mortgage, charge, pledge, lien or other security interest securing



any obligation of any person or any other agreement or arrangement having a similar effect;

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

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

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

2. Interpretation

- 2.1 References to statutory provisions are to provisions of United Kingdom statutes and include references to amended, extended or re-enacted versions.
- 2.2 References to the Borrower, the Parent (if named in the Commercial Terms), an Obligor or the Bank shall include references to their respective successors and assigns.
- 2.3 References to **indebtedness** or **amounts outstanding** shall include any obligation for the payment or repayment of money (whether present or future, actual or contingent).
- 2.4 **person** means any person, firm, company, corporation, government, state, agency of a state, association, trust or partnership.
- 2.5 **partnership** means any partnership other than a limited liability partnership established under the Limited Liability Partnerships Act 2000.
- 2.6 **company** includes any company or corporation irrespective of its jurisdiction of incorporation and a limited liability partnership established under the Limited Liability Partnerships Act 2000.
- 2.7 References to a time of the day are references to the time in London.
- 2.8 The date of acceptance of the Facility Agreement and the date of the Facility Agreement means in each case, the last date on which it is accepted by the Borrower or the Parent (as the case may be).
- 2.9 If all or part of the Facility is denominated in the currency of a state which adopts the euro as its currency after the date of the Commercial Terms, the Bank shall be

entitled to make such changes to the Facility Agreement as it reasonably considers are necessary to reflect the changeover to the euro (including, without limitation, the rounding (up or down) of fixed monetary amounts to convenient fixed amounts in euros and amending any provisions to reflect the market conventions for any facility of the kind contemplated in the Facility Agreement).

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

3. Amount

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

4. Purpose

The Facility shall only be used for the Purpose.

5. Conditions precedent

- 5.1 The Facility may be drawn down by the Borrower provided that, before the first drawing, the Bank has received in form and substance satisfactory to it:
- (a) the Commercial Terms signed by the parties to it;
 - (b) if required and the Borrower is or includes a company, a certified true copy of a resolution of its board of directors or members (as the case may be):
 - (i) accepting the Facility on the terms of the Facility Agreement;
 - (ii) authorising specified persons to sign the Commercial Terms; and
 - (iii) specifying those persons whose instructions (jointly or alone) the Bank is authorised to accept in all matters concerning the Facility, together with confirmed specimen signatures of each of those persons and of each of the persons referred to in (ii) above, if not already



- provided to the Bank;
- (c) if required and there is a Parent, a certified true copy of a resolution of the board of directors of the Parent approving the Facility Agreement and authorising specified persons to sign the Commercial Terms;
 - (d) any evidence required by the Bank for the purposes of any "know your customer", "know your business" or other similar checks;
 - (e) the New Security Required duly executed by the chargors/guarantors together with such other documents relating to them as the Bank requires; and
 - (f) the Additional Conditions Precedent and any conditions precedent in the Product Terms.
- 6. Drawdown**
- 6.1** The Borrower may request a drawing under the Facility by giving notice to the Bank (which shall be irrevocable and in form and substance satisfactory to the Bank), specifying:
- (a) the drawdown date (being a Business Day on or before the Final Date for Drawing);
 - (b) the amount required in the Currency (which must be at least £25,000 or the equivalent amount in the Currency as determined by the Bank or such other amounts agreed by the Bank); and
 - (c) if interest is calculated using LIBOR, an Interest Period which complies with Condition 11.5(b) (*Interest*), by not later than 10.00 a.m. on (i) the proposed drawdown date if the Interest Rate Basis is the Base Rate Basis or (ii) the Business Day (or the third Business Day if the Currency is not Sterling) prior to the proposed drawdown date if the Interest Rate Basis is LIBOR Basis or Fixed Rate Basis.
- 6.2** If the Interest Rate Basis is the Fixed Rate Basis the Borrower may only request drawings if a fixed rate has been agreed and only on the date(s) and in the amount(s) agreed between the Bank and the Borrower.
- 6.3** No drawing may be made if an Event of Default or Potential Event of Default exists or would occur if such drawing were made or if the Currency is not freely available to the Bank in the required amounts in the normal course of business in the London Interbank Market.
- 7. Security**
- 7.1** In order to protect the Bank's position in the event that the Borrower is unable to pay the Bank in full (but without affecting the terms of any security and/or guarantees), the Facility and all other indebtedness for the time being owing by the Borrower to the Bank will be secured by any security and/or guarantees which are held by the Bank from time to time (including, without limitation, the Existing Security and the New Security Required).
- 7.2** The Bank may at any time require any asset secured in favour of the Bank to be professionally valued at the Borrower's expense.
- 8. Repayment**
- 8.1** If the Facility is a Term Loan, the Borrower shall pay the Repayment Instalments as specified in the Commercial Terms. No amount which is repaid may be redrawn. If the Facility is not fully drawn by the Final Date for Drawing, any undrawn portion of the Facility shall be automatically cancelled and the Repayment Instalments shall be reduced pro rata.
- 8.2** If the Facility is a Term Loan, the Borrower may, subject to giving the Bank at least one month's notice, request a repayment holiday of up to twelve months. The Bank shall have absolute discretion as to whether to grant a repayment holiday and shall not be required to explain its reasons for any request which it declines. The Borrower will be notified in writing if the Bank agrees to any repayment holiday. The Bank's agreement will be conditional upon the Borrower continuing to pay interest on the Loan by debit to the Current Account.
- 8.3** The Bank may revise the Repayment Instalments annually if interest is capitalised or the Borrower has been granted a repayment holiday or the aggregate amount of the Repayment Instalments is insufficient to repay the

Loan in full by the Final Repayment Date. The Bank will advise the Borrower of any variation to the Repayment Instalments and the Borrower will be bound to pay such instalments.

- 8.4 If the Facility is a Revolving Loan, each drawing shall be repaid on the last day of the interest period applicable to it. Amounts which are repaid are available for redrawing subject to the terms of the Facility Agreement.

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

9. Prepayment

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

- 9.2 Any amount prepaid shall, if the Facility is a Term Loan, be applied towards the Repayment Instalments in inverse order of maturity and if the Facility is a Revolving Loan, be available for redrawing subject to the terms of the Facility Agreement. If the Facility is a Term Loan, no amount which is prepaid may be redrawn.

- 9.3 The Borrower shall pay the Prepayment Fee unless the Bank is prevented from charging such a fee by any statutory, regulatory or contractual requirement.

10. Cancellation

The Borrower may cancel the whole or any part (in minimum amounts of £25,000 (or the equivalent of such amount in the Currency as determined by the Bank) or such other amounts agreed by the Bank) of the undrawn Facility by

giving not less than 7 days' notice in writing to the Bank (which shall be irrevocable) specifying the amount to be cancelled and the cancellation date. The Borrower shall, on the cancellation date, pay any accrued Non-Utilisation Fee on the amount cancelled.

11. Interest

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

- 11.2 If the LIBOR Basis applies, interest shall accrue at the rate per annum equal to the aggregate of (i) the Margin, (ii) LIBOR for that Interest Period and (iii) the Mandatory Costs Rate.

- 11.3 If the Interest Rate Basis is the Fixed Rate Basis, and a fixed rate has been agreed (or is specified in the Commercial Terms), interest shall accrue at that fixed rate for the duration of the fixed period. At the end of the fixed period, until such time as a further fixed rate of interest per annum has been agreed in accordance with the paragraph below, interest shall accrue (i) if the Currency is Sterling, as if the Interest Rate Basis for the drawing were the Base Rate Basis, and the Borrower must then comply with the provisions of the Facility Agreement which apply where the Interest Rate Basis is the Base Rate Basis, or (ii) if the Currency is not Sterling, as if the Interest Rate Basis for the drawing were the LIBOR Basis, and the Borrower must then comply with the provisions of the Facility Agreement which apply where the Interest Rate Basis is the LIBOR Basis.

If the Interest Rate Basis is the Fixed Rate Basis, the Borrower may, at any time before the Final Repayment Date, request the Bank to quote a fixed percentage rate per annum of interest for a fixed period of between one and ten years (or such other period as the Bank shall in its discretion offer). If the Bank and the Borrower agree a fixed rate shall apply, that fixed rate shall apply for the relevant period with effect from the date agreed, unless interest is currently being calculated using LIBOR under this Condition 11.3 in which case it shall apply from the last day of the

then current Interest Period.

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

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

- (a) in the case of interest calculated using the Bank's Base Rate, on the Bank's usual quarterly charging dates in March, June, September and December in each year;
- (b) in the case of interest calculated using LIBOR, on the last day of each Interest Period (and, in the case of an Interest Period of longer than six months, also at the end of each period of six months during such Interest Period); and
- (c) in the case of interest calculated using an agreed fixed rate, at the end of each 1 or 3 month period (which the Borrower shall irrevocably select at the time the rate of interest is fixed) and on the date on which such fixed rate ends, and, in each case, on the date on which the Loan is repaid in full or the Facility is cancelled in full.

11.5 If the Interest Rate Basis is the LIBOR Basis, the Borrower:

- (a) will notify the Bank of the duration of the Interest Period selected by it
 - (i) by 10.00 a.m. on the day that Interest Period commences if the Currency is Sterling and (ii) by 12.00 noon on the third Business Day prior to that Interest Period if the Currency is not Sterling; and
- (b) may choose Interest Periods of three, six or twelve months or such other agreed period provided that:
 - (i) if the Borrower fails to give notice of its selection in accordance with paragraph (a) of this Condition 11.5, the duration of that Interest Period shall be three months;
 - (ii) while interest is capitalised and debited to the Loan

- account, each Interest Period shall be a period of three months;
- (iii) if any Interest Period would otherwise end on a day which is not a Business Day, it shall end on the next succeeding Business Day unless it would otherwise fall into the next calendar month in which event it shall end on the immediately preceding Business Day;
- (iv) no Interest Period may end after the Final Repayment Date;
- (v) if the Facility is a Term Loan, in respect of second and subsequent drawings under the Facility, the first Interest Period shall end on the last day of the then current Interest Period relating to the remainder of the Loan so that all drawings shall be consolidated; and
- (vi) if the Facility is a Term Loan and a Repayment Instalment is to be paid during an Interest Period, the Loan shall be divided into two tranches, one being an amount equal to the relevant Repayment Instalment and having an Interest Period ending on the date on which such Repayment Instalment is to be paid and the other being an amount equal to the remainder of the Loan and having an Interest Period of a duration established in accordance with the other provisions of this Condition 11.5.

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

- 11.7 Any sum which the Borrower fails to pay when due may, at the discretion of the Bank, be treated as if it were part of the Loan (but with interest periods of a duration selected by the Bank) for the purposes of this Condition 11 and the rate of interest payable on any such sum shall be increased by 1% per annum from the date on which the sum became payable.
- 11.8 The Bank may permit interest accruing on the Loan to be capitalised and added to the principal amount of the Loan on dates determined by the Bank.
- 12. Fees**
- 12.1 The Borrower shall pay the Fees (plus any VAT payable on such fees) to the Bank, as specified in the Commercial Terms.
- 12.2 The Bank shall be entitled from time to time to review and vary the amount of any Management Fee payable by written notice to the Borrower.
- 12.3 Any Non-Utilisation Fee will be calculated on a daily basis from the date of acceptance of the Facility Agreement on the undrawn and uncanceled portion of the Facility and will be payable quarterly in arrear, on the date the Facility (or any part of the Facility) is cancelled and on the Final Drawdown Date (or, if earlier in the case of a Term Loan, on the date the Facility becomes fully drawn).
- 13. Payments**
- 13.1 All payments by the Borrower under the Facility Agreement shall be made in full to the Bank for value on the due date by such times and in such funds as the Bank may specify as being customary at the time for settlement of transactions in the Currency in the place of payment, without set-off or counterclaim and free and clear of any deduction or withholding on account of tax or otherwise. If the Borrower is required by law to make any deduction or withholding from any payment under the Facility Agreement, the sum due from the Borrower in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Bank receives a net sum equal to the sum which it would have received had no such deduction or withholding been required.
- 13.2 Notwithstanding Condition 12.1 (*Fees*), the Bank may, at its discretion, debit any sums due from the Borrower under the Facility Agreement to any account of the Borrower with the Bank.
- 13.3 The Bank shall be entitled to adjust the dates for the making of payments under the Facility Agreement, and the duration of any Interest Periods, where in the Bank's opinion it is necessary to do so in order to comply with the practice from time to time prevailing in the London Interbank Market or any other financial market relevant for the purposes of the Facility.
- 14. Representations and warranties**
- 14.1 The Borrower and the Parent (if named in the Commercial Terms) represent and warrant that at all times:
- (a) it is legally empowered to borrow the Facility on the terms set out in the Facility Agreement;
 - (b) it has taken all necessary action to authorise the acceptance of and the exercise of its rights under the Facility Agreement and the performance of its obligations under the Facility Agreement and all other documents to be entered into by it in connection with the Facility; and
 - (c) there is no legal or other restriction on its ability to perform its obligations in respect of the Facility.
- 15. General undertakings**
- 15.1 The Borrower and the Parent (if named in the Commercial Terms) undertake to procure that:
- (a) the obligations of the Borrower (and, if applicable, the Parent) in respect of the Facility shall at all times rank at least *pari passu* with all its other present and future unsecured obligations
 - (b) no Relevant Party shall create or agree to create or permit to subsist (other than in favour of the Bank) any Security Interest over any of its assets;
 - (c) no Relevant Party will sell, transfer

- or otherwise dispose of the whole or any substantial part of its undertaking, property, assets or revenues, whether by a single transaction or a number of transactions (other than in the ordinary course of trading);
- (d) no Relevant Party will make any material change in the scope or nature of its business;
- (e) each Relevant Party shall maintain adequate insurance in relation to its business and assets with reputable underwriters or insurance companies against risks usually insured by persons carrying on a business such as that carried on by such Relevant Party and such other risks as the Bank may from time to time reasonably require;
- (f) the Financial Covenants (if any) and any other undertakings contained in the Facility Agreement are complied with;
- (g) it will immediately upon becoming aware of it, inform the Bank of any material litigation being threatened against a Relevant Party or the occurrence of any Event of Default or Potential Event of Default (and the steps, if any, being taken to remedy it);
- (h) if the Borrower is a partnership, the Borrower shall notify the Bank in writing immediately of any change in the membership of the partnership. Whenever possible such notification shall be given in advance of such change; and
- (i) if the Borrower comprises one or more trustees, the Borrower shall give to the Bank not less than 28 days' prior written notice of the proposed retirement of any trustee or the appointment of any new trustee (which shall not be effected without the prior written consent of the Bank) and shall notify the Bank in writing immediately upon the death of any trustee or the dissolution of any firm or corporation acting as trustee.
- 15.2 The Borrower agrees that the Special Conditions (if any) shall apply to the Facility.
- 16. Information**
The Borrower and the Parent (if applicable) will provide the Bank with the Financial Information as specified in the Commercial Terms.
- 17. Events of default**
17.1 Each of the events or circumstances set out in this Condition 17 is an Event of Default:
- (a) the Borrower does not pay on the due date any amount payable under the Facility Agreement; or
- (b) a Relevant Party does not comply with any of its obligations under or in connection with the Facility or any guarantee or security held by the Bank in respect of the Facility (other than referred to in (a) above); or
- (c) any indebtedness of any Relevant Party becomes immediately due and payable, or capable of being declared due and payable (or any commitment in respect of any such indebtedness is withdrawn or cancelled), in each case, prior to its stated maturity by reason of an event of default (however described), or any Relevant Party fails to discharge any indebtedness on its due date (other than a liability which such Relevant Party is then contesting in good faith on the basis of favourable legal advice); or
- (d) any representation or warranty made, or any information provided, by any Relevant Party in connection with the Facility is or proves to have been incorrect or misleading in any material respect when made; or
- (e) a Relevant Party is unable, or is likely to be unable, to pay its debts when due or suspends making payments on any of its debts; or
- (f) any corporate action, legal proceedings or other procedure or step is taken in relation to:
- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration

- or reorganisation of any Relevant Party other than a solvent liquidation or reorganisation of any Relevant Party which is not an Obligor;
- (ii) a composition, assignment or arrangement with any creditor of any Relevant Party;
 - (iii) the appointment of a liquidator (other than in respect of a solvent liquidation of a Relevant Party which is not an Obligor), receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Relevant Party or any of its assets; or
 - (iv) enforcement of any Security Interest over any assets of any Relevant Party;
- or any analogous procedure or step is taken in any jurisdiction;
- (g) any expropriation, attachment, sequestration, distress or execution affects any asset or assets of a Relevant Party; or
 - (h) the presentation of a bankruptcy petition against, or the application for an interim order under Section 253 of the Insolvency Act 1986 in respect of, or the insolvency or death of, any Relevant Party; or
 - (i) any guarantee or security relating to the Facility ceases to be legal, valid and binding on a Relevant Party; or
 - (j) any guarantor giving or purporting to give notice to terminate its liabilities under any guarantee relating to the Facility; or
 - (k) any Relevant Party is involved in litigation or in any other dispute which is likely in the Bank's opinion (acting reasonably) to have an adverse effect on the business of such Relevant Party; or
 - (l) if the Borrower is a company, control of the Borrower (or the Parent) passing or having passed to
- any person or persons, acting either individually or in concert, who did not control the Borrower (or, as the case may be, the Parent) at the date of the Commercial Terms, without the prior written consent of the Bank ("control" having the meaning ascribed to it in relation to a body corporate by Section 995 of the Income Tax Act 2007); or
- (m) if a Relevant Party is a partnership, a change in the partnership which constitutes such Relevant Party for any reason, without the prior written consent of the Bank; or
 - (n) if the Borrower comprises one or more trustees, any trustee ceases to act as such or any new trustee is appointed, without the prior written consent of the Bank; or
 - (o) there being an adverse change in the financial or trading position or prospects of any Relevant Party which, in the Bank's reasonable opinion, is material; or
 - (p) any other event of default referred to in any Product Terms occurs; or
 - (q) any event occurs in relation to the Relevant Party in any jurisdiction which has an effect substantially similar to any of the events specified above,
- then, in any such case, the Bank's commitment to advance any undrawn balance of the Facility shall cease and the whole amount of the outstanding Loan and all accrued interest and other amounts owing under the Facility will immediately become repayable on demand in writing being made by the Bank at any time.
- 18. Costs and expenses**
The Borrower shall reimburse to the Bank on demand on a full indemnity basis all valuation and legal fees and other out of pocket expenses (including VAT) incurred by the Bank in connection with the enforcement and/or preservation by the Bank of its rights under the Facility Agreement (and the documents referred to in the Facility Agreement).

19. Change of circumstances

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

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

- (a) it is or will become unlawful for it to carry out any of its obligations towards the Borrower in respect of the Facility; or
- (b) a Reputation Risk Event has occurred,

then, upon the Bank notifying the Borrower of such event arising or existing in connection with the Borrower or any person related to the Borrower or any security and/or guarantee(s), the Borrower shall immediately prepay the Loan, together with all other amounts payable by the Borrower in respect of the Facility.

20. Indemnities

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

- (a) failure by the Borrower to borrow in accordance with a notice of drawing given by it to the Bank;
- (b) any default or delay by the Borrower in the payment of any amount when due in respect of the Facility;
- (c) the occurrence or continuance of any Event of Default or Potential Event of Default;
- (d) all or part of the Loan being prepaid or becoming repayable before its due date, if interest is calculated using LIBOR otherwise than on the last day of the then current Interest Period; or

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

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

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

matters referred to in Condition 20.1 (*Indemnities*) after taking into account, as far as appropriate, the discharge or reduction of the obligations of the Bank and other such factors as the Bank shall reasonably determine to be relevant.

- 20.3 If any amount outstanding in respect of the Facility is paid or recovered in a currency (the "other currency") other than that in which it is required to be paid (the "contractual currency"), then, to the extent that the payment (when converted at the then applicable rate of exchange) falls short of the amount unpaid, the Borrower shall, as a separate and independent obligation, fully indemnify the Bank on demand against the amount of the shortfall. For the purposes of this paragraph the expression "rate of exchange" means the rate at which the Bank is able as soon as practicable after receipt to purchase the contractual currency in London with the other currency.
21. **Notifications Binding**
All notifications or determinations given or made by the Bank shall be conclusive and binding on the Borrower, except in the case of manifest error.
22. **Assignment**
The Borrower may not assign or transfer any of its rights in respect of the Facility. The Bank may assign or transfer all or any of its rights and/or obligations in respect of the Facility, in whole or in part, to any person or persons and may disclose to any actual or prospective assignee or transferee (or to any other person (i) in connection with a securitisation of all or any part of the Bank's loan assets from time to time or (ii) who may otherwise enter into contractual relations with the Bank in relation to the Facility) any information relevant to the Facility in the Bank's possession relating to the Borrower, the Parent (if named in the Commercial Terms) and their respective Subsidiaries on terms that such recipient is to treat in confidence any confidential information disclosed to it.
23. **Set-off**
The Bank may at any time after an Event of Default has occurred, without prior notice to the Borrower (and irrespective of any instructions to the contrary) apply any credit balance of the Borrower in any currency on any account or otherwise (or any amount paid to it by or on behalf of the Borrower) in or towards the payment or discharge of any indebtedness due, owing or incurred to the Bank by the Borrower. The Bank may use that credit balance (or amount) to buy any currency needed for that purpose. This right is without prejudice to any other rights the Bank may have at law.
24. **Invalidity and forbearance**
- 24.1 If any provision of any document relating to the Facility is or becomes invalid or unenforceable to any extent, the remainder of that document shall not be affected and each such provision shall be valid and enforceable to the fullest extent permitted by law.
- 24.2 All rights, powers and privileges under the documents relating to the Facility shall continue in full force and effect, regardless of the Bank's exercising, delaying in exercising or omitting to exercise any of them. The rights and remedies of the Bank in respect of the Facility are cumulative and not exclusive of any right or remedy provided by law.
25. **Liability**
- 25.1 Where the Borrower consists of more than one party, each such party shall be individually as well as jointly liable for all amounts payable under the Facility Agreement. In the event of death, bankruptcy, liquidation (including the passing of a resolution for liquidation), or dissolution of one or more such parties or an application for administration, an administration order or voluntary arrangement and/ or any analogous proceedings in any other jurisdiction, the obligations of the other parties shall continue in full force and effect.
- 25.2 If the Borrower is a partnership, all partners at the time the Facility is taken up and any new partners shall be individually as well as jointly liable for all

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

26. Notices

26.1 Every notice, request or other communication shall:

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

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

27. Governing law

27.1 The Facility Agreement, and all non-contractual obligations arising out of or in connection with it, are governed by English law and the parties to it (other than the Bank) each submit to the exclusive jurisdiction of the English Courts.

27.2 Condition 27.1 (*Governing law*) is for the benefit of the Bank only. As a result, it does not prevent the Bank from taking proceedings relating to any dispute relating to the Facility or the documents

relating to the Facility in any other courts with jurisdiction. To the extent allowed by law the Bank may take concurrent proceedings in any number of jurisdictions.

28. Service

The Bank is committed to provide the highest quality service to the Borrower. Should there be reason to complain, the Borrower may do so in person, in writing by post or e-mail or by telephone. Details of the Bank's complaint handling procedures are available on request from any branch, the *Enterprise Finance Guarantee* on 0200 000 0000 or www.bankofscotland.com.

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