

# Investec Bank (Channel Islands) Limited

## Standard Terms and Conditions for Lending

### Second edition – June 2019

---



## Contents

Terms and Conditions	2
1 Applicability, Definitions and Interpretation	2
2 Amount	9
3 Purpose and Monitoring	9
4 Conditions of Drawdown	10
5 Drawdown	10
6 Optional Currencies	11
7 Repayment	12
8 Prepayment and Cancellation	12
9 Interest	13
10 Fees	15
11 Tax Gross-up, Increased Costs and Other Indemnities	15
12 Costs and Expenses	16
13 Security Documents	16
14 Corporate Representations	16
15 Deposit Compensation	18
16 Information Covenants of Corporate Borrowers	19
17 Information Covenants of Natural Persons	19
18 Financial Covenants	19
19 General Covenants of Corporate Borrowers	20
20 General Covenants of Natural Persons	22
21 Insurances	23
22 Events of Default	24
23 Payment, Set off and Interest Calculations	26
24 Assignment, Transfer and Securitisation	26
25 Notices	27
26 Miscellaneous	27
27 Service Agent	27
28 Governing Law and Enforcement	28



# 1 Applicability, Definitions and Interpretation

## 1.1 Applicability

These Standard Terms and Conditions for Lending apply to a facility letter:

- 1.1.1 in respect of which they are expressly incorporated; and
- 1.1.2 the date of which occurs on or after 1 June 2019 and before the date on which they are superseded by revised terms and conditions.

## 1.2 Definitions

For the purpose of interpreting and construing these Standard Terms and Conditions for Lending in relation to a facility letter to which they apply (the "Facility Letter") and for the purposes of interpreting and construing the Facility Letter, each of the following terms shall have the meaning given to them as follows:

### Agreed Period

means the period specified as such in Clause 10 (Covenants) of the Facility Letter.

### Amortisation Basis

means the facility repayment basis under which the Borrower must repay each outstanding Loan in instalments in accordance with paragraph 7.1.2, which facility repayment basis shall apply to the Facility if specified as doing so in Clause 6 (Repayment, Prepayment and Cancellation) of the Facility Letter.

### Anti-Corruption Laws

means, subject to the Relevant Jurisdiction:

- (a) The Prevention of Corruption (Bailiwick of Guernsey) Law, 2003;
- (b) The Corruption (Jersey) Law 2006;
- (c) The Bribery Act 2010 of the United Kingdom;
- (d) The Foreign Corrupt Practices Act of 1977 of the United States of America; and
- (e) any similar applicable laws or regulations in any jurisdiction in which the Borrower or any other Relevant Person is located or doing business that relate to bribery or corruption.

### Asset and Liability Statement

means, where a Relevant Person is a natural person, an asset and liability statement delivered to the Bank by the Borrower in accordance with paragraph 4.1 (Initial Conditions Precedent) or paragraph 17.1 (Asset and liability statement).

### Authorisation

means any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

### Availability Period

means the period set out in Clause 5 (Drawdown) of the Facility Letter, which period shall commence on the date of the Facility Letter.

### Available Facility

means:

- (a) if the Single Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the Facility Limit minus:
  - (i) the amount of any outstanding Loans; and
  - (ii) in relation to any proposed Loan, the amount of any Loans that are due to be made on or before the proposed Drawdown Date; and
- (b) if the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the Facility Limit minus:
  - (i) the Base Currency Amount of any outstanding Loans; and
  - (ii) in relation to any proposed Loan, the Base Currency Amount of any Loans that are due to be made available to the Borrower on or before the proposed Drawdown Date.

### Bank

means Investec Bank (Channel Islands) Limited, a company incorporated in Guernsey (Company Number: 5845) whose registered office is at Gategny Court, Gategny Esplanade, St Peter Port, Guernsey GY1 1WR, its applicable branches and its successors and assignees from time to time.

### Bank's Group

means the Bank, Investec Bank plc, Investec Bank Limited or Investec Limited, any Subsidiary of the Bank, Investec Bank plc, Investec Bank Limited or Investec Limited, any Holding Company of the Bank, Investec Bank Limited or Investec Limited and any Subsidiary of any such Holding Company.

### Bank's Spot Rate of Exchange

means, if the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the Bank's spot rate of exchange for the purchase of an Optional Currency with the Base Currency, or the Base Currency with an Optional Currency in the London foreign exchange market at or about 11:00 a.m. on a particular day.

### Base Currency

means, if the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the currency specified as the Base Currency in Clause 2 (Amount and Type of Facility) of the Facility Letter.

### Base Currency Amount

means, in relation to a Loan and if the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the amount specified in the Drawdown Request delivered by the Borrower for that Loan (or, if the amount requested is not denominated in the Base Currency, that amount converted into the Base Currency at the Bank's Spot Rate of Exchange on the date which is three Business Days before the Utilisation Date or, if later, on the date the Bank receives the Drawdown Request) adjusted to reflect any repayment (other than a repayment arising from a change of currency), prepayment, consolidation or division of the Loan in question.

### Base Rate

means, where the Base Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter, the base rate of the Bank as that rate fluctuates from time to time.

### Base Rate Basis

means the interest rate basis under which the rate of interest accruing on each outstanding Loan shall be determined in accordance with paragraph 9.1 (The Base Rate Basis), which interest rate basis shall apply to the Facility if specified as doing so in Clause 7 (Interest) of the Facility Letter.

### 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".

**Borrower**

has the meaning given to that term in Clause 1 (Borrower) of the Facility Letter.

**Borrower DTTP Filing**

means an H.M. Revenue & Customs' Form DTTP2 duly completed and filed with H.M. Revenue & Customs by the Borrower, which contains:

- (a) the Bank's scheme reference number – 86/I/266243/DTP; and
  - (b) the Bank's jurisdiction of tax residence – Guernsey;
- and is filed within the time frame required by H.M. Revenue & Customs.

**Borrowings**

means (without double counting):

- (a) money borrowed or raised and includes capitalised interest;
- (b) any liability under any bond, note, debenture, loan stock, redeemable preference share capital or other instrument or security;
- (c) any liability for acceptance or documentary credits or discounted instruments;
- (d) any liability for the acquisition cost of assets or services payable on deferred payment terms where the period of deferment is more than 90 days;
- (e) any liability under debt purchase, factoring and similar agreements and capital amounts owing under finance leases, hire purchase or conditional sale agreements or arrangements;
- (f) the net liability under any derivative transaction protecting against or benefiting from fluctuations in any rate or price;
- (g) any other arrangements having the commercial effect of borrowing; and
- (h) any liability under any guarantee or indemnity in respect of any obligation falling within (a) to (g) (inclusive) above.

**Break Costs**

means:

- (a) if the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter, the amount (if any) by which:
  - (i) the interest which the Bank should have received for the period from the date of receipt of all or any part of a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period; exceeds:
  - (ii) the amount which the Bank would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Relevant Interbank Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period; and
- (b) if the Fixed Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter, the full amount of all payments, costs, expenses and liabilities incurred by the Bank in terminating any hedging arrangements implemented by the Bank in order to set the fixed base rate of interest applicable to any Loan.

**Business Day**

means a day (other than a Saturday or Sunday) on which banks are open for general business in London, Guernsey and Jersey:

- (a) (in relation to any date for payment or purchase of a currency other than sterling or Euro) the principal financial centre of the country of that currency; or
- (b) (in relation to any date for payment or purchase of Euro) any TARGET Day.

**Change of Control**

means any change in the legal or beneficial ownership of the Borrower (whether directly or indirectly through a change in the legal or beneficial ownership of any Holding Company) from that shown in the Structure Chart.

**Charged Property**

means:

- (a) where the Secured Property Basis applies as specified in Clause 10 (Covenants) of the Facility Letter, all of the Secured Property; or
- (b) where the Property Basis applies as specified in Clause 10 (Covenants) of the Facility Letter, the Property only.

**Charged Property Market Value**

means the market value of the Charged Property as determined by the Bank in accordance with the most recent Valuation or Valuations received by the Bank in respect of all or any Charged Property and/or the most recent Asset and Liability Statement in respect of a Borrower that is a natural person.

**Committed Basis**

means the facility basis under which the Facility made available by the Bank will be committed for a certain period, which facility basis shall apply to the Facility if specified as doing so in Clause 2 (Amount and Type of Facility) of the Facility Letter.

**Conversion Limit**

means the amount in the Base Currency specified in Clause 10 (Covenants) of the Facility Letter.

**Conditions Precedent**

has the meaning given to that term in Clause 4 (Conditions Precedent) of the Facility Letter.

**CRD IV**

means:

- (a) Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV);
- (b) Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (CRR); and
- (c) the delegated and implementing acts made thereunder.

**Default**

means an Event of Default or any other event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

**Default Rate**

means the rate of interest applicable under paragraph 9.6 (Default Interest).

**Development Loan**

means a Loan utilised or to be utilised by the Borrower at the absolute discretion of the Bank for the purposes of the development and/or refurbishment of the Property.

**Disposal**

means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, property, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

**Dispute**

has the meaning given to that term in paragraph 28 (Governing Law and Enforcement).

**Drawdown Date**

means each date on which the Borrower makes a drawdown under the Facility.

**Drawdown Request**

means a communication from the Borrower to the Bank, in such form as is acceptable to the bank, requesting any one or more of the following (as applicable):

- (a) a Drawdown Date;
- (b) the amount of the drawdown;
- (c) the currency of the drawdown; and
- (d) the bank account for the drawdown to be paid into.

#### **Duty of Care Deed**

means a duty of care deed entered into or to be entered into by a Managing Agent, one or more Relevant Persons and the Bank in an agreed form.

#### **EC Treaty**

means the Treaty establishing the European Community, as amended from time to time.

#### **Environment**

means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water).

#### **Environmental Claim**

means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

#### **Environmental Law**

means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

#### **Environmental Permits**

means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law in respect of the properties owned or used by the Borrower and/or any Relevant Person.

#### **EURIBOR**

means, where the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter and in relation to a Loan denominated in Euro:

- (a) the applicable Screen Rate; or
- (b) (if no Screen Rate is available for the currency or Interest Period of the Loan) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Bank at its request quoted by the Reference Banks to leading banks in the Relevant Interbank Market, as at 11am on the Quotation Day for the offering of deposits in Euro for a period comparable to the Interest Period for the Loan, and if, in any case, that rate is less than zero, EURIBOR shall be deemed to be zero.

#### **Euro and €**

means the single currency introduced in the third stage of economic and monetary union pursuant to the EC Treaty.

#### **Event of Default**

means any event or circumstance specified as such in paragraph 22 (Events of Default).

#### **Exit Fee Letter**

means an exit fee letter entered into or to be entered into by the Borrower and/or another Relevant Person and the beneficiary specified therein in an agreed form.

#### **Extension Notice**

means a notice substantially in the form set out in Schedule 4 (Form of Extension Notice) of the Facility Letter issued by the Bank to the Borrower in accordance with paragraph 7.4 (Extension Option).

#### **Facility**

has the meaning given to that term in the first paragraph of the Facility Letter.

#### **Facility Limit**

has the meaning given to that term in Clause 2 (Amount and Type of Facility) of the Facility Letter.

#### **Finance Document**

means the Facility Letter, these Standard Terms and Conditions for Lending, each Security Document, each Drawdown Request, each Selection Notice, each Supplemental Document, any Extension Notice, any Subordination Deed, any Intercreditor Deed, any Duty of Care Deed, any Exit Fee Letter, any Profit Share Letter and any other document designated as a Finance Document by the Bank and the Borrower.

#### **Financial Covenants**

means the financial covenants set out in paragraph 18 (Financial Covenants) as supplemented by Clause 9 (Special Conditions) of the Facility Letter and Clause 10 (Covenants) of the Facility Letter.

#### **Financial Statements**

means the audited annual profit and loss account, balance sheet and cash flow statement of the relevant company or other entity for each of its financial years (consolidated for each financial year during which that company or entity has a Subsidiary) together with related directors' and auditors' reports and notes.

#### **First Currency**

has the meaning given to that term in paragraph 11.4 (Currency indemnity).

#### **First Drawdown Date**

means, where the Multiple Drawdown Basis applies as specified in Clause 5 (Drawdown) of the Facility Letter, the Drawdown Date on which the Borrower first utilises a Loan under the Facility.

#### **First Drawdown Deadline**

means the date specified as such in Clause 5 (Drawdown) of the Facility Letter, being the date by which the Borrower must first utilise a Loan under the Facility.

#### **Fixed Rate**

means, where the Fixed Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter, the fixed annual percentage rate specified in Clause 7 (Interest) of the Facility Letter.

#### **Fixed Rate Basis**

means the interest rate basis under which the rate of interest accruing on each outstanding Loan shall be the Fixed Rate in accordance with paragraph 9.2 (The Fixed Rate Basis), which interest rate basis shall apply to the Facility if specified as doing so in Clause 7 (Interest) of the Facility Letter.

#### **GAAP**

means generally accepted accounting principles and practices in the United Kingdom.

#### **Gross Development Value**

means the value of the Property assuming the development of the Property has been completed in accordance with the development programme delivered to the Bank under the conditions precedent listed in Schedule 1 (Conditions Precedent) of the Facility Letter.

#### **Gross Rental Value**

means the amount of rental payable by the tenant(s) for the lease of all or part of the Property for the relevant period.

#### **Group**

means, where the Borrower is a company, a limited liability partnership or another form of corporate entity, the Borrower, each of its Subsidiaries and each of its Subsidiary Undertakings and the terms "Group Company" and "member of the Group" shall be construed accordingly.

**Headlease**

means a lease under which the Borrower (or another Relevant Person) holds title to any part of the Property.

**Holding Company**

means, in relation to a company or corporation or other entity, any other company, corporation or entity in respect of which it is a Subsidiary or a Subsidiary Undertaking.

**IBOR**

means:

- (a) as regards a Loan denominated in Euro, EURIBOR; and
- (b) as regards a Loan denominated in any other currency, LIBOR.

**IBOR Basis**

means the interest rate basis under which the rate of interest accruing on each outstanding Loan shall be determined in accordance with paragraph 9.3 (The IBOR Basis), which interest rate basis shall apply to the Facility if specified as doing so in Clause 7 (Interest) of the Facility Letter.

**IFRS**

means international accounting standards, as defined in the IFRS Regulation, adopted from time to time by the European Commission in accordance with the IFRS Regulation.

**IFRS Regulation**

means EC Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

**Increased Cost**

means:

- (a) an additional or increased cost incurred by the Bank as a result of it having entered into, or performing, maintaining or funding its obligations under the Facility Letter and these Standard Terms and Conditions for Lending; or
- (b) that portion of an additional or increased cost incurred by the Bank in making, funding or maintaining all or any advances comprised in a class of advances formed by or including any Loan; or
- (c) a reduction in any amount payable to the Bank or in the effective return to the Bank under the Facility or on its capital; or
- (d) the foregone amount of any payment made or interest or other return on or calculated by reference to any amount received or receivable by the Bank under the Facility,

in each case, subject to the relevant Jurisdiction, arising as a result of any change, introduction, interpretation or administration of any law or regulation after the date of the Facility Letter or any compliance after the date of the Facility Letter with any law or regulation relating to reserve assets, special deposits, cash ratios, liquidity or capital adequacy requirements or any other form of banking or monetary control (including controls and requirements of the Bank of England, the Financial Conduct Authority, Prudential Regulation Authority, the European Central Bank, GFSC, JFSC or any other governmental or regulatory authority), the implementation or application of or compliance with CRD IV and any other law or regulation which implements Basel III or the introduction of, changeover to or operation of a single or unified European currency or a credit ratings downgrade or increased weighting attaching to the Borrower or any Relevant Person or otherwise.

**Insurance**

means any contract of insurance required under the terms of any Finance Document.

**Insurance Proceeds**

means the proceeds of any Insurance.

**Intercreditor Deed**

means an intercreditor deed entered into or to be entered into by a Relevant Person, the Bank and any other lender in an agreed form.

**Interest Payment Date**

means, where either the Base Rate Basis or the Fixed Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter and in relation to a Loan;

- (a) the numerically corresponding date with the Drawdown Date for that Loan falling at either three-monthly or monthly intervals (in each case as specified in Clause 7 (Interest) of the Facility Letter), except that if a numerically corresponding day is not a Business Day, then the Interest Payment Date in question will be the next Business Day in that calendar month if there is one, or if there is not, the immediately preceding Business Day; and
- (b) the Termination Date.

**Interest Period**

means, where the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter:

- (a) in relation to a Loan, each period determined in accordance with paragraph 9.4 (Interest Periods); and
- (b) in relation to an Unpaid Sum, each period determined in accordance with paragraph 9.6 (Default Interest).

**Interest Roll-Up Basis**

means the interest roll-up basis under which interest accruing on each outstanding Loan shall roll-up and capitalise on the Loan in question, which interest roll-up basis shall apply to the Facility if specified as doing so in Clause 7 (Interest) of the Facility Letter.

**Interest Roll-Up Sub-Facility**

means, where the Interest Roll-Up Basis applies, that part of the Facility made available to the Borrower for the purpose of funding interest roll-up on each outstanding Loan as specified in Clause 3 (Purpose) of the Facility Letter.

**ITA**

means the Income Tax Act 2007 of the United Kingdom.

**Joint Venture**

means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

**Lease Document**

means:

- (a) an agreement to grant any lease or licence or other right of occupation or right to receive rent in respect of all or part of the Property and includes any guarantee of a tenant's obligations under the same;
- (b) any lease or licence or other right of occupation or right to receive rent to which the Property may at any time be subject and includes any guarantee of a tenant's obligations under the same; or
- (c) any other document designated as such by the Bank and the Borrower.

**LIBOR**

means, where the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter and in relation to a Loan denominated in a currency other than Euro:

- (a) the applicable Screen Rate; or
- (b) (if no Screen Rate is available for the currency or Interest Period of the Loan) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Bank at its request quoted by the Reference Banks to lending banks in the Relevant Interbank Market, as at 11 am on the Quotation Day for the offering of deposits in the currency of the Loan (not being Euro) and for a period comparable to the Interest Period for the Loan, and if, in any case, that rate is less than zero, LIBOR shall be deemed to be zero.

**Listing**

means a listing of all or any of the shares of the Borrower (or any other Group Company) on any official list or an admission to

trading of all or any of the shares of the Borrower (or any other Group Company) on any recognised investment exchange (as defined in Section 285 of the Financial Services and Markets Act 2000 of the United Kingdom) or market of any country (or the sale or issue of any such shares on any such exchange or market).

**Loan**

means a loan made or to be made under the Facility or the principal amount outstanding for the time being of that loan.

**Loan to Value Ratio**

means the ratio of the total amount outstanding (or its equivalent in the Base Currency if the Multi-Currency Basis applies) and owed to the Bank under the Finance Documents (whether principal, interest, fees or otherwise) to the Charged Property Market Value from time to time where the total amount outstanding is expressed as a percentage of the Charged Property Market Value.

**LTV Maximum Increase Percentage**

means, where the Maintenance of LTV Basis applies as specified in Clause 10 (Covenants) of the Facility Letter, the percentage specified as such in Clause 10 (Covenants) of the Facility Letter.

**Maintenance of LTV Basis**

means the maintenance of Loan to Value Ratio basis under which the Bank may require the Borrower to provide it with additional security or to repay Loans (or both) as determined by the Bank in accordance with paragraph 18.5 (Maintenance of LTV Basis), which maintenance of Loan to Value Ratio basis shall apply to the Facility if specified as doing so in Clause 10 (Covenants) of the Facility Letter.

**Major Tenant**

means any tenant of all or part of the Property specified as a Major Tenant in Clause 9 (Special Conditions) of the Facility Letter.

**Managing Agent**

means any managing agent appointed by the Borrower (or another Relevant Person) in respect of the Property.

**Margin**

has the meaning given to that term in Clause 7 (Interest) of the Facility Letter.

**Market Disruption Event**

means, where the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter:

- (a) on or before 11am on the Business Day before the first day of the Interest Period in question, the Screen Rate is not available and none or only one of the Reference Banks supplies a rate to the Bank to determine LIBOR or EURIBOR (as applicable) for the currency of the Loan for the relevant Interest Period; or
- (b) before close of business in London on the Business Day before the first day of the Interest Period in question, the Bank determines that the cost to it of obtaining matching deposits in the Relevant Interbank Market would be in excess of LIBOR or EURIBOR (as applicable).

**Material Adverse Effect**

means any effect which, in the reasonable opinion of the Bank, is likely to:

- (a) adversely affect the ability of any Relevant Person to comply with its obligations under a Finance Document;
- (b) give rise to a breach of the Financial Covenants;
- (c) adversely affect the business (where applicable), assets or financial condition of any Relevant Person;
- (d) (where the context so admits) result in any Finance Document not being legal, valid and binding on, and enforceable substantially in accordance with its terms against any party to that Finance Document; and/or
- (e) (where the context so admits) result in any Security Document not providing the Bank with an enforceable Security Right over the assets expressed to be covered by it.

**Minimum Cancellation Amount**

has the meaning given to that term in Clause 6 (Repayment, Prepayment and Cancellation) of the Facility Letter.

**Minimum First Drawdown Amount**

means, in relation to a Loan, the minimum amount permitted to be drawn under the Facility on or before the First Drawdown Deadline where such minimum amount is specified in Clause 5 (Drawdown) of the Facility Letter.

**Minimum Prepayment Amount**

has the meaning given to that term in Clause 6 (Repayment, Prepayment and Cancellation) of the Facility Letter.

**Multi-Currency Basis**

means the currency availability basis under which the Facility may be utilised in the Base Currency or an Optional Currency, which currency availability basis shall apply to the Facility if specified as doing so in Clause 2 (Amount and Type of Facility) of the Facility Letter.

**Multiple Drawdown Basis**

means the facility drawdown basis under which the Facility is available for drawdown in multiple amounts, which facility drawdown basis shall apply to the Facility if specified as doing so in Clause 5 (Drawdown) of the Facility Letter.

**Net Disposal Proceeds**

means the consideration receivable by the Borrower or any Relevant Person (including any amount receivable in repayment of intercompany debt) for any Disposal of any Secured Property made by the Borrower or any Relevant Person after deducting any Tax and reasonable expenses approved by the Bank in connection with that Disposal.

**On-demand Loan**

means any Loan utilised by the Borrower where the Uncommitted and On-demand Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter.

**Optional Currency**

means, where the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, a currency (other than the Base Currency) which complies with the conditions set out in paragraph 4.4 (Multi-currency Basis – Conditions Relating to Optional Currencies).

**Original Valuation**

means the valuation delivered to the Bank under paragraph 4.1 (Initial Conditions Precedent) as detailed in Schedule 1 (Conditions Precedent) of the Facility Letter.

**Party**

means a party to the Facility Letter.

**Permitted Disposal**

means any Disposal by the Borrower or any Relevant Person on arm's length terms and for full market value that has the prior written consent of the Bank.

**Practical Completion Long-Stop Date**

means, where the Facility (or any part of it) is available for financing the development and/or refurbishment of the Property, the date specified as the Practical Completion Long-Stop Date in Clause 10 (Covenants) of the Facility Letter.

**Profit Share Letter**

means a profit share letter entered into or to be entered into by the Borrower and/or another Relevant Person and the Bank in an agreed form.

**Property**

has the meaning given to that term in Clause 3 (Purpose) of the Facility Letter.

**Property Basis**

means the Loan to Value Ratio basis under which the Loan to Value Ratio shall be determined by reference to the Property only, which Loan to Value Ratio basis shall apply if specified as doing so in Clause 10 (Covenants) of the Facility Letter.

**Property Protection Loan**

means a loan made by the Bank to the Borrower to finance:

- (a) the payment of rent or any other amount, or any cost or expense, under or in connection with any Headlease;
- (b) the payment of any premium for insurance, or any cost or expense required to keep any insurance in force, in accordance with the terms of any Finance Document;
- (c) the payment of any amount to fund the costs of developing and/or refurbishing the Property other than a Development Loan; or
- (d) the payment of any amount which, in the opinion of the Bank, is required to preserve or protect any Secured Property,

in circumstances where a Relevant Person is obliged under a Finance Document but has failed to pay the relevant amount.

**Quasi-Security**

has the meaning given to that term in paragraph 19.6 (Negative pledge) or paragraph 20.6 (Negative pledge), as applicable.

**Quotation Day**

means in relation to any period for which an interest rate is to be determined:

- (a) (if the currency is sterling) the first day of that period;
- (b) (if the currency is Euro) the TARGET Day before the first day of that period; or
- (c) (for any other currency) two Business Days before the first day of that period,

unless market practice differs in the Relevant Interbank Market for a currency, in which case the Quotation Day for that currency will be determined by the Bank in accordance with the market practice in the Relevant Interbank Market (and if quotations would normally be given by leading banks in the Relevant Interbank Market on more than one day, the Quotation Day will be the last of those days).

**Reference Banks**

means the principal London offices of any three leading banks selected by the Bank at its absolute discretion for the purposes specified in the Facility Letter and these Standard Terms and Conditions for Lending.

**Relevant Interbank Market**

means in relation to Euro, the European interbank market and, in relation to any other currency, the London interbank market.

**Relevant Jurisdiction**

means the jurisdiction specified in the Facility Letter as being the applicable jurisdiction to these Terms and the Facility Letter.

**Relevant Persons**

means the Borrower, each Group Company (where the Borrower is a company, a limited liability partnership or another form of corporate entity) and each person who has entered into or will enter into a Security Document in favour of the Bank in respect of the Facility.

**Repayment Date**

means each date specified in Schedule 3 (Repayment Instalments) of the Facility Letter.

**Repayment Instalment**

means, as regards a Repayment Date, the amount set out opposite that Repayment Date in Schedule 3 (Repayment Instalments) of the Facility Letter.

**Repeating Representations**

means each of the representations and warranties set out in paragraph 14 (Corporate Representations) or paragraph 15 (Natural Persons Representations) (as applicable).

**Sanctioned Party**

means a person:

- (a) whose name is listed on, or is owned or controlled by a person whose name is listed on, or acting on behalf of a person whose name is listed on, any Sanctions List;
- (b) that is incorporated under the laws of, or owned or controlled by, or acting on behalf of, a person incorporated under the laws of, a country or territory that is the target of country-wide or territory-wide Sanctions; or
- (c) that is otherwise the target of any Sanction.

**Sanctions**

means the economic, financial or other sanctions laws, regulations or embargoes administered and enforced from time to time by any Sanctions Authority.

**Sanctions Authority**

means:

- (a) the United Nations Security Council;
- (b) the European Union;
- (c) the governmental institutions and agencies of the United States of America, including, without limitation, the Office of Foreign Assets Control of the United States Department of Treasury ("OFAC"); or
- (d) the governmental institutions and agencies of the United Kingdom, including, without limitation, Her Majesty's Treasury ("HMT");
- (e) the Guernsey Financial Services Commission; or
- (f) the Jersey Ministry for External Relations.

**Sanctions List**

means each list maintained or public designation made by any Sanctions Authority in respect of the targets or scope of the Sanctions that are administered and enforced by that Sanctions Authority including, without limitation:

- (a) the "Specially Designated Nationals List" and the "Consolidated Non-SDN List" each administered and enforced by OFAC; and
- (b) the "Financial Sanctions: Consolidated List of Targets" administered and enforced by HMT, in each case as amended, supplemented or substituted from time to time.

**Screen Rate**

means:

- (a) in relation to LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant currency and period; and
- (b) in relation to EURIBOR, the percentage rate per annum determined by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period, displayed on the appropriate page of the Thomson 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 after consultation with the Borrower.

**Second Currency**

has the meaning given to that term in paragraph 11.4 (Currency indemnity).

**Secured Property**

means all property, assets or rights charged to the Bank in security or otherwise the subject of a Security Right under the Security Documents (and including, for the avoidance of doubt and without limitation, the Property).

**Secured Property Basis**

means the Loan to Value Ratio basis under which the Loan to Value Ratio shall be determined by reference to all of the Secured Property, which Loan to Value Ratio basis shall apply if specified as doing so in Clause 10 (Covenants) of the Facility Letter.

**Security**

means each Security Right constituted, created or governed by the Security Documents.

**Security Account**

means an account held with the Bank in the Borrower's name and charged to the Bank by way of first fixed charge (or equivalent security in any jurisdiction other than England and Wales, Guernsey or Jersey).

**Security Documents**

means the security documents, guarantees and indemnities required to be delivered or delivered to the Bank pursuant to paragraph 4.1 (Initial Conditions Precedent), paragraph 4.3 (Further Conditions Precedent applicable to Development Loans only), paragraph 13 (Security Documents), and/or Clause 9 (Special Conditions) of the Facility Letter and each other Security Right delivered to or created in favour of the Bank by a Relevant Person in respect of or in connection with the Facility.

**Security Right**

means any mortgage, charge, standard security, right in security, security interest, pledge, lien, assignment, assignation, guarantee, indemnity, right of set-off, right to retention of title or other encumbrance, whether fixed or floating, over any present or future property, assets or undertaking (or any other arrangement having a similar effect).

**Selection Notice**

means, where the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, a written notice delivered to the Bank by the Borrower selecting the currency in which a Loan shall be denominated in its next occurring Interest Period.

**Shareholder**

means, where the Borrower is a company, a limited liability partnership or another form of corporate entity, the legal and beneficial owner or owners of the shares or other membership interests in the Borrower.

**Single Currency Basis**

means the currency availability basis under which the Facility may only be utilised in one single currency, which currency availability basis shall apply to the Facility if specified as doing so in Clause 2 (Amount and Type of Facility) of the Facility Letter.

**Single Drawdown Basis**

means the facility drawdown basis under which the Facility is only available for drawdown in a single amount, which facility drawdown basis shall apply to the Facility if specified as doing so in Clause 5 (Drawdown) of the Facility Letter.

**Sterling and £**

means the lawful currency of the United Kingdom from time to time.

**Structure Chart**

means the structure chart setting out the ownership of the Borrower, the Group and the Property, delivered to the Bank as a Condition Precedent under the Facility Letter.

**Subordinated Creditor**

means a person who becomes a subordinated creditor in accordance with a Subordination Deed entered into or to be entered into under the Facility Letter.

**Subordination Deed**

means a subordination deed or agreement entered into or to be entered into by a Subordinated Creditor, a Relevant Person and the Bank in an agreed form.

**Subsidiary and Subsidiary Undertaking**

mean in relation to any person, any entity which is controlled directly or indirectly by that person and any entity (whether or not so controlled) treated as a subsidiary or a subsidiary undertaking in the latest financial statements of that person from time to time; and "control" for this purpose means:

- (a) the direct or indirect holding or ownership of the majority of the voting share capital or voting rights of such entity or the direct or indirect control of the majority of the voting share capital or voting rights of such entity;
- (b) the right or ability to direct the management of such entity or to determine the composition of a majority of the board of directors (or like board) of such entity; or
- (c) the right to exercise a dominant influence over such entity, in each case whether by virtue of ownership of share capital, ownership of rights to share in the capital of such entity, ownership of interests conferring any right to share in the profits or liability to contribute to the losses of such entity or giving rise to an obligation to contribute to the debts of or expenses of such entity in a winding up, or by virtue of contract, the constitutional documents of such entity or otherwise.

**Sum**

has the meaning given to that term in paragraph 11.4 (Currency indemnity).

**Supplemental Document**

means each document between the Bank and the Borrower from time to time expressed to supplement, amend, vary, restate or replace the Facility Letter or which is designated as a Supplemental Document.

**TARGET2**

means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

**TARGET Day**

means any day on which TARGET2 is open for the settlement of payments in Euro.

**Tax**

means any tax, levy, impost, duty or other charge or withholding of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or delay in paying any of the same) and "Taxes" shall be construed accordingly.

**Termination Date**

has the meaning given to that term in Clause 6 (Repayment, Prepayment and Cancellation) of the Facility Letter or such other date determined in accordance with paragraph 7.4 (Extension Option).

**Uncommitted and On-demand Basis**

means the facility basis under which the Facility shall be made available by the Bank on an uncommitted and on-demand basis, which facility basis shall apply to the Facility if specified as doing so in Clause 2 (Amount and Type of Facility) of the Facility Letter.

**Unpaid Sum**

means any sum due but unpaid by the Borrower under the Finance Documents and any other documents entered into in connection with the Facility Letter.

**US Dollars and \$**

means the lawful currency of the United States of America from time to time.

**Valuation**

means the Original Valuation and/or any other valuation of all or any of the Charged Property prepared at any time for the purposes of the Facility Letter and these Standard Terms and Conditions for Lending.



### 1.3 Interpretation

In the interpretation and construction of the Facility Letter and these Standard Terms and Conditions for Lending (unless the context otherwise requires):

- 1.3.1 any reference 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;
- 1.3.2 any reference to a “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;
- 1.3.3 any reference to “control” of any company shall be interpreted in accordance with Section 995 of the ITA;
- 1.3.4 any reference to the Facility Letter shall be construed as a reference to the Facility Letter read in conjunction with and incorporating these Standard Terms and Conditions for Lending, and in the event of any conflict, the terms of the Facility Letter shall prevail;
- 1.3.5 any reference to words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- 1.3.6 any reference to the Facility Letter and/or these Standard Terms and Conditions for Lending and/or to any provisions of the Facility Letter and/or these Standard Terms and Conditions for Lending or to any other document referred to in the Facility Letter and/or these Standard Terms and Conditions for Lending shall be construed as references to it in force for the time being and as amended, varied, supplemented, restated, substituted or novated from time to time including, for the avoidance of doubt and without prejudice to the generality of the foregoing, any amendment, variation, supplement, restatement, substitution or novation that increases the amount of any loan or credit facility made available under the Facility Letter and these Standard Terms and Conditions for Lending or increases the amount of any interest, fees, costs or expenses or any other sums due or to become due under the Finance Documents or extends the date for full and final repayment of any facility made available under the Facility Letter and these Standard Terms and Conditions for Lending;
- 1.3.7 any reference to a “person” is to be construed to include references to a natural person, corporation, firm, company, partnership, limited partnership, limited liability partnership, joint venture, unincorporated body of persons, individual or any state or any agency of a state, whether or not a separate legal entity;
- 1.3.8 any reference to any person is to be construed to include that person’s assignees or transferees or successors in title, whether direct or indirect and (in the case of an individual) includes any personal representative or heir;
- 1.3.9 any reference to any word or phrase includes all derivations thereof;
- 1.3.10 where the Borrower is a natural person, any reference to the “Group”, a “Group Company” or a “member of the Group” shall be disregarded and

shall have no effect whatsoever in the interpretation of the Facility Letter and these Standard Terms and Conditions for Lending or as regards the Borrower;

- 1.3.11 any reference to “assets” includes present and future properties, revenues and rights of every description;
- 1.3.12 any reference to “guarantee” means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
- 1.3.13 any reference to “indebtedness” or “borrowings” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.3.14 any reference to any “associated person” means, in relation to a person, a person who is either acting in concert (as defined in the City Code on Takeovers and Mergers) with that person or is a connected person (as defined in section 993 (as supplemented by section 994) of the ITA) of that person;
- 1.3.15 a document in “agreed form” is a document which is previously agreed in writing by or on behalf of the Bank and the Borrower or, if not so agreed, is in the form specified by the Bank;
- 1.3.16 any reference to a time of day is a reference to London time;
- 1.3.17 clause references are references to clauses of the Facility Letter and paragraph references are references to paragraphs of these Standard Terms and Conditions for Lending; and
- 1.3.18 paragraph and clause headings are for ease of reference only and shall not affect the interpretation of the Facility Letter and/or these Standard Terms and Conditions for Lending.

## 2 Amount

### 2.1 Facility

Subject to the terms of the Facility Letter and these Standard Terms and Conditions for Lending, the Bank makes the Facility available to the Borrower in an aggregate principal amount not exceeding the Facility Limit.

### 2.2 Property Protection Loans

- 2.2.1 The Bank may make a Property Protection Loan whether requested by the Borrower or not.
- 2.2.2 Each Property Protection Loan shall:
  - 2.2.2.1 be repayable on demand made by the Bank and in any event shall be repayable on the Termination Date; and
  - 2.2.2.2 bear interest in accordance with paragraph 9.6 (Default Interest) as if it were an overdue amount.

## 3 Purpose and Monitoring

The Borrower may only utilise the Facility for the purpose or purposes set out in Clause 3 (Purpose) of the Facility Letter. The Bank may, but shall not be obliged to, monitor or verify the application of any amount borrowed under the Facility.

## 4 Conditions of Drawdown

### 4.1 Initial Conditions Precedent

The Borrower may not deliver a Drawdown Request to the Bank unless the Bank has received all of the documents and other evidence set out in Schedule 1 (Conditions Precedent) of the Facility Letter, in each case in a form and substance satisfactory to the Bank.

### 4.2 Further Conditions Precedent

If the Committed Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter then the Bank will only be obliged to comply with paragraph 4.5 (Committed Basis) if on the date of the Drawdown Request in question and on the proposed Drawdown Date:

- 4.2.1 no Default is continuing or would result from the proposed drawdown of the Facility; and
- 4.2.2 the Repeating Representations are true and accurate in all material respects.

For the avoidance of doubt, the Bank shall not be obliged to comply with paragraph 4.5 (Committed Basis) if the Uncommitted and On-demand Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter.

### 4.3 Further Conditions Precedent applicable to Development Loans only

The Bank may, in its absolute discretion, agree to make a Development Loan available to the Borrower if on the date of the Drawdown Request in question the Bank is in receipt of satisfactory evidence of the expenditure and works to be carried out and to be financed by the Development Loan in question in the form of certificates from the Bank's monitoring surveyor, satisfactory invoices and/or site inspections by a Bank appointee.

### 4.4 Multi-Currency Basis – Conditions relating to Optional Currencies

- 4.4.1 If the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter then this paragraph 4.3 (Multi-Currency Basis – Conditions relating to Optional Currencies) shall apply in respect of the availability of the Facility for drawing in an Optional Currency.
- 4.4.2 A currency will constitute an Optional Currency in relation to a Loan if:
  - 4.4.2.1 it is readily available in the amount required and freely convertible into the Base Currency in the Relevant Interbank Market on the Quotation Day and the Drawdown Date for that Loan; and
  - 4.4.2.2 it has been approved by the Bank on or prior to receipt by the Bank of the relevant Drawdown Request or Selection Notice for that Loan.
- 4.4.3 If the Bank receives a written request from the Borrower for a currency to be approved by the Bank under paragraph 4.4.2.2 above, the Bank will confirm to the Borrower as soon as reasonably practicable:
  - 4.4.3.1 whether or not it has granted its approval; and
  - 4.4.3.2 if approval has been granted, the minimum amount (and, if required, integral multiples) for any subsequent Loan denominated in that currency.

### 4.5 Committed Basis

- 4.5.1 If the Committed Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter then this paragraph 4.5 (Committed Basis) shall apply in respect of the Bank's commitment to make the Facility available to the Borrower.

- 4.5.2 If all of the conditions set out in paragraphs 4 (Conditions of Drawdown) and 5 (Drawdown) hereof have been satisfied in full, the Bank shall permit the Borrower to draw down under the Facility in accordance with Clause 5 (Drawdown) of the Facility Letter and paragraph 5 (Drawdown) below.

### 4.6 Uncommitted and On-demand Basis

- 4.6.1 If the Uncommitted and On-demand Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter then this paragraph 4.6 (Uncommitted and On-demand Basis) shall apply in respect of the fact that the Bank is not committed to make the Facility available to the Borrower.
- 4.6.2 Nothing in the Facility Letter and/or these Standard Terms and Conditions for Lending shall commit the Bank to make a Loan available to the Borrower. The Bank shall be entitled to make or decline to make a Loan available to the Borrower in its sole and absolute discretion. The Bank shall inform the Borrower as soon as practicable after it has determined that it is to decline or has declined to make a Loan available to the Borrower. The Bank shall incur no liability to the Borrower or any other person for any failure by it to give such notification to the Borrower.

### 4.7 Conditions Subsequent

- 4.7.1 Following drawdown of the Facility, the Borrower shall provide the Bank with the documents and other evidence set out in Schedule 5 (Conditions Subsequent) of the Facility Letter, in each case in a form and substance satisfactory to the Bank, within 30 Business Days following the Drawdown Date.
- 4.7.2 Notwithstanding paragraph 4.7.1 above, where the conditions subsequent listed in Schedule 5 of the Facility Letter include a Borrower DTTP Filing, this shall be provided to the Bank by the Borrower within 10 Business Days following the date on which the Borrower DTTP Filing is filed with H.M. Revenue & Customs.

## 5 Drawdown

### 5.1 Multiple Drawdowns

Unless the Multiple Drawdown Basis applies as specified in Clause 5 (Drawdown) of the Facility Letter, the Borrower may not deliver a Drawdown Request if, as a result of the proposed drawdown, two or more Loans would be outstanding.

### 5.2 Delivery of a Drawdown Request

- 5.2.1 Subject to paragraphs 4.5 (Committed Basis) and 4.6 (Uncommitted and On-demand Basis) (as applicable), the Borrower may drawdown the Facility up to the Facility Limit in accordance with Clause 5 (Drawdown) of the Facility Letter and this paragraph 5 (Drawdown) by making a Drawdown Request:
  - 5.2.1.1 for Loans denominated in Sterling, not later than 11am on the date occurring one Business Day before the proposed Drawdown Date; and
  - 5.2.1.2 for Loans denominated in any currency other than Sterling, not later than 11am on the date occurring three Business Days before the proposed Drawdown Date.
- 5.2.2 Each Loan utilised by the Borrower under the Facility will be paid to the account stated in the Drawdown Request made to the Bank by the Borrower.

### 5.3 Completion of a Drawdown Request

- 5.3.1 Subject to paragraphs 4.5 (Committed Basis) and 4.6 (Uncommitted and On-demand Basis) (as applicable), each Drawdown Request is irrevocable and will not be regarded as having been duly completed unless:
- 5.3.1.1 the proposed Drawdown Date is a Business Day within the Availability Period; and
- 5.3.1.2 if the IBOR Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the proposed Interest Period complies with paragraph 9.4 (Interest Periods) below.
- 5.3.2 Only one Loan may be requested in a Drawdown Request.

### 5.4 Currency and Amount

- 5.4.1 If the Single Currency Basis applies to the Facility as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the currency specified in the Drawdown Request must be the currency specified in Clause 2 (Amount and Type of Facility) of the Facility Letter. The amount of the proposed Loan must be an amount which is no more than the Available Facility and which is no less than the minimum amount specified in Clause 5 (Drawdown) of the Facility Letter.
- 5.4.2 If the Multi-Currency Basis applies to the Facility as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the currency specified in the Drawdown Request must be the Base Currency or an Optional Currency. The amount of the proposed Loan must be:
- 5.4.2.1 if the currency selected is the Base Currency, the minimum amount in the Base Currency specified in Clause 5 (Drawdown) of the Facility Letter;
- 5.4.2.2 if the currency selected is an Optional Currency, the minimum amount (and if required, integral multiples) specified by the Bank pursuant to paragraph 4.3 (Multi-Currency Basis – Conditions relating to Optional Currencies) of these Standard Terms and Conditions for Lending or, if less, the Available Facility; and
- 5.4.2.3 in any event such that its Base Currency Amount is less than or equal to the Available Facility.

### 5.5 Cancellation of the Facility

Without prejudice to paragraph 8.6 (Bank's right of cancellation) (if applicable), upon the expiry of the Availability Period the Facility will cease to be available for drawing and the Available Facility at that time will be automatically cancelled in full. The Availability Period may be extended at the sole discretion of the Bank.

### 5.6 Withdrawal of Offer

At any time prior to the Drawdown Date (or the First Drawdown Date if the Multiple Drawdown Basis applies), the Bank may withdraw the offer contained in the Facility Letter and may cancel the Available Facility if any information which has been provided to the Bank proves to be incorrect, inaccurate or misleading in any material respect or the Bank becomes aware of any further material information not previously disclosed to the Bank and which adversely affects the willingness of the Bank to make the Facility available to the Borrower.

### 5.7 Minimum First Drawdown

If a Minimum First Drawdown Amount and First Drawdown Deadline are specified in Clause 5 (Drawdown) of the Facility Letter, the Borrower must deliver a Drawdown Request to the Bank requesting a Loan in an amount not less than the Minimum First Drawdown Amount, the proposed Drawdown Date of which must be no later than the First Drawdown Deadline. If the Borrower fails to do so the Facility shall cease to be available for drawing and the Available Facility at that time will be automatically cancelled in full.

## 6 Optional Currencies

### 6.1 Multi-Currency Basis

If the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter then this paragraph 6 (Optional Currencies) shall apply in respect of the availability of the Facility for utilisation in Optional Currencies.

### 6.2 Selection of currency

- 6.2.1 The Borrower shall select the currency of a Loan (which must be the Base Currency or an Optional Currency):
- 6.2.1.1 (in the case of a new Loan) in a Drawdown Request; and
- 6.2.1.2 (afterwards in relation to a Loan already made to the Borrower) in a Selection Notice.
- 6.2.2 If the Borrower fails to issue a Selection Notice in relation to a Loan before 11am on the date occurring two Business Days before the relevant Quotation Day in relation to that Loan, the Loan will remain denominated for its next Interest Period in the same currency in which it is then outstanding.
- 6.2.3 If the Borrower issues a Selection Notice requesting a change of currency in the next Interest Period and the first day of the next Interest Period is not a Business Day for the new currency, the Loan will remain in the existing currency (with Interest Periods running from one Business Day until the next Business Day) until the next day which is a Business Day for both currencies, on which day the next Interest Period will begin.

### 6.3 Change of currency

- 6.3.1 If a Loan is to be denominated in different currencies during two successive Interest Periods (with the first such Interest Period being the "first Interest Period" and the second such Interest Period being the "second Interest Period" in each case for the purposes of this paragraph 6.3.1):
- 6.3.1.1 if the currency for the second Interest Period is an Optional Currency, the amount of the Loan in that Optional Currency will be calculated by the Bank as the amount of that Optional Currency equal to the Base Currency Amount of the Loan at the Bank's Spot Rate of Exchange at 11am on the relevant Quotation Day;
- 6.3.1.2 if the currency for the second Interest Period is the Base Currency, the amount of the Loan will be equal to its Base Currency Amount; and
- 6.3.1.3 (i) the Borrower shall repay the Loan in question on the last day of the first Interest Period in the currency in which it was denominated for that Interest Period; and

	(ii) the Bank shall re-advance the Loan in the new currency (being either the Base Currency or an Optional Currency) on the first day of the second Interest Period in accordance with paragraph 6.4 (Bank's calculations).	Amount of the outstanding aggregate Loans by the amount set out opposite the Repayment Date in question in Schedule 3 (Repayment Instalments) of the Facility Letter.
6.3.2	The Borrower may deliver a Selection Notice in relation to a Loan to the Bank requesting that the currency in which the Loan in question is denominated should be changed into a different currency (being either the Base Currency or an Optional Currency, as the case may be) during its then current Interest Period. If the Bank receives such a Selection Notice from the Borrower then paragraph 6.3.1 above shall apply to the change of currency in which the Loan in question is denominated, subject to the following provisions:	7.1.3 Subject to paragraph 7.4 (Extension Option), the Borrower shall repay each outstanding Loan in full on the Termination Date together with payment of all interest accrued thereon and any other monies due under the Finance Documents.
6.3.2.1	the then current Interest Period applicable to the Loan in question (the "first Interest Period" for the purposes of paragraph 6.3.1 above) shall terminate on the date occurring two Business Days after the date on which the Bank has received the Selection Notice in question and a new Interest Period (the "second Interest Period" for the purposes of paragraph 6.3.1 above) shall commence on the same date and will last for the period specified in Clause 7 (Interest) of the Facility Letter; and	7.2 <b>Reborrowing</b> The Borrower may not reborrow any part of the Facility which has been repaid.
6.3.2.2	the Borrower shall immediately on demand pay to the Bank all Break Costs attributable to the fact that the Loan in question has been repaid on a day other than the last day of its then current Interest Period.	7.3 <b>Administration fee</b> In the event of a late or returned payment, the Bank reserves the right to charge an administration fee which may be added to the amount repaid under this paragraph 7 (Repayment). Such a fee will only be applied if the Borrower is in arrears and will be at the sole discretion of the Bank.
6.4	<b>Bank's calculations</b> All calculations made by the Bank pursuant to this paragraph 6 (Optional Currencies) will take into account any repayment, prepayment, consolidation or division of Loans to be made on the last day of the first Interest Period (as such term is defined for the purposes of paragraph 6.3.1 above).	7.4 <b>Extension Option</b> The Bank may, in its absolute discretion, offer to extend the Termination Date by up to six months by issuing an Extension Notice to the Borrower. The Extension Notice shall specify the extension fee payable by the Borrower in accordance with paragraph 10.8 (Extension Fee) and any conditions of such extension. If the Borrower agrees and accepts the Extension Notice in writing and provided that any conditions specified in the Extension Notice are satisfied or waived in writing by the Bank, then the Termination Date shall be extended to such date as is specified in the Extension Notice in accordance with its terms.
7	<b>Repayment</b>	8 <b>Prepayment and Cancellation</b>
7.1	<b>Repayment of Loans</b>	8.1 <b>Illegality</b> Without prejudice to paragraph 8.6 (Bank's right of cancellation), if in the opinion of the Bank, the introduction of any law or regulation or change in its interpretation makes it unlawful in any applicable jurisdiction for the Bank to perform any of its obligations as contemplated by the Facility Letter or to fund or maintain the availability of any Loan:
7.1.1	Notwithstanding any other provision of the Facility Letter or these Standard Terms and Conditions for Lending, the Borrower shall repay each outstanding On-demand Loan in full immediately upon demand by the Bank together with payment of all interest accrued thereon and any other monies due under the Finance Documents.	8.1.1 the Bank shall promptly notify the Borrower of that event;
7.1.2	If the Amortisation Basis applies as specified in Clause 6 (Repayment, Prepayment and Cancellation) of the Facility Letter, the Borrower shall repay the aggregate of the outstanding Loans in instalments on each Repayment Date in the following amounts:	8.1.2 upon the Bank notifying the Borrower as aforesaid, the Facility will be immediately cancelled; and
7.1.2.1	where the Single Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, the amount set out opposite the Repayment Date in question in Schedule 3 (Repayment Instalments) of the Facility Letter; or	8.1.3 the Borrower shall repay each outstanding Loan (together with all interest accrued thereon and all other sums due to the Bank under the Finance Documents) on:
7.1.2.2	where the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, an amount which reduces the Base Currency	8.1.3.1 where either the Base Rate Basis or the Fixed Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter, the next Interest Payment Date and, where the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter, the last day of the then current Interest Period for each Loan; or
		8.1.3.2 if earlier, the date specified by the Bank in the notice delivered to the Borrower (being no earlier than the last day of any applicable grace period permitted by law).
		8.2 <b>Mandatory Prepayment for Corporate Borrowers only – Exit</b> Without prejudice to paragraph 8.6 (Bank's right of cancellation), upon the occurrence of a Change of Control and/or a Listing:
		8.2.1 the Borrower shall immediately notify the Bank upon becoming aware of that event;
		8.2.2 the Borrower may not utilise the Facility; and

- 8.2.3 the Bank shall be entitled to cancel the Facility in part or in full and to demand immediate prepayment by the Borrower of each outstanding Loan together with payment of all interest accrued thereon and any other monies due under the Finance Documents.
- 8.3 Mandatory Prepayment – Net Disposal Proceeds**  
All Net Disposal Proceeds must be remitted to the Bank immediately upon receipt and utilised in prepayment of all outstanding Loans together with all interest accrued thereon and all other sums due to the Bank under the Finance Documents in such order and manner of application and at such times as the Bank may specify.
- 8.4 Mandatory Prepayment – VAT Loans**  
The Borrower shall ensure that it is at all times registered for VAT and that it uses all reasonable endeavours promptly to obtain recoveries of VAT from HM Revenue & Customs (whether by way of set-off or repayment) that it is entitled to in respect of the Property. The Borrower hereby undertakes to repay any Loan or that part of the Loan utilised to pay VAT in respect of the purchase of the Property promptly upon obtaining from HM Revenue and Customs the refund of and/or, as the case may be, the credit for, the VAT payable on the purchase of the Property.
- 8.5 Mandatory Prepayment – Insurance Proceeds**  
All Insurance Proceeds (other than any proceeds which the Borrower is contractually obliged to apply in replacing, reinstating or restoring the Property) must be remitted to the Bank immediately upon receipt and utilised in prepayment of all outstanding Loans together with all interest accrued thereon and all other sums due to the Bank under the Finance Documents in such order and manner of application and at such times as the Bank may specify.
- 8.6 Bank's right of cancellation**  
If the Uncommitted and On-demand Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter, then the Bank may cancel all or any part of the Facility at any time and without notice in its absolute and unfettered discretion.
- 8.7 Voluntary cancellation**  
The Borrower may, if it gives the Bank not less than five Business Days' (or such shorter period as the Bank may agree) prior notice, cancel the whole or any part (being a minimum amount equal to the Minimum Cancellation Amount) of the Available Facility.
- 8.8 Voluntary prepayment**  
The Borrower may, if it gives the Bank not less than five Business Days' (or such shorter period as the Bank may agree) prior notice, prepay the whole or any part of any Loan (but, if in part, being an amount that reduces the amount of the Loan in question (or the Base Currency Amount of the Loan in question where the Multi-Currency Basis applies as specified in Clause 2 (Amount and Type of Facility) of the Facility Letter) by the Minimum Prepayment Amount).
- 8.9 Restrictions**
- 8.9.1 Without prejudice to paragraph 8.6 (Bank's right of cancellation), any notice of cancellation or prepayment given by any Party under this paragraph 8 (Prepayment and Cancellation) shall be irrevocable and shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.
- 8.9.2 Any prepayment of a Loan subject to the IBOR Basis or the Fixed Rate Basis shall be made together with Break Costs.
- 8.9.3 Any prepayment of a Loan shall be made together with accrued interest on the amount prepaid and any fees payable under the terms of the Facility Letter and these Standard Terms and Conditions for Lending, and otherwise without premium or penalty.
- 8.9.4 The Borrower may not reborrow any part of the Facility which is prepaid.
- 8.9.5 The Borrower shall not repay or prepay all or any part of the Loans or cancel all or any part of the Facility except at the times and in the manner expressly provided for in the Facility Letter and these Standard Terms and Conditions for Lending.
- 8.9.6 No amount of the Facility cancelled under the terms of the Facility Letter and these Standard Terms and Conditions for Lending may be subsequently reinstated.
- ## 9 Interest
- ### 9.1 The Base Rate Basis
- 9.1.1 If the Base Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter then interest shall accrue on each Loan and shall be paid by the Borrower in accordance with this paragraph 9.1 (The Base Rate Basis).
- 9.1.2 Interest shall accrue on each Loan at an annual percentage rate which is equal to the higher of:
- 9.1.2.1 the sum of (1) the Margin plus (2) the Base Rate; and
- 9.1.2.2 the minimum aggregate rate of interest specified in Clause 7 (Interest) of the Facility Letter.
- 9.1.3 Where the Interest Roll-Up Basis does not apply as specified in Clause 7 (Interest) of the Facility Letter, all interest accrued on each Loan in accordance with paragraph 9.1.2 above shall be paid by the Borrower to the Bank on each Interest Payment Date.
- 9.1.4 Subject to paragraph 9.1.5 below, where the Interest Roll-Up Basis applies as specified in Clause 7 (Interest) of the Facility Letter, all interest accrued on each Loan in accordance with paragraph 9.1.2 above shall roll-up and capitalise on the Loan in question on a daily basis and shall be paid by the Borrower in full on the Termination Date.
- 9.1.5 Without prejudice to the Uncommitted and On-demand Basis (if applicable), the Interest Roll-Up Basis shall cease to apply once the Interest Roll-Up Sub-Facility has been fully utilised, whereupon interest accruing on each Loan shall be paid by the Borrower on each Interest Payment Date.
- ### 9.2 The Fixed Rate Basis
- 9.2.1 If the Fixed Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter then interest shall accrue on each Loan and shall be paid by the Borrower in accordance with this paragraph 9.2 (The Fixed Rate Basis).
- 9.2.2 Interest shall accrue on each Loan at the Fixed Rate from the Drawdown Date until the Termination Date.
- 9.2.3 The Bank reserves the right to vary the interest rate applicable to the Loan on or before the Drawdown Date if there is an increase in the cost to the Bank of fixing in the market the rate of interest to be paid on the Loan between the date of the Facility Letter and the Drawdown Date.
- 9.2.4 Where the Interest Roll-Up Basis does not apply as specified in Clause 7 (Interest) of the Facility Letter, all interest accrued on each Loan in

accordance with paragraph 9.2.2 above shall be paid by the Borrower to the Bank on each Interest Payment Date.

9.2.5 Subject to paragraph 9.2.6 below, where the Interest Roll-Up Basis applies as specified in Clause 7 (Interest) of the Facility Letter, all interest accrued on each Loan in accordance with paragraph 9.2.2 above shall roll-up and capitalise on the Loan in question on a daily basis and shall be paid by the Borrower in full on the Termination Date.

9.2.6 Without prejudice to the Uncommitted and On-demand Basis (if applicable), the Interest Roll-Up Basis shall cease to apply once the Interest Roll-Up Sub-Facility has been fully utilised, whereupon interest accruing on each Loan shall be paid by the Borrower on each Interest Payment Date.

### 9.3 The IBOR Basis

9.3.1 If the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter then interest shall accrue on each Loan and shall be paid by the Borrower in accordance with this paragraph 9.3 (The IBOR Basis).

9.3.2 The rate of interest on each Loan for each Interest Period is the percentage rate per annum which is equal to the higher of:

9.3.2.1 the aggregate of (1) the Margin; and (2) LIBOR or EURIBOR (as appropriate); and

9.3.2.2 the minimum aggregate rate of interest specified in Clause 7 (Interest) of the Facility Letter.

9.3.3 Where the Interest Roll-Up Basis does not apply as specified in Clause 7 (Interest) of the Facility Letter, the Borrower shall pay accrued interest on each outstanding Loan on the last day of each Interest Period (and, if the Interest Period is longer than three months, on the dates falling at three monthly intervals after the first day of the Interest Period).

9.3.4 Subject to paragraph 9.3.5 below, where the Interest Roll-Up Basis applies as specified in Clause 7 (Interest) of the Facility Letter, all interest for each Loan shall roll-up and capitalise on the Loan in question on the last day of each Interest Period and shall be paid by the Borrower to the Bank in full on the Termination Date.

9.3.5 Without prejudice to the Uncommitted and On-demand Basis (if applicable), the Interest Roll-Up Basis shall cease to apply once the Interest Roll-Up Sub-Facility is fully utilised, whereupon interest accruing on each Loan shall be paid by the Borrower on the last day of each Interest Period.

### 9.4 Interest Periods

9.4.1 If the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter then the terms of this paragraph 9.4 (Interest Periods) shall apply in respect of the division of the term of each Loan into Interest Periods.

9.4.2 The term of each Loan shall be divided into Interest Periods determined in accordance with this paragraph 9.4 (Interest Periods).

9.4.3 Subject to the other provisions of this paragraph 9.4 (Interest Periods), each Interest Period will be for the duration specified in Clause 7 (Interest) of the Facility Letter.

9.4.4 An Interest Period for a Loan shall not extend beyond the Termination Date.

9.4.5 Each Interest Period for a Loan shall start on the Drawdown Date of the Loan in question or (if already made) on the last day of its preceding Interest Period.

9.4.6 If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

### 9.5 Consolidation of Loans

9.5.1 If the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter then the terms of this paragraph 9.5 (Consolidation of Loans) shall apply in respect of the consolidation of Loans.

9.5.2 If two or more Interest Periods:

9.5.2.1 relate to two or more Loans in the same currency; and

9.5.2.2 end on the same date, those Loans will be consolidated into, and treated as, a single Loan in each case on the Drawdown Date in respect of each Loan utilised after the first such Loan.

### 9.6 Default Interest

9.6.1 If the Borrower is in breach of any of its obligations to the Bank under a Finance Document, interest shall accrue on the Loans and all other amounts owing under the Finance Documents unless otherwise specified from the date of default up to the date of remedy or, in the case of a payment default, up to the date of actual payment, (both before and after judgment) at a rate which is 2.00% per annum higher than:

9.6.1.1 in the case of a payment default, the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount (and, where the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter, for successive Interest Periods, each of a duration selected by the Bank (acting reasonably)); and

9.6.1.2 in the case of any other default, the rate which would have been payable if there were no default.

Any interest accruing under this paragraph 9.6 (Default Interest) shall be immediately payable by the Borrower on demand by the Bank.

9.6.2 Default interest accrued (if unpaid) will be compounded with the outstanding Loans:

9.6.2.1 at the end of each Interest Period if the IBOR Basis applies to the Facility; or

9.6.2.2 at the end of each month if either the Base Rate Basis or the Fixed Rate Basis applies to the Facility.

### 9.7 Changes to the calculation of interest

9.7.1 If the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter then the terms of this paragraph 9.7 (Changes to the calculation of interest) shall apply in respect of changes to the calculation of interest determined by reference to LIBOR or EURIBOR.

9.7.2 Subject to paragraph 9.7.3 below, if LIBOR or EURIBOR (as appropriate) is to be determined by reference to the Reference Banks but a Reference Bank does not supply a quotation before 11am on the proposed Drawdown Date, the applicable LIBOR or EURIBOR (as appropriate) shall be determined on the basis of the quotations of the remaining Reference Banks.

9.7.3 If a Market Disruption Event occurs in relation to a Loan for any Interest Period, then the rate of interest on that Loan for the Interest Period in question shall be the percentage rate per annum which is the sum of:

9.7.3.1 the Margin; and

- 9.7.3.2 the rate notified to the Borrower by the Bank as soon as practicable and in any event before interest is due to be paid in respect of that Interest Period, to be that which expresses as a percentage rate per annum the cost to the Bank of funding that Loan from whatever source it may reasonably select.

## **9.8 Break Costs**

The Borrower shall, immediately upon demand by the Bank, pay to the Bank its Break Costs attributable to:

- 9.8.1 where the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter, all or any part of a Loan or Unpaid Sum being paid by the Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum; and/or
- 9.8.2 where the Fixed Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter, all or any part of the Loan being paid by the Borrower on a day other than the Termination Date.

## **10 Fees**

The Borrower will pay to the Bank each fee as specified in Clause 8 (Fees) of the Facility Letter in accordance with this paragraph 10 (Fees) and Clause 8 (Fees) of the Facility Letter.

### **10.1 Arrangement Fee**

Unless otherwise specified in the Facility Letter, the Borrower shall pay an arrangement fee to the Bank in the amount and at the time specified in Clause 8.1 (Arrangement Fee) of the Facility Letter.

### **10.2 Exit Fee**

Unless otherwise specified in the Facility Letter, the Borrower will pay an exit fee in the amount, to the person and at the time specified in Clause 8.2 (Exit Fee) of the facility Letter.

### **10.3 Early Prepayment Fee**

Unless otherwise specified in the Facility Letter, if the Borrower makes a mandatory or voluntary prepayment of all or any part of any Loan in accordance with paragraph 8 (Prepayment and Cancellation) then it shall at the same time as such prepayment is made pay a prepayment fee to the Bank in the amount specified in Clause 8.3 (Early Prepayment Fee) of the Facility Letter.

### **10.4 Refinancing Fee**

Unless otherwise specified in the Facility Letter, if the Borrower makes a mandatory or voluntary prepayment of all or any part of any Loan in accordance with paragraph 8 (Prepayment and Cancellation) then it shall at the same time as such prepayment is made pay a refinancing fee to the Bank (by way of compensation for lost return on early repayment) in the amount specified in Clause 8.4 (Refinancing Fee) of the Facility Letter if the prepayment is made in contemplation of or otherwise in connection with a refinancing occurring within the period set out in Clause 8.4 (Refinancing Fee) of the Facility Letter.

### **10.5 Non-Utilisation Fee**

Unless otherwise specified in the Facility Letter, the Borrower will pay to the Bank a non-utilisation fee in the amount specified in Clause 8.5 (Non-Utilisation Fee) of the Facility Letter. The non-utilisation fee will accrue daily and will be paid by the Borrower to the Bank in arrears at the times specified in Clause 8.5 (Non-Utilisation Fee) of the Facility Letter.

### **10.6 Security Fee**

Unless otherwise specified in the Facility Letter, the Borrower shall pay to the Bank: (a) a security fee in relation to the preparation and completion of the Security Documents at such time and in such amount as the Bank may reasonably require; and (b) a security release fee on

either the Termination Date or the earlier cancellation and/or prepayment in full of the Facility in such amount as the Bank may reasonably require.

## **10.7 Conversion Fee**

Unless otherwise specified in the Facility Letter, if the Borrower delivers a Selection Notice requesting that the currency in which a Loan is denominated should be changed into a different currency (being either the Base Currency or an Optional Currency) the Borrower must pay to the Bank a conversion fee (as specified in the Bank's published scale from time to time, a copy of which will be supplied to the Borrower upon request) on the first day of the "second Interest Period" (as that term is defined in paragraph 6.3.1 or paragraph 6.3.2.1 as the case may be) applicable to the Loan in question.

## **10.8 Extension Fee**

Unless otherwise specified in the Extension Notice, if the Termination Date is extended in accordance with paragraph 7.4 (Extension Option), the Borrower will pay to the Bank an extension fee as specified in the Extension Notice and at the time specified in Clause 8.8 (Extension Fee) of the Facility Letter.

## **10.9 Management time**

If an Event of Default occurs and has not been waived by the Bank in writing, any amount payable to the Bank under paragraph 11.5 (Other indemnities) may, in the Bank's absolute discretion, include the cost of utilising the management time or other resources of the Bank and will be calculated on the basis of such reasonable daily or hourly rates as the Bank may notify to the Borrower.

## **11 Tax Gross-up, Increased Costs and Other Indemnities**

### **11.1 Tax gross-up**

All payments by the Borrower to the Bank under the Finance Documents shall be free and without deduction of Tax unless the Borrower is required by law to make a payment subject to deduction or withholding of Tax, in which case the amount payable by the Borrower will be sufficiently increased to ensure that the Bank receives and retains a net sum equal to that which it would have received and retained were no deduction or withholding made.

11.1.1 If the Borrower is tax resident in the United Kingdom or interest payable by the Borrower otherwise has a United Kingdom source so that the Borrower is obliged to pay interest subject to deduction of United Kingdom income tax, it must complete a Borrower DTTP Filing in order to be able to pay interest to the Bank without withholding tax.

11.1.2 A Borrower shall, promptly on making a Borrower DTTP Filing, deliver a copy of that Borrower DTTP Filing to the Bank in accordance with paragraph 4.7.2 above.

11.1.3 If a Borrower to whom paragraph 11.1.1 applies (i) has not made a Borrower DTTP Filing in respect of the Bank, or (ii) that Borrower DTTP Filing has been rejected by H.M. Revenue & Customs, payments by that Borrower shall, for the avoidance of doubt, be increased under paragraph 11.1 (Tax gross-up) above.

### **11.2 Increased Costs**

If the Bank incurs an Increased Cost then the Borrower will indemnify it and will promptly pay to it the amount that the Bank certifies as payable in respect of such Increased Cost. The Bank will disclose, in reasonable detail, the basis of its calculation but not any matter which it considers confidential.

### 11.3 Tax indemnity

The Borrower shall immediately on demand pay to the Bank an amount equal to the loss, liability or cost which the Bank determines will be or has been (directly or indirectly) suffered for or on account of Tax by the Bank in respect of a Finance Document and will indemnify the Bank against any liabilities, costs, claims and expenses resulting from any omission to pay or from any delay in paying any such duty or such Taxes.

### 11.3 Stamp taxes

The Borrower shall pay and, immediately on demand, indemnify the Bank against any cost, loss or liability that the Bank incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

### 11.4 Currency indemnity

11.4.1 If any sum due from the Borrower under the Finance Documents (a "Sum"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "First Currency") in which that Sum is payable into another currency (the "Second Currency") for the purpose of:

- 11.4.1.1 making or filing a claim or proof against the Borrower; and/or
- 11.4.1.2 obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Borrower shall as an independent obligation, immediately on demand, indemnify the Bank against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to the Bank at the time of its receipt of that Sum.

11.4.2 The Borrower waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

### 11.5 Other indemnities

The Borrower shall, immediately on demand, indemnify the Bank against any cost, loss or liability incurred by the Bank as a result of:

- 11.5.1 the occurrence of any Default;
- 11.5.2 any Environmental Claim being made or asserted against the Bank which would not have arisen had the Bank not made the Facility available to the Borrower and/or entered into the Security Documents;
- 11.5.3 a failure by the Borrower to pay any amount due under a Finance Document on its due date;
- 11.5.4 funding, or making arrangements to fund, a Loan requested by the Borrower in a Drawdown Request but not made by reason of the operation of any one or more of the provisions of the Facility Letter and/or these Standard Terms and Conditions for Lending; and/or
- 11.5.5 a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower.

## 12 Costs and Expenses

### 12.1 Transaction expenses

The Borrower shall, immediately on demand, pay to the Bank the amount of all costs and expenses (including legal fees) reasonably incurred by the Bank in connection with the negotiation, preparation, syndication, printing and execution

of:

- 12.1.1 the Facility Letter, the Finance Documents and any other documents referred to in the Facility Letter and/or these Standard Terms and Conditions for Lending; and
- 12.1.2 any other Finance Documents executed after the date of the Facility Letter.

### 12.2 Amendment costs

If any amendment, waiver or consent is required by the Borrower or the Bank under the Facility Letter, these Standard Terms and Conditions for Lending or any other Finance Document, the Borrower shall immediately on demand, reimburse and indemnify the Bank for the amount of all costs and expenses (including legal fees) reasonably incurred by the Bank in responding to, evaluating, negotiating or complying with that request or requirement.

### 12.3 Enforcement costs

The Borrower hereby indemnifies the Bank in respect of, and shall immediately on demand pay to the Bank, the amount of all costs and expenses (including legal fees) incurred by the Bank in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

### 12.4 Debiting costs

The Bank may debit any costs incurred under this paragraph 12 (Costs and Expenses) to the loan account of the Borrower or any other account of the Borrower with the Bank.

## 13 Security Documents

### 13.1 Bank's solicitors

The Bank's appointed lawyers shall act in the perfection of all Security to be granted pursuant to the Facility Letter and/or these Standard Terms and Conditions for Lending and all costs thereof shall be borne by the Borrower. The Security must be perfected to the satisfaction of the Bank in all respects.

### 13.2 Security Documents

The Borrower will enter into such further Security Documents in favour of the Bank as the Bank may require from time to time and will procure that each Relevant Person will enter into such Security Documents in favour of the Bank as it shall notify to the Borrower from time to time and all such Security Documents will secure the Facility and any other money due, owing or incurred to the Bank by the Borrower and any Relevant Person.

### 13.3 Form of Security

All Security Documents are to be in the Bank's standard form except where documentation has been specifically drawn up and/or prepared by the Bank's appointed lawyers.

### 13.4 Continuing security

Each Security Document and all Security taken in the future or previously taken in respect of the Facility or other facilities made available to the Borrower by the Bank will be treated as continuing security and held in support of the Facility.

## 14 Corporate Representations

If the Borrower is a company, a limited liability partnership or any other form of corporate entity, then it makes the representations and warranties set out in this paragraph 14 (Corporate Representations) to the Bank on the date of the Facility Letter and makes the Repeating Representations to the Bank in accordance with paragraph 14.13 (Repetition). If the Borrower is a natural person, but any Relevant Person is not a natural person, the Borrower makes the representations and warranties set out in this paragraph 14 (Corporate Representations) at the times specified in the preceding sentence in respect of each such Relevant Person only and the term "Group Company" shall be construed to mean each such Relevant Person.



- 14.1 Status**
- 14.1.1 Each Group Company is a company, a limited liability partnership or a corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation or establishment.
- 14.1.2 Each Group Company has the power to own its assets and carry on its business as it is being conducted.
- 14.2 Power and authority**
- Each Group Company has the power to enter into, perform and deliver<sup>4</sup>, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.
- 14.3 Binding obligations**
- The obligations expressed to be assumed by each Group Company in each Finance Document to which it is a party are legal, valid, binding and enforceable obligations.
- 14.4 Non-conflict with other obligations**
- The entry into and performance by it and by each Group Company of, and the transactions contemplated by, the Finance Documents do not and will not conflict with:
- 14.4.1 any law or regulation applicable to any Group Company;
- 14.4.2 that Group Company's constitutional documents; or
- 14.4.3 any agreement or instrument binding upon any Group Company or any Group Company's assets.
- 14.5 Validity and admissibility in evidence**
- All Authorisations required or desirable:
- 14.5.1 to enable each Group Company lawfully to enter into, exercise its rights and comply with its obligations under the Finance Documents to which it is a party; and
- 14.5.2 to make the Finance Documents to which each Group Company is a party admissible in evidence in its jurisdiction of incorporation or establishment, have been obtained or effected and are in full force and effect.
- 14.6 Governing law and enforcement**
- 14.6.1 The law specified as the governing law of each Finance Document will be recognised and enforced in each Group Company's jurisdiction of incorporation or establishment.
- 14.6.2 Any judgment obtained in relation to a Finance Document under the laws of the jurisdiction whose courts are expressed to have jurisdiction in the Finance Document in question will be recognised and enforced in each Group Company's jurisdiction of incorporation or establishment.
- 14.7 Deduction of Tax**
- No Group Company is required to make any deduction for or on account of Tax from any payment it may make under any Finance Document.
- 14.8 No filing or stamp taxes**
- Under the law of each Group Company's jurisdiction of incorporation or establishment, it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents, save for (where applicable):
- 14.8.1 registration of a financing statement with the Jersey registrar of companies for any Security Documents governed by Jersey law and payment of associated fees;
- 14.8.2 registration of the Security Documents at Companies House under the Companies Act 2006 of the United Kingdom ("Companies Act") and payment of associated fees;
- 14.8.3 registration of any Security Documents creating Security over property at the Land Registry and payment of associated fees;
- 14.8.4 registration with HM Greffier in Guernsey of applicable conveyances and charges on realty; and
- 14.8.5 registration with the Public Registry in Jersey of an applicable hypothec over realty.
- No default**
- 14.8.6 No Event of Default is continuing or might reasonably be expected to result from drawing down under the Facility.
- 14.8.7 No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or any other Group Company or to which it (or any other Group Company's) assets are subject which might have a Material Adverse Effect.
- 14.9 Pari passu ranking**
- Each Group Company's payment obligations under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by laws of general application.
- 14.10 No proceedings pending or threatened**
- No litigation, arbitration, regulatory action or administrative proceedings of or before any court, arbitral body, regulatory authority or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have been started or, to the knowledge of the Borrower, or where the Borrower is not a natural person its officers (but without personal liability), threatened against it or any of the Group Companies.
- 14.11 Sanctions**
- No Group Company:
- 14.11.1 is a Sanctioned Party;
- 14.11.2 has, to the knowledge of the Borrower, or where the Borrower is not a natural person its officers (but without personal liability), received notice of any action, suit, proceeding or investigation against it with respect to Sanctions from any Sanctions Authority; or
- 14.11.3 has, to the knowledge of the Borrower, or where the Borrower is not a natural person its officers (but without personal liability), used any revenue or benefit derived from any activity or dealing with any Sanctioned Party in discharging any obligation due or owing to the Bank.
- 14.12 Anti-Corruption Laws**
- 14.12.1 Each Group Company conducts its businesses in compliance with applicable Anti-Corruption Laws and the Group has instituted and maintained policies and procedures designed to promote and achieve compliance with applicable Anti-Corruption Laws.
- 14.12.2 No Group Company has directly or indirectly used the proceeds of the Facility for any purpose which would breach any Anti-Corruption Laws.
- 14.13 Repetition**
- The Repeating Representations are deemed to be made by the Borrower by reference to the facts and circumstances then existing on:
- 14.13.1 the date of each Drawdown Request;
- 14.13.2 if the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter, the first day of each Interest Period; and
- 14.13.3 if the Base Rate Basis or the Fixed Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter, each Interest Payment Date.

## 15 Natural Persons Representations

If the Borrower is a natural person then it makes the representations and warranties set out in this paragraph 15 (Natural Persons Representations) to the Bank on the date of the Facility Letter and makes the Repeating Representations to the Bank in accordance with paragraph 15.12 (Repetition). If the Borrower is not a natural person, but any Relevant Person is a natural person, the Borrower makes the representations and warranties set out in this paragraph 15 (Natural Persons Representations) at the times specified in the preceding sentence in respect of each such Relevant Person only.

### 15.1 Binding obligations

The obligations expressed to be assumed by each Relevant Person in each Finance Document to which it is a party are legal, valid, binding and enforceable obligations.

### 15.2 Non-conflict with other obligations

The entry into and performance by it and by each Relevant Person of, and the transactions contemplated by, the Finance Documents do not and will not conflict with:

- 15.2.1 any law or regulation applicable to any Relevant Person; or
- 15.2.2 any agreement or instrument binding upon any Relevant Person or any Relevant Person's assets.

### 15.3 Validity and admissibility in evidence

All Authorisations required or desirable:

- 15.3.1 to enable each Relevant Person lawfully to enter into, exercise its rights and comply with its obligations under the Finance Documents to which it is a party; and
- 15.3.2 to make the Finance Documents to which each Relevant Person is a party admissible in evidence in its jurisdiction of ordinary residence, have been obtained or effected and are in full force and effect.

### 15.4 Governing law and enforcement

- 15.4.1 The law specified as the governing law of each Finance Document will be recognised and enforced in each Relevant Person's jurisdiction of ordinary residence.
- 15.4.2 Any judgment obtained in relation to a Finance Document under the laws of the jurisdiction whose courts are expressed to have jurisdiction in the Finance Document in question will be recognised and enforced in each Relevant Person's jurisdiction of ordinary residence.

### 15.5 Deduction of Tax

No Relevant Person is required to make any deduction for or on account of Tax from any payment it may make under any Finance Document.

### 15.6 No filing or stamp taxes

Under the law of each Relevant Person's jurisdiction of ordinary residence, it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents, save for (where applicable):

- 15.6.1 registration of a financing statement with the Jersey registrar of companies for any Security Documents governed by Jersey law and payment of associated fees;
- 15.6.2 registration of the Security Documents at Companies House under the Companies Act and payment of associated fees;

- 15.6.3 registration of any Security Documents creating Security over property at the Land Registry and payment of associated fees;
- 15.6.4 registration with HM Greffier in Guernsey of applicable conveyances and charges on realty; and
- 15.6.5 registration with the Public Registry in Jersey of an applicable hypothec over realty.

### 15.7 No default

- 15.7.1 No Event of Default is continuing or might reasonably be expected to result from drawing down under the Facility.
- 15.7.2 No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or any other Relevant Person or to which it (or any other Relevant Person's) assets are subject which might have a Material Adverse Effect.

### 15.8 Pari passu ranking

Each Relevant Person's payment obligations under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by laws of general application.

### 15.9 No proceedings pending or threatened

No litigation, arbitration, regulatory action or administrative proceedings of or before any court, arbitral body, regulatory authority or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have been started or, to the knowledge of the Borrower, or where the Borrower is not a natural person its officers (but without personal liability), threatened against it or any of the Relevant Persons.

### 15.10 Sanctions

No Relevant Person:

- 15.10.1 is a Sanctioned Party;
- 15.10.2 has, to the knowledge of the Borrower, or where the Borrower is not a natural person its officers (but without personal liability), received notice of any action, suit, proceeding or investigation against it with respect to Sanctions from any Sanctions Authority; or
- 15.10.3 has, to the knowledge of the Borrower, or where the Borrower is not a natural person its officers (but without personal liability), used any revenue or benefit derived from any activity or dealing with any Sanctioned Party in discharging any obligation due or owing to the Bank.

### 15.11 Anti-Corruption Laws

- 15.11.1 Each Relevant Person conducts its businesses in compliance with applicable Anti-Corruption Laws and the Borrower and each Relevant Person have instituted and maintained policies and procedures designed to promote and achieve compliance with applicable Anti-Corruption Laws.
- 15.11.2 No Relevant Person has directly or indirectly used the proceeds of the Facility for any purpose which would breach any Anti-Corruption Laws.

### 15.12 Repetition

The Repeating Representations are deemed to be made by the Borrower by reference to the facts and circumstances then existing on:

- 15.12.1 the date of each Drawdown Request;
- 15.12.2 if the IBOR Basis applies as specified in Clause 7 (Interest) of the Facility Letter, the first day of each Interest Period; and
- 15.12.3 if the Base Rate Basis or the Fixed Rate Basis applies as specified in Clause 7 (Interest) of the Facility Letter, each Interest Payment Date.

## 16 Information Covenants of Corporate Borrowers

If the Borrower is a company, a limited liability partnership or any other form of corporate entity then it enters into the covenants and undertakings set out in this paragraph 16 (Information Covenants of Corporate Borrowers) and such covenants and undertakings shall remain in force from the date of the Facility Letter for so long as any amount is outstanding under the Finance Documents or the Bank is under a commitment to make the Facility available to the Borrower or the Facility is available to the Borrower on an uncommitted basis.

### 16.1 Financial information

The Borrower shall supply (or shall procure that the Shareholder supplies) to the Bank:

- 16.1.1 within 90 days after the end of each financial year of the Borrower, two copies of its Financial Statements and a copy of the Financial Statements of each other Group Company and the Shareholder;
- 16.1.2 within 28 days before the commencement of each financial year of the Borrower, its annual budget (including profit and loss account, balance sheet, cash flow forecasts and projected capital expenditure) for the next financial year and a consolidated annual budget for the Group;
- 16.1.3 within 28 days after the end of each Agreed Period in each financial year of the Borrower, its management accounts (including profit and loss account, balance sheet and cash flow statements) and the consolidated management accounts for the Group, in each case, for such Agreed Period and showing a comparison with budget together with commentary by the finance director (or equivalent officer) on those management accounts;
- 16.1.4 at the same time as it delivers the Financial Statements or the management accounts referred to above, a certificate of compliance with the Financial Covenants signed by a director of the Borrower, setting out in reasonable detail supporting computations and in form and content acceptable to the Bank; and
- 16.1.5 such further financial information as the Bank may from time to time reasonably require.

### 16.2 Requirements as to Financial Statements

The Borrower shall ensure that:

- 16.2.1 all Financial Statements delivered by it show a true and fair view of the financial position of the relevant Group Company and of the Shareholder; and
- 16.2.2 all Financial Statements delivered pursuant to paragraph 16.1.1 above and all management accounts delivered pursuant to paragraph 16.1.3 above are prepared in accordance with GAAP or IFRS.

### 16.3 Shareholder Information

The Borrower shall supply to the Bank all documents dispatched by the Borrower to its members or shareholders (or any class of them) or its creditors generally at the same time as they are dispatched.

### 16.4 Litigation

The Borrower shall supply to the Bank promptly upon becoming aware of them, the details of any litigation, arbitration, regulatory action or administrative proceedings which are current, threatened or pending against any Relevant Person.

### 16.5 Notification of default

The Borrower shall notify the Bank of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

### 16.6 "Know your customer" checks

The Borrower shall promptly provide to the Bank such documentation and/or information as the Bank may request from time to time in relation to the Group and/or any Relevant Person (or any person connected to the Group and/or any Relevant Person) in order for the Bank to comply with any law, regulation or guidelines applicable to it from time to time (including, without limitation, any anti-money laundering or "know your customer" rules).

### 16.7 Other information

The Borrower shall provide to the Bank promptly upon request any additional information not specified above which the Bank may from time to time request concerning its business, assets and affairs or the business assets and affairs of any Relevant Person.

## 17 Information Covenants of Natural Persons

If the Borrower is a natural person then it enters into the covenants and undertakings set out in this paragraph 17 (Information Covenants of Natural Persons) and such covenants and undertakings shall remain in force from the date of the Facility Letter for so long as any amount is outstanding under the Finance Documents or the Bank is under a commitment to make the Facility available to the Borrower or the Facility is available to the Borrower on an uncommitted basis.

### 17.1 Asset and liability statement

The Borrower shall supply to the Bank within 30 days after the expiry of each period of twelve months after the date of the Facility Letter, an Asset and Liability Statement detailing the asset and liability position of the Borrower and of such other Relevant Persons (if any) as the Bank may from time to time require, which Asset and Liability Statement must be in a form and content satisfactory to the Bank.

### 17.2 Litigation

The Borrower shall supply to the Bank promptly upon becoming aware of them, the details of any litigation, arbitration, regulatory action or administrative proceedings which are current, threatened or pending against any Relevant Person.

### 17.3 Notification of default

The Borrower shall notify the Bank of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

### 17.4 "Know your customer" checks

The Borrower shall promptly provide to the Bank such documentation and/or information as the Bank may request from time to time in relation to any Relevant Person or any other person connected to any Relevant Person in order for the Bank to comply with any law, regulation or guidelines applicable to it from time to time (including, without limitation, any anti-money laundering or "know your customer" rules).

### 17.5 Other information

The Borrower shall provide to the Bank promptly upon request any additional information not specified above which the Bank may from time to time request concerning its business, assets and affairs or the business assets and affairs of any Relevant Person.

## 18 Financial Covenants

The covenants and undertakings contained in this paragraph 18 (Financial Covenants) remain in force from the date of the Facility Letter for so long as any amount is outstanding under the Finance Documents or the Bank is under a commitment to make the Facility available to the Borrower or the Facility is available to the Borrower on an uncommitted basis.

## 18.1 Loan to Value Ratio

- 18.1.1 The Borrower undertakes to the Bank that the Loan to Value Ratio shall not at any time be more than the maximum percentage specified as applying to the Loan to Value Ratio in Clause 10 (Covenants) of the Facility Letter.
- 18.1.2 The Financial Covenant set out in paragraph 18.1.1 above shall be tested by the Bank at any time on an ongoing basis commencing on the date of the Facility Letter by reference to the Original Valuation and/or the most recent Valuations received by the Bank in respect of any or all of the Charged Property pursuant to paragraph 18.2 (Valuations) below.

## 18.2 Valuations

- 18.2.1 The Bank shall be entitled to obtain a fresh Valuation in respect of all or any of the Charged Property at any time.
- 18.2.2 Any such Valuation shall be provided by a valuer chosen by the Bank in its sole discretion.
- 18.2.3 Any Valuation for mortgage purposes which has been prepared by a valuer on behalf of the Bank shall be based upon limited inspection criteria and shall be for the benefit of the Bank only.
- 18.2.4 The Borrower shall immediately on demand pay to the Bank the amount of all costs and expenses reasonably incurred by the Bank in connection with any Valuation which is obtained under this paragraph 18.2 (Valuations):
  - 18.2.4.1 on an annual basis; or
  - 18.2.4.2 when a Default has occurred and is continuing; or
  - 18.2.4.3 at any other time that the Bank, in its sole discretion, considers that the market value of all or any of the Charged Property has deteriorated.

## 18.3 Conversion Limit

- 18.3.1 The Borrower covenants that where principal amounts utilised under the Facility are denominated in an Optional Currency, the aggregate of those principal amounts shall not exceed the Conversion Limit;
- 18.3.2 If the covenant in paragraph 18.3.1 is breached, the Bank shall have the right (but not the obligation) without prior notice to the Borrower to convert outstanding Loans denominated in an Optional Currency to the Base Currency at the Bank's Spot Rate of Exchange for the purchase of the Base Currency with the relevant Optional Currency.

## 18.4 Testing

For the purposes of testing the Borrower's compliance with the provisions of paragraph 18.3 (Conversion Limit), where a Loan is denominated in an Optional Currency, the Bank may from time to time notionally convert the Loan into the Base Currency at its spot rate of exchange for the purchase of the Base Currency with the relevant Optional Currency.

## 18.5 Maintenance of LTV Basis

- 18.5.1 If the Maintenance of LTV Basis applies as specified in Clause 10 (Covenants) of the Facility Letter then this paragraph 18.5 (Maintenance of LTV Basis) shall apply in respect of the Bank's ability to call for additional Security Rights and/or demand the repayment or prepayment of Loans and/or convert Loans denominated in an Optional Currency to the Base Currency (if the Multi-Currency Basis applies to the Facility) in the context of compliance with the Loan to Value Ratio Covenant.
- 18.5.2 If the Bank determines at any time that either (a) the Loan to Value Ratio has increased by the LTV Maximum Increase Percentage or more or (b) the

Loan to Value Ratio Covenant has been breached:

- 18.5.2.1 the Borrower shall (as required by the Bank) immediately upon demand deliver to the Bank such additional Security Right in favour of the Bank over such assets as the Bank may specify and in a form and substance satisfactory to the Bank; and/or (as required by the Bank)
- 18.5.2.2 the Borrower shall immediately upon demand repay or prepay outstanding Loans, in each case as would be sufficient (in the opinion of the Bank) to restore the Loan to Value Ratio to that which, at the option of the Bank, existed on the last date that the Bank tested the Loan to Value Ratio or to restore the Loan to Value Ratio Covenant; and
- 18.5.2.3 the Bank shall have the right (but not the obligation) without prior notice to the Borrower to convert outstanding Loans denominated in an Optional Currency to the Base Currency at the Bank's Spot Rate of Exchange for the purchase of the Base Currency with the relevant Optional Currency.

## 19 General Covenants of Corporate Borrowers

If the Borrower is a company, a limited liability partnership or any other form of corporate entity then it enters into the covenants and undertakings set out in this paragraph 19 (General Covenants of Corporate Borrowers) and such covenants and undertakings shall remain in force from the date of the Facility Letter for so long as any amount is outstanding under the Finance Documents or the Bank is under a commitment to make the Facility available to the Borrower or the Facility is available to the Borrower on an uncommitted basis.

### 19.1 Authorisations

The Borrower shall (and shall ensure that each Group Company will) promptly:

- 19.1.1 obtain, comply with and do all that is necessary to maintain in full force and effect; and
- 19.1.2 supply certified copies to the Bank of, any Authorisation required under any law or regulation of the Borrower's or the relevant Group Company's jurisdiction of incorporation or establishment to enable the Borrower or the relevant Group Company to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation or establishment of any Finance Document.

### 19.2 Compliance with laws

The Borrower shall (and shall ensure that each Group Company will) comply in all respects with all laws to which the Borrower or the relevant Group Company may be subject, if failure so to comply would materially impair its ability to perform its obligations under the Finance Documents.

### 19.3 Environmental compliance

The Borrower shall (and shall ensure that each Group Company will):

- 19.3.1 comply with all Environmental Law;
- 19.3.2 obtain, maintain and ensure compliance with all requisite Environmental Permits; and
- 19.3.3 implement procedures to monitor compliance with and to prevent liability under any Environmental Law.

#### **19.4 Environmental claims**

The Borrower shall, promptly upon becoming aware of the same, inform the Bank in writing of:

- 19.4.1 any Environmental Claim against the Borrower and/or any Group Company which is current, pending or threatened; and
- 19.4.2 any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against the Borrower and/or any Group Company.

#### **19.5 Pari passu ranking**

The Borrower shall ensure (and shall ensure that each Group Company shall ensure) that at all times any unsecured and unsubordinated claims of the Bank against the Borrower or the relevant Group Company under the Finance Documents rank at least pari passu with the claims of all the Borrower's or relevant Group Company's other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application.

#### **19.6 Negative pledge**

- 19.6.1 Subject to paragraph 19.6.3, the Borrower shall not (and shall ensure that no Group Company will) create or permit to subsist any Security Right over any asset, property or undertaking.
- 19.6.2 Subject to paragraph 19.6.3, the Borrower shall not (and shall ensure that no Group Company will):
  - 19.6.2.1 sell, transfer or otherwise dispose of any assets on terms whereby they are or may be leased to or re-acquired by the Borrower or a Group Company;
  - 19.6.2.2 sell, transfer or otherwise dispose of any receivables on recourse terms;
  - 19.6.2.3 enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
  - 19.6.2.4 enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Borrowings or of financing the acquisition of an asset (with any such transaction being referred to in this paragraph 19.6 (Negative pledge) as "Quasi-Security").
- 19.6.3 Paragraphs 19.6.1 and 19.6.2 above do not apply to any Security Right or (as the case may be) Quasi-Security listed below:
  - 19.6.3.1 any Security Right or Quasi-Security created or arising under the Finance Documents;
  - 19.6.3.2 any netting or set-off arrangement entered into by the Borrower or any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
  - 19.6.3.3 any lien arising by operation of law and in the ordinary course of trading; and/or
  - 19.6.3.4 any Security Right or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to the Borrower or any Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by the Borrower or any Group Company.

#### **19.7 Borrowings**

The Borrower shall not (and shall ensure that no Group Company will) incur any Borrowings other than:

- 19.7.1 Borrowings arising under the Finance Documents; and

- 19.7.2 Borrowings otherwise incurred with the prior written consent of the Bank.

#### **19.8 Loans or credit**

The Borrower shall not (and shall ensure that no Group Company will) without the prior written consent of the Bank be a creditor in respect of any Borrowings.

#### **19.9 Treasury transactions**

The Borrower shall not (and shall ensure that no Group Company will) enter into any hedging or currency management arrangements, options or other derivative transactions except any transaction otherwise entered into with the prior written consent of the Bank.

#### **19.10 No guarantees or indemnities**

The Borrower shall not (and shall ensure that no Group Company will) without the prior written consent of the Bank incur or allow to remain outstanding any guarantee or indemnity in respect of any obligation of any person.

#### **19.11 Disposals**

The Borrower shall not (and shall ensure that no Group Company will) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset other than a Permitted Disposal.

#### **19.12 Merger**

The Borrower shall not (and shall ensure that no Group Company will) enter into any amalgamation, demerger, merger or corporate reconstruction.

#### **19.13 Acquisitions**

The Borrower shall not (and shall ensure that no Group Company will) acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them) or incorporate a company.

#### **19.14 Joint Ventures**

The Borrower shall not (and shall ensure that no Group Company will) enter into, invest in or acquire (or agree to acquire) any shares, stocks, securities or other interest in any Joint Venture or transfer any assets or lend to or guarantee or give an indemnity for or give any Security Right for the obligations of a Joint Venture or maintain the solvency of or provide working capital to any Joint Venture (or agree to do any of the foregoing).

#### **19.15 Change of business**

The Borrower shall procure that no substantial change is made to the general nature of the business of the Borrower or the Group from that carried on at the date of the Facility Letter.

#### **19.16 Preservation of assets**

The Borrower shall (and shall ensure that each Group Company will) maintain in good working order and condition (ordinary wear and tear excepted) all assets necessary or desirable in the conduct of the Borrower's or relevant Group Company's business.

#### **19.17 Dividends and share redemption**

The Borrower shall not (and shall ensure that no Group Company will):

- 19.17.1 declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of the Borrower's or relevant Group Company's share capital (or any class of its share capital) or otherwise to its members or shareholders;
- 19.17.2 repay or distribute any dividend or share premium reserve;
- 19.17.3 pay any management, advisory or other fee to or to the order of any of the members or shareholders of the Borrower, any Holding Company of the Borrower, or any associated person of any of them; or

- 19.17.4 redeem, repurchase, defease, retire or repay any of its share or members' capital or resolve to do so.

#### **19.18 VAT Group**

The Borrower may not be a member of a value added tax group.

#### **19.19 Taxes**

The Borrower must pay all Taxes due and payable by it prior to the accrual of any fine or penalty for late payment.

#### **19.20 People with significant control regime**

The Borrower shall (and shall ensure that each Group Company will):

- 19.20.1 within the relevant timeframe, comply with any notice it receives pursuant to:
- 19.20.1.1 Jersey law in respect of disclosure of beneficial ownership of any Jersey company;
- 19.20.1.2 Guernsey law in respect of disclosure of beneficial ownership of any Guernsey company; and
- 19.20.1.3 Part 21A of the Companies Act from any company incorporated in the United Kingdom whose shares are the subject of the Security; and
- 19.20.2 promptly provide the Bank with a copy of that notice.

### **20 General Covenants of Natural Persons**

If the Borrower is a natural person then it enters into the covenants and undertakings set out in this paragraph 20 (General Covenants of Natural Persons) and such covenants and undertakings shall remain in force from the date of the Facility Letter for so long as any amount is outstanding under the Finance Documents or the Bank is under a commitment to make the Facility available to the Borrower or the Facility is available to the Borrower on an uncommitted basis.

#### **20.1 Authorisations**

The Borrower shall (and shall ensure that each Relevant Person will) promptly:

- 20.1.1 obtain, comply with and do all that is necessary to maintain in full force and effect; and
- 20.1.2 supply certified copies to the Bank of, any Authorisation required under any law or regulation of the Borrower's or Relevant Person's jurisdiction of incorporation, establishment or ordinary residence (as the case may be) to enable the Borrower or Relevant Person to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in the Borrower's or Relevant Person's jurisdiction of incorporation, establishment or ordinary residence (as the case may be) of any Finance Document.

#### **20.2 Compliance with laws**

The Borrower shall (and shall ensure that each Relevant Person will) comply in all respects with all laws to which the Borrower or Relevant Person may be subject, if failure so to comply would materially impair its ability to perform its obligations under the Finance Documents.

#### **20.3 Environmental compliance**

The Borrower shall (and shall ensure that each Relevant Person will):

- 20.3.1 comply with all Environmental Law;
- 20.3.2 obtain, maintain and ensure compliance with all requisite Environmental Permits; and
- 20.3.3 implement procedures to monitor compliance with and to prevent liability under any Environmental Law.

#### **20.4 Environmental claims**

The Borrower shall, promptly upon becoming aware of the same, inform the Bank in writing of:

- 20.4.1 any Environmental Claim against the Borrower and/or any Relevant Person which is current, pending or threatened; and
- 20.4.2 any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against the Borrower and/or any Relevant Person.

#### **20.5 Pari passu ranking**

The Borrower shall ensure (and shall ensure that each Relevant Person shall ensure) that at all times any unsecured and unsubordinated claims of the Bank against the Borrower or Relevant Person under the Finance Documents rank at least pari passu with the claims of all the Borrower's or Relevant Person's other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application.

#### **20.6 Negative pledge**

- 20.6.1 Subject to paragraph 20.6.3, the Borrower shall not (and shall ensure that no Relevant Person will) create or permit to subsist any Security Right over any Secured Property.
- 20.6.2 Subject to paragraph 20.6.3, the Borrower shall not (and shall ensure that no Relevant Person will):
- 20.6.2.1 sell, transfer or otherwise dispose of any Secured Property on terms whereby it is or may be leased to or re-acquired by the Borrower or a Relevant Person;
- 20.6.2.2 sell, transfer or otherwise dispose of any receivables comprised within the Secured Property on recourse terms;
- 20.6.2.3 enter into any arrangement under which money or the benefit of a bank or other account comprised within the Secured Property may be applied, set-off or made subject to a combination of accounts; or
- 20.6.2.4 enter into any other preferential arrangement affecting the Secured Property having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Borrowings or of financing the acquisition of an asset (with any such transaction being referred to in this paragraph 20.6 (Negative pledge) as "Quasi-Security").
- 20.6.3 Paragraphs 20.6.1 and 20.6.2 above do not apply to any Security Right or (as the case may be) Quasi-Security listed below:
- 20.6.3.1 any Security Right or Quasi-Security created or arising under the Finance Documents;
- 20.6.3.2 any netting or set-off arrangement entered into by the Borrower or any Relevant Person in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- 20.6.3.3 any lien arising by operation of law and in the ordinary course of trading; and/or
- 20.6.3.4 any Security Right or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to the Borrower or any Relevant Person in the ordinary course of trading and on the supplier's

standard or usual terms and not arising as a result of any default or omission by the Borrower or any Relevant Person.

## 20.7 Borrowings

The Borrower shall not (and shall ensure that no Relevant Person will) incur any Borrowings other than:

- 20.7.1 Borrowings arising under the Finance Documents; and
- 20.7.2 Borrowings otherwise incurred with the prior written consent of the Bank.

## 20.8 Loans or credit

The Borrower shall not (and shall ensure that no Relevant Person will) without the prior written consent of the Bank be a creditor in respect of any Borrowings.

## 20.9 Treasury transactions

The Borrower shall not (and shall ensure that no Relevant Person will) enter into any hedging or currency management arrangements, options or other derivative transactions except any transaction otherwise entered into with the prior written consent of the Bank.

## 20.10 No guarantees or indemnities

The Borrower shall not (and shall ensure that no Relevant Person will) without the prior written consent of the Bank incur or allow to remain outstanding any guarantee or indemnity in respect of any obligation of any person.

## 20.11 Disposals

The Borrower shall not (and shall ensure that no Relevant Person will) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Secured Property other than a Permitted Disposal.

## 20.12 Taxes

The Borrower must pay all Taxes due and payable by it prior to the accrual of any fine or penalty for late payment.

## 20.13 People with significant control regime

The Borrower shall (and shall ensure that each Relevant Person will):

- 20.13.1 within the relevant timeframe, comply with any notice it receives pursuant to:
  - 20.13.1.1 Jersey law in respect of disclosure of beneficial ownership of any Jersey company;
  - 20.13.1.2 Guernsey law in respect of disclosure of beneficial ownership of any Guernsey company; and
  - 20.13.1.3 Part 21A of the Companies Act from any company incorporated in the United Kingdom
 whose shares are the subject of the Security; and
- 20.13.2 promptly provide the Bank with a copy of that notice.

# 21 Insurances

The covenants and undertakings set out in this paragraph 21 (Insurances) shall remain in force from the date of the Facility Letter for so long as any amount is outstanding under the Finance Documents or the Bank is under a commitment to make the Facility available to the Borrower or the Facility is available to the Borrower on an uncommitted basis.

- 21.1 The Borrower shall ensure that contracts of insurance are maintained in full force and effect which insure the Borrower and each Relevant Person in respect of its interests in the Property and the plant and machinery on the Property (including fixtures and improvements) at the Borrower's (or such Relevant Person's) own expense:
  - 21.1.1 to the full replacement or reinstatement value thereof from time to time (being the total cost of entirely rebuilding, replacing or reinstating the

relevant asset if it is completely destroyed, including, where applicable, the cost of demolition and site clearance, shoring or propping up, architects' surveyors' and other professional fees, planning application fees, value added tax and incidental expenses in connection with rebuilding, replacement or reinstatement together with adequate allowance for inflation);

- 21.1.2 in an amount, and in form, and with insurers, previously approved by the Bank in writing;
- 21.1.3 with comprehensive coverage against loss or damage from all insurable risks associated with the Property (including, without limitation, fire, storm, tempest, heave, subsidence, earthquake, lightning, explosion, riot, civil commotion, malicious damage, theft or attempted theft, impact, falling trees and branches, flood, escape of water, bursting or overflowing of water tanks, apparatus or pipes, aircraft and other aerial devices or articles dropped therefrom);
  - 21.1.4 against acts of terrorism, including third party liability arising from such acts;
  - 21.1.5 for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance and for loss of profits;
  - 21.1.6 against third party and public liability and liability under the Defective Premises Act 1972; and
  - 21.1.7 against such other risks and contingencies, as a prudent company or other person carrying on similar business as the Borrower (or, as the case may be, the Relevant Person) would normally insure and as the Bank shall from time to time request;
- 21.2 The Borrower shall procure that such insurances are effected and maintained:
  - 21.2.1 with the Bank named on the policy as composite insured in respect of its own separate insurable interest (other than public liability and third party liability insurances) but without any liability on the part of the Bank for any premium in relation to such insurances;
  - 21.2.2 with the policy containing: (i) a non-invalidity and non-vitiating clause under which such insurances will not be avoided or vitiated as against any insured party as a result of any circumstances beyond the control of that insured party or any misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any other insured party or any agent of any other insured party; (ii) a waiver of the rights of subrogation of the insurer as against the Borrower (or, as the case may be, the Relevant Person) the Bank and the tenants of the Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of the Security Assets or any insurance; (iii) a loss payee clause: (A) in respect of such (if any) of the Property which is freehold, under which the Bank is named as first loss payee (other than in respect of any claim under any public liability and third party liability insurances); and (B) in respect of such (if any) of the Property which is leasehold, in such terms as the Bank may reasonably require in respect of insurance claim payments otherwise payable to the Borrower (or, as the case may be, the Relevant Person); and (iv) such other provisions for the protection of the

- Bank as the Bank may require;
- 21.2.3 in terms which require the insurer: (i) to give the Bank at least 30 days' notice if it proposes to: (A) repudiate, rescind or cancel such insurance; (B) treat such insurance as avoided in whole or in part; (C) treat such insurance as expired due to non-payment of premium; or (D) otherwise decline any claim under such insurance by or on behalf of any insured party; and (ii) in respect of sub-paragraph (C) above, to give the Bank notice of the opportunity to rectify any such non-payment of premium within the notice period; and
- 21.2.4 in terms which allow the Borrower (or, as the case may be, the Relevant Person) to freely assign or otherwise create a Security Right over all amounts payable to it (or them) under each such insurance and all its (or their) rights in connection with those amounts in favour of the Bank.
- 21.3 The Borrower shall (and shall ensure that each applicable Relevant Person shall) duly and promptly (and in any event prior to the commencement of the period of insurance for which the same is payable) pay all premiums and other monies necessary for effecting and keeping up such insurances and do all other things necessary so as to keep such insurances in force.
- 21.4 The Borrower shall (and shall ensure that each applicable Relevant Person shall) on demand produce to the Bank the policies of such insurances, evidence of and receipts for payments of all premiums for insurance and any information in connection with such insurances and claims under them as the Bank may require.
- 21.5 The Borrower shall (and shall ensure that each applicable Relevant Person shall) promptly notify the Bank of:
- 21.5.1 the proposed terms of any future renewal of any such insurances;
- 21.5.2 any amendment, supplement, extension, termination, avoidance or cancellation of any of such insurances made or, to its knowledge, threatened or pending;
- 21.5.3 any claim, and any actual or threatened refusal of any claim, under any such insurances; and
- 21.5.4 any event or circumstance which has led or may lead to a breach by the Borrower of any term of this paragraph 21 (Insurances).
- 21.6 The Borrower shall (and shall ensure that each applicable Relevant Person shall) comply in all respects with the terms and conditions of the relevant policies, including without limitation any stipulations or restrictions as to the use and/or operation of any asset, and with the risk improvement requirements of its insurers (subject to the terms of the Lease Documents) and not do or permit anything to be done which may make void or voidable any such insurances.
- 21.7 The Borrower shall (and shall ensure that each applicable Relevant Person shall) procure (where it is empowered to do so) or otherwise use all reasonable efforts to procure the maintenance by the landlord (or other third party) of such insurance obligations in accordance with the provisions of the relevant lease and where the Property is leasehold, without prejudice to any rights of the Bank to make good any such default, if the Borrower or Relevant Person is not at any time able to secure insurances to satisfy paragraphs 21.1 and 21.2, the Borrower or Relevant Person shall use best endeavours to effect such alternative insurances to put the Bank in substantially the same position as required by paragraphs 21.1 and 21.2 or as the Bank may require acting reasonably.

## 22 Events of Default

Each of the events or circumstances set out in this paragraph 22 (Events of Default) is an Event of Default (save for paragraph 22.20 (Acceleration) and paragraph 22.21 (Investigations)).

### 22.1 Non-payment

The Borrower or any Relevant Person does not pay on the due date any amount payable under a Finance Document to which it is a party at the place at and in the currency in which it is expressed to be payable.

### 22.2 Other obligations

The Borrower or any Relevant Person does not comply with or breaches any provision of any Finance Document to which it is a party (other than those referred to in paragraph 22.1 (Non-payment)).

### 22.3 Misrepresentation

Any information provided, or any representation or statement made (or deemed to be made) to the Bank by any Relevant Person under or in connection with any Finance Document proves to be inaccurate, incorrect or misleading in any material respect when provided or made (or deemed to be made).

### 22.4 Cross Default

Any Borrowings of any Relevant Person (other than under a Finance Document) are not paid when due for payment (whether because of acceleration or otherwise, but excluding where they are due but unpaid pursuant to the terms of a Subordination Deed or an Intercreditor Deed) or within any originally permitted period of grace or any creditor of any Relevant Person becomes entitled to declare any such Borrowings due and payable prior to their stated maturity.

### 22.5 Insolvency

22.5.1 A Relevant Person is unable or admits inability to pay its debts as they fall due or is deemed or declared to be unable to pay its debts under applicable law, suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.

22.5.2 The value of the assets of any Relevant Person is less than its liabilities (taking into account contingent and prospective liabilities).

22.5.3 A moratorium is declared in respect of any indebtedness of any Relevant Person. (If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.)

22.5.4 A Relevant Person is "bankrupt" within the meaning of article 8 of the Interpretation (Jersey) Law 1954.

22.5.5 A Relevant Person being declared "en désastre".

### 22.6 Insolvency proceedings

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

22.6.1 the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise), bankruptcy or sequestration of any Relevant Person;

22.6.2 a composition, compromise, assignment or arrangement with any creditor of any Relevant Person or the appointment of a nominee or supervisor in respect of a Relevant Person in connection with any such composition, compromise, assignment or arrangement;

22.6.3 the appointment of a liquidator, trustee, receiver, administrative receiver, administrator, trustee in bankruptcy, compulsory manager, nominee,



supervisor, judicial factor or other similar officer in respect of any Relevant Person or any of its assets; or

- 22.6.4 the enforcement of any Security Right over any assets of any Relevant Person; or
- 22.6.5 an application is made for the assets of a Relevant Person to be declared en désastre or for a preliminary vesting order over any property of a Relevant Person; or
- 22.6.6 any analogous procedure or step is taken in any jurisdiction.

## **22.7 Creditors' process**

Any expropriation, attachment, sequestration, distress, diligence, arrestment, execution or other legal process or any analogous process in any jurisdiction affects any asset or assets of a Relevant Person.

## **22.8 Unlawfulness and invalidity**

- 22.8.1 All or any part of a Finance Document ceases to be legal or effective (or a Relevant Person so alleges) or any Security Right created or expressed to be created under a Security Document ceases to be effective or any consent required to enable a Relevant Person to perform its obligations under a Finance Document ceases to have effect.
- 22.8.2 Notice of withdrawal or discontinuance of any guarantee or security provided by any third party (including any Relevant Person) is served on the Bank and a replacement guarantor or chargor suitable to the Bank cannot be found within 7 calendar days of receipt of such notice.

## **22.9 Change of ownership**

Where the Borrower is not a natural person, either (a) control of any Group Company passes to any person or persons (whether acting individually or in concert) who is or are not a member or shareholder in it immediately after the date of the Facility Letter or (b) there is a Change of Control, in each case without the prior written consent of the Bank.

## **22.10 Cessation of business**

Where the Borrower is not a natural person:

- 22.10.1 any member of the Group suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business; and/or
- 22.10.2 any licence, authority, permit, consent, agreement or contract which is material to the business from time to time of any Group Company is terminated, withheld or modified which in the opinion of the Bank, will have a Material Adverse Effect.

## **22.11 Expropriation**

Where the Borrower is not a natural person, the authority or ability of any Group Company to conduct its business is limited or wholly or substantially curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person in relation to any member of the Group or any of its assets.

## **22.12 Environmental**

In the reasonable opinion of the Bank at any time after the date of the Facility Letter:

- 22.12.1 there is a risk of material liability to the Bank under Environmental Law or because it has taken security (direct or third party) for the Facility; or
- 22.12.2 the value of any asset of any Relevant Person may be diminished in any material way because of Environmental Law; or
- 22.12.3 any Relevant Person does not comply with regulations or the law applicable to its business or with Environmental Law or any Environmental Permit where such failure to comply will have a Material Adverse Effect.

## **22.13 Litigation**

Any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened against any Relevant Person or its assets which has or is reasonably likely to have a Material Adverse Effect.

## **22.14 Development Loan**

If any Loan is a Development Loan:

- 22.14.1 at any time after the date of the Facility Letter, the Bank determines (in its sole discretion) that it is unlikely that the development of the Property will be completed in accordance with the financial appraisal and development programme delivered to the Bank or by the Practical Completion Long-Stop Date; or
- 22.14.2 at any time after the date of the Facility Letter, the actual or projected Gross Development Value or Gross Rental Value of the Property, as determined by the Bank in its sole discretion, is materially less than as set out in the Original Valuation.

## **22.15 Compulsory purchase**

- 22.15.1 Any part of the Property is compulsorily purchased or the applicable local authority makes an order for the compulsory purchase of all or any part of the Property; and
- 22.15.2 in the opinion of the Bank, taking into account the amount and timing of any compensation payable, the compulsory purchase has or will have a Material Adverse Effect.

## **22.16 Major damage**

- 22.16.1 Any part of the Property is destroyed or damaged; and
- 22.16.2 in the opinion of the Bank, taking into account the amount and timing of receipt of the proceeds of insurance effected in accordance with the Facility Letter, the destruction or damage has or will have a Material Adverse Effect.

## **22.17 Major Tenant**

Any of the events or circumstances set out in Clause 22.5 (Insolvency), Clause 22.6 (Insolvency proceedings) or Clause 22.7 (Creditors' process) applies to any Major Tenant.

## **22.18 Headlease**

If the Property is a leasehold property, forfeiture proceedings with respect to the Headlease are commenced or the Headlease is forfeited.

## **22.19 Material adverse change**

Any event or circumstance occurs which the Bank believes has or is reasonably likely to have a Material Adverse Effect.

## **22.20 Acceleration**

Without prejudice to paragraph 4.6 (Uncommitted and On-demand Basis), paragraph 7.1 and paragraph 8.6 (Bank's right of cancellation) (in each case if applicable), if an Event of Default occurs and has not been waived by the Bank in writing, the Bank may by notice in writing to the Borrower:

- 22.20.1 declare that all or part of each outstanding Loan is due and payable together with accrued interest and all other amounts outstanding under the Finance Documents; and/or
- 22.20.2 cancel any part of the Facility then undrawn; and/or
- 22.20.3 require repayment (immediately or otherwise as the Bank may require) of all outstanding Loans together with accrued interest and all other amounts outstanding under the Finance Documents; and/or
- 22.20.4 take any steps to enforce any Security Document or exercise any rights of the Bank under any of the Finance Documents; and/or
- 22.20.5 require that interest be payable on the outstanding Loans and/or any Unpaid Sums at the Default Rate.

### 22.21 Investigations

If a Default occurs then (while it is continuing unwaived) the Bank shall be entitled to initiate an investigation of, and/or instruct the preparation of reports (accounting, legal, valuation or otherwise) on, the business and affairs of the Borrower and/or any other Relevant Person which the Bank considers necessary to ascertain the financial position of the Borrower, the Group (where applicable) and/or any Relevant Person. All fees and expenses incurred by the Bank in so doing being payable by the Borrower.

## 23 Payment, Set off and Interest Calculations

### 23.1 Payments

- 23.1.1 All payments of principal, interest or commission will be paid to the Bank at the Borrower's branch unless the Bank otherwise directs and shall be in cleared funds in the currency in which such amounts are denominated.
- 23.1.2 If the Bank receives a payment that is insufficient to discharge all the amounts then due and payable under the Finance Documents, the Bank shall apply that payment towards the obligations of the Relevant Persons under the Finance Documents in such order as the Bank considers appropriate and any such appropriation shall override any instructions by any Relevant Person.

### 23.2 No set-off

- 23.2.1 All payments to be made by the Borrower under the Finance Documents shall be calculated and be made without (and free and clear of any deduction) set-off or counterclaim.
- 23.2.2 The Borrower shall ensure that all payments made by any Relevant Person under the Finance Documents are calculated and made without (and free and clear of any deduction) set-off or counterclaim.

### 23.3 Day count convention

All sums of interest, fee or commission accruing under a Finance Document will accrue on a daily basis and be calculated on the basis of:

- 23.3.1 a year of 365 days if the Loan is denominated in Sterling; or
- 23.3.2 a year of 360 days if the Loan is denominated in a currency other than Sterling,
- (or in any case where the practice in the Relevant Interbank Market differs, in accordance with that practice) and for the actual number of days elapsed. Interest shall continue to accrue on sums due following decree or judgement as well as before it, and at the same rate.

### 23.4 Determinations conclusive

Any determination by the Bank of any amount of principal, interest, commission or charges or an applicable interest rate shall, in the absence of manifest error, be conclusive and binding on the Borrower.

### 23.5 Business Day convention

Save where the Facility Letter or these Standard Terms and Conditions for Lending provides for the contrary, where the due date for payment of any amount under any Finance Document is not a Business Day then (without affecting subsequent payment dates) actual payment will be required on the next Business Day.

### 23.6 Bank's right of set-off

- 23.6.1 The Borrower agrees that any monies from time to time standing to its credit on any account (whether current, deposit, loan or of any other nature whatsoever) with the Bank or the Bank's Group may be retained as cover for and/or applied by the Bank at any time and without notice to the

Borrower (whether on or before or after the expiry of any fixed or minimum period for which such monies may have been deposited) in or towards payment or satisfaction of any monies or liabilities due, owing or incurred by the Borrower to the Bank in any manner, whether present or future, actual or contingent, joint or several, whether incurred as principal or surety (or guarantor or cautioner) or in any other way whatsoever.

- 23.6.2 If the Bank exercises any rights in respect of any monies as referred to in paragraph 23.6.1 (including, without limitation, any rights of set-off, accounting, retention or similar rights) in relation to any liability of the Borrower and that liability or any part of it is in a different currency from any credit balance against which the Bank seeks to exercise its rights, the Bank may use the currency of the credit balance to purchase an amount in the currency of the liability at the Bank's then prevailing spot rate of exchange and to pay out of the credit balance all costs, charges and expenses incurred by the Bank in connection with that purchase.

### 23.7 Bank not liable for loss of interest

The Bank shall not be liable for any loss of interest caused by the determination before maturity of any deposits or any loss caused by the fluctuation in any exchange rate at which any currency may be bought or sold by the Bank.

### 23.8 Market conventions

In the event that (1) any currency in which any of the obligations under the Finance Documents are denominated from time to time is changed or replaced at any time after the date of this letter (whether as a result of the introduction of, changeover to or operation of a single or unified European currency or otherwise) and/or (2) any price source for the Euro or the national currency of any member state of the European Union disappears or is replaced and/or (3) any market conventions relating to the fixing and/or calculation of interest are changed or replaced, the Finance Documents will be amended to the extent that the Bank considers to be required in order to reflect those circumstances.

## 24 Assignment, Transfer and Securitisation

### 24.1 Benefit of Facility Letter

The Facility Letter and these Standard Terms and Conditions for Lending are for the benefit of the Borrower and the Bank and their successors and permitted assignees and transferees.

### 24.2 Borrower may not transfer

The Borrower may not assign or transfer all or any of its rights, obligations or benefits under the Facility Letter and/or these Standard Terms and Conditions for Lending and/or any of the Finance Documents.

### 24.3 Bank's right to transfer

The Bank will be entitled to (1) assign any of its rights and/or (2) transfer by novation any of its rights, benefits and obligations, in each case under the Finance Documents to any other person or entity. The Borrower undertakes to execute and to procure that each Relevant Person will execute all documents the Bank may reasonably require to give effect to any such assignment, novation or transfer.

### 24.4 Sub-participations, etc.

The Bank will be entitled to enter into any sub-participation, or any trust or contractual arrangement (or any other transaction under which payments are to be made by reference to the Finance Documents, the Borrower or any Relevant Person) with any person or entity in relation to the Finance Documents and (subject to paragraph 24.5 (Disclosures) below) to provide information in relation to the Borrower and/or the Relevant Persons to such persons for such purpose.

## 24.5 Disclosures

The Bank will be entitled to disclose to its advisers and to any prospective or actual assignee, party to a securitisation, transferee or participant, any other member of the Bank's Group, its auditors, advisers or applicable regulatory authority, any rating agency, or any other person or entity who enters or proposes to enter into any transaction as referred to in paragraph 24.4 (Sub-participations, etc.) above with the Bank in relation to the Finance Documents (in each case, together with their professional advisers) all information, including any confidential information, financial information and any other information given to the Bank in relation to the Finance Documents.

## 25 Notices

### 25.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by letter to the Bank and by letter or email to the Borrower.

### 25.2 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of the Bank and the address and email address of the Borrower for any communication or document to be made or delivered under or in connection with the Finance Documents are:

- 25.2.1 as regards the Bank, the address (and the department or officer) specified at the beginning of the Facility Letter; and
- 25.2.2 as regards the Borrower, the address specified at the beginning of the Facility Letter and the email address used or held by the Bank for communicating with the Borrower, or any substitute address, email address or department or officer as may be notified to the other party by not less than five Business Days' written notice, provided that, if the Borrower is a company, corporation or other entity having a registered office, any communication or document under or in connection with the Finance Documents may instead be made or delivered to the Borrower at its registered office.

### 25.3 Delivery

- 25.3.1 Any communication or document made or delivered by one person to another under or in connection with the Finance Documents shall be deemed to have been received:
  - 25.3.1.1 if delivered personally, when it has been left at the relevant address; or
  - 25.3.1.2 if sent by pre-paid post, two Business Days after being deposited in the post; or
  - 25.3.1.3 if sent by email, at the time of transmission,provided that, if it is delivered personally or sent by email on a day which is not a Business Day or after 4pm on any Business Day, it shall instead be deemed to have been given or made on the next Business Day.
- 25.3.2 Any communication or document to be made or delivered to the Bank will be effective only when actually received by the Bank and then only if it is expressly marked for the attention of the department or officer (if any) identified at the beginning of the Facility Letter (or any substitute department or officer as the Bank shall specify for this purpose).
- 25.3.3 Any communication or document made or delivered to the Borrower in accordance with this paragraph 25 (Notices) will be deemed to have been made or delivered to each of the Relevant Persons.

## 26 Miscellaneous

### 26.1 Whole agreement

The Finance Documents and each other document between the Bank and the Borrower delivered to the Bank as a Condition Precedent under the Facility Letter, any Supplemental Document or any Extension Notice and these Standard Terms and Conditions for Lending contain the entire agreement between the Bank and the Borrower in relation to the matters contemplated therein and supersede any previous agreements, representations or discussions between the Bank and the Borrower.

### 26.2 Waivers, remedies cumulative

- 26.2.1 No failure or delay on the part of the Bank to exercise any power, right or remedy under the Facility Letter and/or these Standard Terms and Conditions for Lending shall operate as a waiver thereof nor shall any single or partial exercise by the Bank of any power, right or remedy preclude any or further exercise thereof or the exercise of any other power, right or remedy.
- 26.2.2 The rights and remedies provided in the Facility Letter and/or these Standard Terms and Conditions for Lending are cumulative and are not exclusive of any rights or remedies provided by law.

### 26.3 Severance

If at any time any of the provisions of the Facility Letter and/or these Standard Terms and Conditions for Lending is or becomes illegal, invalid or unenforceable in any respect under any law or regulation of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of the Facility Letter and/or these Standard Terms and Conditions for Lending nor the legality, validity or enforceability of those provisions under the law of any other jurisdiction shall be in any way affected or impaired as a result.

### 26.4 Joint and several liability

If there are two or more persons named as a borrower under the Facility Letter and/or these Standard Terms and Conditions for Lending, the liability of each of those persons to pay all amounts due under the Facility Letter will be joint and several.

### 26.5 Advertising

- 26.5.1 The Bank shall be entitled to publish details, in a form and content acceptable to the Bank, of its involvement with the transaction in respect of which the Facility has been made available in any reputable newspaper, magazine or other publication.
- 26.5.2 Where a facility relates to the refurbishment or development of property, the Bank shall be entitled to place bill boards and other advertising display boards in, on or around the property which advertises, in a form and content acceptable to the Bank, its connection with the refurbishment or development of that property and the Borrower shall use its best endeavours to obtain all Authorisations required to enable the Bank to do so.

## 27 Service Agent

### 27.1 Appointment

If the Borrower is not incorporated, established, organised, domiciled and/or ordinarily resident in Guernsey, Jersey or the UK (as applicable), it irrevocably appoints the person specified in Clause 11 (Service Agent) of the Facility Letter as its agent for service of process in relation to any proceedings before the Guernsey, Jersey or the English (as applicable) courts in connection with the Facility Letter or any Finance Document and agrees that failure by an agent for service of process to notify the Borrower of the process will not invalidate the proceedings concerned.

## 27.2 Replacement service agent

If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Borrower must immediately (and in any event within 10 days of such event taking place) appoint another agent on terms acceptable to the Bank. Failing this, the Bank may appoint another agent for this purpose.

## 28 Governing Law and Enforcement

- 28.1 The Facility Letter and these Standard Terms and Conditions for Lending are governed by Guernsey, Jersey or English law (as applicable).
- 28.2 The courts of Guernsey, Jersey or England (as applicable) have exclusive jurisdiction to settle any dispute arising out of or in connection with the Facility Letter and/or these Standard Terms and Conditions for Lending (including a dispute relating to the existence, validity or termination of the Facility Letter and/or these Standard Terms and Conditions for Lending or any non contractual obligation arising out of or in connection with the Facility Letter and/or these Standard Terms and Conditions of Lending) (a "Dispute").
- 28.3 The Bank and the Borrower agree that the courts of Guernsey, Jersey or England (as applicable) are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.
- 28.4 This paragraph 28 (Governing Law and Enforcement) is for the benefit of the Bank only. As a result, the Bank shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Bank may take concurrent proceedings in any number of jurisdictions.

Investec Bank (Channel Islands) Limited, PO Box 188, Glatigny Court, Glatigny Esplanade, St Peter Port, Guernsey, GY1 3LP  
Tel: **+44 1481 723 506** Fax: **+44 1481 741 147** Email: **enquiries@investec-ci.com** Website: **www.investec-ci.com**

Investec Bank (Channel Islands) Limited, Jersey Branch, registered address:  
4th Floor, Liberation House, Castle Street, St Helier, Jersey, JE2 3BT

Investec Bank (Channel Islands) Limited, Isle of Man Representative Office place of business address:  
Second Floor, The Old Courthouse, Athol Street, Douglas, Isle of Man, IM1 1LD

Investec Bank (Channel Islands) Limited is a wholly owned subsidiary of Investec Bank plc. This document is distributed by Investec Bank (Channel Islands) Limited which is licensed in Guernsey by the Guernsey Financial Services Commission under The Banking Supervision (Bailiwick of Guernsey) Law, 2020, The Protection of Investors (Bailiwick of Guernsey) Law, 2020, and The Lending, Credit and Finance (Bailiwick of Guernsey) Law, 2022, to carry on banking and investment business and the provision of credit in respect of Consumer Credit and Home Finance. Registered Address: Glatigny Court, Glatigny Esplanade, St Peter Port, Guernsey, GY1 1WR. Registered Number: 5845. The Jersey Branch of Investec Bank (Channel Islands) Limited is regulated by the Jersey Financial Services Commission to carry on deposit taking business under the Banking Business (Jersey) Law 1991, as amended. The Jersey Branch address is 4th Floor, Liberation House, Castle Street, St Helier, Jersey, JE2 3BT. The Isle of Man Representative Office of Investec Bank (Channel Islands) Limited is regulated by the Isle of Man Financial Services Authority and its place of business address is Second Floor, The Old Courthouse, Athol Street, Douglas, Isle of Man, IM1 1LD. Deposits will be held in Guernsey or Jersey. CI.STCL.006.1123

