

PARTIES

- (1) **THE PERSON** identified as the borrower whose name and address is set out in the Loan Terms ("**Borrower**");
- (2) **THE PERSONS** identified as lenders and whose names and addresses are set out in the records maintained by the Arranger in respect of a Loan ("**Lenders**").

BACKGROUND

- (A) A Loan will be governed by, and the parties will be subject to, the terms of the Loan Agreement.
- (B) Where there is more than one Lender listed in the Loan Terms a separate Loan Agreement is formed between the Borrower and each Lender.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

- 1.1 The definitions and rules of interpretation in this clause apply in this Loan Agreement.

"Arrangement Fee" means the arrangement fee set out on the Arranger's website.

"Arranger" means Funding Knight Limited a company registered in England and Wales with company number 07534003 and whose registered office is at Praxisifm Fund Services (uk) Limited, Mermaid House Puddle Dock, 3rd Floor, London, England, EC4V 3DB.

"Availability Period" means the availability period detailed in the Loan Terms.

"Bank Fee" means the bank fees set out on the Arranger's website in relation to any Faster Payment, CHAPS, BACS or other bank transfer the Arranger makes transferring monies to the Borrower in relation to this Loan Agreement.

"Borrowed Money" means any indebtedness the Borrower owes as a result of:

- (a) borrowing or raising money (with or without security), including any premium and any capitalised interest on that money;
- (b) any bond, note, loan stock, debenture, commercial paper or similar instrument;
- (c) any acceptance credit facility or dematerialised equivalent, bill-discounting, note purchase or documentary credit facilities;
- (d) monies raised by selling, assigning or discounting receivables or other financial assets on terms that recourse may be had to the Borrower in the event of non-payment of such receivables or financial assets when due;



- (e) any deferred payments for assets or services acquired, other than trade credit that is given in the ordinary course of trading and which does not involve any deferred payment of any amount for more than 60 days;
- (f) any rental or hire charges under finance leases (whether for land, machinery, equipment or otherwise);
- (g) any counter-indemnity obligation in respect of any guarantees, bonds, indemnities, standby letters of credit or other instruments issued by a third party in connection with the Borrower's performance of contracts;
- (h) any other transaction that has the commercial effect of borrowing (including any forward sale or purchase agreement and any liabilities which are not shown as borrowed money on the Borrower's balance sheet because they are contingent, conditional or otherwise);
- (i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the mark to market value shall be taken into account); and
- (j) any guarantee, counter-indemnity or other assurances against financial loss that the Borrower has given for any of the items referred to in paragraphs (a) to (i) of this definition incurred by any person.

When calculating Borrowed Money, no liability shall be taken into account more than once.

"Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market.

"CCA" means the Consumer Credit Act 1974.

"Conditions" means the conditions detailed in the Loan Terms.

"Corporate Guarantee" means the corporate guarantee(s) (if any) required in relation to the Loan as detailed in the Loan Terms.

"Drawdown Date" means the date on which the Loan is made, or is to be made.

"Event of Default" means any event or circumstance listed in clause 12.

"Final Repayment Date" means the repayment date specified in the Loan Terms upon which the Loan is to be repaid.

"Finance Document" means the Loan Agreement, the Required Security, the Corporate Guarantee and the Personal Guarantee.

"Indebtedness" means any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint.

“Interest Payment Date” means the date which is one calendar month less one day from the Drawdown Date and the same date in each month thereafter, unless otherwise varied pursuant to clause 9.2.

“Interest Rate” means the interest rate detailed in the Loan Terms.

“Interest Retention” means the amount, if any, set out in the Loan Terms.

“Loan” means a Loan Request which is fully funded by the Lenders and accepted by the Borrower;

“Loan Agreement” means this loan agreement and the Loan Terms.

“Loan Amount” means the amount of the Loan detailed in the Loan Terms as it is in force for the time being and as amended, varied or supplemented from time to time in accordance with its terms, or with the agreement of the relevant parties.

“Loan Request” means a loan requested by the Borrower.

“Loan Terms” means the terms relating to a Loan Request set out on the Loan Details page of the website of the Arranger as at the date on which the Borrower accepts, or is deemed to accept, a fully funded Loan Request.

“Maximum Loan to Value Ratio” means as defined in the Loan Terms.

“Minimum Repayment Amount” means as defined on the Arranger’s website.

“Novation Agreement” means a novation agreement in the agreed form in respect of the transfer of a Loan Unit from an Outgoing Lender to an Incoming Lender in accordance with clause 18.

“Permitted Security” means any existing security given by the Borrower and detailed in the Loan Terms.

“Personal Guarantee” means the personal guarantee(s) (if any) required in relation to the Loan as detailed in the Loan Terms.

“Phase 1” means that part of the Term defined as such in the Loan Terms.

“Phase 1 Interest Only Loan” means a Loan which is defined as such in the Loan Terms.

“Phase 1 Interest Rollup Loan” means a Loan which is defined as such in the Loan Terms.

“Phase 1 Repayment Dates” means the repayment dates detailed in the Loan Terms upon which interest payments are to be made.

“Phase 2” means that part of the Term defined as such in the Loan Terms.

“Phase 2 Repayment Dates” means the repayment dates detailed in the Loan Terms upon which interest payments and a proportion of the Loan is to be repaid in each case.

“Potential Event of Default” means any event or circumstance specified in clause 12 which would (with the expiry of a grace period, the giving of notice, the making of any determination under this Loan Agreement or any combination thereof) be an Event of Default.

“Property” means the freehold and leasehold property set out in the Loan Terms.

“Property Bridging Loan” means a Loan identified as a Property Bridging Loan in the Loan Terms.

“Purpose” means the purpose detailed in the Loan Terms.

“Renewables Loan” means a Loan identified as a Renewables Loan in the Loan Terms.

“Repayment Dates” means the repayment dates detailed in the Loan Terms upon which a proportion of the Loan is to be repaid in each case.

“Repayment Fee” means the repayment fee set out on the Arranger’s website.

“Required Information” means any information required in relation to the Loan as detailed in the Loan Terms.

“Required Security” means any Security required in relation to the Loan as detailed in the Loan Terms.

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

“Security Trustee” means Funding Knight Services Limited incorporated and registered in England and Wales with company number 08644059 whose registered office is at Praxisifm Fund Services (uk) Limited, Mermaid House Puddle Dock, 3rd Floor, London, England, EC4V 3DB, which is a wholly owned subsidiary company of GLI Finance Limited.

“Sterling and £” means the lawful currency for the time being of the United Kingdom.

“Term” means the term detailed in the Loan Terms.

“Three Month Date” means the date falling three calendar months after the Drawdown Date.

“Valuation” means a valuation report by the Valuer addressed to the Arranger or the Security Trustee or both.

“Valuer” means such surveyor or valuer as may be appointed by, or on behalf of, the Arranger from time to time.

- 1.2 Clause, schedule and paragraph headings shall not affect the interpretation of this Loan Agreement.
- 1.3 A reference to a **person** shall include a reference to an individual, firm, company, corporation, limited liability partnership, partnership, unincorporated body of persons, or any state or any agency of any person and that person's personal representatives, successors, permitted assigns and permitted transferees.
- 1.4 A reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment, extension or re-enactment and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.5 Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.
- 1.6 A reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly).
- 1.7 A reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration or resolution.
- 1.8 A reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any government, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 1.9 A reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.10 A reference to a clause or Schedule is to a clause of, or Schedule to, this Loan Agreement unless the context requires otherwise.
- 1.11 A reference to **continuing** in relation to an Event of Default means an Event of Default which has not been remedied or waived.

2. THE LOAN

- 2.1 The Lenders grant to the Borrower a Sterling Loan for the Term on the terms, and subject to the Required Security, Corporate Guarantee, Personal Guarantee, Conditions and other conditions of this Loan Agreement.

3. PURPOSE

- 3.1 The Borrower shall use all money borrowed under this Loan Agreement for the Purpose.
- 3.2 Neither the Lenders nor the Arranger are obliged to monitor or verify how any amount advanced under this Loan Agreement is used.

4. DRAWING

- 4.1 The Borrower will be deemed to have given an irrevocable notice to the Arranger to drawdown the Loan Amount on the first Business Day during the Availability Period, on which the conditions precedent set out in clause 5 are satisfied.
- 4.2 Subject to the requirements of clause 4.1, for the avoidance of any doubt in relation to a Renewables Loan drawdown shall occur upon the Loan Amount being transferred either directly to the Borrower or otherwise to the Arranger's solicitors.

5. CONDITIONS PRECEDENT

- 5.1 This clause 5 is inserted solely for the benefit of the Lenders.
- 5.2 The Borrower may not drawdown the Loan, and the Lenders are not obliged to lend, until the Arranger has received, or waived its entitlement to, all the documents and evidence specified in the Loan Terms, in the form and containing the information, that it requires.
- 5.3 Subject to clause 5.2, the Lenders will only be obliged to make the Loan available if, on the proposed Drawdown Date:
- (a) no Event of Default or Potential Event of Default is continuing or would result from the proposed Loan; and
 - (b) the representations and warranties in clause 10 are true in all material respects.

6. INTEREST

- 6.1 The Borrower shall pay interest on the amount outstanding from time to time of the drawn down Loan at the Interest Rate.
- 6.2 Interest shall accrue daily and shall be payable, in arrears:
- (a) on each Repayment Date;
 - (b) in the case of a Property Bridging Loan with no Repayment Dates other than a Final Repayment Date and where there is an Interest Retention, in accordance with clause 6.3;
 - (c) in the case of a Property Bridging Loan with no Repayment Dates other than a Final Repayment Date and where there is no Interest Retention, on the Final Repayment Date;
 - (d) in the case of a Renewables Loan which is designated as a Phase 1 Interest Only Loan on each Phase 1 Repayment Date and Phase 2 Repayment Date; and
 - (e) in the case of a Renewables Loan which is designated as a Phase 2 Interest Only Loan on each Phase 2 Repayment Date.
- 6.3 In the event that there is an Interest Retention, then the Arranger can apply the Interest Retention or part thereof so far only as the Interest Retention extends towards the interest falling due on the Loan on that Interest Payment Date or any interest otherwise due under this Loan Agreement and the Borrower irrevocably authorises the Arranger to apply the Interest Retention in such manner.
- 6.4 The Borrower shall not be entitled to any interest accruing on the Interest Retention.
- 6.5 If the Borrower fails to make any payment due under this Loan Agreement on the due date for payment, interest shall accrue daily, from the date of non-payment to the date of actual payment (both before and after judgment), at 4% above the Interest Rate.
- 6.6 Where the Arranger is of the opinion that the failure by the Borrower to make any payment in accordance with the Loan Agreement has been due to an administrative error by the Borrower or by a failure of their bank, then the Arranger may waive the additional interest of 4% above the Interest Rate, as set out in clause 6.5, provided that the full amount is received with five Business Days of the relevant Repayment Date or Interest Payment Date.



7. Costs

- 7.1 Upon the Loan Agreement being completed the Borrower shall pay to the Arranger the Arrangement Fee on the terms set out in the Loan Terms and any Bank Fee.
- 7.2 The Borrower shall pay to the Arranger the Repayment Fee on the terms set out in the Loan Terms.
- 7.3 The Arranger may in its sole discretion utilise such part of any Interest Retention to satisfy the Repayment Fee.
- 7.4 The Borrower shall, on demand, pay to the Arranger the amount of all costs and expenses in connection with monitoring the provisions of any Finance Document and enforcing or preserving any rights under any Finance Document or Novation Agreement. Without prejudice to the generality of the foregoing, details of costs, expenses and fees are published on the Arranger's website.

8. REPAYMENT

- 8.1 The Borrower shall repay the Loan in accordance with the Loan Terms, which shall either be:
- (a) in instalments on the Repayment Dates, together with all interest accrued and due up to the date of payment in each case; and/or
 - (b) in a single payment on the Final Repayment Date, together with all interest accrued and due up to that date.
- 8.2 Where Repayment Dates are specified in the Loan Terms, the Borrower may prepay the entire Loan by notifying the Arranger in writing at least 15 days in advance. The Borrower may only do this if:
- (a) the date of the prepayment is a Repayment Date; and
 - (b) the prepayment does not result in an Event of Default or Potential Event of Default.
- 8.3 Where a Final Repayment Date is specified in the Loan Terms, the Borrower may prepay the entire Loan by notifying the Arranger in writing at least 15 days in advance. The Borrower may only do this if:
- (a) the date of the prepayment is a Business Day; and



- (b) the prepayment does not result in an Event of Default or Potential Event of Default.

8.4 The Borrower may repay any part of a Property Bridging Loan early by notifying the Arranger in writing at least 15 days in advance provided that the repayment amount is the Minimum Repayment Amount.

8.5 Any notice given by the Borrower in accordance with clause 8.2, clause 8.3 or clause 8.4 shall be irrevocable.

8.6 If the Borrower prepays the Loan in accordance with clause 8.2, clause 8.3 or clause 8.4 on a date falling before the Three Month Date, then the Borrower shall pay together with such prepayment an amount equal to:

- (a) three months' interest on the amount of the Loan repaid; less
- (b) any interest already paid on the amount of the Loan repaid.

9. PAYMENTS

9.1 All payments made by the Borrower under this Loan Agreement shall be in Sterling and in immediately available cleared funds to the Arranger, at its account as the Arranger may notify the Borrower from time to time.

9.2 If any payment becomes due on a day that is not a Business Day, the due date of such payment will be changed to the next Business Day, unless it is the final payment when the due date will be changed to the immediately preceding Business Day.

9.3 All payments made by the Borrower under this Loan Agreement shall be made in full, without set-off, counterclaim or condition, and free and clear of, and without any deduction or withholding unless the Borrower is required by law or regulation to make such deduction or withholding.

9.4 The Arranger shall hold as trustee all monies due to the Lenders (being the monies received from the Borrower in accordance with clause 9.1 less any Repayment Fee and other monies due from the Lenders to the Arranger) until such monies are transferred to each Lender's bank account.

10. REPRESENTATIONS AND WARRANTIES

10.1 The Borrower represents and warrants on the date of this Loan Agreement:



- (a) It:
 - (i) (if a limited liability partnership or limited company) is duly incorporated and validly exists under the laws of its jurisdiction of incorporation; and
 - (ii) has the power to own its assets and carry on its business as it is being conducted;
- (b) It has the power and authority to execute, deliver and perform its obligations under this Loan Agreement and the transactions contemplated by it. No limit on its powers will be exceeded as a result of the borrowing contemplated in this Loan Agreement;
- (c) The execution, delivery and performance of the obligations in, and transactions contemplated by, this Loan Agreement, do not and will not contravene or conflict with:
 - (i) its constitutional documents;
 - (ii) any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
 - (iii) any law or regulation or judicial or official order, applicable to it;
- (d) If it is a limited company or limited liability partnership, the shareholders or members, as the case may be, detailed in the most recently filed annual return is true and accurate in all respects and up to date;
- (e) It has taken all necessary action and obtained all required authorisations to enable it to execute, deliver and perform its obligations under this Loan Agreement and the transactions contemplated by it and to make it admissible in evidence in its jurisdiction of incorporation. All such authorisations are in full force and effect;
- (f) Its obligations under this Loan Agreement are legal, valid, binding and enforceable in accordance with its terms;
- (g) No Event of Default or Potential Event of Default has occurred or is continuing or is reasonably likely to result from making the Loan or the entry into, the performance of, or any transaction contemplated by this Loan Agreement.
- (h) No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination thereof, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on the Borrower or to which any of its assets is subject which has or is likely to have a material adverse effect.



- (i) No litigation, arbitration or administrative proceedings are taking place, pending or, to the Borrower's knowledge, threatened against it, any of its assets, or (in the case of a company) any of its directors or (in the case of a limited liability partnership) any of its members.
- (j) The information, in written or electronic format, supplied by, or on its behalf, to the Arranger in connection with the Loan and this Loan Agreement was, at the time it was supplied or at the date it was stated to be given (as the case may be):
 - (i) if it was factual information, complete, true and accurate in all material respects;
 - (ii) if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was fair and made on reasonable grounds; and
 - (iii) if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and
 - (iv) not misleading in any material respect, nor rendered misleading by a failure to disclose other information,

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

- (k) Where the Loan is a Property Bridging Loan:
 - (i) the amount of the Property Bridging Loan outstanding and due from the Borrower to the Lenders together with all other sums (including without limitation interest and costs) from time to time due pursuant to the terms of this Loan Agreement represent no more than the Maximum Loan to Value Ratio as a percentage of the value of the Property pursuant to any Valuation of the Property; and
 - (ii) all information supplied by it or on its behalf to the Valuer for the purposes of the Valuation and to the relevant solicitors for the purposes of any report on title was true and accurate as at its date or (if appropriate) as at the date (if any) at which it is stated to be given and the Borrower has not omitted to supply any information which if disclosed would adversely affect the Valuation or report on title as the case may be and so far as the Borrower is aware no change has occurred since the date of the information already supplied to the Arranger, or any other person acting on behalf of the Arranger, by or on behalf of the Borrower which renders it untrue or misleading and so far as the Borrower is aware all projections and statements of belief and opinion given by the Borrower to the Arranger, or any other



person acting on behalf of the Arranger, were made in good faith after due and careful enquiry.

- (l) the Borrower has good and marketable title to all its assets including without limitation the Property.

10.2 Each of the representations and warranties in this clause 10 is deemed to be repeated by the Borrower:

- (a) on the date of the request to draw down the Loan; and
- (b) on each Drawdown Date,

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

11. COVENANTS

11.1 The Borrower covenants with the Lenders that, as from the date of this Loan Agreement until all its liabilities under this Loan Agreement have been discharged:

- (a) It will deliver to the Arranger:
 - (i) all Required Information including any information in relation to the Property which is subject to any Required Security as soon as possible;
 - (ii) promptly, all notices or other documents dispatched by the Borrower to its creditors generally or (if a limited company) to its shareholders (or any class of them) or (if a limited liability partnership) to its members; and
 - (iii) promptly such financial or other information as the Arranger may, from time to time, request relating to the Borrower or its business.
- (b) It will promptly, after becoming aware of them, notify the Arranger of any administrative proceedings or any material litigation, arbitration or claim.
- (c) It will promptly obtain all consents or authorisations necessary (and do all that is needed to maintain them in full force and effect) under any law or regulation to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability and admissibility in evidence of the Finance Documents in its jurisdiction of incorporation.
- (d) It will comply, in all respect, with all laws, if failure to do so has or is likely to have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this Loan Agreement.



- (e) It shall promptly notify the Arranger of any Potential Event of Default or Event of Default (and the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence.
- (f) It will carry on and conduct its business in a proper and efficient manner and will not make any substantial change to the general nature or scope of its business as carried on at the date of this Loan Agreement.
- (g) It shall comply with the Conditions in all respects.
- (h) It shall not:
 - (i) create, or permit to subsist, any Security on or over any of its assets, other than:
 - (A) Retention of title granted to suppliers in the ordinary course of business; and
 - (B) Permitted Security;
 - (ii) sell, transfer or otherwise dispose of any of its assets on terms whereby such assets are or may be leased to or re-acquired or acquired by it, other than in the ordinary course of business; or
 - (iii) sell, transfer or otherwise dispose of any of its receivables on recourse terms; or
 - (iv) 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
 - (v) 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 Borrowed Money or of financing the acquisition of an asset.

 - (i) It shall not sell, assign, lease, transfer or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, its assets other than:
 - (i) trading stock in the ordinary course of its business;
 - (ii) assets exchanged for other assets comparable or superior as to type, value and quality.
 - (j) It shall not incur or permit to subsist, any obligation for Borrowed Money other than as disclosed prior to the date of this Loan Agreement.
 - (k) The Borrower shall not without the prior written consent of the Arranger:
 - (i) enter into any amalgamation, demerger, merger or corporate reconstruction;



- (ii) make any loans grant any credit (save in the ordinary course of business) or give any guarantee, indemnity or other assurance against loss to or for the benefit of any person;
 - (iii) distribute any profits to its members unless and until the Loan is repaid in full in accordance with the terms of this Loan Agreement;
 - (iv) make or permit to be made any change in the nature of the Borrower's business as carried on at the date of this Loan Agreement;
 - (v) where Required Security has been given by the Borrower, apply or procure application for any planning permission in relation to the Property;
 - (vi) where Required Security has been given by the Borrower, accept or agree to accept the surrender of any lease, licence, tenancy or holiday letting of the Property, part with possession or occupation or confer any lease, sublease, underlease, licence tenancy, subtenancy, holiday letting or right to occupy or possess or confer any interest in the Property grant any permission to assign, underlet or part with possession or occupation of the Property agree or permit any amendment to or waiver of the terms of any lease licence tenancy or holiday letting of the Property exercise any power to determine any lease licence tenancy or holiday letting of the Property or allow to subsist any lease, sublease, underlease, licence, tenancy, subtenancy, holiday letting, occupation or possession of the Property or allow for any lease, sublease, underlease, licence, tenancy, subtenancy, holiday letting, occupation or possession of the Property to be created or granted; or
 - (vii) amend its constitutional documents.
- (l) Where the Loan is a Property Bridging Loan then during the period of this Loan Agreement the Borrower shall at all times:
 - (i) keep the Property in good and substantial repair and condition and adequately and properly painted and decorated and if the Borrower fails or is considered by the Arranger or the Security Trustee to have failed at any time to comply with the obligations set out in this clause 11.1(l)(i) permit the Arranger or the Security Trustee to (and it shall be lawful for the Arranger or the Security Trustee to) upon the Arranger or the Security Trustee giving reasonable notice (save in the case of an emergency) enter the Property with or without agents and carry out such works and take such steps as the Arranger or the Security Trustee may determine are necessary to remedy or rectify the failure the fees costs and expenses of taking any such action to be reimbursed by the Borrower to the Arranger or the Security



Trustee upon demand but nothing contained in this clause 11.1(l)(i) shall render the Arranger or the Security Trustee liable to account as mortgagee in possession;

- (ii) maintain with a reputable insurer which is acceptable to the Arranger or the Security Trustee such insurances against such risks and at such levels (never being less than the Valuation) in relation to the Property in an amount and form acceptable to the Arranger or the Security Trustee and as is reasonable and customary for a person engaged in the same or similar business and in the same or similar localities to the Property and ensure that the Arranger and the Security Trustee's interest is noted on the policy together with confirmation from the insurer that the policy will not be allowed to lapse without prior notification to the Arranger and the Security Trustee and which contains a non-invalidating and non-vitiating clause a waiver of the rights of subrogation of the insurer as against the Borrower, the Arranger and the Security Trustee and a first loss payee clause in such terms as the Arranger or the Security Trustee may require in respect of insurance claim payments otherwise payable to the Borrower;
- (iii) promptly notify the Arranger and the Security Trustee of any material variation or termination avoidance or cancellation of any insurance policy made or to its knowledge threatened or pending and any claim and any actual or threatened refusal of any claim under any insurance policy;
- (iv) comply with the terms of all insurance policies and not do or permit anything to be done which may make void or voidable any insurance policy;
- (v) ensure that each premium for insurance is paid promptly and in any event prior to the commencement of the period of insurance for which that premium is payable;
- (vi) ensure that all other things necessary are done so as to keep each of the insurance policies in force;
- (vii) obtain, observe and renew all such authorisations, consents and licences which are required in relation to the Property;
- (viii) comply in all respects with all covenants and obligations contained in any lease, licence, tenancy or other right of occupation in relation to the Property;
- (ix) diligently collect all sums due under any lease, licence, tenancy or other right of occupation in relation to the Property; and



- (x) promptly notify the Arranger and the Security Trustee of any notice or order (or proposal for the same) in respect of the Property and promptly and at its own cost take all reasonable and necessary steps to comply with them or (if required by the Arranger or the Security Trustee) make such representations or appeals and/or take such steps as the Arranger or the Security Trustee may reasonably require.

11.2 The Borrower gives irrevocable consent to the Arranger, at the Arranger's sole discretion to share all information supplied by the Borrower to the Arranger and/or the Security Trustee including all information in relation to the Loan, the Finance Documents and any Novation Agreement (whether or not they are of a confidential nature) with:

- (a) any Lender; and
- (b) any prospective Incoming Lenders (as defined in clause 18).

12. EVENTS OF DEFAULT

12.1 Each of the events or circumstances set out in this clause 12 (other than this clause 12.1 and clause 12.12) is an Event of Default.

12.2 The Borrower fails to pay any sum payable under this Loan Agreement, unless its failure to pay is caused solely by an administrative error or technical problem and payment is made within three Business Days of its due date.

12.3 If:

- (a) the Borrower fails (other than by failing to pay), to comply with any provision of this Loan Agreement;
- (b) there is a breach of a Personal Guarantee;
- (c) there is a breach of a Corporate Guarantee; or
- (d) there is a breach of any Security,

and (if the Arranger considers, acting reasonably, that the default is capable of remedy), such default is not remedied within 14 Business Days of the earlier of:

- (i) the Arranger notifying the Borrower of the default and the remedy required; and
- (ii) the Borrower becoming aware of the default.

- 12.4 If a Corporate Guarantee, Personal Guarantee or any Required Security is determined or invalidated or if any guarantor to a Corporate Guarantee or Personal Guarantee is declared or declares himself bankrupt.
- 12.5 Any representation, warranty or statement made, repeated or deemed made by the Borrower in, or pursuant to, this Loan Agreement is (or proves to have been) incomplete, untrue, incorrect or misleading when made, repeated or deemed made.
- 12.6 If there is any event of default in respect of Borrowed Money.
- 12.7 The Borrower stops or suspends payment of any of its debts, or is unable to, or admits its inability to, pay its debts as they fall due or the value of the Borrower's assets is less than its liabilities (taking into account contingent and prospective liabilities).
- 12.8 Any action, proceedings, procedure or step is taken for:
- (a) the suspension of payments, a moratorium of any Indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of the Borrower; or
 - (b) the composition, compromise, assignment or arrangement with any creditor; or
 - (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Borrower or any of its assets.
- 12.9 Any event occurs in relation to the Borrower similar to those in clause 12.7 to clause 12.8 (inclusive) under the laws of any applicable jurisdiction.
- 12.10 A distress, attachment, execution, expropriation, sequestration or another analogous legal process is levied, enforced or sued out on, or against, the Borrower's assets which would result in the Borrower being unable to repay any monies due under this Loan Agreement.
- 12.11 If any part of the Property is destroyed or damaged and in the opinion of the Arranger or the Security Trustee taking into account the amount and timing of receipt of the proceeds of insurance effected in accordance with the terms of this Loan Agreement the destruction or damage has or may adversely affect the Required Security.
- 12.12 Any:



- (a) event occurs (or circumstances exist) which in the opinion of the Arranger, has or is likely to materially and adversely affect the Borrower's ability to perform all or any of its obligations under, or otherwise comply with the terms of, this Loan Agreement;
- (b) information the Borrower provided when they applied for the Loan is found or suspected to be untrue; or
- (c) adverse information is received from credit reference agencies relating to the Borrower.

12.13 At any time after an Event of Default has occurred, the Lenders, or the Arranger on their behalf may, by notice to the Borrower:

- (a) cancel all outstanding obligations of the Lenders under this Loan Agreement whereupon they shall be immediately be cancelled; and/or
- (b) declare that the Loan (and all accrued interest and all other amounts outstanding under this Loan Agreement) is immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (c) declare that the Loan be payable on demand, whereupon it shall become immediately payable on demand by or on behalf of the Lenders; and/or
- (d) declare the Required Security to be enforceable and may otherwise exercise or direct the exercise of any or all of their respective rights, remedies, powers or discretions under the Finance Documents.

13. CONSUMER CREDIT ACT

13.1 In the case of a Property Bridging Loan only, the Borrower has prior to the date of this Loan Agreement made one of the following declarations as set out in the Loan Terms:

- (a) The Borrower has declared their high net worth by signing a high net worth declaration in the agreed form and has prior to the date of this Loan Agreement delivered to the Arranger a high net worth statement in the agreed form. Accordingly the Borrower agrees and acknowledges that this Agreement is not a regulated agreement under the CCA and the Borrower will not be afforded the protections that they would otherwise have had under the CCA;
- (b) The Borrower has made a declaration for exemption relating to investment properties by signing a declaration in the agreed form. Accordingly the Borrower agrees and acknowledges that this Loan Agreement is not a regulated agreement under the CCA and the Borrower will not be afforded the protections that they would otherwise have had under the CCA; or



- (c) The Borrower has prior to the date of this Loan Agreement made a declaration for exemption relating to businesses by signing a declaration in the agreed form. Accordingly the Borrower agrees and acknowledges that this Loan Agreement is not a regulated agreement under the CCA and the Borrower will not be afforded the protections that they would otherwise have had under the CCA.

14. SET-OFF

- 14.1 The Arranger may apply any credit balance (whether or not then due) to which the Borrower is at any time beneficially entitled on any account with the Arranger in (or towards) satisfaction of any sum then due and payable (but unpaid) by the Borrower under this Loan Agreement.
- 14.2 The Arranger is not obliged to exercise any of its rights under clause 14.1, but if the rights are exercised, the Arranger shall promptly notify the Borrower of the set-off that has been made.

15. CALCULATIONS, ACCOUNTS AND CERTIFICATES

Any interest, commission or fee under this Loan Agreement shall accrue on a day-to-day basis, calculated according to the number of actual days elapsed and a year of 365 days. The Arranger shall maintain accounts evidencing the amounts owed to it by the Borrower, in accordance with its usual practice. Entries in those accounts shall be prima facie evidence of the existence and amount of the Borrower's obligations as recorded in them.

16. REMEDIES AND WAIVERS

- 16.1 No failure on the part of the Arranger on the Lenders' behalf to exercise and no delay on its part in exercising any right or remedy under this Loan Agreement will operate as a waiver thereof nor will any partial exercise of any right or remedy preclude or prejudice any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Loan Agreement are cumulative and not exclusive of any rights or remedies provided by law or equity.

17. SEVERANCE

- 17.1 The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Loan Agreement under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions.

- 17.2 If any invalid, unenforceable or illegal provision would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with whatever modification as is necessary to give effect to the commercial intention of the parties.

18. NOVATION AND ASSIGNMENT

- 18.1 The Lenders ("**Outgoing Lender**") may novate all or any part of their respective rights and obligations under the Loan Agreement, and assign all or any part of their respective rights under the Required Security, the Corporate Guarantee and the Personal Guarantee to any lender member of the Arranger ("**Incoming Lender**") or to the Security Trustee.
- 18.2 The novation and assignment of the Finance Documents in accordance with clause 18.1 shall take place by the Outgoing Lender entering into a Novation Agreement with the Incoming Lender or the Security Trustee as the case may be. A Novation Agreement will automatically be entered into upon a Loan Unit being transferred from the Outgoing Lender to the Incoming Lender or the Security Trustee in accordance with the Lender Terms and Conditions, which will have the same effect as if a hard copy of the Novation Agreement was signed by both the Outgoing Lender and Incoming Lender or the Security Trustee as the case may be.
- 18.3 The Incoming Lender or the Security Trustee as the case may be agrees to be bound by the terms of the Finance Documents in every way as if it were the original party to them in place of the Outgoing Lender.
- 18.4 The Borrower irrevocably agrees to perform its obligations under the Finance Documents and be bound by their terms in every way as if the Incoming Lender or the Security Trustee as the case may be were the original party to them in place of the Outgoing Lender and waives any requirement for the Borrower to be a party to the Novation Agreement.
- 18.5 The Borrower and the Outgoing Lender release each other from all future obligations to the other under the Finance Documents.
- 18.6 Each of the Borrower and the Incoming Lender or the Security Trustee as the case may be will have the right to enforce the Finance Documents and pursue any claims and demands under the Finance Documents against the other with respect to matters arising before, on or after the date of the novation as though the Incoming Lender or the Security Trustee as the case may be were the original party to the Finance Documents instead of the Outgoing Party.



- 18.7 The Borrower may not assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

19. THIRD PARTY RIGHTS

- 19.1 Subject to clauses 18 and 19.2, a person who is not a party to this Loan Agreement cannot enforce, or enjoy the benefit of, any term of this Loan Agreement under the Contracts (Rights of Third Parties) Act 1999.

- 19.2 Each of the Arranger and the Security Trustee hereby has the benefit of and may enforce every provision contained in the Finance Documents and Novation Agreement in addition to any term implied under it by the Contracts (Rights of Third Parties) Act 1999.

20. NOTICES

- 20.1 Each notice or other communication required to be given under, or in connection with, this Loan Agreement shall be in writing and:

- (a) delivered personally;
- (b) sent by pre-paid first-class letter; and/or
- (c) sent by email.

- 20.2 For the purpose of clause 20.1 notice shall be sent:

- (a) to the Borrower at the address or email address, or both, and for the attention of the person detailed in the Loan Terms; and
- (b) to the Lenders at the following address or email address, or both:

Address: Praxisifm Fund Services (uk) Limited, Mermaid House Puddle Dock, 3rd Floor, London, England, EC4V 3DB

Email Address: info@fundingknight.com

Attention: Funding Knight Limited

or to any other addresses or email addresses that are notified in writing by one party to the other from time to time.

20.3 Any notice or other communication given by or on behalf of the Lenders shall be deemed to have been received:

- (a) if given by hand, at the time of actual delivery; and
- (b) if posted, on the second Business Day following the day on which it was despatched by pre-paid first-class post.
- (c) in the case of email, at the time of transmission.

20.4 A notice or other communication given as described in clauses 20 on a day which is not a Business Day, or after normal business hours in the place of receipt, shall be deemed to have been received on the next Business Day.

21. FURTHER ASSURANCE

21.1 Each party shall and shall use all reasonable endeavours to procure that any necessary third party shall promptly execute and deliver such documents and perform such acts as may be required for the purpose of giving full effect to this Loan Agreement.

22. STATUS OF THIS AGREEMENT

22.1 If there is an inconsistency between any of the provisions of this Loan Agreement and the provisions of the Loan Terms, the provisions of the Loan Terms shall prevail as between the parties.

23. GOVERNING LAW AND JURISDICTION

23.1 This Loan Agreement and any dispute or claim arising out of, or in connection with it, or its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

This Loan Agreement has been entered into on the date upon which a Loan Request becomes a Loan.