

LOAN AGREEMENT UNDER TO A COMPANY

(1) <<Name of Borrower'

(2) <<Name of Lender'

THIS AGREEMENT is dated and made between [Name of Borrower] of [Registered Address] and [Name of Lender] of [Registered Address]

BETWEEN:

- (1) <<Name of Borrower>> (the "Borrower") of [Registered Address] and [Registered Number] and
- (2) << Name of Lender >> (the "Lender") of [Registered Address] and [Registered Number] as the "Shareholder" of the Borrower of [Registered Address] and [Registered Number].

NOW IT IS HEREBY AGREED as follows:

BACKGROUND

The Lender, being a <<Shareholder>> of the Borrower, has agreed to provide the Borrower with a loan of £<< >> on a [secured] basis (the "Loan").

1. Definitions and Interpretation

1.1 In this Agreement:

"Advance" means the sum of money made or to be made by the Lender to the Borrower under this Agreement;

"Board" means the directors of the Borrower;

"Business Day" means any day other than a Saturday, Sunday or public holiday on which banks in London are open for business;

"Commencement Date" means the date on which this Agreement is entered into;

"Drawdown Date" means the date on which an Advance is to be made;

"Drawdown Notice" means a notice in writing for the drawdown of an Advance in the form of Schedule 2;

"Event of Default" means any event or circumstance as specified in Schedule 3;

["Existing Security"] means any security created or outstanding with the Lender at the date of the Lender;

"Finance Documents" means the Loan Agreement[, the Security Documents] and any other documents designated as such by the Lender;

"Potential Event of Default" means any event or circumstances which would, on the expiry of any grace period or termination under this Agreement, constitute an Event of Default;

"Repayment Date" means the dates specified in clause 7 for the repayment of the Loan by installments;

"Repayment Installment" means any installment specified in clause 7;

[“Security”

[“Security Documents”

“Tax Deduction”

“Unpaid Amount”

“Warranties”

1.2 Any reference in this Agreement to a statute shall be construed as a reference to the statute as amended, re-enacted or extended at the relevant time.

1.3 The headings in this Agreement are for convenience only and shall not affect their interpretation.

2. The Facility

Subject to and in accordance with the terms and conditions of this Agreement, the Lender agrees to lend to the Borrower the principal sum of <<Principal Sum>> in accordance with this Agreement.

3. Purpose

3.1 The Borrower shall use the Loan for <<Purpose for which Loan is used>>.

3.2 The Lender is not required to verify how any amount under this Agreement is used.

4. Drawdown

Subject to clause 5 below:

4.1 The Loan is available to the Borrower in [not more than << Maximum Number of Advances >>] [one Advance] on <<Drawdown Date>>.

4.2 The Lender shall pay the Loan to the Borrower in immediately available cleared funds on <<Drawdown Date>>, to or for the account of the Borrower following receipt of a valid Drawdown Notice.

4.3 Delivery of a Drawdown Notice by the Borrower shall constitute a representation and warranty by the Borrower that the Drawdown Date, the proposed Loan and that no Event of Default or Potential Event of Default will result from the proposed Loan.

4.4 The Drawdown Notice shall be made on the <<Drawdown Date>> without the written consent of the Lender.

4.5 Any payment which shall be made on the <<Drawdown Date>> on a daily basis shall be made on the <<Drawdown Date>>.

charge, debenture, charge (whether legal or equitable), pledge, lien, or of security, title retention or any other arrangement having a similar effect to

documents attached under Schedule 3;]

or withholding for, or on account of, payment under the Finance

amount which is not paid on the day under this Agreement;

representations and Warranties set out at

or a provision of a statute shall be construed as a reference to the provision as amended, re-enacted or

convenience only and shall not affect

the Lender agrees to lend to the Borrower and subject to the conditions of

by it under this Agreement for

verify how any amount under this

Borrower in [not more than << Maximum Number of Advances >>] on <<Drawdown Date>>.

to the Borrower in immediately available cleared funds on <<Drawdown Date>>, to or for the account of the Borrower following receipt of a valid Drawdown Notice.

ute a representation and warranty by the Borrower that the Drawdown Date, the proposed Loan and that no Event of Default or Potential Event of Default will result from the proposed Loan.

without the written consent of the Lender.

day which is not a Business Day shall be made on the <<Drawdown Date>> on a daily basis shall be made on the <<Drawdown Date>>.

5. [CONDITIONS PRECEDENT]

- 5.1 The Lender's obligation to make an advance, and the Borrower's right to demand an advance, is subject to the Lender having received the following documents in a form and substance satisfactory to the Lender:
- 5.1.1 [a copy of the documents];
 - 5.1.2 a copy of the resolution of the Borrower's Board approving the entry into the Agreement of this Agreement;
 - 5.1.3 any other documents required by the Lender for the Borrower to execute, perform and deliver its obligations under the Agreement;
 - 5.1.4 a sample of the documents required to approve or consent in accordance with the Agreement above;
 - 5.1.5 [the Borrower's financial statements];
 - 5.1.6 [any other documents or opinion or assurance which the Lender considers necessary or advisable in connection with the entry into, and performance of, the transactions contemplated by this Agreement].

6. Interest

- 6.1 The Loan shall bear interest at the rate of << >> percent.
- 6.2 Interest shall be calculated on the balance outstanding from the Commencement of the Loan until repaid in full, and shall be charged to the Borrower [monthly].
- 6.3 In the event of a default, the said interest rate shall apply to the total of principal and interest in default.

7. Repayments

- 7.1 The Borrower shall repay the Loan in accordance with Schedule 1.
- 7.2 The Borrower may not prepay the Loan which has been repaid.

8. Payments

All payments made by the Borrower under this Agreement shall be made in full without set-off or counterclaim in immediately cleared funds to the Lender at <<Insert account details, including account number, branch name and address>> or any other account as the Lender may notify the Borrower.

9. Value Added Tax

All consideration expressed in this Agreement shall be exclusive of any VAT.

10. [Security]

The Borrower agrees to execute and deliver to the Lender all security documents attached to this Agreement (the "Security Documents") and shall deliver the Security Documents to the Lender on demand, and the Borrower shall execute and deliver all other documents reasonably necessary to perfect the Lender's security interests.

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11.7 No Event of Default
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12. [Covenants

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except for the Existing Security.]

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against the Lender as soon as it

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13. [Events of Default

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able by the Borrower, in so far as

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13.1 The Borrower fails to
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13.2 The Borrower fails (o
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ult; or

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the Borrower's assets.]]

13.5 An event or circum
Event of Default if th
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the indebtedness is less than £<<

13.6 Any action, proceedin

taken in relation to:

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up, dissolution, administration or
itary arrangement, scheme of
ower; or

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spect of the Borrower or any of its

13.7 [Any Security on or o
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13.8 Where any event o
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Borrower to perform a

exist) which, in the reasonable
d adversely affect the ability of the
s under, or otherwise comply with,

- the terms of the Finance Documents, and they shall not be entitled to rely on them.]
- 14. Assignment and Transfer**
- 14.1 The Lender may assign or transfer any of its rights or obligations by novation.
- 14.2 The Borrower may not assign or obligations under the Finance Documents.
- 15. Set-Off**
- 15.1 The Lender may set off under this Agreement against any sums owing the Lender.
- 15.2 The Lender shall not exercise any rights given to it under this clause.
- 16. Remedies, Waivers, Amendments**
- 16.1 Any amendment to this Agreement shall be in writing and signed by or on behalf of each party.
- 16.2 Any waiver of any right under this Agreement is only effective if it is in writing and signed by the Lender and consenting party, and applies only in the circumstances stated.
- 16.3 No delay or failure to exercise a right under this Agreement shall operate as a waiver of that right.
- 16.4 No single or partial exercise of a right under this Agreement shall prevent any further exercise of the right.
- 16.5 Rights and remedies under this Agreement are cumulative and not exclusive of any other rights or remedies.
- 17. Severance**
- If any provision of this Agreement is held by a competent authority to be invalid or unenforceable in whole or in part, the remainder of the provisions of this document shall not be affected thereby.
- 18. Third Party Rights**
- A person who is not a party to this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 19. Communications**
- 19.1 All communications by the Lender in connection with the loan shall be in writing and delivered by hand or by post or sent by fax or e-mail:
- 19.1.1 (in the case of the Lender) to its registered office or such change of address as may be notified to the Borrower by the Lender; or
- 19.1.2 (in the case of the Borrower) to the registered office of the Lender (or any other address notified to the Borrower by the Lender) or (in any other case) to any address notified to the Lender by the Borrower.
- 19.2 Communications shall be deemed to have been received:

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19.2.1 if sent by post, two Business Days after posting (exclusive of the day of posting); or

19.2.2 if delivered by hand, one Business Day after delivery; or

19.2.3 if sent by fax or email, one Business Day prior to 4.00 pm, at the time of transmission and on the next Business Day.

19.3 Communications addressed to the Company shall be marked for the attention of <<Name of person>>

20. Governing Law and Jurisdiction

This Deed shall be governed by the law of England and Wales to which the parties hereto submit.

IN WITNESS OF WHICH the parties to this Agreement the day and year first above written.

Signed by <<Name>> for and on behalf of the Lender <<Name of Lender>>
the Borrower <<Name of Borrower>>

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SCHEDULE 1
Repayment Schedule

Loan Amount: £<<
Interest payable: £<<
Charge for credit: £<<
Commencement Date: << D

Repayment Date	Capital remaining	payment	Interest Repayment
<<Date>>	<<Loan Ar		
<<Date>>			
<<Date>>			
<<Date>>			
<<Date>>			
<<Date>>			
<<Date>>			
<<Date>>			

SCHEDULE 2
Drawdown Notice

To: [<<Insert Name of Lender>>]

From: [<<Insert Name of Borrower>>]

Date: [<<Insert Date>>]

Re: Loan Agreement dated [<<Insert Date>>] between the Lender and the Borrower for an amount of up to [<<Insert Amount>>]

between the Lender and the

We refer to the Loan Agreement and the terms defined meanings when used in the

Loan Agreement shall have their

We request to drawdown the Loan

Amount: [<<Insert Relevant Amount>>]

Drawdown Date: [<<Insert Relevant Date>>]

Payment instructions: [<<Insert Relevant Instructions>>]

s>>]

We represent and warrant that the information provided in the Loan Agreement are true and correct [in all material respects] as at the date of this notice and will be true and correct [in all material respects] immediately after the date of this notice.

the Loan Agreement are true and correct [in all material respects] as at the date of this notice and will be true and correct [in all material respects] immediately after the date of this notice.

We confirm that no Event of Default has occurred as at the date of this notice or will result from the date of this notice.

default has occurred as at the date of this notice or will result from the date of this notice.

We acknowledge that this Drawdown Notice is being invoked without the written consent of the Lender.

invoked without the written consent of the Lender.

Signed by <<Name>> for and on behalf of the Borrower <<Name of Borrower>>

Signed by the Lender <<Name of Lender>>

SCHEDULE 3
[Security Documents]

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