

LOAN NAME: Industrial Unit Mereside, Portland

## Loan Contract

### Parties

Borrower: **Tidebank Pension Scheme** – c/o Proplend Ltd, 145-157 St John Street, London EC1V 4PW (“**Borrower**”, “**you**”, “**your**”), entered into this Loan Contract with the following Lender on [DATE]:

Lender: \_\_\_\_\_ – c/o Proplend Ltd, 145-157 St John Street, London EC1V 4PW (“**Lender**”).

Whole Loan Amount	£310,000
Amount of Interest	£ 55,800
Total Amount Repayable	£365,800
Term	36 months
Gross Rate of Interest	6 % per annum (see clause 3 below)
Tranche	A 0-50% LTV
Completion Fee payable by Borrower to Proplend	1%

This Loan Contract is subject to the terms of the Loan Conditions set out below. Capitalised terms used in this Loan Contract that are not otherwise defined where they appear shall have the meaning given to them in those Loan Conditions. Following your entry into this Loan Contract, the Loan Amount (net of any applicable fees or Interest Reserve) will be disbursed in accordance with the completion statement.

### Repayments

The Completion Fee will be deducted from the Loan Amount on the date of the Loan Contract. You will pay the Total Amount Repayable in 36 monthly interest payments each of £1,550 (each a “Repayment”) and the Loan Amount on the expiry of the Term, when the final Repayment is also due and payable. The first Repayment is payable on [date i.e. one month after loan agreed under 3.12(c)] and may vary slightly from this regular Repayment amount in order to take account of the number of days between advancement of the Loan Amount and the first Repayment. Subsequent Repayments will be made on the same date in each of the 35 consecutive months. All Repayments are to be made in accordance with Clause 2 of the Loan Conditions set out below.

### Early Repayment

Year 1: 2% of Loan Amount  
Year 2: 1% of Loan Amount  
Year 3: 0% of Loan Amount

### Special Conditions

None

1. The parties acknowledge that:

1.1 The LTV Limit is 55%;

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1.2 The Interest Cover Limit is 2 x.

2. The Borrower hereby makes the following declaration:

**Declaration for exemption relating to businesses  
(articles 60C and 60O of the Financial Services and Markets Act 2000 (Regulated  
Activities) Order 2001)**

We are entering this agreement wholly or predominantly for the purposes of a business carried on by us or intended to be carried on by us.

We understand that we will not have the benefit of the protection and remedies that would be available to us under the Financial Services and Markets Act 2000 or under the Consumer Credit Act 1974 if this agreement were a regulated agreement under those Acts.

We understand that this declaration does not affect the powers of the court to make an order under section 140B of the Consumer Credit Act 1974 in relation to a credit agreement where it determines that the relationship between the lender and the borrower is unfair to the borrower.

We are aware that, if I we are in any doubts as to the consequences of the agreement not being regulated by the Financial Services and Markets Act 2000 or the Consumer Credit Act 1974, then we should seek independent legal advice.

## The Loan Conditions

### 1. Introduction

1.1 When an Offer made in respect of a Loan Request is accepted via the Service under Clause 3.12(c) of the Proplend Members' Agreement of which these Loan Conditions form part(the "**Members' Agreement**"), a loan contract is created exclusively between the Lender and Borrower ("**Loan Contract**"), which is made up of:

- (a) these Loan Conditions;
- (b) the terms of the Loan Request;
- (c) the terms of the Offer,

and a summary is also produced of certain details from all such Loan Contracts entered into by the Borrower in relation to that Loan Request ("**Loan Summary**"), including the total amount borrowed by the Borrower under all such Loan Contracts ("**Total Loan Amount**"), the duration of the Loan Contracts ("**Term**"), the total amount repayable under the Loan Contracts including interest and fees ("**Total Amount Repayable**") and the total amount of each of the repayments due under each Loan Contract ("**Repayment**").

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1.2 Capitalised terms used in these Loan Conditions that are not otherwise defined where they appear shall have the meaning given to them in Clause 13 of these Loan Conditions.

## **2. Loan Disbursement, Repayments and Interest Reserve**

2.1 The parties acknowledge that in respect of each Loan Contract, Proplend will pay the corresponding Loan Amount into the Borrower's Nominated Bank Account (or as otherwise stipulated in the Loan Contract), less:

- (a) the amount of any fees owed by the Borrower under Clause 5 of these Loan Conditions;
- (b) the relevant Interest Reserve being held in the Proplend Customer Funds Account pending any claim by the Lender in relation to any missed Repayment; and
- (c) the amount required to discharge any existing indebtedness of the Borrower that the Loan Amount was intended to discharge (which amount shall be paid by Proplend to the relevant creditor or its legal representative).

2.2 The Borrower agrees to repay the Lender the Total Amount Repayable at the times and in the Repayments shown in the Loan Summary. Prompt payment is essential and time shall be of the essence. If the Borrower is late in paying a Repayment, the Lender will have the right to make demand upon and enforce the Loan Contract and interest will continue to accrue on any unpaid amount then due and payable at the agreed Rate of Interest in accordance with Clause 3 of these Loan Conditions until it is paid.

2.3 The Borrower's obligation to make Repayments to the Lender will be satisfied by making the Repayments to the Proplend Customer Funds Account.

2.4 All Repayments shall be made in full, without set-off, counterclaim or condition, and free and clear of, and without any deduction or withholding, provided that, if the Borrower is required by law or regulation to make such deduction or withholding, it shall:

- (a) ensure that the deduction or withholding does not exceed the minimum amount legally required;
- (b) pay to the relevant taxation or other authorities, as appropriate, the full amount of the deduction or withholding;
- (c) furnish to the relevant Lender, within the period for payment permitted by the relevant law, either:
  - (i) an official receipt of the relevant taxation authorities concerned on payments to them of amounts so deducted or withheld; or
  - (ii) if such receipts are not issued by the taxation authorities concerned on payment to them of amounts so deducted or withheld, a certificate of deduction or equivalent evidence of the relevant deduction or withholding; and
- (d) pay to the Lender such additional amount as is necessary to ensure that the net full amount received by the Lender after the required deduction or withholding is equal to the amount that the Lender would have received had no such deduction or withholding been made.

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2.5 Each Repayment paid by the Borrower will be pro-rated among all the Loan Contracts to which the Repayment relates and be used:

(a) first to pay any arrears on the Loan and any administration charges or other fees due under the Loan Contract; and

(b) then to pay the current interest and principal due in respect of the Loan Amount.

2.6 If the Borrower misses a payment or only partially pays any amount due under the Loan Contract, the Lender authorises Proplend or the Collections Agency, acting on the Lender's behalf, to contact the Borrower to attempt to collect an amount equivalent to the outstanding amount and any additional fees and charges due under the relevant Loan Contract and:

(a) the Lender concerned will automatically make a claim against the Interest Reserve for the amount of the interest component of any missed Repayment(s); and

(b) Proplend may make a payment from the Interest Reserve to the Lender in respect of the interest component of the missed Repayment(s),

in accordance with the Priority.

2.7 In the event of the occurrence of any Event of Default under Clause 4.2 of these Loan Conditions:

(a) the Lender hereby assigns to PSL all the Lender's right, benefit, title and interest in the Loan Contract on the 28th consecutive day after receiving notice of the Event of Default in the Lender's Proplend Account, provided that the Lender may decline to proceed with the assignment by giving notice in writing by email to PSL at [notices@proplendsecurity.com](mailto:notices@proplendsecurity.com) prior to the expiry of the 28 day notice period;

(b) upon assignment of the Loan Contract to PSL, PSL may commence actions to recover the outstanding debt under that Loan Contract and any sums recovered by PSL will be paid to the Lender, subject to deduction of the costs of recovery (which shall be apportioned according to the proportion that each Loan Contract represented to the Total Loan Amount borrowed by the relevant Borrower in accordance with the Priority); and

(c) in the event of enforcement under Clause 2.7(b), PSL will keep you informed of its progress in enforcing the Loan Contract.

2.8 The Lenders acknowledges that it is possible that the proceeds (if any) recovered as a result of any recovery and enforcement activity specified in Clause 2.7 may not be sufficient to discharge all the relevant Borrower's obligations under the Loan Contract. In that case, the Lender will only be entitled to recover a share of any recovery proceeds, subject to deduction of the costs of recovery, according to the proportion that the Loan Amount (as defined in each Loan Contract) represented to the Total Loan Amount borrowed by that Borrower in the Tranche to which the Loan Contract relates.

2.9 In the event that the Lender successfully makes a claim for payment out of the Interest Reserve (other than under Clause 2.10 of these Loan Conditions), the Borrower shall immediately on demand pay into the Interest Reserve an amount equal to the amount paid to each Lender in respect of that claim, so that the amount of the Interest Reserve remains equal to six Repayments or two quarterly Repayments (as the case may be) due under each Loan Contract.

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2.10 In the event that only three monthly Repayments or one quarterly Repayment remain to be made under each Loan Contract (as the case may be), and there are no arrears owing or other costs and fees owing thereunder, Proplend will distribute to the Lender the Lender's pro rata share of half the Interest Reserve as each remaining Repayment falls due and apply the balance of the Interest Reserve to repayment of the principal at the end of the Term. In the event that the principal is not repaid on the date of the expiry of the Term, the Interest Reserve will be distributed in payment of interest accrued on the Lender's unpaid principal (and any remaining amount of Interest Reserve at the date of repayment of the principal will be applied to repayment of the principal at that time).

### 3. Interest

The Borrower agrees to pay the Lender interest on the Loan at the agreed Rate of Interest. If an Event of Default occurs (as described in clause 4 of these Loan Conditions), the interest payable by the Borrower on the Loan shall automatically increase to 120% of the agreed Rate of Interest. Interest on the Loan shall be calculated from the date on which the Loan Contract is created under Clause 1 of these Loan Conditions at the outset for the whole period of the Loan and be stated in the Loan Summary. Interest shall be paid in accordance with the Repayments, as specified in the Loan Summary.

### 4. Early Repayment and Termination

4.1 Should the Borrower wish to repay a Loan early, it may do so in whole or in part by following the instructions in its Proplend Account. On an early repayment, the Loan Amount will include interest that would have accrued to the end of the month in which the early repayment is made and any early repayment charge specified in the Loan Summary.

4.2 The Lender may terminate the Loan Contract and demand repayment of the full Loan Amount together with all any other amounts due pursuant to the Loan Contract in relation thereto including, without limitation, interest, costs and expenses if any one or more of the following events occur (each, an "Event of Default"):

- (a) the Borrower misses, fails to pay or only partially pays two or more consecutive Repayments; or
- (b) the Borrower misses, fails to pay or only partially pays five or more Repayments; or
- (c) the Borrower has provided false information which affected the decision to allow the Borrower to borrow via the Service or to register for the Service; or
- (d) the Borrower has otherwise breached any provision of the Loan Contract or the Members' Agreement and failed to remedy that breach within 14 days of receiving a written notice to do so; or
- (e) if the LTV exceeds the LTV Limit at any time during the Loan Term; or
- (f) if the Interest Cover falls below the Interest Cover Limit on any date on which a Repayment is due and payable; or
- (g) the Borrower has breached the terms of any Security Document between the Borrower and Proplend Security Limited and has failed to remedy that breach within 7 days of receiving a written notice to do so; or

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(h) the Members' Agreement is terminated for any reason under Clause 13 of the Members' Agreement; or

(i) a petition is presented, or an order made or an effective resolution passed for the winding up or dissolution or for the appointment of a liquidator of the Borrower; or

(j) the Borrower ceases to pay its debts or is unable to pay its debts as they fall due or is deemed unable or admits its inability to do so or makes a general assignment for the benefit of or a composition with its creditors; or

(k) the Borrower ceases to carry on its business in whole or in part; or

(l) notice is given of an intention to appoint an administrator, a petition is filed or a competent court makes an order for the appointment of an administrator in relation to the Borrower; or

(m) an encumbrancer takes possession or steps are taken for the appointment of an administrator or receiver or administrative receiver or manager or sequestrator over the whole or any substantial part of the undertaking or assets of the Borrower; or

(n) any person who has provided a guarantee for the Loan or any part of a Loan disputes or threatens to dispute the enforceability of that guarantee or Proplend believes that a guarantee given by the Borrower to Proplend Security Limited has become unenforceable, and in either case, a replacement guarantee has not been provided to the satisfaction of Proplend Security Limited within 7 days of its request to do so; or

(o) the Borrower makes a voluntary arrangement with anyone that they owe money to (or if any person who has provided a guarantee for the Loan or any part of the Loan being an individual dies, becomes bankrupt or makes a voluntary arrangement with anyone that they owe money to or is legally declared by a court or relevant authority to have become non compos mentis or if any corporate body who has provided a guarantee for the Loan or any part of the Loan makes a voluntary arrangement with anyone that they owe money or any of the Events of Default detailed above occur in relation to it; or

(p) any procedure or action, matter or thing analogous to all or any Event of Default above occurs in relation to the Borrower or any guarantor of the Loan or part of the Loan in any other jurisdiction; or

(q) a merger, share exchange or similar transaction occurs in which the holder(s) of a majority of the outstanding equity securities of the Borrower or the Borrower's ultimate direct or indirect parent corporation or holding company immediately prior to such transaction hold less than a majority of the outstanding equity securities of the surviving or successor corporation immediately following the closing of such transaction; or

(r) the Borrower sells, assigns or transfers all or substantially all of its assets or those of its ultimate direct or indirect parent corporation or holding company.

## **5. Fees and Missed Payments**

5.1 The Borrower shall pay to Proplend the Completion Fee, which will be deducted from the Loan Amount before it is transferred from the Proplend Customer Funds Account.

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5.2 If the Borrower misses a Repayment or only partially pays a Repayment, the Lender authorises Proplend or the Collections Agency acting on the Lender's behalf to contact the Borrower to attempt to collect an amount equivalent to the outstanding Repayment and any additional fees and charges due under these Loan Conditions.

5.3 The Borrower will be notified in advance via the Borrower's Proplend Account of the nature or amount of the other fees or charges that may be charged by Proplend or the Collections Agency and added to the balance outstanding, which will also include all litigation, enforcement and recovery costs and expenses, on a full indemnity basis, including (but not limited to) legal fees and expenses, to cover litigation or enforcement of any Loan Contract to recover any outstanding arrears of principal or interest thereof or of any costs or expenses.

5.4 The Borrower will be notified in advance via the Borrower's Proplend Account if the nature or amount of any of the charges specified in Clauses 5.3 changes.

5.5 Each party is responsible for any telecommunications charges, subscriptions or other charges payable for the time spent accessing [www.proplend.com](http://www.proplend.com) via the Internet or any wireless or other relevant network.

## **6. Assignment**

6.1 The Lender may assign the Lender's right, title and interest in the Loan Contract and all related rights under the Members' Agreement to any other person registered to use the Service in accordance with Clause 5.8 of the Members' Agreement.

6.2 The Borrower will be given notice of any assignment under Clause 6.1 of these Loan Conditions via the Borrower's Proplend Account. The Borrower's rights and obligations under a Loan Contract that has been transferred shall not be adversely affected in any way whatsoever.

6.3 A Borrower shall not be entitled to assign or transfer any Loan Contract or any of its rights, title, interest or obligations under any Loan Contract.

## **7. Loan Account Information**

7.1 Each party can access the details related to that party's own Loan Contract(s) in that party's own Proplend Account.

7.2 The records kept by Proplend in the Service and the Service Website shall be conclusive of the facts and matters they purport to record except where there is an obvious mistake.

## **8. Law applicable to the conclusion of a distance contract**

The laws of the England and Wales are the basis for the establishment of relations with you prior to the conclusion of the Loan Contract.

## **9. Law applicable to the Loan Contract**

The Loan Contract is governed by and shall be construed in accordance with English law; and the parties submit to the exclusive jurisdiction of the English courts.

## **10. Language of this document, the Loan Contract and Communications**

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The Loan Contract and all related documentation are in the English language; and the parties undertake to communicate in English during the duration of the Loan Contract.

## 11. Notices

11.1 Any communication in writing under these Loan Conditions may be given by post to the last known postal address held by Proplend, or by one party to the other via Proplend, or (where allowed by Applicable Law) by posting information to the intended recipient's Proplend Account or on the Service Website, in which case the information will be treated as received when it is so posted.

11.2 Communications sent:

(a) by post will be treated as received by you three Business Days after posting; and

(b) by email they will be treated as received immediately upon sending, so long as the sender does not receive notice of non-transmission or non-receipt.

## 12. General

12.1 If any part of the Loan Contract that is not fundamental is found to be illegal or unenforceable, such finding will not affect the validity or enforceability of the remainder of the Loan Contract.

12.2 Any waiver by either party of a breach of any provision of the Loan Contract shall not be considered to be a waiver of any subsequent breach of the same, or any other, provision.

## 13. Definitions

In these Loan Conditions the following capitalized words shall have the following meanings:

**"Borrower"** means the person identified as the Borrower in the Loan Contract;

**"Collections Agency"** means such collections agency as is nominated by Proplend and whose details have been provided to the Lender and the Borrower;

**"Interest Cover"** means the gross rental income payable to the Borrower under the lease(s) over the Property, divided by the total gross interest payable under all the Borrower's Loan Contracts in respect of the Total Loan Amount, for the 12 (twelve) month period immediately preceding each date on which a Repayment is due and payable.

**"Interest Cover Limit"** means the number specified in the Loan Summary, which equates to the minimum Interest Rate Cover permissible at any time during the Term.

**"Interest Reserve"** means the equivalent of six (6) monthly Repayments or two (2) quarterly Repayments due under the Loan Contract, as the case may be, to be held by Proplend in the Proplend Customer Funds Account pending any claim under Clause 2.6 of these Loan Conditions, provided that in the case of 'bridging' Loans, the full amount of interest due under the Loan Contract may be retained in the Interest Reserve;

**"Lender"** means the person identified as the Lender in the Loan Contract;

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**“Listing Fee”** means the fee payable by the Borrower under Clause 8.1 of the Members’ Agreement (and Clause 5.1 of these Loan Conditions);

**“Loan Request”** means a request to borrow money via the Service according to the form and processes specified in the Borrower’s Proplend Account and in accordance with the terms of the Members Agreement;

**“LTV”** means the proportion (expressed as a percentage) which the Total Loan Amount bears to the market valuation of the Property, such market value being determined by the most recent Valuation in respect of that Property;

**“LTV Limit”** means the percentage specified in the Loan Summary, which equates to the maximum LTV permissible at any time during the Term;

**“Nominated Bank Account”** means a bank or building society account based in the UK and opened in the name of the Lender or the Borrower, as the case may be;

**“Offer”** means an offer to lend money via the Service in response to the Borrower’s Loan Request;

**“Priority”** has the meaning given to it in Clause 4.7 of the Members’ Agreement;

**“Property”** has the meaning given in Clause 3.3 of the Members’ Agreement;

**“Proplend”** means Proplend Ltd, a company incorporated and registered in England and Wales with company number 08315922 and whose registered office is at 145-157 St John St, London EC1V 4PW;

**“Proplend Account”** means a data account in the name of the Lender or the Borrower, as the case may be, in Proplend’s systems;

**“Proplend Customer Funds Account”** has the meaning given to it under Clause 4.1 of the Members’ Agreement;

**“Proplend Security Limited”** means the company incorporated and registered in England and Wales with company number 8620117 and whose registered office is at 145-157 St John St, London EC1V 4PW;

**“Security Document”** has the meaning given to it in Clause 1.1 of the Members’ Agreement;

**“Service”** means the service, details of which are set out in the Members’ Agreement;

**“Service Website”** means a website maintained by Proplend and accessible via <http://www.proplend.com>;

**“Valuation”** has the meaning given in Clause 3.7 of the Members’ Agreement;

**“Valuer”** has the meaning given in Clause 3.8 of the Members’ Agreement.

Signed by [name of Lender]

Signature: .....

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Name: .....

Date: .....

Signed by )  
for and on behalf of **[name of Borrower]** )

Signature: .....

Name: .....

Position: .....

Date: .....