**NWMG PENSION SCHEME**

and

**North West Marble & Granite Limited**

Date:

Contents

Parties

1. Definitions
2. Amount of the debt
3. Repayment conditions
4. Interest payable
5. Early repayment of part
6. Method of payment
7. No change to capital structure
8. Borrower’s warranties
9. The Security
10. Event of Default
11. Notice of default
12. Consequences of termination
13. Assignment
14. Promise to provide information
15. Contract is divisible
16. Notices and service
17. Headings
18. Dispute resolution
19. Waiver
20. Jurisdiction

This Agreement is dated:

It is made between

The “Lender” NWMG PENSION SCHEME acting by Richard David Williams of Edenfield, 47 Armistead Way, Cranage, Crewe, CW4 8FE and MICHAEL CONNETT of Crowthorne, Withers Lane, High Legh, Knutsford, WA16 0SF

and

The “Borrower” North West Marble & Granite Limited (company number 07627000)of C/o UHY Hacker Young, St James Buildings, 79 Oxford Street, Manchester, M1 6HT

**Background**

The purpose of this agreement is to set out the contractual terms under which a loan has been made by the Borrower to the Lender.

The terms of this Agreement are:

1. Definitions that apply to this agreement:

“Advance” means a part of the Loan drawn down by the Borrower at his request.

“Basic rate” means a rate of interest of 4 per cent fixed for the term of the loan.

“Higher Rate” means a rate of interest 1 per cent higher than the Basic Rate.

“Interest Date means the date in each month that interest is payable.

“Loan” means the total amount of money lent now or at any later date than today, the amount outstanding as due from the Borrower to the Lender whether of capital or interest.

“Security” means the items set out in Schedule 1 or any one or more of them.

The terms “Lender” and “Borrower” include in the case of a corporation, any associated or subsidiary company.

1. Amount of the Loan

The Loan is in the sum of £107,000 (one hundred seven thousand pounds) or such lesser sum as shall in fact have been lent by the Lender to the Borrower at any time this agreement subsists, or such lesser sum as shall be outstanding after part repayment has been made.

1. Advances

* 1. Before any new Advance may be drawn down, the Borrower shall send to the Lender such information that they may require from time to time to be satisfied as to the appropriateness and the judiciousness
1. Repayment conditions

The Loan amount shall be paid in 5 equal instalments commencing one year from the date that the advancement is debited from, or at an earlier date as may be required by the Lender from time to time.

1. Interest payable

5.1 Interest shall be paid at the Basic Rate

* 1. Interest shall be calculated on a daily basis and cumulated daily.
	2. Interest shall be paid on the Interest Date.
1. Early repayment of part

The Borrower may repay all or part of the Loan before the due date for repayment provided that not less than seven working days’ notice is given by the Borrower to the Lender specifying the amount proposed to be prepaid. This notice then binds the Borrower to make that payment on the date he has specified.

1. Method of payment

All payments due to the Lender of both capital and interest shall be paid in pounds sterling by bankers order into such account and bank within the United Kingdom as the Lender may from time to time in writing notify.

1. Borrower’s warranties

The Borrower represents and warrants that:

* 1. It is authorised to enter into this agreement;
	2. every Trustee is authorised to accept the liabilities set out in this agreement as if it was a party;
	3. the execution of this agreement, the borrowing, and the performance by the Borrower of his obligations are fully within the Borrower's legal authority, are not in breach of the Trust Deed and rules of the Borrower, and do not and will not contravene or be in conflict with any provision of law or of any agreement binding upon the Borrower.
	4. the Borrower has no undisclosed contingent obligations;
	5. there are no material, unrealised or anticipated losses from any present commitment of the Borrower;
	6. the Borrower will advise the Lender of material adverse changes which occur at any time prior to the date of final payment;
	7. no litigation, arbitration proceedings or governmental proceedings are pending or threatened against the Borrower which would, if adversely determined, materially adversely affect the financial condition of the Borrower.
	8. the Borrower has filed all tax returns, if any, which are required to be filed, and has paid all taxes which have become due;
	9. the Security is not to be charged to any other person;
1. The Security
	1. Each of the items listed in Schedule 1 is represented by a contract which is lodged with the Lender and receipt of which the Lender acknowledges.
	2. So far as the Lender has taken up an undated document of transfer of any Security, he undertakes not to date or use such document until Seven days after he has served notice of default in the terms specified in this agreement.
	3. After the expiry of seven days from the date of service of a notice of default, the Lender may sell the Security or any of it in a publicly used exchange or market place and the Borrower shall not complain at the price realised.
2. Event of Default

 An “event of default” occurs when:

* 1. the Borrower fails to pay in full and on the due date for payment any sum due and remains in default for fourteen days after the Lender by notice to the Borrower has demanded immediate payment; or
	2. in the opinion of the Lender, any representation or warranty made by the Borrower is found to be incorrect;
	3. in the opinion of the Lender; the value of the security from time to time is insufficient to meet the obligations of the Borrower to the Lender;
1. Notice of default
	1. Where an event of default has occurred the Lender may issue a notice of default. When the Lender does so, the whole amount of the Loan then outstanding and any unpaid interest immediately fall due for payment.
	2. From the date when the Lender issues a notice of default, the rate of interest on the loan and on any unpaid interest shall be the Higher Rate and such interest shall be cumulated and calculated monthly.
	3. Each Event of Default stands on its own, independently from any other Event of Default and shall not be limited by another Event of Default.
	4. When an event of default happens, the Lender may serve on the Borrower a notice specifying the default.
2. Consequences of Termination

At any time after issue of a valid notice of default by the Lender:

* 1. the Lender may sell the Security wherever it may be, whereupon the Borrower has no further interest in the Security, but only in the proceeds of sale, if in excess of the sum of all sums due to the Lender.
	2. the Borrower shall pay to the Lender:
		1. all money due at any time under this agreement;
		2. damages for any breach of this agreement;
	3. When at any time, the Lender is entitled to sell the Security and does sell it for a sum which exceeds the total sums due to him from the Borrower, then the balance of the realisation in excess of the Loan and other sums due by the Borrower, shall be paid immediately to the Borrower.
	4. The Borrower now undertakes that upon notice of default having been given, he will use his best endeavours to assist the Lender in any way possible, to transfer the Security to the name of the Lender or to a third party by way of realisation.
1. Assignment
	1. This Agreement shall be binding upon any successors, permitted assigns and transferees of either party, but the Borrower shall not assign or transfer any of its rights or obligations without the previous written consent of the Lender.
	2. The Lender may assign its rights obligations to any other person without consent of the Borrower.
	3. The Lender may disclose to a potential assignee who may propose enter into contractual relations with the Lender, such information about the Borrower as the Lender shall consider appropriate.
2. Promise to provide information

Until all obligations of the Borrower under this agreement have been performed in full and the Loan has been repaid, the Borrower agrees that, unless at any time the Lender shall otherwise expressly consent in writing, he will furnish to the Lender:

* 1. Within 6 months of the Lender’s Year End during the term of the loan, a financial statement will be provided to the Lender;
	2. The Lender may request that the Financial Statement be Independently Audited and the Borrower will do everything necessary in an expedient manner to assist with that request. The costs for the Audit will be borne by the Borrower.
	3. The Financial Statement will be prepared on a consolidated basis and in conformity with generally accepted accounting principles, duly certified by an independent and professionally qualified accountant.
	4. from time to time such other information concerning the Borrower as the Lender may reasonably request.
1. Contract is divisible

Each sub paragraph in this agreement is independent and severable from each other paragraph and therefore separately enforceable. If any restriction is unenforceable for any reason but would be enforceable if part of the wording were deleted, it will apply with such deletions as may be necessary to make it valid and enforceable.

1. Notices and service
	1. Any notice or other information required or authorised by this agreement to be given by either party to the other may be given by hand or sent by first class pre-paid post, or electronic means to the other party at the address last provided for that type of communication.
	2. Any notice or other information given by post shall be deemed to have been given on the second day after it was posted; and proof that the envelope containing any such notice or information was properly addressed, pre-paid and posted, or that it has not been so returned to the sender, shall be sufficient evidence that it has been duly given.
	3. Any notice or other information sent by electronic means, shall be deemed to have been duly sent on the date of transmission.
	4. Service of any legal proceedings concerning or arising out of this agreement shall be effected by causing the same to be delivered to the party to be served at his main place of business or his registered office, or to such other address as may from time to time be notified in writing by the party concerned.
2. Headings

The headings in this document are for reference only.

1. Dispute Resolution

In the event of a dispute arising out of this agreement the parties undertake to attempt to settle it through professional mediation before commencing litigation.

1. Waiver

The failure by either party to enforce at any time or for any period any one or more of the terms or conditions of this Contract shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this Contract.

1. Jurisdiction

This Contract shall be interpreted according to the Laws of England and the parties agree to submit to the exclusive jurisdiction of the English courts.

Signed by Director of

**NORTH WEST MARBLE & GRANITE LIMITED**

……………………………………………………..

Witness Signature:

 Name:

 Address:

Signed by the Trustees of

**NWMG PENSION SCHEME**

……………………………………………………..

Richard David Williams

Witness Signature:

 Name:

 Address:

……………………………………………………..

Michael Connett

Witness Signature:

 Name:

 Address:

Schedule 1

Assets pledged as security

Stock in hand held by the Borrower from time to time pursuant to Schedule 2 of this agreement

**Schedule 2**

Liens and charges over assets

**Name of the asset Terms of lien**

|  |  |
| --- | --- |
| Stock in hand  | Assets: means “stock in hand” belonging to the Borrower or to which the Borrower is or may become entitled or in which the Borrower may have an interest, in each case at any time during the Security Period.Permitted Security Interests: means the Security;(a) liens or rights of set-off arising in the normal course of trading or by operation of law securing obligations not more than 30 days overdue,(b) any banker's lien or right of set-off pursuant to a bank's standard account opening documentation; and(c) any rights by way of reservation or retention of title which are required by the supplier of any property to the company in the normal course of such supplier's businessSecurity: means the security from time to time constituted by, or pursuant to, the Charging DeedSecurity Period: means the period beginning on the date of Charging Deed and ending on the date on which the Lender is satisfied that all the secured Liabilities have been irrevocably paid and discharged in full. |

Floating Charge

Dated: …………………………………….

**Parties:**

The “Lender” NWMG PENSION SCHEME acting by Richard David Williams of Edenfield, 47 Armistead Way, Cranage, Crewe, CW4 8FE and Michael Connett of Crowthorne, Withers Lane, High Legh, Knutsford, WA16 0SF

and

The “Borrower” North West Marble & Granite Limited (company number 07627000)of C/o UHY Hacker Young, St James Buildings, 79 Oxford Street, Manchester, M1 6HT

**Terms referred to in this Deed:**

**“Advance”** means the amount of £107,000

**“Property”** means Stock in hand held by the Borrower from time to time pursuant to Schedule 2 of charge agreement which forms part thereof.

**“Secured Liabilities”** means each and every liability which the Borrower may now or hereafter have to the Lender for borrowed money, and whether for principal, interest or otherwise now or hereafter owing due or incurred by the Borrower to the Lender.

**Recital**

The Lender proposes to make an Advance to the Borrower upon the security of a Floating Charge over the Property, the particulars of which are affixed to Schedule 1 of a Loan Agreement between the Borrower and the Lender.

**Charging Provision**

The Borrower with full title guarantee charges in favour of the Lender for the payment and discharge of the Secured Liabilities by way of Floating Charge over the Property.

As a consequence of signing this Deed, the Borrower consents :-

(a) to the making of the Advance and any further advances by the Borrower

(b) to the creation of the Floating Charge over the Property to secure the Advance and further advances

The Borrower undertakes with the Lender :-

(a) that such present and future rights or interest as the Borrower may have in the Property shall be

postponed and made subject to the rights and interests of the Lender under its Floating Charge

(b) that no claim to any such rights or interest shall be made against the Lender

(c) that no prior charge exists over the Property

**DATED THIS DAY OF ……………………**

**EXECUTED** as a Deed

by the said NORTH WEST MARBLE & GRANITE LIMITED

acting by

Director: ………………………………………

in the presence of :-

Witness Signature:

 Name:

 Address

**DATED THIS DAY OF ……………………..**

**EXECUTED** as a Deed

by the said Richard David Williams

…………………………………………………………..

in the presence of :-

Witness Signature:

 Name:

 Address:

**DATED THIS DAY OF ……………………..**

**EXECUTED** as a Deed

by the said Michael Connett

…………………………………………………………..

in the presence of :-

Witness Signature:

 Name:

 Address: