

Working Capital Facility from Watford Borough Council

Watford Borough Council
Town Hall
Hempstead Road
Watford
Hertfordshire
WD17 3EX

XX November 2018

The Directors
Watford Commercial Services Limited
Town Hall
Hempstead Road
Watford
WD17 3EX

Dear Sirs

Working Capital Facility

Following our recent discussions, this is to confirm that, subject to the terms of this letter, we will make available to you a short term working capital facility (the "**Facility**") of up to £150,000.

The purpose of this Facility is to enable you to meet your cashflow commitments relating to supporting initial scheme works within Hart Homes Watford Development LLP (HHWDLLP) (the "**Purpose**"). This lending will be on the basis that an equal amount will be provided from Clarendon Living Limited.

Drawings may be made under this Facility as required to meet the Purpose. When a drawing is required, you must submit a drawdown notice in the form of Appendix A to this letter. You shall submit this completed drawdown notice to us on one business day's notice of your intention to drawdown a loan under this Facility and for the purposes of this letter "business day" shall mean a day (other than a Saturday or Sunday) on which dealings in sterling deposits by and between banks may be carried on in the London Inter-Bank Market and on which banks are open for business in London.

The Facility will be provided with an interest of 3% per annum and interest will accrue on the facility and be due in full at the end of the facility period.

Subject to the terms of this letter, it is our current intention that the Facility is available for two years. You shall immediately repay, or as the case may be, pay, all amounts drawn and outstanding under the Facility together with all accrued costs and any other amounts (if any) due under this letter on demand at any time by us.

You may not assign any of your rights under this letter. None of the terms of this letter is enforceable by any person other than us, any person to whom we have assigned our rights, and you.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

To acknowledge your acceptance of the terms and conditions of this facility, please sign and return the attached copy of this letter on the place provided below.

Yours faithfully

On behalf of Watford Borough Council

Director

Date XX November 2018

Accepted on behalf of Watford Commercial Services Limited

Director

Date XX November 2018

Drawdown Notice

Drawdown Notice

Date:

To Watford Borough Council
Town Hall
Hempstead Road
Watford
WD17 3EX

In accordance with the terms and conditions of the short term working capital facility you have provided to us under your letter dated XX November 2018, this is to give you notice of our following drawdown requirement.

Amount	£x
Date required	xx/xx/201x
Purpose	[]

Please remit the funds:

- on the date above to our bank account No xxxxxxxx at Barclays Bank Plc, Sort Code xx-xx-xx
- on the date above in payment of the attached invoice(s).

Thank you in advance

Signed on behalf of Watford Commercial Services Limited

Director

Date