

These Terms apply to committed overdrafts provided by National Westminster Bank Plc. They form part of the Agreement made by the Customer with the Bank, which refers to them.

1 Limit

- 1.1 The Customer may overdraw the Facility Account up to the Limit.
- 1.2 The Bank may refuse a drawing which would cause the Limit to be exceeded. If the Bank does allow that drawing, it does not mean that the Limit has changed or that the Bank will allow another similar drawing.
- 1.3 Charges may be applied if the Limit is exceeded or the Bank returns an item unpaid. Details of the current charges are available from the Customer's Relationship Manager.
- 1.4 The Bank will ignore uncleared credits to calculate balances and interest.

2 Availability

- 2.1 The Facility will not be available after the Expiry date, unless the Bank agrees an extension.
- 2.2 The Customer may at any time give notice that the Facility is no longer required.
- 2.3 The Agreement replaces any other facility agreements in relation to the Facility Account.
- 2.4 If the Customer instructs the Bank in writing to close the Facility Account, any debit balance will be repayable on demand.

3 Interest

- 3.1 References to Base Rate are to National Westminster Bank Plc's base rate, which may change at any time and with immediate effect.
- 3.2 Interest will be calculated daily on a 365 day year, both before and after demand or court order. Unless otherwise stated, interest will be applied to the Facility Account and compounded, on the final business day of March, June, September and December. A **business day** is a weekday other than a national holiday.

4 Default

Each of the following is an Event of Default:

- 4.1 the Limit is exceeded and the Bank does not want to allow any further drawings.
- 4.2 failure by the Customer to comply with any other term of the Agreement, any security or any other agreement with the Bank.
- 4.3 a guarantor or other grantor of security serves notice to discontinue that security, or fails to comply with any of its terms.
- 4.4 any information provided by or on behalf of the Customer, which the Bank considers material, proves inaccurate.
- 4.5 any application is made, or other step is taken, for the appointment of a liquidator, administrator, trustee in bankruptcy, receiver or other similar official, of the Customer.
- 4.6 the Customer proposes a Voluntary Arrangement with creditors.
- 4.7 the Customer ceases to trade.

- 4.8 if a sole trader, the death of the Customer.
- 4.9 if a partnership, the dissolution of the Customer.
- 4.10 if a Company, control of the Customer changes without the consent of the Bank. **Control** means the ability to appoint or remove directors or exercise the majority of voting rights alone or with the agreement of others.

5 Fees and Costs

- 5.1 If an Arrangement Fee or Security Fee is payable, unless otherwise stated it will be applied to the Facility Account on the date the Agreement is signed by the Bank, or shortly after.
- 5.2 Further fees may be payable if the Bank agrees to extend the Facility.
- 5.3 The Customer will pay on demand all costs incurred by the Bank in connection with the Agreement or any security including:
 - 5.3.1 taking and releasing security.
 - 5.3.2 preserving, defending or enforcing the Bank's rights.
 - 5.3.3 communicating with the Customer, if the Customer is in breach.
 - 5.3.4 professional fees and costs.
- 5.4 The Customer will remain liable for any outstanding fees, charges and costs even if the Facility is not drawn or the Bank decides that it cannot be drawn.

6 Payments and Set-Off

- 6.1 All payments to the Bank must be made without set-off and without any deduction on account of any tax, duty or other charge, unless a deduction is required by law. If a deduction is required by law, the Customer will increase the payment so that the Bank receives the amount due to it before the deduction.
- 6.2 The Bank may apply all amounts due to an account of the Customer with the Bank, even if it causes that account to be overdrawn or exceed any limit.
- 6.3 The Bank may set off any amount due to the Bank under the Agreement against any amount owing by the Bank to the Customer. The Bank may exercise this right, without prior notice, both before and after demand.

7 Information

- 7.1 The Customer will promptly provide:
 - 7.1.1 any information regarding the Customer's business or financial condition as the Bank may reasonably request.
 - 7.1.2 all documents and information required by the Bank to comply with its customer account opening and identity requirements.
- 7.2 The Customer will immediately notify the Bank if an Event of Default occurs.

8 Security

- 8.1 The Facility will be secured by any security held by the Bank for the Customer's liabilities, except a charge on a residential property where such a charge would mean that the Facility would be a Regulated Mortgage Contract to which the FCA's Mortgage Conduct of Business rules would apply. The Bank will, on request, tell the Customer if any charge on residential property held by the Bank secures the Facility.
- 8.2 If any security is to be replaced, it will be released when the Bank is satisfied with the new security.

9 Undertakings

The Customer will maintain or ensure the holding of all certificates, licences, registrations and authorisations required, and comply with all applicable laws and regulations.

10 Notices

- 10.1 All consents, notices and demands must be in writing.
- 10.2 The Bank may deliver a notice or demand to the Customer at the contact details last known to the Bank; its registered office, if applicable; or, the Address for Service, if one is specified.
- 10.3 A notice or demand by the Bank will be effective at the time of personal delivery; on the second business day after posting; or, if by fax, at the time of sending, if sent before 6.00 p.m. on a business day, or otherwise on the next business day.
- 10.4 A notice from the Customer to the Bank must be addressed to the Customer's Relationship Manager and will be effective on receipt.

11 Increased Costs and Changes to the Agreement.

- 11.1 If the Bank or its parent incurs an Increased Cost, which is attributable to the Agreement, the Bank may change the Agreement, so that the Facility is repayable on demand, increase the Interest Rate or charge a fee to reflect the Increased Cost. The Bank will give the Customer 30 days' advance notice of the change.
An **Increased Cost** is either a reduction in the rate of return on overall capital or an increase in cost, which results from any change in law or regulation or its application (excluding tax paid on overall net income).
- 11.2 The Bank may stop any further drawings and require repayment of the Facility, all interest accrued and all other sums payable by the Customer under the Agreement, if it becomes unlawful in any jurisdiction for the Bank to perform the Agreement.

12 Disclosure of Information and Transfers

- 12.1 The Bank may give to anyone any information about the Customer, the Agreement or any associated security in connection with any proposed transfer of, or financial arrangement by reference to, the Agreement. The Bank may allow any person to take over any of its rights and duties under the Agreement or any associated security. References to the **Bank** in the Agreement include its successors.
- 12.2 The Customer may not transfer the benefit of the Agreement.

13 Partnerships

If the Customer is a partnership, each partner is jointly and severally liable. If membership of the partnership changes, the Customer must advise the Bank immediately and:

- 13.1 if a partner joins, the Customer must provide a letter in which the new partner accepts joint and several liability under the Agreement with the existing partners in the Customer.
- 13.2 if a partner leaves, the Bank may stop operations on any overdrawn account and open a new account on which no borrowing will be permitted.

14 Law

- 14.1 If the Agreement is governed by English law, the English courts have exclusive jurisdiction. If the Agreement is governed by Scots law, the Scottish courts have exclusive jurisdiction.
- 14.2 For the benefit of the Bank, the Customer irrevocably submits to the jurisdiction of the relevant courts and irrevocably agrees that a judgement in any proceedings in connection with the Agreement in those courts will be conclusive and binding on the Customer and may be enforced against the Customer in the courts of any other jurisdiction.

14.3 If an Address for Service is specified, it, or any other address provided for this purpose, will be an effective address for service of proceedings on the Customer.