

BUSINESS INTERRUPTION PAYMENT (“BIP”)

BOUNCE BACK LOAN SCHEME

You may have applied for or being considering applying for a loan (a “**BBLS Loan**”) under the Bounce Back Loan Scheme (“**BBLS**”). If your application is successful, you will also be entitled to a payment from the UK Government which is known as the Business Interruption Payment, or “**BIP**”.

The BIP is a payment by the UK Government to cover payments of the interest due under the loan agreement and other lender levied fees associated with the granting and maintenance of the BBLS Loan for a period of 12 months from and including the date of drawdown of the BBLS Loan.

We have assumed that you wish to apply for the BIP, and included this assumption in your Loan Agreement.

By applying for the BIP, you agree that the UK Government may pay amounts directly to us, the Lender, in respect of the interest on and fee amounts due (excluding third party fees) under the BBLS Loan when it is drawn down (or marked as available in the case of an overdraft) for a period of up to 12 months. The interest and fees amounts which will accrue during the initial 12 month period are as set out in your loan documentation, set out at “Maximum BIP Payment (payable by UK Government)”.

The BIP will not cover any default interest or equivalent or extraordinary fees.

The assistance provided through the payment of the BIP, like many Government-backed business support activities, is regarded as a State aid and is deemed to benefit you as it has provided you with a payment to reduce your financing costs under the BBLS Loan which would not otherwise have been possible.

We will, after drawdown, send you a written statement setting out the total amount of state aid that you have received. You should retain this statement as you may need to declare this amount in the future.

Provision of such State aid is governed by regulations made by the European Commission under de minimis State aid rules and under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (the “**Temporary Framework**”). If you have received the benefit of a BIP under any other facility entered into by you under the Coronavirus Business Interruption Loan Scheme, Coronavirus Large Business Interruption Loan Scheme or Covid Corporate Financing Facility, you must advise us of such amount. In addition, you must advise us of any other direct grants, repayable advances, tax or payments advantages under the Temporary Framework (“**Qualifying Payments**”) that have been received by you. The total amount of state aid received by you across all of such facilities and each other Qualifying Payment must not exceed the maximum amount detailed above. To the extent that you have received a BIP previously or other Qualifying Payment, the total amount of such payments shall be deducted from the total capped amount permissible in respect of BIPs, to determine your entitlement under the BIP in respect of this BBLS Loan (to ensure that the total amount received from you, including the BIP in respect of this BBLS Loan does not exceed any caps on state aid).

For the avoidance of doubt, the cap will not operate to change the terms of your loan agreement with respect to interest and other fees associated with the granting and maintenance of the loan due in the first 12 months of the loan.