

THIS AGREEMENT is made the...<sup>2<sup>nd</sup></sup>.....day of <sup>February</sup>.....2012

**BETWEEN**

**LANCASTER CITY COUNCIL** ("the Council") of Town Hall, Dalton Square, Lancaster LA1 1PJ  
and

**STOREY CREATIVE INDUSTRIES CENTRE** ("the Borrower") whose registered office is Meeting  
House Lane, Lancaster, Lancashire, LA1 1TH

**WHEREAS:-**

- 1) The Borrower has requested the Council to lend to it the sum of Ninety Thousand Pounds (£90,000.00) ("the Principal Sum") in order for the Borrower to meet existing liabilities as agreed between the Council and the Borrower. The Council has agreed to pay the Principal Sum in one instalment.
- 2) The Borrower shall repay the Principal Sum together with interest in the manner prescribed in this Agreement.

**NOW IT IS AGREED** as follows:-

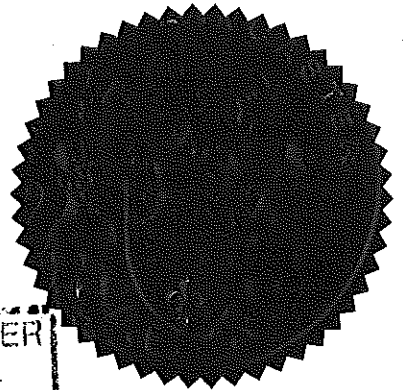
1. In consideration of the amount of the Principal Sum loaned to the Borrower by the Council (the receipt of which the Borrower acknowledges) the Borrower covenants with the Council to repay to the Council such amounts with interest as provided for in Appendix 1 to this Agreement.
2. The Council's obligation to loan the Principal Sum to the Borrower is conditional on the Council receiving satisfactory evidence of specific liabilities (for example invoices from creditors).
3. The Council requires evidence that the specific liabilities to be covered from the Principal Sum have been settled with the specified creditors (for example receipts from creditors and/or the Borrower's bank statements showing payments).
4. Any evidence as required by clause 3 should be presented to the Council's Head of Financial Services, or her nominated representative, within one month of the loan being released to the Borrower.
5. The Borrower acknowledges the current outstanding debt to the Council of £38,036.79 at Appendix 2 to this agreement. £12,900 of this debt will form part of the Principal Sum and will accrue interest and be subject to the repayment plan at Appendix 1.
6. The Principal Sum will be repayable over a maximum of three years from the date of the first repayment made under this Agreement.
7. In addition, the Borrower will also repay the balance of outstanding debt owed to the Council totalling £25,136.79, (i.e. £38,036.79 less £12,900) over the period in clause 6 above in accordance with the repayment plan in Appendix 1.
8. Interest is to be charged at 10% per annum on both the Principal Sum and outstanding debt with repayment on an annuity basis.
9. The Borrower will duly repay to the Council the monthly sums (covering both the Principal Sum and the outstanding debt owed to the Council together with all interest) as outlined in Appendix 1 to this Agreement.
10. Repayments by the Borrower as outlined in Appendix 1 are to commence on the 16<sup>th</sup> of April 2012 and equal instalments will be payable on the 15<sup>th</sup> of each month thereafter (or the next business day if the 15<sup>th</sup> falls on a non-business day).

11. Repayments will be taken by direct debit in accordance with the mandate at Appendix 3 to this Agreement, with cleared funds to be in the Council's bank account on the dates specified in clause 10.
12. The Borrower will co-operate fully with the monitoring and financial management arrangements in Appendix 4 to this agreement.
13. Any failure to meet the above terms and conditions, (including for the avoidance of doubt clauses 3 and 4 above) will be classed as a default. Immediately following a default the Principal Sum and the amount referred to in clause 7 above will become payable in full, including any interest already accrued. The amount in default will be subject to a penalty rate of interest until full payment is made. This will be charged at 15% per annum plus the prevailing Bank of England base rate.
14. If the Borrower at any time during the period of this Agreement pays to the Council the whole of the Principal Sum and the outstanding debt owed to the Council together with interest thereon as herein provided up to and including the date of payment the Council will at the request of the Borrower duly discharge this Agreement.
15. The Borrower acknowledges that this Agreement and related financial transactions will be available for public inspection and scrutiny in accordance with the Council's accounting and public reporting requirements.
16. This Agreement shall not be capable of assignment by either party without the consent of the other party.
17. No person who is not a party to this Agreement shall have any right to enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
18. Both parties shall be released from their respective obligations in the event of national emergency, war, prohibitive governmental regulation or if any other cause beyond the (reasonable) control of the parties or either of them renders the performance of this Agreement impossible.
19. This Agreement shall be governed by the law of England and Wales.

EXECUTED AS A DEED by affixing  
 THE COMMON SEAL of the  
 LANCASTER CITY COUNCIL (the Council)  
 in the presence of

Signature ..... *[Signature]* .....  
 Position *Deputy Chief Executive* .....

SEAL REGISTER  
 No: 22827



EXECUTED AS A DEED by ~~affixing~~ *[initials]*  
~~THE COMMON SEAL~~ of the  
 STOREY CREATIVE INDUSTRIES CENTRE LTD (the Borrower)  
 acting by *Jacqueline Greaves*  
 in the presence of

Signature of Director ..... *[Signature]* .....  
 Signature of Witness ..... *[Signature]* .....  
 Position .....  
 Name of Witness ..... *TOM CLARK* .....  
 Address of Witness ..... *WOODSIDE PARK WOODHURST NR LANCASTER* .....  
 Occupation of Witness ..... *CHIEF EXECUTIVE / ACCOUNTANT* .....

## Lancaster City Council

## Storey Loan repayment schedule

Year	Month	Opening principal balance	Total interest	Total split as:		Total principal amounts	Total split as:		Total monthly payment	Payment to be collected by direct debit on (or next business day)
				Interest (Principal Sum)	Interest (Outstanding Debt)		Repayment (Principal Sum)	Repayment (Outstanding debt)		
2012	April	116,426.57	970.22	758.40	211.82	2,786.54	2,178.18	608.36	£3,756.76	15/04/2012
2012	May	113,640.04	947.00	740.25	206.75	2,809.76	2,196.33	613.43	£3,756.76	15/05/2012
2012	June	110,830.28	923.59	721.95	201.64	2,833.17	2,214.63	618.54	£3,756.76	15/06/2012
2012	July	107,997.11	899.98	703.49	196.48	2,856.78	2,233.09	623.70	£3,756.76	15/07/2012
2012	August	105,140.32	876.17	684.88	191.29	2,880.59	2,251.70	628.89	£3,756.76	15/08/2012
2012	September	102,259.74	852.16	666.12	186.05	2,904.59	2,270.46	634.13	£3,756.76	15/09/2012
2012	October	99,355.14	827.96	647.20	180.76	2,928.80	2,289.38	639.42	£3,756.76	15/10/2012
2012	November	96,426.34	803.55	628.12	175.43	2,953.21	2,308.46	644.75	£3,756.76	15/11/2012
2012	December	93,473.14	778.94	608.88	170.06	2,977.82	2,327.70	650.12	£3,756.76	15/12/2012
2012	January	90,495.32	754.13	589.49	164.64	3,002.63	2,347.09	655.54	£3,756.76	15/01/2013
2012	February	87,492.69	729.11	569.93	159.18	3,027.65	2,366.65	661.00	£3,756.76	15/02/2013
2013	March	84,465.04	703.88	550.20	153.67	3,052.88	2,386.37	666.51	£3,756.76	15/03/2013
2013	April	81,412.16	678.43	530.32	148.12	3,078.32	2,406.26	672.06	£3,756.76	15/04/2013
2013	May	78,333.83	652.78	510.27	142.52	3,103.98	2,426.31	677.66	£3,756.76	15/05/2013
2013	June	75,229.86	626.92	490.05	136.87	3,129.84	2,446.53	683.31	£3,756.76	15/06/2013
2013	July	72,100.02	600.83	469.66	131.17	3,155.92	2,466.92	689.00	£3,756.76	15/07/2013
2013	August	68,944.09	574.53	449.10	125.43	3,182.22	2,487.48	694.75	£3,756.76	15/08/2013
2013	September	65,761.87	548.02	428.37	119.64	3,208.74	2,508.21	700.54	£3,756.76	15/09/2013
2013	October	62,553.13	521.28	407.47	113.81	3,235.48	2,529.11	706.37	£3,756.76	15/10/2013
2013	November	59,317.64	494.31	386.39	107.92	3,262.44	2,550.18	712.26	£3,756.76	15/11/2013
2013	December	56,055.20	467.13	365.14	101.98	3,289.63	2,571.44	718.20	£3,756.76	15/12/2013
2013	January	52,765.57	439.71	343.71	96.00	3,317.04	2,592.86	724.18	£3,756.76	15/01/2014
2013	February	49,448.52	412.07	322.11	89.96	3,344.69	2,614.47	730.22	£3,756.76	15/02/2014
2014	March	46,103.84	384.20	300.32	83.88	3,372.56	2,636.26	736.30	£3,756.76	15/03/2014
2014	April	42,731.28	356.09	278.35	77.74	3,400.66	2,658.23	742.44	£3,756.76	15/04/2014
2014	May	39,330.61	327.76	256.20	71.56	3,429.00	2,680.38	748.62	£3,756.76	15/05/2014
2014	June	35,901.61	299.18	233.86	65.32	3,457.58	2,702.72	754.86	£3,756.76	15/06/2014
2014	July	32,444.03	270.37	211.34	59.03	3,486.39	2,725.24	761.15	£3,756.76	15/07/2014
2014	August	28,957.64	241.31	188.63	52.68	3,515.44	2,747.95	767.50	£3,756.76	15/08/2014
2014	September	25,442.20	212.02	165.73	46.29	3,544.74	2,770.85	773.89	£3,756.76	15/09/2014
2014	October	21,897.46	182.48	142.64	39.84	3,574.28	2,793.94	780.34	£3,756.76	15/10/2014
2014	November	18,323.18	152.69	119.36	33.34	3,604.06	2,817.22	786.84	£3,756.76	15/11/2014
2014	December	14,719.11	122.66	95.88	26.78	3,634.10	2,840.70	793.40	£3,756.76	15/12/2014
2014	January	11,085.01	92.38	72.21	20.17	3,664.38	2,864.37	800.01	£3,756.76	15/01/2015
2014	February	7,420.63	61.84	48.34	13.50	3,694.92	2,888.24	806.68	£3,756.76	15/02/2015
2015	March	3,725.71	31.05	24.27	6.78	3,725.71	2,912.31	813.40	£3,756.76	15/03/2015
2015	April	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-£0.00	15/04/2015
	Totals		<b>£18,816.72</b>	<b>£14,708.63</b>	<b>£4,108.09</b>	<b>£116,426.57</b>	<b>£91,008.20</b>	<b>£25,418.38</b>	<b>£135,243.29</b>	