



QUICK ACCESS LOAN AGREEMENT TEMPLATE FOR SECURED LOANS TO PRIVATE LIMITED COMPANIES (LIMITED BY GUARANTEE)

[BORROWER] (the "**Applicant**")
[ADDRESS OF APPLICANT]

Date:

Dear Sirs

The LTA Tennis Foundation (LTA TF), (a charitable company limited by guarantee registered in England and Wales with registered company number 08087723 and registered charity number 1148421) (the "**LTA**") is pleased to offer [insert name of entity], a private limited company registered in [[England and Wales] OR [Scotland]] with registered company number [insert company number] (the "**Applicant**") a loan (the "**Loan**") on and subject to the terms set out in this letter (the "**Loan Agreement**").

The LTA TF recommends that the Applicant seek independent advice before accepting the offer in the Loan Agreement.

1 The Facility

Subject to the terms of the Loan Agreement, the LTA TF makes available to the Applicant a term loan facility in an aggregate amount equal to £[] (the "**Loan Amount**").

2 Purpose

2.1 The Loan is for the Project, and shall not be used for any other purpose, which is in accordance with the charitable purposes of the LTA TF under English charity law.

2.2 The LTA TF is not bound to monitor or verify the application of any amount borrowed pursuant to this Loan Agreement.

3 Term

The Loan will be for a term running from the first Drawdown Date until the Termination Date.

4 Interest

The rate of interest on the Loan is [0] per cent. per annum.

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5 Drawdown

- 5.1 The LTA TF shall not be obliged to advance any amount under this Loan Agreement, unless the LTA TF have confirmed satisfied [or waived] the Conditions Precedent in form and substance satisfactory to the LTA TF.
- 5.2 The LTA TF will not be obliged to advance any amount requested in a Drawdown Notice unless on the date of the Drawdown Notice,
- 5.2.1 no Event of Default is continuing or would result from the proposed Loan; and
- 5.2.2 the warranties and representations in Schedule 3 to be made by the Applicant are true.
- 5.3 The Applicant may utilise the Loan by submitting to the LTA TF a duly completed Drawdown Notice. Each Drawdown Notice will not be regarded as having been duly completed unless it:
- 5.3.1 [is in accordance with the Financial Plan;]
- 5.3.2 is accompanied by evidence of the purpose of the Loan[, evidence of the purpose of the Loan will comprise of:
- (a) an invoice (receipted if the Loan is to refinance the relevant amount) submitted pursuant to a Development Document; or
- (b) any other evidence of the cost or expense (receipted if the Loan is to refinance the relevant amount) where the Loan is to finance or refinance a cost or expense not incurred under a Development Document,
- each in form and substance satisfactory to the LTA TF] [.]]; and
- 5.3.3 *[any other conditions to be included: e.g. no [unfunded] cost overruns; milestones remain met; practical completion date remains unchanged etc]*
- 5.4 Unless otherwise agreed in writing by the LTA TF, the first Drawdown Notice must be:
- 5.4.1 submitted within [six] months of the date of this Loan Agreement;
- 5.4.2 submitted at the commencement of the Project in accordance with the Project Plan; and
- 5.4.3 for an amount equal to 90% of the Loan Amount.
- 5.5 Unless otherwise agreed in writing by the LTA TF, the second Drawdown Notice must be:
- 5.5.1 submitted on the earlier of:



- (a) the Target Practical Completion Date; or
- (b) the Practical Completion Date; and

5.5.2 for an amount equal to 10% of the Loan Amount.

6 Cancellation of Commitment

6.1 If the first Drawdown does not occur prior to the date falling [six] months after the date of this Loan Agreement, the Loan shall be immediately cancelled in full.

6.2 Other than with the prior written consent of the LTA TF, any amount of the Loan which remains undrawn on the earlier of:

6.2.1 the date falling three months after the Practical Completion Date; or

6.2.2 the Longstop Date,

shall immediately be cancelled in full.

7 Repayment

Subject to any amounts prepaid pursuant to clauses 8.1 and 8.2 below, the Applicant shall repay the principal amount borrowed under the Loan in [[insert figure] equal instalments of [£insert figure] payable [every six months] commencing on the First Repayment Date] [with a final payment of the outstanding balance of the Loan Amount on [date]] / [in instalments, by repaying on each date set out below, an amount which reduces the amount of the outstanding loan by the amount set opposite such date].

Repayment Date	Amount
First Repayment Date	£[]
The date falling [6 months] after the First Repayment Date	£[]
[The date falling [12 months] after the First Repayment Date] / [First anniversary of First Repayment Date]	£[]
The date falling [18 months] after the First Repayment Date	£[]
[The date falling [24 months] after the First Repayment Date] / [Second anniversary of First Repayment Date]	£[]
The date falling [30 months] after the First Repayment Date	£[]
[The date falling [36 months] after the First Repayment Date] / [Third anniversary of First Repayment Date]	£[]
The date falling [42 months] after the First Repayment Date	£[]



[The date falling [48 months] after the First Repayment Date] / [Fourth anniversary of First Repayment Date]

£[]

8 Prepayment and cancellation of Loan

8.1 Illegality

8.1.1 If it becomes unlawful for the LTA TF to perform any of its obligations as contemplated by this Loan Agreement or to fund or maintain their participation in any Loan:

- (a) upon the LTA TF notifying the Applicant, any part of the Loan not borrowed by the Applicant will be immediately cancelled; and
- (b) the Applicant shall repay the Loan within ten Business Days of the LTA TF notifying the Applicant.

8.2 Voluntary prepayment and cancellation

8.2.1 The Applicant may prepay or cancel all or part of the Loan, provided that the Applicant has given LTA TF at least ten Business Days' notice in writing of its intention to prepay or cancel.

8.2.2 Any prepayment of the Loan, including any amounts prepaid in respect of VAT in accordance with paragraph 2.7 of Schedule 4, shall be applied in pro rata reduction of each remaining scheduled repayment instalment.

8.3 Restrictions on right to prepay or cancel

8.3.1 Notwithstanding any other term of this clause 8, the Applicant may not exercise any right of prepayment or cancellation under clause 8.2 until they have received confirmation from the LTA TF that they are satisfied that, after prepayment or cancellation, the Applicant will have adequate funding to achieve Practical Completion.

8.3.2 The Applicant may not reborrow any Loan or any part of the Loan which is repaid or prepaid.

9 Costs

The Applicant shall pay within three (3) Business Days of demand, all costs and expenses (together with any value added tax on them) that the LTA TF incurs in connection with the negotiation and preparation, execution, amendment, extension, alteration, preservation and enforcement of the Loan and/or the Loan Documents.



10 Indemnity

The Applicant shall indemnify and hold harmless the LTA TF, LTA TF's employees, agents, officers or subcontractors with respect to all claims, demands, actions, costs, expenses, losses, damages and all other liabilities arising from or incurred by reason of the Applicant's actions and/or omissions in relation to the Project, the non-fulfilment of its obligations under, and/or non-compliance with, this Loan Agreement or its obligations to third parties and/or any Event of Default.

11 Representations and warranties

The Applicant makes the representations and warranties set out in Schedule 3 to the LTA TF on the date of this Loan Agreement.

12 Undertakings

The undertakings in Schedule 4 shall remain in force from the date of this Loan Agreement for so long as any amount is outstanding under the Loan Documents or where the LTA TF has any obligation to lend in accordance with the terms of this Loan Agreement.

13 Default Interest

If the Applicant fails to pay any amount payable by the Applicant under a Loan Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate of [4] per cent. per annum. Any interest accruing under this clause 13 shall be immediately payable by the Applicant on demand by the LTA TF.

14 Consequences for loan on an Event of Default – Acceleration

14.1 On and at any time after the occurrence of an Event of Default as set out in Schedule 5 the LTA TF may:

14.1.1 cancel the Loan whereupon it (or any part of it) shall immediately be cancelled;

14.1.2 declare that all or part of the Loan, together with accrued interest, and all other amounts accrued or outstanding under the Loan Documents be immediately due and payable; and/or

14.1.3 exercise any or all of its rights, remedies, powers or discretions under the Loan Documents; and/or

14.1.4 require that the Applicant cooperate with the LTA TF by providing all such documents and taking all such actions as the LTA TF may request.



15 Assignment

- 15.1 The Applicant may not, without LTA TF's prior written consent, assign, transfer, sub-contract, or in any other way make over to any third party the benefit and/or the burden of this Loan Agreement or, except in making payment for goods and/or services contemplated and forming as part of the Project, transfer or pay to any other person any part of the Loan.
- 15.2 The LTA TF may, by notice in writing to the Applicant, assign, transfer, sub-contract, or in any other way make over to any third party the benefit and/or the burden of this Loan Agreement.

16 Notices

- 16.1 Unless this Loan Agreement expressly provides otherwise, all notices and other communications under this Loan Agreement shall be in writing and shall be deemed to have been duly given if:

16.1.1 delivered by pre-paid first-class post or sent by email; and

16.1.2 sent to:

(a) the LTA TF at:

Address: [insert address]

Email: [insert e-mail address]

Attention: [Insert name of contact person at LTA TF]

(b) the Applicant at:

Address: [insert address]

Email: [insert e-mail address]

Attention: [Insert name of contact person at Applicant]

or to any other address or fax number as is notified in writing by one Party to the other from time to time.

- 16.2 If emailed, all such communications shall be deemed to have been given when received and, if mailed, all such communications shall be deemed to have been given and received on the second Business Day following such mailing.

17 Dispute resolution

- 17.1 In the event of any complaint or dispute (which does not relate to LTA TF's right to withhold or suspend Loan or terminate) arising between the Parties in relation to this Loan Agreement, the



matter should be referred for resolution between the LTA TF and Applicant for a period of no less than [28 days].

17.2 In the absence of agreement under the above clause 17.1 the Parties may exercise any other rights or remedies that may be available at law.

18 Entire agreement

The Loan Documents are the entire agreement between the Parties, and replace all previous agreements and understandings between them, relating to its subject matter, but the Applicant acknowledges that LTA TF has relied on the information provided to the LTA TF by the Applicant prior to the entry into each and any of the Loan Documents and this clause 18 shall not affect the LTA TF's rights elsewhere in each and any of the Loan Documents.

19 Governing Law

This Loan Agreement and any non-contractual obligations arising out of or in connection with this Loan Agreement shall be governed by and construed in accordance with the law of England.

20 Jurisdiction

20.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Loan Agreement (including a dispute relating to the existence, validity or termination of this Loan Agreement or any non-contractual obligation arising out of or in connection with this Loan Agreement) (a "**Dispute**").

20.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

20.3 Notwithstanding clause 20.1 above, the LTA TF shall not be prevented from proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the LTA TF may take concurrent proceedings in any number of jurisdictions.

Yours faithfully

[insert name]

[insert job title]

For and on behalf of The LTA Tennis Foundation.



ACCEPTANCE BY THE BORROWER

We, [insert name of Applicant] accept the offer and agree to all the terms and conditions contained in the Loan Agreement dated .

EXECUTED BY APPLICANT:	
SIGNATURE OF DIRECTOR / AUTHORISED SIGNATORY:	
NAME OF DIRECTOR / AUTHORISED SIGNATORY:	
ON (<i>INSERT DATE</i>)	

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Schedule 1 – Defined terms and interpretation

Part 1 – Defined terms

The following terms shall have the following meanings throughout this Loan Agreement:

- “Application”** means the application submitted by or for the Applicant for the Loan and approved by LTA TF in respect of the Project dated [●];
- “Building Contract”** means [a/the] contract[s] in respect of the carrying out of the works for the Project validly entered into between the Applicant and the Building Contractor[s], in the form approved in advance in writing by LTA TF;
- “Building Contractor”** means the building contractor[s] for the Project approved in advance in writing by LTA TF and appointed in terms of [a/the] Building Contract;
- “Business Day”** means a day (other than a Saturday or Sunday) on which banks are open for general non-automated business in London;
- "Cashflow"** means the breakdown of the Loan and cash flow in relation to the Project as set out in the Application [or as otherwise agreed with the LTA TF];
- "Change of Control"** [means any person or organisation or group of persons or group of organisations acting in concert gains direct or indirect control of the Applicant. For the purposes of this definition:
- (a) ["control" of the Applicant means:
 - (i) the power (whether by way of membership, proxy, contract, agency or otherwise) to:
 - (A) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting or equivalent (as applicable) of the Applicant;
 - (B) appoint or remove all, or the majority, of the directors or other equivalent officers of the Applicant; or
 - (C) give directions with respect to the operating and financial policies of the Applicant with which the directors or other equivalent officers or members of the Applicant are obliged to comply;



(b) "acting in concert" means, a group of persons or organisations who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate either directly or indirectly, to obtain or consolidate control of the Applicant;]]

"Conditions Precedent"	means each of the conditions set out in Schedule 2;
"Construction Documents"	means the documents designated as such by the LTA TF, including, the specification/ scope of works/ tender document and drawings in relation to the Project;
"DBS"	means the Disclosure and Barring Service;
"Default"	means an Event of Default or any event or circumstance specified in Schedule 5 which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Loan Documents or any combination of any of the foregoing) be an Event of Default;
"Default Rate"	means [4] per cent. per annum;
"Development Consents"	means any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration (including any planning permission, approval of all reserved matters and confirmation of satisfaction of all conditions precedent to the commencement of the development under those consents) required under any law or regulation in connection with the Project;
"Development Document"	means the Building Contract, the Development Consents and any other related documents required pursuant to the Project;
"Drawdown"	means a drawing of a Loan under this Loan Agreement;
"Drawdown Date"	means the date of a Drawdown;
"Drawdown Notice"	means a drawdown notice in the form set out in Schedule 6;
"Event of Default"	means any of the events set out in Schedule 5;
"Financial Plan"	means the financial plan as set out in the Application;
"First Repayment Date"	means the earlier of the date falling six months after: (a) the date on which the Loan is drawn in full; (b) the Practical Completion Date; or



(c) the Target Practical Completion Date.

"Fiscal Quarter"

means each of:

Quarter 1: 1 January – 31 March

Quarter 2: 1 April – 30 June

Quarter 3: 1 July – 30 September

Quarter 4: 1 October – 31 December;

"Headlease"

means any lease under which you hold title to all or any part of the Property;

"Key Performance Indicators"

means the key performance indicators set out in the Application;

"Lawn Tennis Association Limited"

means Lawn Tennis Association Limited (company number 07459469) or its relevant group company, successor or permitted assigns;

"Loan Documents"

means this Loan Agreement, the Application, the Security Documents and any ancillary documents relating to the Loan;

"Longstop Date"

[date];

"Operator(s)"

Name: [Insert name or names]

Whose contact details are:

E-mail address: [insert e-mail address]

Mobile phone number: [insert phone number]

or such other person as is approved by LTA TF in accordance with paragraph 4.5 of Schedule 4.

"Practical Completion"

means practical completion of the Project, in accordance with the Building Contract[s] for the Project and the requirements of paragraphs 6 and 8 of Schedule 2;

"Practical Completion Certificate"

means the certificate (or equivalent) certifying that Practical Completion has occurred, such certificate being in such form and terms and issued by such person as LTA TF shall require;

"Practical Completion Date"

means the date on which Practical Completion occurs as stated in the Practical Completion Certificate;

"Project"

means the project to be carried out at the Property which comprises [insert a short summary of the project to be undertaken] under the Building Contract[s];



"Project Plan"

the planned construction programme for the Project, detailing key milestones and expected timescales for each phase;

"Property"

means the [freehold OR leasehold] property known as [insert property address, including postcode] registered at the Land Registry under title number [insert title number] and including any buildings, facility and equipment thereon;

"Registered Venue"

means an entity (or site) registered as a "registered venue" (or equivalent or replacement through any successor scheme) by Lawn Tennis Association Limited;

"Safeguarding"

has the meaning attributed to it in the Charity Commission's guidance on safeguarding as amended from time to time;

"Security"

means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Documents"

means [evidence of a restriction over the usage of the Property, such that it can only be used as a tennis court or for tennis related activities;]
AND/OR
[a duly signed first [and only] legal charge over the Property;]

["Sinking Fund Account"

means a bank account which is separate from the Applicant's nominated bank/building society account(s), which is to be used to hold the Sinking Fund Contribution;

"Sinking Fund Contribution"

means the amount of £[**] [per [month]/[annum]/[insert other timescale]];]

"Target Practical Completion Date"

means the date targeted for Practical Completion as set out in the Project Plan provided as a condition precedent pursuant to paragraph 6.4 of Schedule 2, or [date];

"Termination Date"

0 days after the date of the Final Repayment Date;

"VAT"

means value added tax or any equivalent tax chargeable in Great Britain.

Part 2 - Interpretation

In this Loan Agreement, unless the context otherwise requires:

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- 1 any words following the terms “including”, “include”, “in particular”, “for example” or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 2 a reference to a “paragraph” or to a “Schedule” is to a paragraph of or Schedule to this Loan Agreement and a reference to a “clause” is to a clause of the letter at the start of this Loan Agreement;
- 3 words in the singular shall include the plural and in the plural shall include the singular;
- 4 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 5 a reference to a time of day is to London time;
- 6 an obligation on a Party not to do something includes an obligation not to allow that thing to be done;
- 7 a reference to this Loan Agreement or any other agreement or document referred to in this Loan Agreement is a reference to them as amended by the Parties (in each case, other than in breach of the provisions of this Loan Agreement) from time to time;
- 8 a reference to "in writing" or "written" includes email; and
- 9 where the due date for payment of any amount under any Loan Document is not a Business Day then (without affecting subsequent payment dates) actual payment will be required on the next Business Day.



Schedule 2 - Conditions precedent

1 Property

- 1.1 [All title documents relating to the Property.
- 1.2 A clear Land Charges Register search against the Applicant or the results of HM Land Registry searches in favour of the LTA TF on the appropriate forms against all of the registered titles comprising the Property and giving not less than twenty (20) Business Days' priority beyond the date of the relevant Security Document and showing no adverse entries.]
- 1.3 Evidence of the current planning permission in place with respect to the Property and the Project.
- 1.4 Evidence that all Security (other than under a Security Document) affecting the Property has been, or will be, discharged by the first Drawdown Date.
- 1.5 Provide, if applicable, full details (including amount and lender) and evidence of [any] other financial indebtedness owed by it.
- 1.6 [All necessary HM Land Registry application forms in relation to the charging of the Property in favour of the LTA TF (including a form to note the obligation to make further advances, a form to register the restriction contained in the Security Document and a form for disclosable overriding interests), duly completed, accompanied by payment of the applicable HM Land Registry fees.]
- 1.7 [A copy of a notice to the reversioner of the assignment/transfer of any Headlease to the Applicant and the charging of any Headlease to the LTA TF, accompanied by payment of the appropriate registration fees.
- 1.8 A copy of the relevant rent demand for the latest instalment of rent under any Headlease.]

2 Authority

- 2.1 A copy of the board resolution of the Applicant confirming that the Applicant has the requisite powers and authority to enter into the Loan Documents either under its governing document or in law, and accordingly authorising entry into the Loan Documents.
- 2.2 A specimen of the signature of each person authorised by the resolution referred to in paragraph 2.1 above.
- 2.3 A certificate of the Applicant:
 - 2.3.1 confirming that borrowing or guaranteeing or securing, as appropriate, the Loan would not cause any borrowing, guarantee, security or similar limit binding on it to be exceeded; and



2.3.2 certifying that all copy documents specified in this Schedule 2 are correct, complete and in full force and effect at the date of this Loan Agreement.

2.4 A copy of the Applicant's constitutional documents.

3 Accounts and banking arrangements

3.1 Provide a satisfactory Financial Plan (in such form as LTA TF may require), including appropriate evidence that all sources of funding are in place. The Financial Plan shall exclude any reference to voluntary labour, contributions-in-kind and other non-allowable costs (as notified by LTA TF to the Applicant in writing), which shall all be disregarded for the purposes of this Loan Agreement.

3.2 Provide evidence that authorisation by not less than two signatories is required for all withdrawals or transfers from the Applicant's nominated bank/building society account(s) [and from the Sinking Fund Account].

4 Loan Documents

4.1 This Loan Agreement duly executed by the Applicant.

4.2 A duly completed Drawdown Notice.

4.3 [Each Security Document executed by the Applicant.

4.4 Completed form MR01 in respect of each Security Document.]

5 Tax

5.1 A certified copy of the VAT (or equivalent) registration certificate issued by HMRC to the Applicant (if applicable); and

5.2 Evidence that the Applicant has duly elected to waive exemption in relation to the Property and that HMRC have received that election.

6 Construction Documents

6.1 The Cashflow

6.2 A copy of the Construction Documents.

6.3 [A copy of the Building Contract[s].]

6.4 The Project Plan.



7 Insurance

Evidence that the insurance cover in force in respect of the Property complies with the terms of this Loan Agreement and the necessary premia have been paid.

8 Operational arrangements

Provide satisfactory arrangements for the running, operation and management of the Property and the facilities, including the Operator(s) and the management structure, all as set out in the Application (the "**Operational Arrangements**").

9 Other documents and evidence

9.1 Evidence that any other fees, and the costs and expenses then due from the Applicant have been paid or will be paid by the first Drawdown Date.

9.2 A copy of any other Authorisation or other document, opinion or assurance which the LTA TF consider to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by any Loan Document or for the validity and enforceability of any Loan Document.

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Schedule 3 – Representations

The below representations are deemed to be made by the Applicant by reference to the facts and circumstances then existing on the date of each Drawdown Notice; on each Drawdown Date and on the first day of each Fiscal Quarter.

1 Status

The Applicant has the power to own its assets and carry on its business as it is being conducted and shall obtain the prior written consent of LTA TF to any material change to its purpose, governing rules or constitution, ownership, or legal status.

2 Power and authority

The Applicant has the power to enter into, deliver and perform, and has taken all necessary action to authorise the entry into, delivery and performance of the Loan Documents.

3 Binding obligations

The obligations expressed to be assumed by the Applicant in each Loan Document to which it is a party are legal, valid, binding and enforceable obligation.

4 Non-conflict with other obligations

4.1 The entry into and performance by the Applicant of, and the transactions contemplated by, the Loan Documents and the granting of the Security pursuant to the Security Documents do not and will not conflict with:

4.1.1 any law or regulation applicable to the Applicant;

4.1.2 the Applicant's constitutional documents; or

4.1.3 any agreement or instrument binding upon the Applicant or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

5 No Default

5.1 No Event of Default and, as at the date of this Loan Agreement and each Drawdown Date, no Default is continuing or is reasonably likely to result from the making of any Drawdown or the entry into, or the performance of, or any transaction contemplated by, any Loan Document.

5.2 There is no outstanding breach of any term of any Development Document and no person has disputed, repudiated or disclaimed liability under any Development Document or evidenced an intention to do so.

6 Information

✉ info@ltaennisfoundation.org.uk ltaennisfoundation.org.uk

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- 6.1 All information supplied by the Applicant or on its behalf to the LTA TF in connection with the Loan Documents and the Project was true and accurate as at the date it was provided or as at any date at which it was stated to be given.
- 6.2 The Applicant has not omitted to supply any information which, if disclosed, would make the information referred to in paragraph 6.1 above untrue or misleading in any respect.
- 6.3 As at the first Drawdown Date, nothing has occurred since the date of the information referred to in paragraph 6.1 above which, if disclosed, would make that information untrue or misleading in any material respect.

7 No proceedings

No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, are reasonably likely to have a material adverse effect on the Applicant have (to the best of the Applicant's knowledge and belief (having made due and careful enquiries)) been started or threatened against it.

8 Financial statements

Since the date of its last accounts, there has been no adverse material change in its financial condition.

9 Ranking of security

The Security conferred by each Security Document constitutes a first priority security interest of the type described, over the assets referred to, in that Security Document and those assets are not subject to any prior or *pari passu* Security.

10 Title to Property

10.1 The Applicant will, from the first Drawdown Date:

10.1.1 be the legal and beneficial owner of the Property; and

10.1.2 have good and marketable title to the Property,

in each case free from Security (other than those created by or pursuant to the Security Documents) and restrictions and onerous covenants.



Schedule 4 - Undertakings

1 GENERAL UNDERTAKINGS

1.1 Financial statements

1.1.1 The Applicant shall provide financial statements to the LTA TF as soon as reasonably practicable upon request.

1.1.2 Whilst the Project is ongoing, the Applicant will provide a progress report against the Project Plan upon request by the LTA TF.

1.2 Key Performance Indicators

The Applicant will provide a progress report on the participation metrics against the Key Performance Indicators annually, or otherwise within 28 days of receiving a written request for the same by the LTA TF.

1.3 Notification of default

1.3.1 The Applicant shall notify the LTA TF of any Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

1.3.2 Promptly upon a request by the LTA TF, the Applicant shall supply to the LTA TF a certificate signed by two of the Applicant's directors on the Applicant's behalf certifying that no Event of Default is continuing (or if an Event of Default is continuing, specifying the Event of Default and the steps, if any, being taken to remedy it).

1.4 Authorisations

The Applicant shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect; and supply certified copies to the LTA TF of, any authorisation required under any law or regulation of England and Wales to enable the Applicant to perform its obligations under the Loan Documents and to ensure the legality, validity, enforceability or admissibility in evidence of any Loan Document; or own the Applicant's assets and carry on its business as it is being conducted.

1.5 [Change of control

The Applicant shall not admit further members or take any action where to do so would cause a Change of Control.]

OR

[Change of Key Person



The Applicant shall, in the event of [insert name] [and]/[or] [insert name] ceasing to [be employed by the Applicant]/[hold the position[s] of [insert title or titles of position] at the Applicant [respectively], ensure that a replacement individual for the vacated position is appointed within 6 months. Any such replacement individual[s] must be approved in writing by the LTA TF in advance of their appointment.]

1.6 Compliance

1.6.1 The Applicant shall comply in all respects with all laws to which they may be subject, if failure so to comply has or is reasonably likely to have a material adverse effect on the Applicant.

1.6.2 The Applicant shall not use the Loan otherwise than in accordance with the LTA TF's charitable purposes, unless explicitly permitted in this Loan Agreement.

1.7 Negative pledge

1.7.1 The Applicant shall not incur or allow to subsist any indebtedness other than [that set out in the Cashflow [and/or Application]].

1.7.2 The Applicant shall not create or permit to subsist any Security over the Property.

1.8 Registered Venue

The Property is a Registered Venue.

1.9 Tennis

To the extent reasonably practicable prior to Practical Completion, and from Practical Completion the Applicant must ensure that the Property is maintained and the tennis facility, and any other facilities which formed part of the Project, at the Property are operated in accordance with the ongoing obligations in paragraphs 4.1 to 4.12 (inclusive) of this Schedule 4.

1.10 Reputation

1.10.1 The Applicant must ensure that no member of the governing body, employee or volunteer of the Applicant:

- (a) acts dishonestly or negligently at any time, directly or indirectly to the detriment of the Project; or
- (b) takes any actions which, in the LTA TF's reasonable opinion, bring or are likely to bring the LTA TF's name or reputation into disrepute.

2 PROJECT UNDERTAKINGS



2.1 **Completion**

The Applicant must ensure that Practical Completion occurs by no later than the Longstop Date.

2.2 **Project Progress**

The Applicant must ensure that the Project is commenced within [six] months of [the date of this Loan Agreement].

2.3 **Project Standards**

2.3.1 The Applicant must ensure that the Project is diligently carried out, without negligence and is completed:

- (a) in a good and workmanlike manner, using materials of good quality which are fit for their respective purposes; and
- (b) in accordance with the Development Consents and applicable law (including any relevant statutory and regulatory requirements).

2.4 **Authorisations and Development Documents**

The Applicant must:

- 2.4.1 use all reasonable endeavours to ensure that each Development Consent is maintained and remains effective without amendment for the benefit of the Project;
- 2.4.2 obtain all necessary consents and all necessary grants, releases, waivers, modifications, covenants and other matters desirable to enable the Project to be completed.
- 2.4.3 exercise its rights and comply with its obligations under each Development Document; and
- 2.4.4 ensure (so far as this is within its control) that others exercise their rights and comply with their obligations under each Development Document.

2.5 **Procedure for Completion**

The Applicant must ensure that, upon their receipt of the Practical Completion Certificate, that they promptly supply a copy of it to the LTA TF.

2.6 **Project restrictions**

The Applicant will not undertake any other projects or developments at the Property without the LTA TF's consent.



2.7 VAT

- 2.7.1 If the Applicant is registered with HMRC for VAT, the Applicant must take all reasonable steps to recover VAT from HMRC in respect of any amount which had been funded by the LTA TF pursuant to this Loan Agreement.
- 2.7.2 The Applicant must, on the tenth day of each calendar month after the first Drawdown Date, supply to the LTA TF:
- (a) details of the amount of VAT paid by the Applicant in the previous month which had been funded by the LTA TF pursuant to this Loan Agreement; and
 - (b) details of the amount of VAT reclaimed by the Applicant from HMRC in the previous month, which had been funded by the LTA TF pursuant to this Loan Agreement.
- 2.7.3 The Applicant shall pay to the LTA TF the full amount of any VAT reclaimed from HMRC which had been funded by the LTA TF and detailed to the LTA TF pursuant to paragraph 2.7.2(b) above on the earlier of:
- (a) 10 Business Days after receipt of the reclaimed amount of VAT; or
 - (b) no later than six calendar months following:
 - (i) the date of Practical Completion; or
 - (ii) the Longstop Date.

2.8 **[Insert relevant heading]**

[insert any other transaction specific Project undertakings that may be required]

3 PROPERTY UNDERTAKINGS

3.1 Title

- 3.1.1 The Applicant must exercise their rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Property.
- 3.1.2 The Applicant may not agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Property.
- 3.1.3 [The Applicant must promptly take all such steps as may be necessary or desirable to enable the Security created by the Security Documents to be registered, where appropriate, at the Land Registry.]



3.2 [Notices]

3.2.1 The Applicant must, within fourteen (14) days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to the Property (or any part of it):

- (a) deliver a copy to the LTA TF; and
- (b) inform the LTA TF of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice.

3.3 Investigation of title

3.3.1 The Applicant must grant the LTA TF or the LTA TF's lawyers on request all facilities within the Applicant's power to enable the LTA TF or the LTA TF's lawyers to:

- (a) carry out investigations of title to the Property; and
- (b) make such enquiries in relation to any part of the Property as a prudent mortgagee might carry out.

3.4 Power to remedy

3.4.1 If the Applicant fails to perform any obligations under the Loan Documents affecting the Property, it must allow the LTA TF or the LTA TF's agents and contractors:

- (a) to enter any part of the Property;
- (b) to comply with or object to any notice served on the Applicant in respect of the Property; and
- (c) to take any action that the LTA TF may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.

3.4.2 The Applicant must immediately on request by the LTA TF pay their costs and expenses or the LTA TF's agents and contractors incurred in connection with any action taken by the LTA TF under paragraph 3.4.1.

3.4.3 The LTA TF shall not be obliged to account as mortgagee in possession as a result of any action taken under paragraph 3.4.1.]

3.5 Insurances

The Applicant shall maintain insurances on and in relation to the Property against those risks and to the extent as is usual for entities carrying on the same or substantially similar business.



3.6 **[Sinking Fund]**

The Applicant is responsible for the repair, maintenance and eventual replacement of the Property and will pay the Sinking Fund Contribution into the Sinking Fund Account, to allow for contingencies and other future costs such as general maintenance, renewal and replacement costs and such other matters (if any) as may be specified in the Loan Documents.]

3.7 **[Insert relevant heading]**

[insert any other transaction specific Property undertakings that may be required]

4 FACILITIES

4.1 The Applicant shall ensure that the tennis courts at the Property are used predominantly for the playing of tennis or tennis related activities.

4.2 The tennis facility (and any associated facilities required for the full and proper enjoyment of it) at the Property shall be available to members of the public at large for at least *[insert the minimum opening hours]* following Practical Completion to the date falling *[insert number]* *[years]* *[months]* after the Termination Date, excluding any reasonable period of time for which the Property cannot be open to the public due to maintenance, repairs or emergency.

4.3 Such access shall either be free of charge or any charges for access shall be set at a rate or on such conditions which do not exclude individuals experiencing financial hardship.

4.4 The Applicant shall operate and manage the Property, together with the tennis facility (and associated facilities required for the full and proper enjoyment of it), in accordance with the Application and the Operational Arrangements. The Applicant shall not amend or vary the Operational Arrangements.

4.5 The Applicant shall notify LTA TF promptly of any proposed or expected changes to the identity of the Operator(s) or his/her/their terms of engagement. The Applicant shall not appoint a replacement Operator(s) or vary his/her/their terms of engagement without LTA TF's prior consent in writing (which includes e-mail).

4.6 The Applicant shall, no later than six months after the Practical Completion Date, ensure that it has implemented the use of the membership management and the court booking modules of ClubSpark (or such other or replacement membership and booking platform as may be required by LTA TF in writing (which includes e-mail)), so as to have open, bookable courts and the LTA TF Rally functionality enabled.

4.7 The Applicant shall ensure that all coaches operating at the Property have a valid LTA TF license.

4.8 The Applicant shall comply with LTA TF requirements regarding the number and level of competitions at the Property.



- 4.9 The Applicant is required to operate an equal opportunities policy where no one is denied the right to equal access to the Property on the grounds of age, race, creed, colour, gender, disability, occupation, religion, sexual orientation, political persuasion, marital status or having or not having dependants. This includes equality of opportunity in terms of the playing rights and the rights of members to attend general meetings, vote and hold office.
- 4.10 The Applicant shall comply with all applicable legislation and regulatory requirements relating to Safeguarding including the Safeguarding of Vulnerable Groups Act 2006 and, if applicable to the Applicant, the guidance issued by the Charity Commission on Safeguarding. If the Project includes any Regulated Activity (as defined in the Safeguarding of Vulnerable Groups Act 2006, or other relevant Safeguarding legislation) with children or vulnerable adults, then the Applicant shall ensure that any person engaged in such activity shall have the appropriate level of DBS check and certificate and shall ensure safe recruiting procedures are followed at all times.
- 4.11 The Applicant shall put in place and maintain a “Children and Vulnerable Adults Protection Policy” or such equivalent as LTA TF may specify from time to time, and comply with such other policies or standards issued by LTA TF in relation to Safeguarding.
- 4.12 The Applicant shall put in place appropriate policies and procedures to comply with all applicable legislation and regulatory requirements relating to the running of the tennis facility at the Property (including in relation to health and safety), in accordance with the warranties provided by the Applicant under clause 11.
- 4.13 [*insert any other transaction specific facilities or tennis-related undertakings that may be required*]



Schedule 5 - Events of Default

1 Non-payment

The Applicant does not pay on the due date any amount payable pursuant to this Loan Agreement.

2 Other obligations

The Applicant does not comply with any provision of the Loan Documents (other than those referred to in paragraph 1 above) within five Business Days of being required to comply with any provision of the Loan Documents.

3 Misrepresentation

Any representation or statement made or deemed to be made by the Applicant in the Loan Documents or any other document delivered by or on behalf of the Applicant under or in connection with any Loan Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

4 Change of circumstance

4.1 The Applicant changes its purpose, governing rules or constitutional documents without the prior written consent of the LTA TF.

4.2 The Applicant changes its legal status.

5 Insolvency

5.1 The Applicant:

5.1.1 is unable or admits inability to pay its debts as they fall due;

5.1.2 is deemed to, or is declared to, be unable to pay its debts under applicable law;

5.1.3 suspends or threatens to suspend making payments on any of its debts; or

5.1.4 by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (excluding the LTA TF) with a view to rescheduling or reducing any of its indebtedness.

5.2 The value of the assets of the Applicant is less than its liabilities (taking into account contingent and prospective liabilities).

5.3 A moratorium is declared in respect of any indebtedness of the Applicant. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.



6 Insolvency proceedings

6.1 Any corporate action, legal proceedings or other procedure or step is taken in relation to:

6.1.1 the suspension of payments, a bankruptcy petition, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Applicant;

6.1.2 a composition, compromise, assignment or arrangement with any creditor of the Applicant;

6.1.3 the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, trustee in bankruptcy or other similar officer in respect of the Applicant or any of its assets; or

6.1.4 enforcement of any Security over any assets of the Applicant.

7 Financial Indebtedness

The whole or any part of any financial indebtedness [as set out in the Cashflow] is not obtained, or is otherwise cancelled, reduced or delayed.

8 Cessation of business

The Applicant suspend or cease to carry on (or threaten to suspend or cease to carry on) all or a material part of the Applicant's business.

9 Abandonment

The Applicant abandons all or a significant part of the Project for a continuous period of 28 days or more.

10 Compulsory purchase

10.1 Any part of the Property is compulsorily purchased or the applicable local authority makes an order for the compulsory purchase of all or any part of the Property; and

10.2 in the LTA TF's opinion, taking into account the amount and timing of any compensation payable, the compulsory purchase has or will have a material adverse effect on the Applicant's business or obligations under the Loan Documents.

11 Completion

In the [reasonable] opinion of the LTA TF, Practical Completion will not occur on or before the Longstop Date.



12 Material adverse change

Any event or circumstance occurs which, in the LTA TF's opinion, has or is reasonably likely to have a material adverse effect on the Applicant.

DRAFT



Schedule 6 - Drawdown Notice

From: [Insert name of Applicant]

To: [Insert LTA TF details]

Drawdown Notice number: [Insert number]

Dated:

Dear Sir or Madam

[Name of applicant] – [•] Loan Agreement dated [•]

- 1 We refer to the Loan Agreement. This is a Drawdown Notice. Terms defined in the Loan Agreement have the same meaning in this Drawdown Notice unless given a different meaning in this Drawdown Notice.
- 2 We wish to borrow an instalment of the Loan on the following terms:
 - 2.1 Proposed Drawdown Date: [•] (or, if that is not a Business Day, the next Business Day)
 - 2.2 Amount: [•]
- 3 We confirm that this Drawdown Notice complies with clause 5 of the Loan Agreement and that each of the warranties specified in Schedule 3 of the Loan Agreement are true.
- 4 We attach evidence for the purpose of the instalment of the Loan in accordance with clause 5.3.2.
- 5 The proceeds of this Loan should be credited to:
 - Account Name: [•]
 - Sort Code: [•]
 - Account Number: [•]
- 6 This Drawdown Notice is irrevocable.

Yours faithfully

authorised signatory for and on behalf of
[Applicant]

✉ info@ltaennisfoundation.org.uk ltaennisfoundation.org.uk

LTA Tennis Foundation is a company limited by guarantee, registered in England and Wales, with company number 08087723 and charity number 1148421. The registered office address is The National Tennis Centre, 100 Priory Lane, Roehampton, London, SW15 5JQ.