

**Loan Agreement – to buy Tabernacl Chapel as a Community Hub**  
**Minimum £1,000 with 4% interest paid per annum (from when the chapel is bought)**

**LOAN AGREEMENT - [www.hwb-aberteifi.org](http://www.hwb-aberteifi.org)**

**THIS AGREEMENT** is made the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

**BETWEEN:**

(1) (Name) \_\_\_\_\_ [The "**LENDER**"]

(Account name: \_\_\_\_\_)

Account Number: \_\_\_\_\_ Sort code: \_\_\_\_\_;

(For purpose of interest payments)

**AND**

(2) **4CG Cymru Ltd** [The "**BORROWER**"]

(Account name: **4CG Cymru Ltd**)

Account number: **19418568** Sort code: **30 - 71 - 89**

(For purpose of BACS loan payment)

**IT IS HEREBY AGREED** as follows:

1. **Loan.** Subject to and in accordance with this agreement, its terms, conditions and covenants, the Lender agrees to lend the Borrower on

(date) \_\_\_\_\_ (the "**Loan Date**") the sum of

(amount in words) \_\_\_\_\_ thousand pounds\*

(amount in numbers) £ \_\_\_\_\_ (the "**Loan**").

\* The minimum loan amount is £1,000, increasing in increments of £1000.

2. **Note.** The Loan shall be evidenced by a Note in the form attached as **Exhibit A** of this agreement (the "**Note**") executed by the Borrower and delivered to the Lender on the Loan Date.

3. **Interest.** Once the chapel is purchased the date of interest payment will commence. Both parties have agreed that the Loan shall bear an annual 4% interest rate. Interest will be paid on an annual basis via Standing order on the 13<sup>th</sup> January as Calennig. (part proportion paid for 1<sup>st</sup> year. On a Monday following the 13<sup>th</sup> of January where the 13<sup>th</sup> of January fall on the weekend).

4. **Repayment.** Repayment of capital element of the loan shall be in accordance with the terms of the Note. The Note may, at any time, and from time to time, be paid or prepaid in whole or in part without premium or penalty except that any partial payment shall be a minimum of £500.

5. **Security.** From time to time the Lender may demand, and the Borrower shall execute, additional loan documents which are reasonably necessary to perfect the Lender's security interests.

6. **Representations and Warranties.** The Borrower represents and warrants: (i) that the execution, delivery and performance of this Agreement and the Note have been duly authorised and are proper; (ii) that there will be no material adverse changes in the financial condition of the Borrower at the time of the Loan Date; (iii) there are no material, unrealised or anticipated losses from any present commitment of the Borrower; (iv) that the Borrower will advise the Lender of material adverse changes which may occur at any time prior to the Loan Date and thereafter to the date of final payment. The Borrower represents and warrants that such representations and warranties shall be deemed to be continuing representations and warranties during the entire life of this Agreement.

7. **Default.** The Borrower shall be in default: (i) if any interest payment due hereunder is not made within 15 days of the date due; (ii) in the event of assignment by the Borrower for the benefit of creditors; (iii) upon the filing of any voluntary or involuntary petition of bankruptcy by or against the Borrower; or (iv) if the Borrower has breached any representation or warranty specified in this Agreement.

8. **Governing Law.** This Agreement and the Note shall be governed by, construed and enforced in accordance with the laws of England and Wales and both parties agree to submit to the exclusive jurisdiction of the English and Welsh Courts.

**IN WITNESS OF WHICH** the parties have signed this Agreement, the day and year first written above.

Signed by the **Borrower:** \_\_\_\_\_

in the presence of (witness signature): \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Occupation: \_\_\_\_\_

Signed by the **Lender:** \_\_\_\_\_

in the presence of (witness signature): \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Occupation: \_\_\_\_\_

## EXHIBIT A – LOAN NOTE

**THIS DEED** is made the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

BY 4CG Cymru Ltd of Pwllhai, Cardigan, Ceredigion SA43 1DB [the "Borrower"].

WHEREAS: The Borrower is indebted to [ \_\_\_\_\_ ]

["the Lender"] in the sum of £ \_\_\_\_\_ .

**NOW THIS DEED WITNESSES** as follows:

1. The Borrower promises to pay to the order of the Lender the sum of £ \_\_\_\_\_  
(amount in words).

2. This Note shall be paid as follows:

(i) An annual fixed interest rate of 4%. Once the chapel is purchased the date of interest payment will commence. Interest will be paid on an annual basis via Standing order on the 13th January as Calennig. (part proportion paid for 1st year. On a Monday following the 13th of January where the 13th of January falls on the weekend).

(ii) The Capital Loan will be repaid to the Lender after a scheduled 36 month term at which time it may be renegotiated or extended by mutual consent of both parties. The Lender must give a minimum 6 months' notice of repayment, if the repayment is required before the 36 month agreed terms.

3. This Note may be prepaid without penalty subject to the minimum payment requirement stipulated in Clause 4 of the Agreement.

4. This Note shall be due and payable upon demand by any holder hereof should the

Borrower default in any interest payment beyond 15 days of its due date.

**IN WITNESS OF WHICH** the Borrower has executed this Deed the day and year first written above.

[Signature of Borrower]: \_\_\_\_\_

In the presence of (witness)

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Occupation: \_\_\_\_\_

Signature of Witness: \_\_\_\_\_

**Please return this agreement to:  
Hwb Aberteifi Project, 4CG Cymru Ltd, Pwllhai,  
Cardigan, Ceredigion. SA43 1DB or email to  
hwbaberteifi@gmail.com**