

DATED [●] 2015

BOND INSTRUMENT

constituting

UP TO £2,000,000 5.5% FIXED RATE UNSECURED BONDS 2020

in

THERA TRUST

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THIS DEED POLL is dated

2015

THERA TRUST a private company limited by guarantee incorporated and registered in England with company number 03593418 whose registered office is at 134 Edmund Street, Birmingham, B3 2ES and a charity registered by the Charities Commission with charity number 1090163 (**Charity**).

BACKGROUND

The Charity has, by resolution of its board of directors passed on _____ 2015, resolved to create up to a maximum nominal amount of £2,000,000 5.5% Fixed Rate Unsecured Bonds 2020 of £1 each, to be constituted in the manner set out below.

AGREED TERMS

1 DEFINITIONS AND INTERPRETATION

1.1 The definitions and rules of interpretation in this clause apply in this instrument.

Bank: Triodos Bank NV or any other bank to whom there is an obligation on any member of the Group to pay or repay money, present or future, in respect of any money borrowed or raised.

Bondholder: each person for the time being entered in the Register as a holder of any Bonds.

Bonds: up to £2,000,000 5.5% Fixed Rate Unsecured Bonds 2020 of £1 each constituted by this instrument or, as the case may be, the amount of such bonds for the time being issued and outstanding.

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Conditions: the conditions set out in Schedule 2 as from time to time amended and **Condition** shall be construed accordingly.

Current Liabilities: means the amount of creditors falling due within one year less any amounts which represent the current proportion of borrowings maturing after more than one year, in each case, as determined by reference to the relevant Financial Statements.

Default Interest Rate: 8.5% per annum.

Directors: the board of directors of the Charity for the time being.

EBIT: means in respect of each Relevant Period, the consolidated operating profit before deducting any Total ~~Interests-Interest~~ Costs and before taxation for continuing operations, acquisitions (as a component of continuing operations) and discontinued operations of the Group but ignoring any exceptional items.

Event of Default: any of those events specified in clause 10.

Financial Covenants: the covenants set out in Condition 5.

Financial Statements: means the audited consolidated financial statements of the Charity and each member of its Group.

Group: means Thera Trust and each of its subsidiaries.

Interest Rate: 5.5% per annum.

Register: the register of Bondholders kept and maintained by the Charity in accordance with clause 9.

Relevant Date: means, in relation to each year, the financial year end date in respect of the relevant Financial Statements.

Relevant Period: means each period of twelve months ending on each Relevant Date.

Repayment Date: 31 December 2020.

Special Resolution: a resolution passed at a meeting of the Bondholders duly convened and held in accordance with the provisions of this instrument and carried by a majority consisting of not less than 75% of the persons voting at such meeting on a show of hands or, if a poll is demanded, by a majority consisting of not less than 75% of the votes given on such poll.

Total Assets: means the aggregate of tangible fixed assets, investment properties and current assets as shown in the Financial Statements (or, in each case, any future concepts used in the Financial Statements covering the same assets).

Total ~~Interests~~ Interest Costs: means in respect of each Relevant Period, all interest, acceptance and commission payments under interest rate management arrangements (whether by way of swap, cap, collar, floor, option, forward rate agreement or otherwise) and other continuing regular or periodic costs, charges and expenses in the nature of interest (whether paid, payable or capitalised and including the interest element of hire purchase and finance leasing charges) incurred by the Group during such Relevant Period in effecting, servicing or maintaining borrowings.

Total Net Assets: means the Total Assets less the Current Liabilities.

Total Net Debt: means, at any time, the aggregate amount of all obligations of members of the Group for or in respect of borrowings at that time but excluding any such obligations to any other member of the Group and net of any cash at the bank and in hand, as shown in the Financial Statements (or, in each case, any future concepts used in the Financial Statements covering the same assets).

1.2 Any reference in this instrument to:

1.2.1 the **assets** of any person shall be construed as a reference to all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;

1.2.2 an **encumbrance** shall be construed as a reference to a mortgage, charge, assignment, pledge, lien (save as arising in the ordinary course of business), hypothecation, right of set-off (save as arising under the general law for the protection of certain classes of creditors) or trust arrangement for the purpose of and having a similar effect to the granting of security, or other security interest of any kind;

1.2.3 **indebtedness** shall be construed as a reference to any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;

1.2.4 this **instrument** or to any other instrument, agreement or document shall, unless the context otherwise requires, be construed as reference to this instrument or such other instrument, agreement or document as the same may from time to time be amended, varied, supplemented or novated, in

each case, in accordance with its terms;

- 1.2.5 a **month** shall be construed as a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month save that, where any such period would otherwise end on a day that is not a Business Day, it shall end on the next Business Day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding Business Day provided that, if a period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that later month;
- 1.2.6 a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's personal representatives, successors and permitted assigns;
- 1.2.7 **repayment** includes redemption and vice versa and the words **repay, redeem, repayable, redeemed** and **repaid** shall be construed accordingly;
- 1.2.8 a reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in the Companies Act 2006;
- 1.2.9 **tax** shall be construed so as to include any present and future tax, levy, impost, deduction, withholding, duty or other charge of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
- 1.2.10 the **winding-up, dissolution** or **administration** of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or of any jurisdiction in which such person carries on business; and
- 1.2.11 **£** denotes the lawful currency of the United Kingdom.
- 1.3 References to any statute or statutory provision:
- 1.3.1 shall be construed as a reference to it as it is in force as at the date of this instrument.
- 1.3.2 shall include all subordinate legislation made as at the date of this instrument under that statute or statutory provision.
- 1.4 In construing this instrument general words introduced by the word **other** shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words followed by the word **including** shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.
- 1.5 All the provisions of this instrument are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

- 1.6 References to the **Bonds** include references to all and/or any of the Bonds.
- 1.7 Clause, Schedule and paragraph headings shall not affect the interpretation of this instrument.
- 1.8 References to clauses and Schedules are to the clauses of and Schedules to this instrument and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.9 The Schedules (including, for avoidance of doubt, the Conditions) form part of this instrument and shall have effect as if set out in full in the body of this instrument. Any reference to this instrument includes the Schedules.

2 AMOUNT OF BONDS

The principal amount of the Bonds is limited to £2,000,000.

3 DESCRIPTION OF BONDS

The Bonds shall be known as 5.5% Fixed Rate Unsecured Bonds 2020 of £1 each and shall be issued in integral multiples of £100 by the Charity.

4 STATUS OF BONDS

The Bonds when issued shall rank *pari passu* equally and rateably without discrimination or preference among themselves and as an unsecured obligation of the Charity.

5 REPAYMENT OF BONDS

- 5.1 When the Bonds become payable in accordance with the provisions of this instrument, the Charity shall pay to the Bondholders the full principal amount of the Bonds to be repaid together with any accrued interest on such Bonds (less any tax which the Charity is required by law to deduct or withhold from such payment) up to and including the date of payment.
- 5.2 All payments under this instrument, whether of principal, interest or otherwise, shall be made by the Charity to the Bondholders entitled to such payments as provided in paragraph 8 of Schedule 3.
- 5.3 Where any payment to a Bondholder, whether of principal, interest or otherwise, is due in accordance with the terms of this instrument on a day that is not a Business Day, payment shall take place on the next succeeding Business Day. If that next succeeding Business Day is in the month following the month in which payment would otherwise be made, payment shall take place on the immediately preceding Business Day.

6 INTEREST ON BONDS

Until the Bonds are repaid in accordance with the provisions of this instrument, interest shall accrue and be paid on the principal amount of the Bonds which are outstanding at the rate and in the manner set out in the Conditions.

7 FINANCIAL COVENANTS

- 7.1 The Charity undertakes that, until the Repayment Date, it shall comply with the Financial Covenants set out in Condition 5.

7.2 The Financial Covenants referred to in Condition 5 shall be tested by 31 December in each year for the position as at the immediately preceeding 31 March in each calendar year by reference to the latest consolidated audited financial statements of Thera Trust.

7.3 The calculation of the Financial Covenants referred to in Condition 5 shall be carried out in accordance with the accounting principles and policies applied in the most recent consolidated audited financial statements of Thera Trust to which they refer.

8 **CERTIFICATES**

8.1 Each certificate for Bonds shall:

8.1.1 bear a denoting number;

8.1.2 be issued to a Bondholder in the form (or substantially in the form) set out in Schedule 1 and shall be executed by the Charity in accordance with the Companies Act 2006; and

8.1.3 have the Conditions endorsed on or attached to it.

8.2 Each Bondholder shall be entitled to receive without charge one certificate for the Bonds registered in his name.

8.3 When a Bondholder transfers or redeems part only of his Bonds, the old certificate shall be cancelled and a new certificate for the balance of such Bonds shall be issued without charge.

9 **REGISTER**

9.1 The Charity shall, at all times, keep a Register at its registered office (or at such other place as the Charity may from time to time have appointed for the purpose and have notified to the Bondholders).

9.2 The Register shall contain the following details:

9.2.1 the names and addresses of the Bondholders for the time being;

9.2.2 the principal amount of the Bonds held by each Bondholder;

9.2.3 the date at which the name of each Bondholder is entered in respect of the Bonds registered in his name;

9.2.4 the date of issue of each Bond; and

9.2.5 all transfers and changes of ownership of the Bonds.

9.3 Any change of name or address by any Bondholder that is notified to the Charity at 134 Edmund Street, Birmingham, B3 2ES (or such other address that the Charity shall notify to the Bondholder) above shall be entered in the Register.

9.4 Any Bondholder may make a request in writing to the Charity to inspect, and take copies of, the Register. The request shall include:

9.4.1 In the case of an individual, their name and address.

- 9.4.2 In the case of an organisation, the name and address of an individual responsible for making the request on its behalf.
- 9.4.3 The purpose for which the information is to be used.
- 9.4.4 Whether the information will be disclosed to any other person, and, if so:
 - 9.4.4.1 where that person is an individual, their name and address;
 - 9.4.4.2 where that person is an organisation, the name and address of an individual responsible for receiving the information on its behalf; and
 - 9.4.4.3 the purpose for which that information is to be used by that person.
- 9.5 The Charity may, at its absolute discretion, reject any request by a Bondholder under paragraph 9.4 above. If the Charity, at its absolute discretion, grants the Bondholder the opportunity to inspect and take copies of the Register, it shall be at reasonable times during office hours and on reasonable notice.

10 **DEFAULT**

10.1 The following are Events of Default:

- 10.1.1 **Non-payment:** The Charity fails to pay any principal or interest on any of the Bonds within 10 Business Days after the due date for payment thereof;
- 10.1.2 **Insolvency:** The Charity is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts (as defined in section 123 of the Insolvency Act 1986);
- 10.1.3 **Winding-up:** The Charity takes any corporate action or other steps are taken or legal or other proceedings are started for its winding-up, dissolution or re-organisation (other than for the purposes of a bona fide, solvent scheme of reconstruction or amalgamation) or for the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or of any or all of its assets;
- 10.1.4 **Analogous proceedings:** Anything analogous to or having a substantially similar effect to any of the events specified in clause 10.1.2 to clause 10.1.3 inclusive shall occur under the laws of any applicable jurisdiction;
- 10.1.5 **Encumbrance enforceable:** Any encumbrance on or over the assets of the Charity is enforced;
- 10.1.6 **Cessation of business:** The Charity ceases to trade; and
- 10.1.7 **Illegality:** It is or becomes or will become unlawful for the Charity to perform or comply with any of its obligations under this instrument, or any such obligation is not or ceases to be legal, valid and binding.

11 **ACCELERATION**

If, at any time and for any reason, any Event of Default has occurred, the Bondholders may by Special Resolution or by written notice to the Charity from

Bondholders holding equal to or more than 75% in nominal value of the Bonds then issued and outstanding, at any time while such Event of Default remains unremedied and has not been waived by a Special Resolution, direct that the principal amount of all Bonds, all unpaid accrued interest and any other sum then payable on such Bonds shall become due and payable immediately. If the Bondholders give such a direction under this clause, then the principal amount of all Bonds, all unpaid accrued interest and any other sum then payable on such Bonds (in each case less any applicable taxes) shall be immediately due and payable by the Charity and the Charity shall immediately pay or repay such amounts to the Bondholders.

12 NO SET-OFF

Payments of principal and interest under this instrument shall be paid by the Charity to the Bondholders, and the Bonds shall be transferable in accordance with the provisions of Schedule 3, without any deduction or withholding (whether in respect of any set-off, counterclaim or otherwise whatsoever) unless the deduction or withholding is required by law.

13 MEETINGS OF BONDHOLDERS

The provisions for meetings of the Bondholders set out in Schedule 4 shall be deemed to be incorporated in this instrument and shall be binding on the Charity and the Bondholders and on all persons claiming through or under them respectively.

14 ENFORCEMENT

14.1 From and after the date of this instrument and so long as any amount is payable by the Charity in respect of the Bonds, the Charity undertakes that it shall duly perform and observe the obligations on its part contained in this instrument.

14.2 The Bonds shall be held subject to and with the benefit of the provisions of this instrument, the Conditions and the schedules (all of which shall be deemed to be incorporated in this instrument). All such provisions shall be binding on the Charity and the Bondholders and all persons claiming through or under them respectively, and shall endure for the benefit of all Bondholders.

14.3 Except as expressly provided in clause 14.4, a person who is not a party to this instrument shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this instrument.

14.4 This instrument and the Bonds are enforceable under the Contracts (Rights of Third Parties) Act 1999 by each Bondholder.

15 MODIFICATION

The provisions of this instrument and the Conditions and the rights of the Bondholders may from time to time be modified, abrogated or compromised in any respect (including in any manner set out in paragraph 16.1 of Schedule 4) with the sanction of a Special Resolution and not without the consent of the Charity.

16 GOVERNING LAW AND JURISDICTION

16.1 This instrument and the Bonds and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance

with, the law of England and Wales.

- 16.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this instrument or any Bond or their subject matter or formation (including non-contractual disputes or claims).

This instrument has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

SCHEDULE 1 FORM OF BOND

Certificate No. [NUMBER]

Date of Issue [DATE]

Amount £[AMOUNT]

THERA TRUST

£2,000,000 5.5% FIXED RATE UNSECURED BONDS 2020

Created and issued pursuant to a resolution of the board of directors of the Charity passed on [DATE].

THIS IS TO CERTIFY THAT [NAME OF BONDHOLDER] is the registered holder of £[AMOUNT] of the £2,000,000 5.5% fixed rate unsecured bonds 2020 constituted by an instrument entered into by the Charity on [DATE] (**Instrument**). Such Bonds are issued with the benefit of and subject to the provisions contained in the Instrument and the Conditions endorsed hereon.

1. The Bonds are repayable in accordance with Condition 1.
2. This Certificate must be surrendered before any transfer, whether of the whole or any part of the Bonds comprised in it, can be registered or any new certificate issued in exchange.
3. Any change of address of the Bondholder must be notified in writing signed by the Bondholder to the Charity at 134 Edmund Street, Birmingham, B3 2ES (or such other address notified by the Charity to the Bondholder from time to time).
4. The Bonds are transferable in amounts and in integral multiples of £100 in accordance with the terms of the Conditions and the Instrument.
5. Words and expressions defined in the Instrument shall bear the same meaning in this Certificate and in the Conditions endorsed hereon.
6. The Bonds and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.
7. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Bonds or their subject matter or formation (including non-contractual disputes or claims).
8. A copy of the Instrument is available for inspection at the registered office of the Charity.

Executed by **THERA TRUST** acting by a
director in the presence of:

Director

Signature of witness

Name of witness

Address of witness

Occupation of witness

Dated: [•] 2015

SCHEDULE 2 THE CONDITIONS

1 REPAYMENT

- 1.1 On the Repayment Date, the Charity shall redeem the principal amount of Bonds in issue. Any redemption of the Bonds under this Condition 1 shall be made pro rata to the holdings of all Bondholders, together with accrued and unpaid interest (less any tax required by law to be deducted or withheld from such payment) accrued on the relevant Bonds up to (and including) the date of such repayment by the Charity.

2 CANCELLATION

- 2.1 All Bonds repaid, prepaid or purchased by the Charity shall be cancelled and the Charity shall not reissue the same.

3 PAYMENT OF INTEREST

- 3.1 Subject to Condition 2, until the Bonds are repaid in accordance with these Conditions, interest on the principal amount of the Bonds outstanding from time to time shall accrue at the Interest Rate payable annually on 31 December in each calendar year, with the first payment of interest on the Bonds from the date of issue to 31 December 2016 and on each 31 December thereafter.

- 3.2 The Charity shall pay accrued interest in cash, in ~~arrear~~ arrears to the persons who were registered as Bondholders at the close of business on the relevant interest payment date referred to in these Conditions.

- 3.3 Interest shall be calculated on the basis of the actual number of days elapsed in the relevant period and a 365 day year.

- 3.4 If the Charity fails to pay any amount of interest or principal on any Bond when such amount is due, interest shall accrue at the Default Interest Rate on the unpaid amount from the due date until the date of payment.

- 3.5 Interest on any Bonds repaid by the Charity in accordance with these Conditions shall cease to accrue as from the date of such repayment.

4 NOTICES

- 4.1 Any Bondholder described in the Register as being at an address outside the United Kingdom but who shall from time to time give to the Charity an address within the United Kingdom at which any notice may be served upon him shall be entitled to have notice served on him at such address. Save as otherwise provided in this Condition 6, no Bondholder other than a Bondholder described in the Register as being at an address within the United Kingdom shall be entitled to receive any notice.

5 FINANCIAL COVENANTS

- 5.1 The Charity shall ensure that, as at each Relevant Date, Total Net Assets are at least 130 per cent of Total Net Debt.

- 5.2 The Charity shall ensure that for each Relevant Period EBIT shall exceed Total ~~Interests-Interest~~ Costs for such Relevant Period by at least 250 per cent.

- 5.3 If the Charity fails as at any Relevant Date to comply with either of Financial Covenants in Condition 5.1 and 5.2, then references in Condition 3.1 to the Interest

Rate shall be deemed to be references to the Default Interest Rate, which shall apply from the relevant 31 March (at which the covenant in Condition 5.1 and 5.2 was tested) to the immediately following 31 March (when the Financial Covenants shall be tested again).

6 INFORMATION

- 6.1 The Charity shall send to Bondholders in each year until the Repayment Date a copy of the Charity's annual report and consolidated audited accounts for the Charity, within 9 months after the end of the Charity's financial year.

SCHEDULE 3 PROVISIONS AS TO REGISTRATION, TRANSFER AND OTHER MATTERS

1 RECOGNITION OF BONDHOLDER AS ABSOLUTE OWNER

- 1.1 The Charity shall recognise as absolute owner the registered holder of any Bonds. The Charity shall not (except as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust (whether express, implied or constructive) to which any Bonds may be subject. The receipt of the registered holder for the time being of any Bonds for the principal payable in respect of such Bonds and for the interest from time to time accruing due in respect of such Bonds or for any other moneys payable in respect of such Bonds shall be a good discharge to the Charity notwithstanding any notice it may have (whether express or otherwise) of the right, title, interest or claim of any other person to or in such Bonds, interest or moneys. The Charity shall not be bound to enter any notice of any express, implied or constructive trust on the Register in respect of any Bonds.

2 TRANSFERABILITY OF BONDS

- 2.1 The Bonds are transferable by instrument in writing in the usual common form (or in such other form as the Directors of the Charity may approve) in amounts and multiples of £100. There shall not be included in any instrument of transfer any Bonds other than the Bonds constituted by this instrument.

3 EXECUTION OF TRANSFERS

- 3.1 Every instrument of transfer shall be duly signed by or on behalf of the transferor and the transferor shall be deemed to remain the owner of the Bonds to be transferred until the transferee's name is entered in the Register in respect of such Bonds.

4 REGISTRATION OF TRANSFERS

- 4.1 Every instrument of transfer shall be left for registration at the address where the Register is maintained for the time being (as referred to in clause 9.1 of this instrument) accompanied by the Certificate(s) for the Bonds to be transferred, together with such other evidence as the Directors or other officers of the Charity authorised to deal with the transfers may require to prove the title of the transferor or his right to transfer the Bonds and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so. All instruments of transfer which are registered shall be retained by the Charity.

5 NO FEES FOR REGISTRATION OF TRANSFERS

- 5.1 No fee shall be charged for the registration of any transfer or for the registration of any confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any Bonds or for making any entry in the Register relating to or affecting the title to any Bonds.

6 RECOGNITION OF PERSONAL REPRESENTATIVES

- 6.1 The executors or administrators of a deceased Bondholder shall be the only person(s) recognised by the Charity as having any title to such Bonds.

7 TRANSMISSION OF BONDS

- 7.1 Any person who becomes entitled to any of the Bonds as a result of the death or bankruptcy of any Bondholder, or of any other event giving rise to the transmission of such Bonds by operation of law may, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Condition or of his title as the Directors shall think sufficient, be registered himself as the holder of such Bonds or, subject to the preceding Conditions as to transfer, may transfer such Bonds. The Charity may retain any payments paid upon any such Bonds which any person under this provision is entitled to, until such person is registered as the holder of such Bonds or has duly transferred the Bonds.

8 PAYMENT OF INTEREST AND PRINCIPAL

- 8.1 The payments of principal, interest or other sums payable in respect of the Bonds may be paid by:
- 8.1.1 electronic transfer in immediately available cleared funds on the due date for payment, to the account specified for the purpose by the Bondholder in writing to the Charity; or
 - 8.1.2 in the absence of such notification, by cheque, warrant or bankers' draft made payable to and sent to the registered address of the Bondholder or made payable to such person and sent to such address as the registered holder may in writing direct.
- 8.2 Every such cheque, warrant or bankers' draft shall be sent on the due date for payment and may be sent through the post at the risk of the registered Bondholder. Payment of the cheque, warrant or bankers' draft shall be a good discharge to the Charity.
- 8.3 All payments of principal, interest or other moneys to be made by the Charity shall be made after any deductions or withholdings for or on account of any present or future taxes required to be deducted or withheld from such payments.

9 REPLACEMENT OF CERTIFICATES

- 9.1 If the Certificate for any Bonds is lost, defaced or destroyed it may be renewed on such terms (if any) as to evidence and indemnity as the Directors may require. In the case of defacement the defaced Certificate shall be surrendered before the new Certificate is issued.
- 9.2 The Charity may, at its discretion, charge an administration fee in respect of any replacement Certificate issued.

10 NOTICE OF BONDHOLDERS

- 10.1 Any notice or other document (including Certificates for Bonds) may be given or sent to any Bondholder by sending the same by post in a prepaid, first-class letter addressed to such Bondholder at his registered address in the United Kingdom or (if he has no registered address within the United Kingdom) to the address (if any) within the United Kingdom supplied by him to the Charity for the giving of notice to him. Notice may be given to the persons entitled to any Bonds as a result of the death or bankruptcy of any Bondholder by sending the same by post in a prepaid, first-class envelope addressed to them by name or by the title of the representative

or trustees of such Bondholder at the address (if any) in the United Kingdom supplied for the purpose by such persons or (until such address is supplied) by giving notice in the manner in which it would have been given if the death or bankruptcy had not occurred.

11 NOTICE TO THE CHARITY

- 11.1 Any notice or other document (including Certificates for Bonds and transfers of Bonds) may be given or sent to the Charity by sending the same by post in a prepaid, first-class letter addressed to the Charity at 134 Edmund Street, Birmingham, B3 2ES (or such other address that the Charity notifies to the Bondholders in writing).

12 SERVICE OF NOTICES

- 12.1 Any notice, communication or document sent by post shall be deemed to have been delivered or received on the second Business Day following the day on which it was posted. In proving such delivery or receipt it shall be sufficient to prove that the relevant notice, communication or document was properly addressed, stamped and posted (by airmail, if to another country) in the United Kingdom.

SCHEDULE 4 PROVISIONS FOR MEETINGS OF BONDHOLDERS

1 CALLING OF MEETINGS

- 1.1 The Charity may at any time, and shall on the request in writing signed by either (a) any registered holder of not less than 20% of the Bonds for the time being outstanding or (b) any 50 registered holders of the Bonds for the time being outstanding, convene a meeting of the Bondholders to be held at such place as the Charity shall determine.
- 1.2 Any meeting of the Bondholders requested by a Bondholder or Bondholders together under paragraph 1.1 above, shall only be convened by the Charity if and to the extent such meeting is specially provided for under this instrument.

2 NOTICE OF MEETINGS

- 2.1 At least 14 clear days' notice specifying the place, day and hour of the meeting shall be given to the Bondholders of any meeting of Bondholders in the manner provided in Schedule 3. Any such notice shall specify the general nature of the business to be transacted at the meeting thereby convened but, except in the case of a resolution to be proposed as a Special Resolution, it shall not be necessary to specify the terms of any resolutions to be proposed. The omission to give notice to any Bondholder shall not invalidate any resolution passed at any such meeting.

3 CHAIRMAN OF MEETINGS

- 3.1 A person nominated by the Charity shall be entitled to take the chair at any such meeting and if no such nomination is made, or if at any meeting the person nominated shall not be present within 30 minutes after the time appointed for holding the meeting, the Bondholders present shall choose one of their number to be Chairman. The Directors and the Secretary and legal advisers of the Charity and any other person authorised in that behalf by the Directors may attend at any such meeting.

4 QUORUM AT MEETINGS

- 4.1 At any such meeting convened for any purpose, other than the passing of a Special Resolution, a person or persons holding or representing by proxy one-tenth in nominal value of the Bonds for the time being outstanding shall form a quorum for the transaction of business. At any meeting convened for the purpose of passing a Special Resolution persons (at least two in number) holding or representing by proxy a clear majority in nominal value of the Bonds for the time being outstanding shall form a quorum. No business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum is present at the commencement of the meeting.

5 ABSENCE OF QUORUM

- 5.1 If within 60 minutes from the time appointed for any meeting of the Bondholders a quorum is not present the meeting shall, if convened upon the requisition of the Bondholders, be dissolved. In any other case it shall stand adjourned to such day and time (being not less than 14 days and not more than 42 days thereafter) and to such place as may be appointed by the Chairman and at such adjourned meeting three Bondholders or 5% of the total number of Bondholders (whichever is greater)

present in person or by proxy and entitled to vote, whatever the principal amount of the Bonds held by them, shall form a quorum.

6 ADJOURNMENT OF MEETINGS

- 6.1 The Chairman may with the consent of (and shall if directed by) any such meeting adjourn the same from time to time and from place to place. No business shall be transacted at any adjourned meeting other than business that might lawfully have been transacted at the meeting from which the adjournment took place.

7 NOTICE OF ADJOURNED MEETINGS

- 7.1 Notice of any adjourned meeting at which a Special Resolution is to be submitted shall be given in the manner provided for in this instrument. Such notice shall state that ~~two-three~~ Bondholders or 5% of the total number of Bondholders (whichever is greater) present in person or by proxy and entitled to vote at the adjourned meeting whatever the principal amount of the Bonds held by them shall form a quorum.

8 RESOLUTION ON SHOW OF HANDS

- 8.1 Every question submitted to a meeting of Bondholders shall be decided in the first instance by a show of hands. In case of an equality of votes the Chairman shall not have a casting vote.

9 DEMAND FOR POLL

- 9.1 At any meeting of Bondholders, unless (before or on the declaration of the result of the show of hands) a poll is demanded by the Chairman or by one or more Bondholders present in person or by proxy, a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority shall be conclusive evidence of the fact.

10 MANNER OF TAKING POLL

- 10.1 If at any such meeting a poll is so demanded it shall be taken in such manner as the Chairman may direct. The result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

11 TIME FOR TAKING POLL

- 11.1 Any poll demanded at any such meeting shall be taken at the meeting without adjournment. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

12 PERSONS ENTITLED TO VOTE

- 12.1 The registered holders of any of the Bonds shall be entitled to vote in respect thereof either in person or by proxy.

13 INSTRUMENT APPOINTING PROXY

- 13.1 Every instrument appointing a proxy shall be in writing, signed by the appointor or his attorney or, in the case of a corporation, under its common seal, or signed by its attorney or a duly authorised officer and shall be in such form as the Directors may

approve. Such instrument of proxy shall, unless the contrary is stated thereon, be valid both for an adjournment of the meeting and for the meeting to which it relates and need not be witnessed. A person appointed to act as a proxy need not be a Bondholder.

14 DEPOSIT OF INSTRUMENT APPOINTING PROXY

- 14.1 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority shall be deposited with the Charity at the address where the Register is maintained for the time being (as referred to in clause 9.1 of this instrument) or at such other place as may be specified in the notice convening the meeting before the time appointed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in such instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy or of the authority under which the instrument of proxy is given or transfer of the Bonds in respect of which it is given unless previous intimation in writing of such death, insanity, revocation or transfer shall have been received by the Charity at the address where the Register is maintained for the time being (as referred to in clause 9.1 of this instrument). No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution.

15 VOTES

- 15.1 On a show of hands every Bondholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative (not being himself a Bondholder) or by proxy shall have one vote (provided that a proxy appointed by more than one member should only have one vote or, where the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it, such proxy shall have one vote for and one vote against the resolution). On a poll every Bondholder shall have one vote for every £1 in nominal amount of the Bonds of which he is the holder. A Bondholder (or a proxy or representative of a Bondholder) entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

16 POWER OF MEETINGS OF BONDHOLDERS

- 16.1 In addition to any other powers it may have, following an Event of Default a meeting of the Bondholders may, by Special Resolution:
- 16.1.1 sanction any compromise or arrangement proposed to be made between the Charity and the Bondholders;
 - 16.1.2 sanction any abrogation, modification or compromise or any arrangement in respect of the rights of the Bondholders against the Charity or its property whether such rights shall arise under this instrument or otherwise;
 - 16.1.3 sanction any scheme for the reconstruction of the Charity or for the amalgamation of the Charity with any other company;
 - 16.1.4 sanction any scheme or proposal for the sale or exchange of the Bonds for, or the conversion of the Bonds into, cash or shares, stock, debentures, debenture stock or other obligations or securities of the Charity or any

other company formed or to be formed, and for the appointment of a person with power on behalf of the Bondholders to execute an instrument of transfer of the Bonds held by them in favour of the person to or with whom the Bonds are to be sold or exchanged (as the case may be);

- 16.1.5 assent to any modification or abrogation of the provisions contained in this instrument that shall be proposed by the Charity and authorise the Charity to execute an instrument supplemental to this instrument embodying any such modification or abrogation; and
 - 16.1.6 give any authority or sanction which under the provisions of this instrument is required to be given by Special Resolution.
- 16.2 No resolution that would increase any obligation of the Charity under this instrument or postpone the due date for payment of any principal or interest in respect of any Bond without the consent of the Charity shall be effective.

17 SPECIAL RESOLUTION BINDING ON ALL BONDHOLDERS

- 17.1 A Special Resolution, passed at a meeting of Bondholders duly convened and held in accordance with the provisions of this schedule, shall be binding on all the Bondholders whether or not present at such meeting and each of the Bondholders shall be bound to give effect to such Special Resolution accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances justify the passing of such Special Resolution.

18 RESOLUTIONS IN WRITING

- 18.1 A resolution in writing signed by the holders of at least 75% in nominal value of the Bonds for the time being outstanding who are for the time being entitled to receive notice of meetings in accordance with the provisions contained in this instrument shall for all purposes be as valid and effectual as a Special Resolution. Such resolution in writing may be contained in one document or in several documents in like form each signed by one or more of the Bondholders.

19 MINUTES OF MEETINGS

- 19.1 Minutes of all resolutions and proceedings at every such meeting of the Bondholders shall be made and duly entered in books to be from time to time provided for that purpose by the Charity. Any minutes which purport to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings held or by the Chairman of the next succeeding meeting of the Bondholders shall be conclusive evidence of the matters contained in such minutes. Unless the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly convened and held and all resolutions passed at such meetings to have been duly passed.

Executed by **THERA TRUST** acting by a
director in the presence of:

Director

Signature of witness

Name of witness

Address of witness

Occupation of witness

Comparison Details	
Title	pdfDocs compareDocs Comparison Results
Date & Time	16/10/2015 10:47:52
Comparison Time	3.90 seconds
compareDocs version	v4.1.300.9

Sources	
Original Document	[#13585862] [v8] DOC: DRAFT Thera Trust Bond Instrument.doc
Modified Document	[#13585862] [v9] DOC: DRAFT Thera Trust Bond Instrument.doc

Comparison Statistics	
Insertions	14
Deletions	13
Changes	5
Moves	0
TOTAL CHANGES	32

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Deletions	
<u>Moves / Moves</u>	
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Deleted cells	
Merged cells	
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