

**CONFORMED COPY**

# **LOAN TRANSACTION TERMS**

**19th April, 2018**

**Between**

**CLARION TREASURY LIMITED  
as Group Borrower**

**CLARION FUNDING PLC  
as Loan Facility Provider**

**and**

**PRUDENTIAL TRUSTEE COMPANY LIMITED  
as Security Trustee**

**in respect of  
£250,000,000 3.125 per cent. Secured Loan Facility**

**ALLEN & OVERY**

**Allen & Overy LLP**

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## CONTENTS

<b>Clause</b>	<b>Page</b>
1. Transaction Terms .....	1
2. Interpretation .....	1
3. Grant of Loan Facilities .....	2
4. Disclosure of Information .....	2
5. Role of the Security Trustee .....	2
6. Notice Details .....	2
 <b>Schedule</b>	
1. The Original Parties .....	3
Part 1 The Obligors .....	3
Part 2 The Loan Facility Provider .....	4
2. Transaction Terms .....	5
 Signatories .....	 8

**THE LOAN FACILITY AGREEMENT** being comprised of these Loan Transaction Terms and the Loan Facility Agreement Standard Terms is made on 19th April, 2018.

**BETWEEN:**

- (1) **CLARION TREASURY LIMITED** as the Group Borrower;
- (2) **CLARION FUNDING PLC** as the Loan Facility Provider; and
- (3) **PRUDENTIAL TRUSTEE COMPANY LIMITED** as the Security Trustee.

**INTRODUCTION:**

- (A) The Group Borrower has requested that the Loan Facility Provider advances and the Loan Facility Provider has agreed to make available to the Group Borrower a term loan facility in accordance with the Loan Facility Agreement to be on-lent by the Group Borrower to Clarion Housing Association Limited to be applied in the achievement of its charitable objects, as permitted by its constitutional documents.
- (B) The Loan Facility Agreement shall be constituted by the Loan Facility Agreement Standard Terms (the **Loan Facility Agreement Standard Terms**) signed for identification purposes by the parties hereto on 29th September, 2017 as supplemented by these Loan Transaction Terms.

**IT IS AGREED AS FOLLOWS:**

**1. TRANSACTION TERMS**

The terms and definitions set out in Schedule 2 (*Transaction Terms*) hereto form part of these Loan Transaction Terms and are supplemental to the Loan Facility Agreement Standard Terms.

**2. INTERPRETATION**

**2.1 Incorporation of the Loan Facility Agreement Standard Terms**

**(a) Totality of the Loan Facility Agreement**

These Loan Transaction Terms (as amended, supplemented or restated from time to time) and the Loan Facility Agreement Standard Terms shall together constitute the **Loan Facility Agreement** for all purposes referred to in both these Loan Transaction Terms and the Loan Facility Agreement Standard Terms.

**(b) Definitions**

Unless defined in these Loan Transaction Terms (including, for the avoidance of doubt, the additional definitions set out in Schedule 2 (*Transaction Terms*)), or the context otherwise requires, a term defined in the Loan Facility Agreement Standard Terms has the same meaning in these Loan Transaction Terms as if all references in the Loan Facility Agreement Standard Terms used in these Loan Transaction Terms were incorporated in these Loan Transaction Terms.

**(c) Conflict**

It is acknowledged and agreed that, to the extent that the provisions of these Loan Transaction Terms duplicate or conflict with those of the Loan Facility Agreement Standard Terms, the provisions of these Loan Transaction Terms shall prevail.

**3. GRANT OF LOAN FACILITIES**

Subject to the terms of the Loan Facility Agreement, the Loan Facility Provider has agreed to make available to the Group Borrower a Sterling fixed rate loan facility in an aggregate amount equal to the Total Advance Amount.

**4. DISCLOSURE OF INFORMATION**

The Group Borrower shall procure that Clarion Housing Association Limited accepts, responsibility for, and consents to the publication of the information contained in in the Supplement (as defined in Schedule 2). To the best of the knowledge of Clarion Housing Association Limited, which the Group Borrower has procured has taken all reasonable care to ensure that such is the case), the information given in the Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

**5. ROLE OF THE SECURITY TRUSTEE**

It is hereby acknowledged that the Security Trustee is a party to these Loan Transaction Terms solely for the better preservation and enforcement of its rights under the Security Trust Deed and the Loan Facility Agreement Standard Terms, and has no liabilities or obligations hereunder.

**6. NOTICE DETAILS**

The notice details for the Loan Facility Provider, the Group Borrower and the Security Trustee shall be as per the Loan Facility Agreement Standard Terms.

**SCHEDULE 1**

**THE ORIGINAL PARTIES**

**PART 1**

**THE OBLIGORS**

<b>Name of Group Borrower</b>	<b>Registered number (or equivalent, if any)</b>
Clarion Treasury Limited	06133979
<b>Name(s) of Guarantor(s)</b>	<b>Registered number(s) (or equivalent, if any)</b>
Clarion Housing Association Limited	7686

**PART 2**

**THE LOAN FACILITY PROVIDER**

<b>Name of Loan Facility Provider</b>	<b>Total Advance Amount</b>
Clarion Funding plc	£250,000,000

## SCHEDULE 2

### TRANSACTION TERMS

#### AMENDMENTS TO OR APPLICABILITY OF PROVISIONS UNDER THE LOAN FACILITY AGREEMENT STANDARD TERMS

#### NOTES

1. Series Number: 1

#### GENERAL

2. Relevant Prospectus: Offering Circular dated 29th September, 2017 as supplemented by a supplement (the **Supplement**) dated 29th March, 2018.

3. Specified Currency: GBP

4. (a) Fixed Advance or Floating Advance: Fixed Advance

(b) Total Advance Amount: £250,000,000

5. (a) Series Closing Date/Utilisation Date: 19th April, 2018

(b) Loan Interest Commencement Date: Series Closing Date

6. Final Maturity Date: 19th April, 2048

7. Interest Basis: 3.125 per cent. fixed rate

#### PROVISIONS RELATING TO INTEREST PAYABLE

8. **Fixed Rate Provisions** Applicable

(a) Interest Rate(s): 3.125 per cent. per annum payable in equal instalments semi-annually in arrear

(b) Payment Date: Three Business Days prior to 19th April and 19th October in each year adjusted in accordance with the Following Business Day Convention

(c) Day Count Fraction: Actual/Actual (ICMA) (for the purpose of calculating interest in respect of a period of less than a full half year)

(d) Regular Periods: From (and including) 19th April to (but excluding) 19th October and from (and including) 19th October to (but excluding) 19th April in each year

(e) Other terms relating to the method of calculating interest for Fixed Advances: Not Applicable

9. **Floating Rate Provisions** Not Applicable

#### **PROVISIONS RELATING TO REPAYMENT**

10. Final Repayment Amount: £250,000,000

11. Optional Prepayment: Applicable

12. Prepayment under clause 6.2 of the Loan Facility Agreement Standard Terms shall be paid at: Spens Prepayment Amount (as defined in the Conditions of the relevant Notes)

#### **PROVISIONS RELATING TO SECURITY ALLOCATION/APPORTIONMENT BASIS**

13. Apportionment Basis: Numerical Apportionment Basis

14. Provisions relating to Specific Allocation Basis: Not Applicable

15. Provisions relating to Numerical Apportionment Basis: Applicable

For the purposes of Clause 5.1 (*Basis for apportionment of Charged Properties*) of the Security Trust Deed, it is hereby designated that the Numerical Apportionment Basis is to apply to the underlying Security granted to secure the payment and performance of the Guarantors' obligations under the Guarantee as such obligations relate to the Loan Facility Agreement.

16. Minimum Value of the NAB Charged Properties: As specified in the Loan Facility Agreement Standard Terms.

17. Series Security Percentage: 5.31 per cent.

18. Charged Properties: The NAB Charged Properties from time to time charged pursuant to the Security Trust Deed

19. First Desk Top Valuation Year: 2019

20. First Full Valuation Year: 2023

#### **MISCELLANEOUS**

21. Amendments to the Group Borrower Conditions Precedent Documents: Not Applicable

22. Amendments to the Guarantor Conditions Precedent Documents: Not Applicable



23. Amendments to the Legal Charges Not Applicable  
Conditions Precedent Documents

24. Account for payments: Disbursement Account

## **SIGNATORIES**

**Group Borrower**

**CLARION TREASURY LIMITED**

**By: MARK WASHER**

**Authorised Signatory**

**Loan Facility Provider**

**CLARION FUNDING PLC**

**By: MARK WASHER**

**Authorised Signatory**

**Security Trustee**

**PRUDENTIAL TRUSTEE COMPANY LIMITED**

**By: STACEY HAWORTH**

**Authorised Signatory**