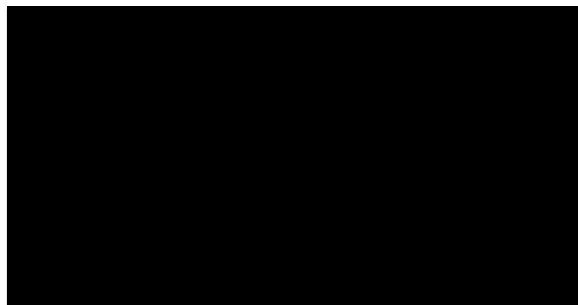


Local Authority Unit  
54 Lombard Street  
London  
EC3V 9EX

Tel 020 7699 5000  
Fax 0870 242 2754

[www.barclays.com](http://www.barclays.com)



BARCLAYS

15<sup>th</sup> May 2003

Dear Mrs Jump

Barclays Bank PLC ("the Bank") has pleasure in offering West Dunbartonshire Council ("the Council") (constituted by virtue of the Local Government (Scotland) Act 1973 and the Local Government etc. (Scotland) Act 1994) the following loan facility (the "Loan"):-

Amount of Principal: - £9,000,000.  
Date of Acceptance: - 15<sup>th</sup> May 2003  
Date of Drawdown: - 20<sup>th</sup> May 2003  
Date of Repayment of Principal: - 20<sup>th</sup> May 2043  
Amount of Repayment of Principal: - £9,000,000.

Interest: - Interest on the Principal shall accrue at 3.15% per annum during the period from 19<sup>th</sup> May 2003 to, but excluding, 21<sup>st</sup> May 2007 and thereafter at 4.75% per annum; or (if the Bank notifies the Council not less than two Business Days prior to any Lender's Option Date) at the rate so notified with effect from such Lender's Option Date, interest being payable in arrears on 20<sup>th</sup> May and 20<sup>th</sup> November in each year.

In the event that any date on which interest is due to be paid hereunder is not a Business Day, then such interest shall be paid on the next Business Day unless that Business Day is in the following month in which case such interest shall be paid on the Business Day immediately preceding such interest payment date.

Legal Expenses: - Any legal expenses incurred shall be for the account of the Council.



Conditions Precedent : -

- (a) Execution of a bond certificate in respect of the Loan in terms of the Local Authority Stocks and Bonds (Scotland) Regulations 1975 (or any amendment, variation or replacement thereof).
- (b) Certified copies of appropriate documents (e.g. Council minutes, Standing Orders) evidencing the power of the signatory to this letter and to the bond certificate to execute such documents on behalf of the Council.
- (c) Interest payable from the date of the Council's acceptance of this letter shall accrue from day to day and shall be calculated on the basis of a year of 365 days (or on such other day count basis as the Bank considers is consistent with the then applicable market practice) and the actual number of days elapsed. Interest shall be remitted in cleared funds on the dates specified in the above schedule to the Bank's nominated bank account.
- (d) Payment default of any part of the Loan shall entitle the Bank to call for immediate repayment of the Principal together with all interest then accrued and together with any broken funding and associated financing costs thereby incurred arising from the early termination of the funding and associated financing arrangements for this loan including, for the avoidance of doubt, any costs and expenses incurred in connection with any associated swap arrangements.
- (e) All payments required to be made by the Council hereunder shall be calculated without reference to any set-off, retention or counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off, retention or counterclaim.
- (f) The Council will give effect to and conform to any registration requirements imposed by virtue of statute, practice or otherwise and will provide the Bank with any relevant documentation within the time period imposed by the statute, practice or otherwise.
- (g) This Loan and relative bond certificate are redeemable by remittance of cleared funds to the Bank's nominated bank account on the date for repayment of Principal specified in the Bank's offer letter or on the date for prepayment in accordance with condition (h) below.
- (h) If the Bank notifies the Council by not less than two business days prior notice that an increase in the rate of



interest will occur on a Lender's Option Date, then the Council may, if it has given the Bank prior written notice to that effect by no later than 5.00pm on the Business Day preceding such proposed increase, prepay without penalty the Principal on the date of such proposed increase, together with accrued interest thereon to the day of prepayment, provided that the Council shall have no such right of prepayment in respect of an increase in the rate of interest from 3.15% per annum to 4.75% per annum occurring on 21<sup>st</sup> May 2007 as specified above. The Council may also, if it has given to the Bank prior written notice to that effect by no later than 5.00pm on the Business Day preceding the proposed day of prepayment, prepay the principal on any other next interest payment date after 21<sup>st</sup> May 2007, together with accrued interest and any broken funding and associated financing costs incurred by the Bank (if any) arising from the early termination of the funding and associated financing arrangements for this Loan including, for the avoidance of doubt, any costs and expenses incurred in connection with any associated swap arrangements. The Council shall not be entitled to prepay the Principal except at the times and in the manner expressly provided in this offer letter.

- (i) If the UK moves to the third stage of Economic Monetary Union, the Registered Holder shall be entitled to make such changes to this Loan Instrument as it reasonably considers are necessary to reflect the changeover to the Euro.

**Definitions: -**

In this offer letter, the following terms shall have the following meanings: -

**"Business Day"** means a day (excluding Saturdays) on which the Bank is ordinarily open to effect transactions of the kind contemplated in this Loan Instrument.

**"Lender's Option Date"** means the 21<sup>st</sup> May 2007 and each period of six months thereafter.

Please indicate your acceptance of this offer, and that you will provide a signed bond certificate in respect of the Loan by signing and returning a copy of this letter by [REDACTED] with the original to follow by post, whereupon the above terms shall be binding upon the Council.

Yours sincerely,

[REDACTED]  
For & on behalf of  
Barclays Bank PLC



- (a) On behalf of West Dunbartonshire Council, I confirm acceptance of a loan, the terms of which shall be in accordance with this letter.
- (b) On behalf of West Dunbartonshire Council, I confirm that the Council has executed and duly registered a bond certificate in respect of such loan.

Signature

Date

16/5/03

Print Name

Position

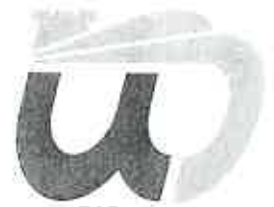
Director of

Corporate Services

For & on behalf of West Dunbartonshire Council







**West  
Dunbartonshire  
Council**

Council Offices  
Garshake Road  
Dumbarton  
G82 3PU

Tel: (01389) 737000  
Fax: (01389) 737214

16 May 2003

**Certification of signature authorised to enter into loan agreements on behalf of the Council**

Signature:....

Director of Corporate Services  
West Dunbartonshire Council

I hereby witness that the signature above is that of G.E. Walker, Director of Corporate Services, who under delegated powers given within the current Financial Regulations is authorised to enter into loan agreements on behalf of the Council

Signature:....

Name:.....

Position:..... SECTION HEAD - TREASURY  
On behalf of West Dunbartonshire Council

