

Our Ref: TVBSS - 640X

9 February 2021

[REDACTED]
Cupral Group Ltd
Shoosmiths LLP
The XYZ Building
2 Hardman Boulevard
Spinningfields
Manchester
M3 3AZ

[REDACTED]
Tees Valley Business Support Scheme Offer Letter for capital grants of £50,000 or more

1. I am pleased to tell You that We have now satisfactorily completed the appraisal of Your grant application to the Tees Valley Business Support Scheme (also referred to as "TVBSS" in this Grant Offer Letter) and We can make a Grant Offer in relation to the Project that was the subject of this application, that we gave acceptance and authority to commence on 8 December 2020.
2. UMi Commercial Ltd, company registration number: 07227157 (also referred to as "We" or "Us" or "Our" or "UMi" in this Grant Offer Letter) will give Cupral Group Ltd, company registration number 11220506 and whose registered office address is Shoosmiths LLP, The XYZ Building, 2 Hardman Boulevard, Manchester, M3 3AZ (also referred to as "You" or "Your" or the "Company" in this Grant Offer Letter) a TVBSS Grant of up to £500,000 (Five hundred thousand pounds), This Grant is given under Section 31 of the Local Government Act 2003 to help implement the Project to project to purchase machinery and equipment & create forty new jobs at Unit 9, Tees AMP, Riverside Park, Middlesbrough, TS2 1QW (the "Premises"), all as more fully described at Schedule 1 attached (the "Project"). This offer is subject to the conditions set out in this Grant Offer Letter and Schedules 1, 2, 3, 4 attached.

Timetable for agreeing this offer

3. In order to take up Our offer of TVBSS Grant, You will need to agree to the terms of this Grant Offer Letter no later than 11 March 2021.

Monitoring and reporting

4. Throughout the Monitoring Period (as defined in paragraph 6 of this Grant Offer Letter) a Monitoring Officer appointed by Us will liaise with You on a regular basis. We may inspect the Project at any time during the Monitoring Period, providing reasonable prior written notice, and may require additional information from You to enable Us to monitor its progress which You will provide on request, save to the extent such information is subject to confidentiality restrictions between You and any third parties engaged in the Project.

5. We will require a Monitoring Report each year during the Monitoring Period (as defined in paragraph 6 of this Grant Offer Letter) to update Us on progress with respect to Your Project (referred to in paragraph 1 of Schedule 1).

6. For the purposes of this Grant Offer Letter, the Delivery Period means the period commencing on the date in paragraph 1 of this Grant Offer Letter and ending on the "No obligation to pay" date, as shown in Schedule 1, table A and the Monitoring Period means a period of three (3) years for SMEs and five (5) years for non SMEs following the "No obligation to pay" date.

Conditions for making claims and how to claim

7. The availability of the Grant in paragraph 2 of this Grant Offer Letter will be subject to Us concluding in Our absolute discretion that the following conditions have been satisfied. You must satisfy the conditions listed below before We pay any claims for payment of Grant under this Grant Offer Letter:

- a. You must provide Us with evidence that a discounting facility of not less than £3m and/or 80% of gross debtors is in place.
- b. You must provide Us with evidence of contracts or heads of terms for all customers that the company trades with.
- c. You must provide Us with evidence prior to the first payment of grant, that share capital of not less than £600,000 have been provided to the business.

8. TVBSS Grant, which is taxable, will be paid in instalments as set out in Schedule 1 and in accordance with Schedule 3. The final claim during the Delivery Period for Your Project must be submitted by the "No obligation to pay date" as set out in Table A in Schedule 1.

9. Schedule 3 sets out the information which must be included with each claim. Claims must be submitted with a Monitoring Report. We normally pay each instalment of TVBSS Grant, or tell You why the claim cannot be accepted, within 30 calendar days of receiving a properly documented claim. Regardless of whether You are making a claim, You must submit a Monitoring Report with each claim during the Delivery period and each year during the Monitoring Period. Any claim not made in accordance with Schedule 3 may be rejected at our discretion.

Variation, withholding and repayment of TVBSS Grant

10. Schedule 4 sets out the circumstances in which We have the right upon written notice to You to vary, withhold and/or require repayment of part or all of TVBSS Grant. If any of the circumstances set out in Schedule 4 occurs or may occur, You must tell Us immediately so that We can discuss the best way forward with You.

Other Assistance

11. *By accepting this Grant Offer Letter You confirm to Us that no other public financial assistance (as referred to in paragraph c of Schedule 4) has been offered to You for this Project.*

Freedom of Information

12. Nothing in this Grant Offer Letter and the Schedules to it shall prevent Us from, and You consent to, Our disclosing any information which we received from You or hold whether or not relating to the Project which We in Our absolute discretion consider that We are required to

disclose in order to comply with information requests from Stockton Borough Council, Tees Valley Combined Authority or any other public sector bodies, or under the Freedom of Information Act 2000, as amended, and/or the Environmental Information Regulations and any other statutory requirements whether or not existing at the date of this Grant Offer Letter.

Data Protection Statement

13. Your application form, Grant claims (when completed), Monitoring Reports and this Grant Offer Letter contain information that is personal data for the purposes of the General Data Protection Regulation and in respect of which we are obliged to supply the following information:

- a. For the purposes of the General Data Protection Regulation, Your contact is The Data Protection Officer, UMi Commercial Ltd, Spectrum 6, Spectrum Business Park, Seaham, SR7 7TT; and
- b. The personal data that You have provided will be used for the purpose of administering this offer of funding and publicity as provided for in this Grant Offer Letter. It may be given to any relevant government department or agency for these purposes and will not be disclosed to any other organisation for any other purpose other than in relation to cases of suspected fraud or where there is a statutory requirement for disclosure.

Publicity and Evaluation

14. You agree to participate in any publicity or advertisement organised by Us or Our representatives relating to Your TVBSS Grant application and to the name of the Director, Project manager and Project director and their relevant contact information being included in such publicity material or on Our or other relevant websites, provided always that under no circumstances shall Your participation in such publicity or advertisement require You to disclose any information which is the subject of any confidentiality restrictions between You and any third parties engaged in the Project.

15. We may publish the amount of TVBSS Grant offered with the name of the Company and a brief description of the Project after the acceptance of this Grant Offer Letter, provided always that We shall consult with You in sufficient time to enable You to discuss and agree the publicity with Us. If You propose to give any publicity for the Project outside of Our normal publicity arrangements, You must consult Us in sufficient time to enable Us to discuss and agree the publicity with You.

16. You shall at all times comply with any current publicity requirements (including any branding guidelines) for TVBSS, provided always that Your compliance with such publicity requirements shall not require You to disclose any information which is the subject of any confidentiality restrictions between You and any third parties engaged in the Project.

17. Save to the extent required by law or regulatory requirement, You will not make or issue any press releases or make any announcement in relation to this Project, unless You (i) agree with Us the contents first and (ii) unless notified by Us not to do so, include in the press release / announcement a reasonably prominent statement that the Project is being supported by the TVBSS.

18. You must provide such information as We from time to time reasonably require in order to evaluate the outcomes of the Project.

19. For the avoidance of doubt, paragraphs 14, 15, 16 and 17 will continue to apply for 2 years after the end of the Monitoring Period and the obligation under paragraph 18 will continue to apply for a period of 10 years.

20. If You decide to withdraw from Your TVBSS application at any time prior to payment of Your first claim, We ask that You notify Us in writing of Your intention, and give an indication as to the reason for doing so. Where You have already drawn down some or all of Your award, You must on demand repay all payments of TVBSS Grant already paid to the Company together with interest from the date of payment at the Bank of England Rate.

21. If You do not proceed with Your application for TVBSS Grant or if this Grant Offer Letter is withdrawn or varied or it is subject to reduction, clawback or withdrawal We shall not be liable for Your costs arising from such eventualities.

Subsidy Control

22. TVBSS grants are public funds and may constitute subsidies under the World Trade Organisation (WTO) Agreement on Subsidies and Countervailing Measures (ASCM) and other Free Trade Agreements (FTAs) and must accordingly comply with the UK Subsidy Control regime.

23. Notwithstanding the UK's exit from the European Union, Your grant application has been assessed for compliance with the European Union State Aid regulations, specifically [Commission Regulation (EC) No. 651/2014 of 17 June 2014 (The General Block Exemption Regulation or GBER) Article [14]

24. The grant will be recorded in a subsidy control database maintained by the Department for Business Energy and Industrial Strategy (BEIS).

General

25. You must at all times comply with the provisions of the Equality Act 2010.

Entire agreement

26. This Grant Offer Letter and the documents referred to in it constitute the entire agreement and understanding between Us and You with respect to all matters which are referred to and shall supersede any previous arrangement(s) between Us and You in relation to the matters referred to in this Grant Offer Letter. References to this Grant Offer Letter shall include reference to the Schedules.

Governing law and jurisdiction

27. This Grant Offer Letter is and all documents made under or in connection with it shall be governed by, and construed in accordance with, the laws of England. You hereby irrevocably submit to the jurisdiction of the English Courts and Your address for service in England is Shoosmiths LLP, The XYZ Building, 2 Hardman Boulevard, Manchester, M3 3AZ.

How to accept

28. This Grant Offer Letter remains open until 11 March 2021. A Director of the Company should sign and date the Acceptance below, return the whole document to Us and keep a copy. If You do not accept this Grant Offer Letter by this date, Your funding allocation will be lost.

29. If You have queries regarding this letter or the Schedules, contact the Service & Investment Executive Team of the UMi Commercial Limited on 0191 716 1000 who will be pleased to advise You.

30. Please note that variations to this Grant Offer Letter will be effective only if We agree them in writing.

I look forward to receiving Your Acceptance and wish You every success with the Project.

Yours sincerely

A large black rectangular redaction box covering the signature of the sender.A black rectangular redaction box covering the name of the sender.

UMi Commercial Limited

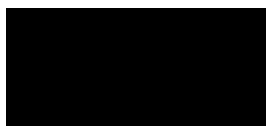
Acceptance

Note: If You give information that You know or suspect is untrue or misleading You may be committing an offence that could lead to prosecution.

Cupral Group Ltd declares that the information in the Company's expression of interest dated 3 September 2020 and subsequent full application and any other information given in support of the Company's application for a TVBSS Grant is correct to the best of Our knowledge and belief.

In accepting this offer of funding, the Company confirms that, other than those which have been declared in the application, there are no grants or other payments from any public authority (for example an institution of the European Communities, a Government Department, a local authority or any other partly or wholly publicly financed body or charitable fund) applied for, received or receivable in respect of the purpose for which the TVBSS Grant is being provided under the terms of this Grant Offer Letter and its Schedules. In accepting this offer of funding, You confirm that neither the Company nor any holding company or subsidiary of the Company is subject to an outstanding recovery order following a European Commission Decision declaring aid illegal and incompatible with the common market.

The Company accepts the offer on the conditions set out in this Grant Offer Letter and its Schedules and has read carefully this Grant Offer Letter and its Schedules.



Signed:

19-Feb-2021

Date:



Print Name:

Director

On behalf of: Cupral Group Ltd

Schedule 1: The Project

1. This Project is to purchase machinery and equipment at the Premises incorporating the Jobs Target (as defined in Schedule 2).

2. **It is essential for Us to receive Your Monitoring Reports, claims and appropriate payments, therefore without prejudice to Schedule 3:**

- a. You must provide Us with a Monitoring Report with each claim during the Delivery Period and each year during the Monitoring Period (both as defined in paragraph 6 of the Grant Offer Letter).
- b. You will be paid an instalment or instalments of TVBSS Grant up to the maximum indicated in column 4 of Table A in this Schedule 1 when You have satisfied the associated requirements indicated in column 2 and have made a claim which We have received before the No obligation to pay date indicated in column 3.
- c. Where You have completed a percentage of work required by column 2 of Table A in this Schedule 1 and have made a claim which We have received before the No obligation to pay date in column 3, We will pay up to the corresponding percentage of TVBSS Grant in column 4 or the maximum permitted under this offer, if that amount is lower.
- d. You will not be paid for expenditure relating to a particular requirement in column 2 of Table A in this Schedule 1, where We do not receive the claim form before the No obligation to pay date in column 3. **This applies even if You have completed the work before the No obligation to pay date or if You complete the work after that date.**

See the examples in Schedule 3 for further details of the operation of paragraphs 2(b), 2(c), and 2(d).

- e. You may make claims on a quarterly basis during the Delivery period in respect of this TVBSS Grant. The deadline for receipt by Us of Your final claim relating to Table A in this Schedule 1 is the No obligation to pay date listed in column 3 and must be accompanied by a report from an Independent Accountant ("the Accountant's Report") in the form set out in Schedule 3, confirming the supporting information provided with previous claims and including the final claim. Your first claim must also include an Accountant's Report; We will not make any payment in relation to Your first or final claims if they are not accompanied by an Accountant's Report in the required form.
- f. We will withhold further instalments of TVBSS Grant and may request repayment of sums already paid if the claims do not comply with the requirements of this Letter or if the required Accountant's Report is not received by Us or if We are not satisfied that the Accountant's Report verifies the supporting information provided in relation to Your claims. **It is in Your financial interests to make regular claims in accordance with these dates, to reduce the risk of You not receiving grant funding.**

Table A: TVBSS Grant

Date of claims (1)	Requirements for payment (2)	No obligation to pay date (3)	Cumulative Maximum Grant (4)
Quarterly claims to 31 July 2021	When You have defrayed or have entered into unconditional obligations committing You to expenditure of £2,550,000 (excluding VAT) on the Project at the Premises as set out in Table A2 of this Schedule 1 of which at least £500,000 has been defrayed (the cumulative total of the grant being paid); and You have provided a Monitoring Report in which You have confirmed that You reasonably believe (i) that the Job Target will be met; (ii) the Cumulative total Project Expenditure set out in Table A2 will be met; and (iii) that the Site Total requirement in Table G will be met and then maintained throughout the Monitoring Period.	15 August 2021	£500,000

For money to have been defrayed, liabilities must have been both incurred and discharged by payment. Unconditional obligations refer solely to commitments under leasing (of buildings only) or hire purchase (HP) agreements. For expenditure to be treated as an unconditional obligation, the HP or lease agreement must be in place. The assets must be present on the premises and the HP agreement must contain an obligation to purchase the asset at the expiry of the terms of the HP agreement.

Table A2: Indicative eligible expenditure for the Project

Years ended (31 July)	2021 £k	Total £k
Eldan cable recycling plant and machinery		
Total		

Schedule 2: Employment

1. You will be required to demonstrate that, as at the Business Day (being a day not to be a Saturday, Sunday or public or bank holiday in England) following the end of the Monitoring Period (as defined in paragraph 6 of the Grant Offer Letter), You have satisfied the Job Target (as defined in paragraph 3 of this Schedule 2).

2. For the purposes of the definition of Job Target set out in paragraph 3 of this Schedule 2, a direct full-time job is one of 30 or more hours a week. Two part time jobs of 15 or more hours a week count as equivalent to one full time job. Self-employed, sub-contracted and temporary jobs and jobs in companies other than the Company or at a location other than the Premises, do not count towards the Job Target. Safeguarded means a job which You have confirmed in writing would be otherwise lost within 12 months from the date upon which You would first receive TVBSS Grant under this Grant Offer Letter without the provision of those funds, and safeguarding shall be interpreted accordingly.

3. For the purposes of this Grant Offer Letter, the Job Target shall be an aggregate number of 40 full time jobs, either newly created or resulting from the safeguarding of existing positions, which would be otherwise lost within 12 months from the date upon which You would first receive this TVBSS Grant, and to be directly in connection with the Project at the Premises.

Table E: Number of direct FTE jobs created

Description	NVQ level (or equivalent)	Annual salary £'000	2021
Operations Manager	4	80	1
Purchasing and Logistics Manager	4	70	1
HSE/Maintenance Manager	4	50	1
Plant Operators	3	40	10
Yard Operators	3	35	20
Office Manager	3	40	1
Accountant	4	40	1
Purchase/Sales Ledger Clerk	3	30	1
Directors	4	120	4
Total created			40

The numbers above are based on the years ending 31 December and are cumulative.

Table F: Number of FTE safeguarded jobs

Description	NVQ level (or equivalent)	Annual salary £	Within 12 months of first grant payment
N/A			
Total safeguarded			

Table G: Site totals (FTE)

Site total at the Premises at start of Project:	0
New jobs to be created:	40
Expected site total at Premises at end of Project:	40

Schedule 3: How to claim instalments of TVBSS Grant

1. Make claims for each instalment of TVBSS Grant by submitting a quarterly claim using the TVBSS claims pack, which will be supplied by Your Monitoring Officer.
2. TVBSS Grant will be at the agreed percentage of net eligible costs in respect of which monies have been defrayed by You on the Project between the start of the claim period and the end of the claim period.
3. For money to have been defrayed, liabilities must have been both incurred and either discharged by payment or be subject to unconditional obligations to purchase. Unconditional obligations refer solely to commitments under leasing or hire purchase (HP) agreements. For expenditure to be treated as an unconditional obligation, the HP or lease agreement must be in place. The assets must be present on the premises and the leasing or HP agreement must contain an obligation to purchase the asset at the expiry of the terms of the lease or HP agreement.
4. The eligible costs shall be the costs set out in Table A2 of Schedule 1.
5. For each claim You are required to complete the table in the claim form setting out by financial year (and broken down by quarter) the latest expected forecast of eligible Project spend and associated expected TVBSS Grant from Us.
6. With each claim You must include:
 - a. If, and when, requested the latest accounts of the Company and Your Parent Company (where applicable) which must be audited unless exempt under Section 477 of the Companies Act 2006, as amended. If audited accounts are required and these accounts cover a period ending more than 9 months before the date of the claim, include unaudited accounts for that later period;
 - b. details of any material changes to the expenditure or employment impacts set out in Schedules 1 and 2 and Your assessment of the risks of non-compliance including information on progress and mitigating actions.
 - c. confirmation that no other public assistance has been received for the Project, save for that previously advised;
 - d. evidence that the pre-payment conditions in paragraph 7 of the Grant Offer Letter have been met; and
 - e. any further information requested by Us to enable the claim to be processed.
7. You must provide a report from an Independent Accountant in the form set out below ("the Accountant's Report") to accompany Your first and final claims.
8. The Accountant's Report must cover the period since Your last Accountant's Report or, where this is Your first report, since the Project began. Claims not accompanied by an Accountant's Report may be subject to claw back if discrepancies are reported within the following Accountant's Report and any such claw back will be recovered by reducing the value of the subsequent claim(s). The final claim will trigger the need for the Accountant's Report at that time, even if that time is before the no obligation to pay date shown in column 3 of Table A in Schedule 1. Where Your Project expenditure continues after the final claim and at the point of the final claim You would have received funding which exceeds the maximum

permissible intensity, You must also provide a final Accountant's Report alongside Your final Monitoring Report and that Accountant's Report must demonstrate, taking into account all the grant and all eligible Project expenditure in aggregate, the maximum permissible intensity has not been exceeded.

9. The Accountants Report will be paid for by You. It will be provided on the accountant's headed paper by an accountant who is independent of the Company and, where applicable, Your Parent Company, and is eligible under Part 42, Chapter 2, Section 1212 of the Companies Act 2006 for appointment as a company auditor.

10. Payments will be made to You by UMi Commercial Limited.

Illustrative examples of grant repayments where the requirements of Table A are not fully met

The below example is designed to help You understand the operation of paragraphs 2(b), 2(c) and 2(d) of Schedule 1.

A hypothetical company ("Company A") plans to invest £1,000,000 in tangible assets at the Premises during financial year 2014/15.

The maximum grant for 2015/16 is £200,000.

Table A1: TVBSS (for illustrative purposes only)

Date of claims (1)	Requirements for payment (2)	No obligation to pay date (3)	Maximum Grant (4)
31 December 2015 31 March 2016	When You have defrayed £1,000,000 (excluding VAT) on fixed assets for the Project as set out in Table A2 of this Schedule 1, and You have provided a Monitoring Report in which You have confirmed that You reasonably believe that the Job Target will be met.	15 April 2016	£200,000

Scenario 1 (full defrayment of planned eligible costs)

Company A has defrayed £1,000,000 on the fixed assets for the Project in accordance with the relevant column 2 of Table A above and has made a claim which We have received before 15 April 2016. As such it has fully satisfied the requirements in columns 2 and 3 of Table A1.

Outcome

We will pay Company A up to 100% of the relevant Maximum grant in column 4 of Table A, which is up to £200,000.

Scenario 2 (partial defrayment of all planned eligible costs)

Company A has defrayed 60% of the amount it planned to defray on both capital and training in 2015/16 and has made a claim which We have received before 15 April 2016. That is, it has defrayed £600,000 on fixed assets for the Project. As such it has partially satisfied the requirements in columns 2 and 3 of Table A.

Outcome

We will pay Company A up to 60% of the relevant Maximum grants in column 4 of Table A, which is up to £120,000.

Scenario 3 (claim made after relevant no obligation to pay date)

Company A has defrayed 100% of its planned eligible expenditure by 31 March 2016, but we do not receive the claim form until 16 April 2016 (ie after the relevant no obligation to pay date set out in column 3).

Outcome

Company A receives no grant for 2015/16, despite defraying their expenditure to schedule. Their grant is not rolled over into the next financial year.

The Accountant's Report

- **This document can be supplied in Microsoft Word format before You submit the Claim to Us.**
- **Must be on the Accountant's own letter headed document.**
- **The text highlighted needs to be updated & the text in bold has been included to assist You.**

Date

1. Name of Accountant has examined the enclosed claims from Name of Company (the "Company") for the period from Period Start Date to Period End Date in accordance with the terms and conditions included in the Grant Offer Letter dated Date of Grant Offer Letter. These claims have been prepared by and are the sole responsibility of the directors of the Company.

2. Name of Accountant has carried out a high level of assurance assignment by performing the following tests:

- a. Name of Accountant has selected a random sample of eligible expenditure incurred by value as reported on the claims and traced them to invoices or other supporting documentation and evidence of payment to check that they have been properly incurred and defrayed in accordance with the terms and conditions of the Grant Offer Letter;

<include subparagraph (b) where leasing/HP forms part of the eligible expenditure>

- b. Name of Accountant has selected a random sample of Fixed Assets which have been financed by leasing/HP and confirmed these to relevant HP/leasing agreements;
- c. Name of Accountant has identified the number of permanent full-time jobs and part time equivalents working on the Project as recorded by the Company's payroll records at start of the Project and at the date of the claims;
- d. Name of Accountant has confirmed the recorded salary for each of the jobs directly associated with the Project;
- e. Name of Accountant has confirmed the recorded skill level for each of the jobs directly associated with the Project using the standard occupational classification (SOC) index¹. This assigns the Project jobs on the basis of an occupation to one of four levels, where 1 is the bottom level and 4 the top. The confirmation on the skill level has been made by us checking [on a sample basis] the records and copies of relevant evidence of achieved skill levels (such as photocopies of educational certificates maintained by the Company's payroll/personnel department) or by inspection of job descriptions or physical inspections of the jobs being carried out;

<include subparagraph (f) where the site total monitored>

¹ The SOC is available at: <http://www.ons.gov.uk/ons/guide-method/classifications/archived-standard-classifications/standard-occupational-classification-2000/dissemination-media-and-availability/index.html>

- f. Name of Accountant has identified the total workforce number of permanent full time jobs and part time equivalents at the Premises as reported by the Company's payroll records at the start of the Project and at the date of the claims;
- g. Name of Accountant has confirmed the arithmetical accuracy of the schedules relating to the claims and agreed them to the appropriate supporting documentation. Name of Accountant's firm has also checked whether the grant claimed by the Company has been calculated in accordance with the terms and conditions of the Grant Offer Letter.

3. Statement of any errors and reservations/exceptions. **<These, if any, should be clearly stated under this paragraph.>**

4. Based on the examination as above and subject to the possible financial effect of any reservations or qualifications set out in paragraph 3, Name of Accountant report that based on the findings, in Name of Accountant's firm opinion the claims for grant payment meet the conditions of the Grant Offer Letter (which includes its Schedules) dated [date].

5. Name of Accountant's firm: confirm that:

- a. during the period from commencement of the Project Period Start Date to Period End Date ² the Company defrayed the cumulative expenditure totals as per the table below for the different types of expenditure that are eligible for grant aid for the Project in accordance with the Grant Offer Letter and its Schedules

Expenditure Type for which grant aid is being provided.		Cumulative amount achieved from the commencement of the Project Period Start Date to Period End Date ³ (excluding VAT).		
		£		

<include sub paragraph (b) where leasing/HP etc is part of eligible expenditure

- b. according to HP/leasing agreements seen by Name of Accountant's firm, that during the period from Period Start Date to Period End Date the Company entered into unconditional obligations [HP/leasing] committing it to further expenditure £Amount (excluding VAT) on Fixed Assets for the Project in accordance with the Grant Offer letter and Schedules;
- c. according to the payroll records of the Company at the date of [this claim/the final claim] made in the financial year 20XX/XX the Company maintained a workforce of

² This date will be the date of the last claim made in the financial year. In the grant offer letter this is normally April 15th but recipients may make their last claim before this if they have defrayed the required amount of expenditure as set out in the grant offer letter.

³ Ibid

X permanent full time jobs and X permanent part time jobs employed **on the Project** at the Premises in accordance with the Grant Offer Letter and its Schedules as follows:

Number	Description of job	Date created	SOC Level/ equivalent	Annual Salary (£)

- d. Confirm that according to the payroll records of the company **at the date the Project started** the total workforce at the Premises was X permanent full time jobs and X permanent part time jobs in accordance with table G of Schedule 2 of this Grant Offer Letter.
- e. Confirm that according to the payroll records of the company **at the date of the claim** the company maintained a total workforce at the Premises of X permanent full time jobs and X permanent part time jobs in accordance with Schedule 2 of this Grant Offer Letter.
- f. the Company has maintained adequate records to enable us to report on this claim and has made available all evidence that was attached to claims made in the period - Period Start Date to Period End Date.

6. Our report is prepared solely for the confidential use of the Company, UMi and the Department for Business, Energy & Industrial Strategy ("BEIS") or any other UK central government department and solely for the purpose of verifying the grant claimed. It may not be relied upon by the Company or BEIS or any other UK central government department for any other purpose whatsoever. Our report must not be recited or referred to in whole or in part in any other published document without our written permission except where disclosure is required as a result of a statutory obligation. Our report must not be made available, copied or recited to any other party without our express written permission in every case except that the Company, UMi or BEIS or any other UK central government department may disclose the report where it has a statutory obligation to do so. Other than to the Company, UMi and BEIS or any other UK central government department Name of Accountant do not have any duty to any other party to whom this report may be disclosed.

7. The engagement to report on the grant claim is separate from, and unrelated to, the audit of the annual financial statements of the company and that the report relates only to the matters specified and that it does not extend to the grant recipient's annual financial statements taken as a whole.

8. Name and signature of the reporting accountant.
9. Date of the report.
10. Name for enquiries.

Schedule 4: Variation, Withholding and Repayment of TVBSS Grant

1. Notwithstanding the provisions of paragraph 6 of this Schedule 4 relating to Subsidy Control obligations, We may vary or withhold any or all of the payments and/or require repayment of TVBSS Grant already paid to the Company if, at any time before the end of the Monitoring Period:

- a. the Company has entered into an arrangement to defray money or defrayed money on the Project before 8 December 2020;
- b. the arrangements for financing the Project or the arrangements for the financing of the TVBSS are changed;
- c. assistance for the Project is received or promised additional to that disclosed by the Company to Us before the date of this letter and detailed herein from an institution of the European Union, a Government Department, a local authority or any other partly or wholly publicly financed body or charitable fund;
- d. in Our opinion, progress on the Project, including progress towards reaching the targets including the Jobs Target shown in Schedule 2, is not satisfactory;
- e. in Our opinion, the future of the Project is in jeopardy;
- f. in Our opinion, there is a significant change in the scale or nature of the Project;
- g. in Our opinion the guarantee in paragraph 7 of the Grant Offer Letter (if applicable) becomes ineffective for any reason whatsoever;
- h. any event or series of events occurs which in Our opinion will have a material adverse effect on the ability of the parent company to perform its obligations under the guarantee in paragraph 7 of the Grant Offer Letter (if applicable);
- i. the Company becomes insolvent or makes any arrangement with its creditors, or goes into liquidation or takes or suffers any steps preparatory to winding up the Company or to the appointment of an Administrator, Liquidator or Receiver or commits or suffers any act equivalent to any of the foregoing;
- j. there is a change of ownership or control of the Company which may in Our opinion have a material adverse effect on the Premises or any of the Project assets referred to in Schedule 1 or any of the jobs referred to in Schedule 2;
- k. the Company ceases to own, or for a period of more than 3 months stops using for the purposes of the Project, part or all of the Premises, or any of the assets referred to in Schedule 1;
- l. in Our opinion, any information the Company has given in relation to the Project changes substantially during implementation or is shown to be incorrect or misleading or any claim for TVBSS Grant is based on misleading information; or
- m. the Company fails to comply with any conditions of this Grant Offer Letter including the Schedules.

2. Where, having received and retained the full amount of the grant, You do not meet the Job Target, the maximum grant payable as set out in paragraph 2 of the Grant Offer Letter will be reduced proportionately based on the anticipated average cost of each Job being created by

the overall Project on the original Offer Letter. Upon demand, You will repay UMi Commercial Ltd any grant received in excess of the revised amount calculated under this provision.

Leasing

3. We may vary the amount of the grant and the payment terms if:
 - a. there is any change in the leasing/hire purchase/extended credit arrangements of the fixed assets to be provided for the Project as set out in Schedule 1;
 - b. the leasing/hire purchase/extended credit arrangements are not made with a party independent of the Company;
 - c. with the exception of land and buildings acquired under lease, the leasing or HP arrangement does not contain an obligation to purchase the asset at the expiry of the terms of the lease or HP Agreement; or
 - d. in the case of the lease of land and buildings, the lease does not continue for at least three (3) years after the anticipated date of the completion of the Project.
4. If any of the fixed assets to be provided for the Project are provided under a lease which is made by a leasing company to the Company, then for the purposes of this letter the capital cost of that equipment shall be treated as having been committed by the Company on the date on which the relevant lease is signed.
5. However, no payment in respect of any instalment of grant shall be made which would result in the total payments then made under this Grant Offer Letter exceeding the aggregate of:
 - a. the amounts then spent by the Company on eligible costs of the Project which are not the subject of leasing or hire purchase agreements; and
 - b. the actual amounts then paid by the Company in respect of deposits and/or instalments on assets for the Project which are the subject of leasing/hire purchase/extended credit agreements.

Subsidy Control

6. We may vary or withhold any or all of the payments and/or require repayment of grant already paid, together with interest at the Bank of England rate from the date of payment, if we are required to do so as a result of a decision by a court or tribunal of competent jurisdiction or BEIS (or other national body charged with the regulation of UK Subsidy Control regime) or in the event of any obligation arising under WTO ASCM or any other FTA terms.

Schedule 5: Parent guarantee

The Parent Guarantee should be in the following form:

[Date]

[The Applicant] TVBSS Grant

In consideration of UMi Commercial Limited, registered in England and Wales with company registration number 07227157 and whose registered office address is Spectrum 6, Spectrum Business Park Seaham, SR7 7TT, being willing, at our request, to make [name of the applicant] (company registration number: Registration Number) an offer of up to £X (*amount in pounds*) under the terms of the TVBSS Grant Offer Letter dated [date] under reference [ref] or under the terms of any letter relating to the same grant which varies or supersedes that letter (together "Grant Offer Letter") [Name of Guarantor] (company registration number: Registration Number) hereby undertake to provide sufficient funds to enable [the Applicant] to carry out its obligations in accordance with the terms of the Grant Offer Letter.

[Name of Guarantor] guarantee that, if any sums become repayable by [the Applicant] under the terms of the Grant Offer Letter and [the Applicant] does not repay those sums on first demand, [Name of Guarantor] shall ourselves pay to UMi Commercial Limited on demand an amount equal to all such sums. [Name of Guarantor] will make any payments under this guarantee in full, without any deduction or withholdings whatsoever.

Further, [Name of Guarantor] agree that if any payments due from [the Applicant] are not recoverable from [Name of Guarantor] as guarantor or surety for [the Applicant] for any reason whatsoever those payments shall nevertheless be recoverable from [Name of Guarantor] as principal debtor and shall be payable by [Name of Guarantor] on demand.

Any amounts due from [Name of Guarantor] shall carry interest at 1.5% above the base rate for the time being of the Bank of England from the date of demand to the date of payment.

UMi Commercial Limited may claim under this guarantee at the same time as or after making demand of [the Applicant] or before, at the same time as, or after taking any action to claim under or enforce any other right, security or guarantee which it may hold from time to time in respect of [the Applicant's] obligations under the Grant Offer Letter.

[Name of Guarantor] shall accept a certificate or other document signed by the Chief Executive UMi Commercial Limited as conclusive evidence of amounts repayable by [the Applicant].

[Name of Guarantor] have not received any security from [the Applicant] for giving this guarantee and we shall not take any security for our liability under this guarantee for so long as any sums may become repayable under the Grant Offer Letter without first obtaining written consent from UMi Commercial Limited. If, in contravention of that undertaking, [Name of Guarantor] take any security [Name of Guarantor] shall hold the security and all or any amounts realized by [Name of Guarantor] from it on trust for UMi Commercial Limited.

[Name of Guarantor] shall not take any steps to enforce any right or claim against [the Applicant] or any co-guarantor in respect of any monies paid by [Name of Guarantor] to UMi Commercial Limited pursuant to this guarantee or any other liabilities between [the Applicant] and [Name of Guarantor] unless and until all of [the Applicant's] obligations owing to UMi Commercial Limited (both actual and contingent) have been performed and discharged in full.

This guarantee is a continuing guarantee and will remain in force until no further payments are due from [the Applicant]. [Name of Guarantor] liability under this guarantee will not be affected by: (a) any concession, time, indulgence or release granted by UMi Commercial Limited to [the Applicant] or any co-guarantor, (b) UMi Commercial Limited's failure to take, perfect or hold unimpaired any security taken for the liabilities of [the Applicant] or (c) any payment or dealing or anything else (whether by or relating to [the Applicant], [Name of Guarantor] or any other person) which would, but for this paragraph, operate to discharge or reduce that liability.

<addition for overseas parent>

This guarantee shall be governed by the laws of England. [Name of Guarantor] agree that the courts of England will have jurisdiction to hear and settle any dispute which arises in connection with this guarantee, although this shall not limit the right of the Secretary of State to bring proceedings against [Name of Guarantor] in any other court of competent jurisdiction. [Name of Guarantor] irrevocably agree only to bring proceedings in the courts of England. [Name of Guarantor] agree in connection with proceedings in England that any writ, judgment or other notice of process shall be sufficiently and effectively served on [Name of Guarantor] if delivered to [*please insert address for service in UK*].

This guarantee shall be in addition to any other guarantee for payment of any sums repayable under the Grant Offer Letter by [the Applicant] signed by [Name of Guarantor] that UMi Commercial Limited may hold.

This guarantee shall remain in full force and effect even if [Name of Guarantor] or [the Applicant] have merged or amalgamated with another company or if [Name of Guarantor] or [the Applicant] have changed our constitutional documents.

Any demand or other communication concerning this guarantee should be sent to [Name of Guarantor] at our registered office for the time being.

Signed:

Print name:

Company Director
for and on behalf of:
[Name of Guarantor]