

19th May 2020

Dear Sir/Madam

This letter is sent to you by the Development Bank of Wales Plc, on behalf of itself and all the subsidiary companies listed in Schedule 1. For simplicity, we will refer to all these companies collectively as 'DBW'.

DBW understands the potential impact of the Covid-19 outbreak on the businesses operated by our customers. We are accordingly writing to confirm that if your business is adversely affected, you can request a temporary repayment holiday from us on any outstanding loan and/or investment agreements that you may have with a DBW company. The terms of this repayment holiday would be as follows:

1. your next 3 months regular payments would be deferred;
2. all you would need to pay over the next 3 months would be interim payments equivalent to the additional interest that we anticipate would fall due under the agreement as the result of this deferral;
3. this arrangement would be entirely concessionary. The contractual terms of the agreement(s) would be unaffected, and the unpaid sums would strictly be 'arrears' on which interest would fall due;
4. provided that you continued to comply with all the other terms of the agreement(s), including making all other payments falling due in full and on time, we would not take steps to enforce payment of these arrears; and
5. during the 3 month period following the end of the contract payment term, you would need to make payments equivalent to the deferred regular payments;

For agreements with monthly repayments, this would mean 3 additional monthly payments to be made, starting one month after the last contractual repayment; for those with quarterly repayments, there would be 1 additional payment 3 months after the last contractual repayment.

Development Bank of Wales Plc

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Development Bank of Wales Plc is the holding company of a Group that trades as Development Bank of Wales. The Group is made up of a number of subsidiaries which are registered with names including the initials DBW. Development Bank of Wales Plc is a development finance company wholly owned by the Welsh Ministers and it is neither authorised nor regulated by the Prudential Regulation Authority (PRA) or the Financial Conduct Authority (FCA). The Development Bank of Wales has three subsidiaries which are authorised and regulated by the FCA. Please note that neither the Development Bank of Wales Plc nor any of its subsidiaries are banking institutions or operate as such. This means that none of the group entities are able to accept deposits from the public. A complete legal structure chart for Development Bank of Wales Plc can be found at www.developmentbank.wales

Development Bank of Wales Plc - Registered in England and Wales under number 4055414 at Unit J, Yale Business Village, Ellice Way, Wrexham LL13 7YL



It is important you appreciate that if you request a repayment holiday:

- additional interest will become due on the 'arrears' under the terms of the agreement; and
- if your agreement is regulated by the Consumer Credit Act 1974, we will be obliged by law to send you 'arrears notices' from time to time.

On the other hand, the fact that your agreement(s) are in arrears as a result of a Covid-19 repayment holiday will not be made public and will not affect your credit history.

If you wish to request a repayment holiday, you must complete, sign and return a copy of this letter to us no later than 30th June 2020. If you do so, we will then work out the interim payment that you will need to make in each of the next 3 months, based on the number of days in the longest of those months and rounded up to the nearest pound. We will also confirm in due course the dates and amounts of the payments to be made after the end of the contract payment term; these will essentially be the same as the deferred payments, save that the last one will be slightly reduced to take account of the fact that the aggregate of the interim payments will be slightly more than the total amount of additional interest due.

Only one request needs to be made by each customer; this will automatically be applied to all agreements which that customer has with a DBW company. However, if you are a member of a group, each member will need to submit a separate request.

Lastly, we would repeat that delaying repayments to the end of the contract payment term will incur additional interest. This will be calculated for present purposes on the assumption that the arrears will not be repaid until after the end of the contract payment term. If, however, you should decide at any time that you are able to repay some or all of these arrears earlier, please contact us to do so. We will then be able to recalculate the reduced amount of additional interest due and adjust the payments to be made after the end of the contract payment term.

Yours faithfully



Development Bank of Wales Plc

On behalf of the customer named below, I request a 3 month repayment holiday on the terms set out in your letter of 19th May 2020. I am authorised by the customer to make this request.

<i>Full Company name</i>
<i>Address</i>
<i>Signed</i>
<i>Full name</i>
<i>Position</i>
<i>Date</i>

Schedule 1

DBW FM Limited

DBW Investments (2) Limited

DBW Investments (3) Limited

DBW Investments (4) Limited

DBW Investments (5) Limited

DBW Investments (6) Limited

DBW Investments (8) Limited

DBW Investments (9) Limited

DBW Investments (10) Limited

DBW Investments (11) Limited

DBW Investments (12) Limited

DBW Investments (14) Limited

Management Succession GP Limited