



# ALPHA

BUSINESS CENTRES

CORPORATE BOND II

## ABC ALPHA BUSINESS CENTRES UK LIMITED

*(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 08188706)*  
Offer of up to £ 10,000,000 8.32% Secured Redeemable Corporate Bonds at a price of £1 per ABC Corporate Bond

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This document ("the Invitation" or "Invitation Document") constitutes an invitation to subscribe for bonds ("ABC Corporate Bonds") in ABC Alpha Business Centres UK Limited (the "Company") on the terms and conditions set out in this Invitation. Investors should not subscribe for any ABC Corporate Bonds referred to in this Invitation Document, except on the basis of the information published in this Invitation and the instrument dated 15<sup>th</sup> January 2013 constituting the ABC Corporate Bonds of the Company (the "Instrument") set out on pages 20 to 33 of this Invitation Document.

This Invitation, which is a financial promotion for the purposes of Section 21 of the Financial Services and Markets Act 2000, is issued by the Company, which accepts responsibility for the information contained herein. This document has been approved as a financial promotion for UK publication by The Pension Consultancy Limited ("TPC"), Marlborough House, Keller Close, Milton Keynes, MK11 3LL which is authorised by the Financial Services Authority to conduct investment business. TPC is acting exclusively for the Company in connection with the issue of ABC Corporate Bonds and no one else, and will not regard any other person as its customer or be responsible to any other person for providing the protections afforded to customers of TPC or for advising that any investment be made on the basis of the Invitation and the Instrument. Your attention is particularly drawn to the "Risk Factors" which are set out on page 15 & 16 of this Invitation. Prospective investors should consider carefully whether an investment in ABC Corporate Bonds is suitable for them in the light of their personal circumstances. While ABC Corporate Bonds are a secured debt of the Company they may not be a suitable investment for all recipients of this Invitation.

The Corporate Bonds will be unlisted securities. No application will be made for admission of the Corporate Bonds to the Official List of the UKLA or to the AIM Market of the London Stock Exchange. Further, neither the UKLA nor the London Stock Exchange has examined or approved the contents of this document. The Corporate Bonds will not be dealt on any other investment exchange and no application has been or is being made for the Corporate Bonds to be admitted to trading on any such exchange or market.

Investment in an unquoted security of this nature, being an illiquid investment, is speculative, involving a degree of risk. It may not be possible to sell or realise the ABC Corporate Bonds or to obtain reliable information about the risks to which they are exposed. ABC Corporate Bonds are a secured debt of the Company but there is no certainty or guarantee that the Company will be able to repay them.

**You should ensure that you have read and understood all of this Invitation before applying for ABC Corporate Bonds. If you are in any doubt as to the contents of this Invitation, or whether subscribing for ABC Corporate Bonds is a suitable investment for you, you should seek your own independent advice from an appropriately qualified adviser authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of unlisted securities.**

This Invitation Document does not constitute an offer (whether direct or indirect) to sell, or the solicitation of an offer to buy, the Corporate Bonds in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for distribution into the United States, Canada, Australia or Japan. The Corporate Bonds have not been and will not be registered under the applicable securities laws of United States, Canada, Australia or Japan and may not be offered or sold within these jurisdictions or to any national, resident or citizen of United States, Canada, Australia or Japan. The distribution of this Invitation Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Invitation Document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

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**COMPANY**

**ABC Alpha Business Centres UK Limited**  
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Knutsford, Cheshire, WA16 8GS

**DIRECTORS**

**Bradley James Lincoln**

**Best Asset Management Limited**  
(Corporate Director)

**FINANCIAL PROMOTION  
ADVISERS**

**The Pension Consultancy Limited**  
Marlborough House  
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Milton Keynes, MK11 3LL  
Authorised and Regulated by the Financial Services  
Authority

**LEGAL ADVISERS**

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1 Seebeck Place  
Knowhill  
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**REGISTRARS**

**Greyfriars Asset Management LLP**  
The Cedars  
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Fleckney  
Leicester  
Leicestershire, LE8 8AJ  
Authorised and regulated by the Financial Services  
Authority

EMW Law LLP has been named above for information purposes only and take no responsibility for any statement in or omission from the Invitation Document. EMW Law LLP is acting as legal advisers to the Company and its role is to advise the Company on the documents that facilitate the subscription for the Corporate Bonds II and it is not acting for or responsible to any of the Investors.



**ABC Alpha Business Centres UK Limited invites subscribers to apply for the Corporate Bonds II. This is the second fund raise by ABC Alpha Business Centres UK Limited.**

In October 2012 ABC Alpha Business Centres UK Limited issued an invitation document for its first fundraising. This first fund raise was closed in late November/early December 2012 and ABC Alpha Business Centres UK Limited issued just under £4m in corporate bonds (the maximum principal amount of corporate bonds that could have been issued in that fund raise was £4m).

Since the time of the issue of that first invitation document, the ABC Group team have been active in implementing the business plan. Conversions have been initiated on office spaces in Clover Tower in Dubai, a Johannesburg site has been confirmed and the conversion process initiated. In both offices the first tenants are expected from February 2013. A number of suitable sites in Prague are under investigation, and the next target destination will be Dublin.

The Company will utilise funds raised through the issue of these new Corporate Bonds II to further support the expansion of a network of serviced business centres in a number of other international business locations around the world. This document describes the terms of the ABC Bond II, the details of the business expansion plans and you are advised to read the full document. However, for ease of reference, this page summarises some of the key points for consideration.

**Subscribers to the ABC Bond II will receive 8.32% interest per annum, paid quarterly in arrears. Investors have the option to make an election to roll-up all interest payable on their ABC Bond II. Any rolled up interest shall be deemed to be added to the principal amount of the Investor's ABC Bond II on the interest payment dates on which such interest becomes payable (Roll-Up Election"). Any amount added to the principal amount of the ABC Bond II pursuant to a Roll-Up Election shall be paid to that Bondholder when the principal amount of the ABC Bond II are repaid in accordance with the provisions of the Corporate Bond II Instrument.**

- The ABC Bond II is not transferable.
- The ABC Bond II is issued for a term of four years with an option to redeem early at the end of year 3.
- Investors remaining for the full four years will receive a 3.00% loyalty bonus (3% of the principal amount of the Corporate Bonds issued to the investor on the closing date)
- This is a limited opportunity available from 9am Tuesday 15<sup>th</sup> January 2013 until 1pm Monday 15<sup>th</sup> April 2013, or until a maximum of £10 million has been subscribed
- The minimum subscription amount is £10,000 and subscriptions may be made in multiples of £1,000 with no upper limit.
- As funds are drawn down Alpha Business Centres LLC will provide physical property assets as security to a value of at least 2x the amount loaned.

	£ - 3 yr exit with roll up	£ - 3 yr exit taking interest	£ - 4 yr exit with roll up	£ - 4 yr exit taking interest
£10,000 invested receives total interest	£2,802	£2,496	£3,901	£3328
£10,000 invested receives bonus payment (3%)		-	£300	£300
Total income	£2,802	£2,496	£4,201	£3628
Expressed as a % of sum invested	28.02%	24.96%	42.01%	36.25%



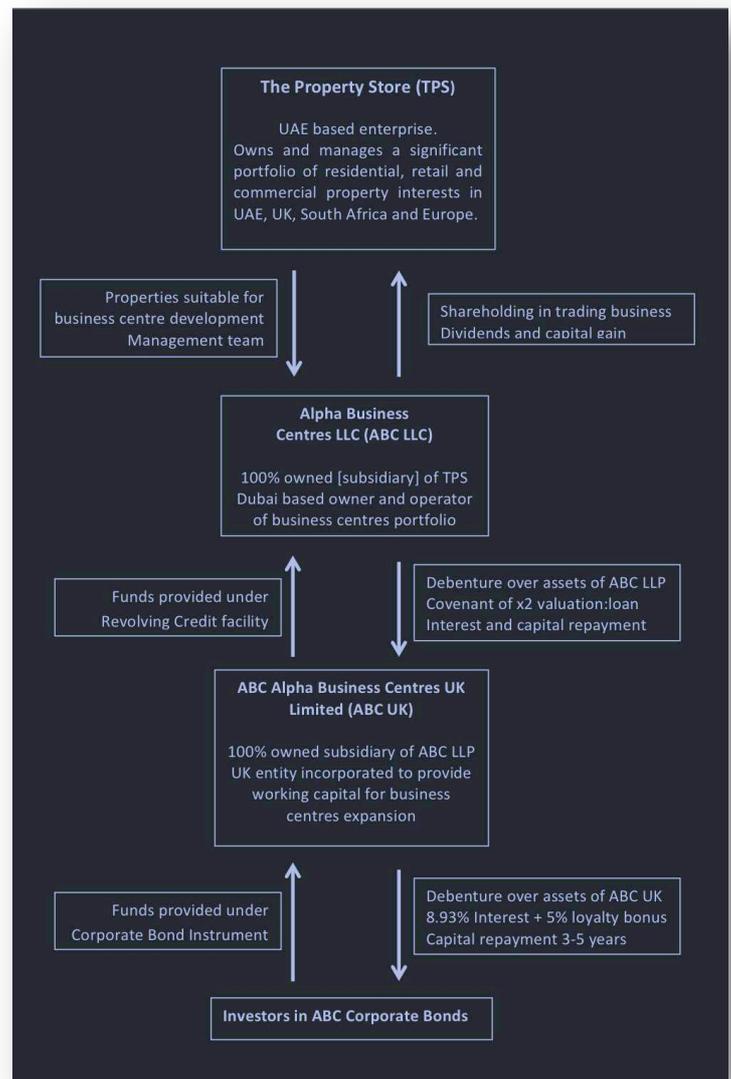
Alpha Business Centres LLC plans further expansion to its international network of business centres based around the successful and growing serviced office market. It will do so by continuing to convert commercial properties to which it has existing and privileged access in several destinations. The ABC Bond II seeks to support this by providing working capital that will primarily be deployed to continue converting commercial space to a more suitable format for serviced office business, and also to support the development of additional infrastructure for the management of the serviced business network.

Alpha Business Centres LLC (ABC) is a recently formed subsidiary of The Property Store (TPS), a UAE based enterprise that controls and manages a significant portfolio of residential, retail and commercial property interests in several countries including the UAE, the UK, South Africa and Europe. TPS places office premises in business destinations into the ownership and control of ABC, and these are then re-fit internally to be suitable for operation, and then rented out as serviced office spaces to independent businesses. In this way, ABC's property portfolio will grow rapidly and TPS plans to pass over ownership of properties in Doha, Dubai, Johannesburg, Malawi, Munich, Prague, Riyadh, Riyadh, and Singapore as the next phase in the development of its offering.

The ultimate objective for ABC is to grow to a size at which the business as a whole becomes an attractive target for acquisition by one of the major global players in this sector, such as Regus or Servcorp. Because its launch is supported by TPS, ABC launches with existing operating premises hosting a good client base, and with access to a selection of property assets.

## The ABC Team

TPS is the owner of ABC, and the Officers and Directors of TPS will control both the identification of suitable property assets to pass over to ABC and their conversion. Initially ABC and TPS will share a management team, and this will include Thomas Ghasemi and Imran Nawab. TPS has extensive experience of creating successful commercial and residential investment property vehicles. For example, in 2009 TPS became the Promoter of the Saker Property Fund, which is now listed on the Channel Islands



Stock Exchange, allocating in the process over £17m of unencumbered property assets to kick start the project. Similarly, in 2010 TPS provided the initial asset pool for the Lanner car park fund, which is also publicly listed and has provided income and capital growth of over 14% to its investors in the last 12 months.

ABC has appointed Brad Lincoln and Best Asset Management as its UK based directors of the Company in the UK which will administer the funds received through the issue of the ABC Bond II and will be responsible for ensuring that any funds utilized by ABC to develop its business centre business will on draw-down be protected by security of at least twice the value of the sums loaned, and that this protection will be by way of a first and sole charge on Defined Property.

Brad Lincoln is recognized as one of Europe's leading experts in fractional property ownership, a subject on which he is a regular speaker at international conferences, and a panel judge in the annual Overseas Property Professional Awards. He is also a director of the Falcon Investment Property SICAV plc, a fund authorized and regulated in the EEA by the MFSA, and with three sub-funds each publicly listed.

Best Asset Management Limited owns a portfolio of business interests in property, travel, wealth management, commercial car parks, hotel development, residential care and manages collectively assets valued in 2012 at over £0.5billion.

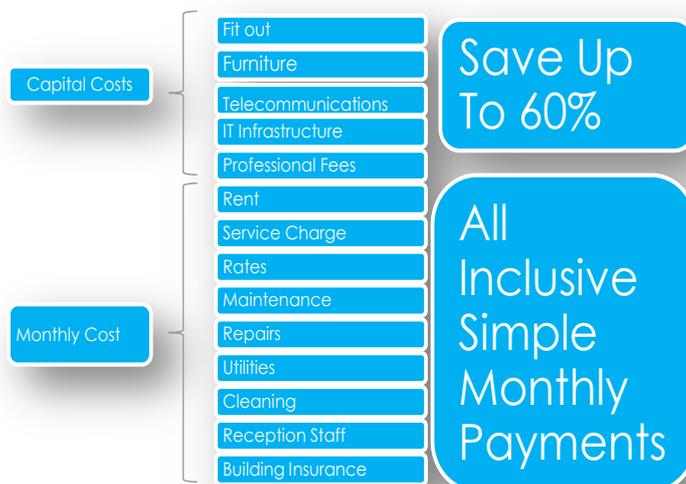
## The proposed initial network of Alpha Business Centres



Managed Office Space is a thriving \$6 billion sector which has seen fast growth in recent years. According to Instant's Global Serviced Offices Review 2011, between July 2008 and July 2011 and against the backdrop of a global recession, there was an 18.5% growth in the number of new serviced office sites opened globally.

## Key Facts Relating to the Serviced Office Market<sup>1</sup>

- Industry sector estimated to be worth \$5 billion USD
- 750,000 work stations globally
- 73% increase in Serviced Office space in the last 6 years alone.
- 80 million square feet of Serviced Office space within 5,484 facilities.
- 2,388 serviced office providers active in the market
- Locations in 1,431 cities worldwide, in 101 different countries.
- 5,484 Serviced office centres Worldwide, 2,388 Providers Globally.
- Global Average Workstation rate has increased by 5% per annum since 2009.



The serviced offices sector provides clients with a cost effective alternative to owning their own office or a standard rental. They enjoy both reduced capital expenditure combined with on-going admin costs.

## A Fragmented Market Place

A key part of the ABC strategy is to develop a business that is well positioned for sale to another player in the serviced office market. ABC's directors believe the industry is still some way from saturation with changing and more flexible work practices and that there is at least a decade of continued growth before prices and valuations reflect this. Growth has arisen from a combination of;

- Growing office numbers in current locations. Growth in new locations.
- Growth in Global Average Workstation rate.

However despite such a strong 10-year outlook the serviced office sector remains fragmented, with more than 75% of the service sector industry represented by smaller local and national providers. Major competitors are currently being valued at a high Price/Earnings Ratio. This displays how valuable the general market perceives this growing sector.

As the industry is currently very fragmented any company that can consolidate its place in the market could become a significant player and a key acquisition target for one of the two dominant players. Given the preferred access to suitable real estate, the directors view the current market structure as an ideal opportunity to grow ABC to become significant relatively quickly.

<sup>1</sup> Data from the Instant's Global Serviced Office Review 2011



# THE SERVICED OFFICE SECTOR

The two major competitors have expansion policies in place. However to achieve this they will need both organic growth and acquisitions. The Instant Global serviced office review 2011 outlined that since 2005, the number of Regus centres has increased by 69% - through both acquisition of regional providers and the opening of new centres.

Annual Report 2011	Regus * (20%)	ServCorp + (2%)
Turnover	£1162.6m	£116.3m
EBIT/ Net Profit before tax	£36.6m	£2.01m
Net Operating Cash Flow	£25.4m	£12.4m
Price/Earnings Ratio	21.1	78.0

\*Figures from Regus Annual Report 2011, +Figures from ServCorp Annual Report 2011

\*Figures for ServCorp converted from AUD\$ on 22/08/2012 using XE.com

\*EBIT- Earnings before Interest and Taxation

Interim Half Year results 2012	Regus Mature Centres (20%)
Mature* Centre EBITDA	£100.9m
Mature* Centre Gross Profit Margin	28.3%
Mature* Centre Operating Margin	13.3%
Mature* Centre Cash flow	£53.7m

\*Figures from Regus Interim Results Announcement- Six Months Ended 30 June 2012,

\* Mature Centres are those opened on or before 31 December 2010

\*EBITDA- Earnings before Interest, Taxation, Depreciation & Amortisation

## Regus<sup>2</sup>

Founded: 1989

Headquarters: Luxembourg City, Luxembourg

Regus is the world's largest provider of serviced office space with locations in more than 88 countries. They offer a range of options – from centres in economical suburban business parks to prestigious CBD properties. Each centre adheres to a minimum standard of quality. Regus offers the most extensive membership network for accessing office facilities worldwide. The majority of the centres are branded.

## Servcorp<sup>3</sup>

Founded: 1978

Headquarters: Sydney, Australia

Servcorp is one of the world's most recognized providers of serviced offices. They have a long established presence in Australia and Asia and in recent years have significantly expanded throughout EMEA and North America. Servcorp has a reputation for providing the highest quality IT products and superior levels of customer service. The majority of their centres are located in Grade A city centre buildings offering high quality office environments in a traditional design.

<sup>2</sup> \*Instant's Global Serviced Office Review 2011 Pg. 10

<sup>3</sup> \*Instant's Global Serviced Office Review 2011 Pg. 10

Minimum investment in Corporate Bonds II	£10,000 (unless otherwise agreed by the Directors at their absolute discretion) and thereafter subscriptions may be made in multiples of £1,000 with no upper limit
Maximum amount to be raised pursuant to this Offer	£10 million
Minimum amount to be raised	£250,000
Issue price and face value of the Corporate Bonds II	£1.00
Interest rate	8.32% per annum, with interest paid quarterly in arrears

**Roll-Up Election**

Investors have the option to make an election to roll-up all interest payable on their Corporate Bonds II. Any rolled up interest shall be deemed to be added to the principal amount of the Investor's Corporate Bonds II on the interest payment dates on which such interest becomes payable (Roll-Up Election"). Any amount added to the principal amount of the Corporate Bonds II pursuant to a Roll-Up Election shall be paid to that Bondholder when the principal amount of the Corporate Bonds II are repaid in accordance with the provisions of the Corporate Bond II Instrument.

**Redemption Date**

The Corporate Bonds II shall be fully repaid (including all accrued but unpaid interest) on or prior to the fourth anniversary of the date that the Corporate Bond II is issued to the Corporate Bondholder ("Long Stop Repayment Date"). The Corporate Bondholder shall have the opportunity to request redemption of his Corporate Bond II (including all accrued but unpaid interest) prior to the Long Stop Repayment Date but unless it is in the Allowable Redemption Period then such redemption is at the Directors sole discretion and the Corporate Bondholder and ABC UK will need to agree redemption terms that are acceptable to both the Corporate Bondholder and ABC UK. ABC UK shall not be obliged to satisfy any request for redemption of the Corporate Bonds II (including all accrued but unpaid interest) that is made prior to the commencement of the Allowable Redemption Period.

If a Corporate Bondholder makes a redemption request at anytime within the Allowable Redemption Period then ABC UK shall redeem the Corporate Bonds II that are the subject of the Corporate Bondholder's redemption request in full at par (including all accrued but unpaid interest on the Corporate Bonds II to be redeemed) within 30 calendar days' of ABC UK's receipt of the Bondholder's redemption request.

If a Corporate Bondholder does not make a redemption request prior to the Long Stop Repayment Date then in addition to the repayment of the full principal amount of all outstanding Corporate Bonds II he holds and all accrued but unpaid interest on those Corporate Bonds II he will also receive a further bonus redemption premium of an amount equal to 3% of the principal amount of the Corporate Bonds issued to the Investor on the Closing Date.

The Company shall have the right within the Allowable Redemption Period to redeem all or part of the Corporate Bonds II in full at par (including all accrued but unpaid interest) on 14 calendar days' notice in writing to the Corporate Bondholder. If the Company makes a redemption within the Allowable Redemption Period then in addition to the repayment of the full principal amount of the Corporate Bonds II to be repaid and all accrued but unpaid interest on those Corporate Bonds II to be repaid he will also receive a bonus redemption premium of an amount equal to 3% of the principal amount of the Corporate Bonds issued to the Investor on the Closing Date. ABC UK shall be at liberty to voluntarily redeem some of the Corporate Bonds II only and shall not be obliged in anyway to make a voluntary redemption pro rata to the holdings of all Bondholders.

## Security

(A) debenture to be issued by ABC UK in favour of a person acting as Security Trustee for the Bondholders for the purposes of securing all liabilities and obligations of ABC UK to the Bondholders under the Corporate Bond Instrument II; and

(B) the Corporate Bond Instrument II contains a covenant whereby ABC UK agrees not to lend monies it receives from the Bondholders to ABC LLC pursuant to the ABC Revolving Loan Facility unless at the time of making such loans ABC LLC has granted ABC UK a first legal charge over land and/or buildings owned (whether long term leasehold or freehold) by ABC LLC that have an aggregate market value (as verified by an independent valuer) that is equal to or greater than 2 times the aggregate amount outstanding (including accrued but unpaid interest) pursuant to the Revolving Facility plus the additional amount that is proposed to be loaned.

## Transferability of Corporate Bonds II

The Corporate Bonds II are not transferable.



## Timetable

### Closing date and allotment of Corporate Bonds II

Earlier of full subscription or 1pm Monday 15th April 2013 or such later date as the Directors may determine

### Corporate Bond II certificates expected to be dispatched

20 days after issue

### **Why raise money through the Bond now?**

Current market conditions have presented an opportunity for the ABC Group to take advantage of significant growth potential. The limiting factor is the capital requirement needed to provide the required standard of finish for a serviced office. Therefore by raising additional working capital ABC can fit out more offices at a faster speed.

### **Why don't you raise the cash from a bank?**

A bond issue provides the ABC Group with greater flexibility than a bank loan allowing the ABC Group to take advantage of commercial opportunities presented in the market.

### **Can I get my money out?**

There is an early redemption opportunity at the end of year 3. In exceptional circumstances it would be possible to exit the investment at any time on application– this would be at the discretion of the ABC UK directors.

### **Can you take investments from SIPPs and Isa's?**

Yes and the liability of a SIPP Bondholder or the trustee of that SIPP shall not be personal and shall be limited to the assets of the SIPP under its control for the time being.

### **What circumstances trigger the bonus?**

If at the end of the investment period (4 years) the Investor has not served on ABC UK a redemption notice then there would be a bonus payable to the Investor. The bonus is 3% of the principal amount of the Corporate Bonds issued to the Investor on the closing date. If ABC UK redeems the Corporate Bonds II within the Allowable Redemption Period then it would pay 3% of the principal amount of the Corporate Bonds issued to the Investor on the closing dates.

### **Why have you written this in – are you expecting a problem?**

This is to give flexibility to ABC UK and recognize the impact of early redemption on Bondholders who may need to change their investment planning as a consequence. The potential for merger or acquisition is a key part of the ABC strategy. Under these circumstances it seems sensible to plan for the possibility that it may be strategically advantageous to exit the Bond early and repay the investors with a bonus.

### **How does the security work?**

A nominated security trustee who will also be an investor in the Bond will hold on trust for all the Corporate Bondholders an all assets debenture over ABC UK. The all assets debenture would include security over the loan book (being the loans made to ABC LLC pursuant to the Revolving Loan Facility).

The Corporate Bond II Instrument contains a covenant whereby ABC UK agrees not to lend monies it receives from the Bondholders to ABC unless at the time of making such loans ABC LLC has granted ABC UK a first legal charge over Defined property owned (whether long term leasehold or freehold) by ABC LLC or its subsidiaries that have an independently verified market value of at least twice the loan book. Ultimately the Trustee can enforce the sale of these assets to recover the amounts outstanding on the loan book and thereby the amount outstanding to the Bondholders.

### **Do I need to discuss this with a financial advisor?**

Yes we would always advise that a potential investor seeks suitable professional advice.

### **Am I affected by currency changes?**

You are investing in GBP and your yield will be paid in GBP. However, the trading income and expenses of ABC will be denominated in foreign currencies as will the secured properties' values..

### **Are the bonds transferrable?**

No

### **What happens if I die while I hold the bonds?**

The bonds will form part of the estate of the investor, and may be redeemed at the discretion of the directors of ABC UK through Application for Early Redemption. If death of a SIPP beneficiary is the sole reason for the Corporate Bondholder serving on ABC UK the Early Request For Redemption then the directors of ABC UK will not unreasonably withhold or delay the redemption pursuant to such Early Request For Redemption and in any event shall use their reasonable endeavours to procure that such redemption occurs within 24 months immediately following the date of such Early Request For Redemption.

### **Do I own shares in the company?**

No – you own a Bond, which is secured against specified properties.

### **Do I own any real estate?**

No – you own a Bond secured against property.

### **What is my tax position if I am an individual?**

Corporate Bondholders will receive interest payments from ABC UK quarterly. These interest payments will be paid net of UK basic rate income tax. Overseas Bondholders or Bondholders who are not subject to UK Income Tax (such as SIPP funds) may apply to receive gross interest payments. You should take advice from your tax advisor.

### **What happens if the offer is oversubscribed?**

Uninvested monies are sent back to the investor immediately.

### **What happens if the money is not lent to ABC LLC?**

If for any reason ABC UK has not lent the Investors monies to ABC LLC within 30 calendar days following the Registrars receipt of the monies then the Registrars will return the subscription monies to the Investor within 35 calendar days of receiving it.

### **How do I apply for the Corporate Bonds II?**

Please complete the Corporate Bond II Application Form provided at the end of this Invitation Document as Appendix III. Instructions on how to complete the Corporate Bond II Application Form are set out in Appendix III(b) to this Invitation Document.

### **Why would I make a Roll-Up Election?**

Rather than have your interest paid to you on the interest payment dates you can elect to roll up that interest which shall be deemed to be added to the principal amount of your Corporate Bonds II on the interest payment dates on which such interest becomes payable (Roll-Up Election"). Thus giving you better overall returns.

Any amount added to the principal amount of the Corporate Bonds II pursuant to a Roll-Up Election shall be paid to that Bondholder when the principal amount of the Corporate Bonds II are repaid in accordance with the provisions of the Corporate Bond II Instrument.

### **How do I make an election to roll-up all interest payable on my Corporate Bond II**

You will need to tick the roll-up election box in box of the Corporate Bond II Application Form provided at Appendix II(c) ("Roll-Up Election"). Once a Roll-Up Election has been made by a Bondholder then such Roll-Up Election may not be revoked or withdrawn by a Bondholder without the prior written consent of the Company.

### **Who do I make my cheque or banker's draft payable to? Where do I send this cheque or banker's draft and the completed and signed Corporate Bond II Application Form?**

Cheques should be made payable to Greyfriars Asset Management LLP a/c ABC Corp Bond (being the entity acting as Registrars), be attached to the Corporate Bond II Application Form and sent by recorded delivery to the Registrars' registered office at The Cedars, 11 High Street, Fleckney, Leicester, Leicestershire LE8 8AJ marked for the attention of The ABC Bond II Registrar - Ref:- ABC Corporate Bond II.

## **By what date do I need to send my cheque or banker's draft and the completed and signed Corporate Bond II Application Form?**

In order to be accepted, the duly completed Corporate Bond Application Form must be received no later than 1pm Monday 15th April 2013

## **What should I expect after I invest?**

The Registrars will acknowledge receipt of an application by return post. Provided the cheque has been cleared and Corporate Bonds II issued, a Corporate Bondholder will receive a Corporate Bond II certificate within 20 days after such issue.

## **If there is a default will we be able to sell the properties held as security?**

The Directors of the Company will take all reasonable steps to ensure that the Security Trustee will be able to act to take control of and sell the individual properties offered as security in the case of default prior to allowing any funds to be remitted to ABC LLC.

## **How do I redeem my Corporate Bonds II?**

Please see the Bondholder Redemption Notice section at page 27 for the redemption conditions.

Any redemption request must be made to the Registrars or any other entity the Bondholders are informed by ABC UK in writing.

No Corporate Bonds II will be redeemed unless prior to such redemption the Registrars has received the original signed Corporate Bond II that relates to the Corporate Bonds II to be redeemed or an appropriate indemnity in respect of any lost Corporate Bond II certificate. Upon delivery of the Corporate Bond II certificate the Registrars shall forthwith pay to the Corporate Bondholder the monies payable in respect of such redeemed Corporate Bonds II.

## **Can I own my investment jointly with my spouse?**

Yes

## RISK FACTORS

There are significant risks associated with investing in ABC Corporate Bonds II. Prior to making an investment decision in respect of the Corporate Bonds II, prospective investors should consider carefully all of the information within this document, including the risk factors described below. Before making a final investment decision, prospective investors should consider carefully whether an investment in ABC UK is suitable in the light of their own personal circumstances and the financial resources available to them. If you are in any doubt, you should consult an appropriate independent financial adviser.

This document contains forward looking statements which have been made after due and careful enquiry and are based on the Directors' current expectations and assumptions which they believe to be fair and reasonable. These forward looking statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. These statements are subject to, inter alia, the risk factors set out below. The Directors make no guarantee of performance of ABC UK or ABC Group.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on any forward-looking statements. Each forward-looking statement speaks only as of the date of issue of this document. The Company and the Directors disclaim any obligation to update any forward looking statements in this document to reflect future events or developments but reserve the right to remedy any errors that may be present in this document until applications for subscriptions relating to the Corporate Bonds II are no longer accepted by ABC UK.

The Directors believe the following risks to be the most significant for potential investors. However, the risks listed do not necessarily comprise all those associated with an investment in the Corporate Bonds II.

Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the ABC Group including ABC UK. The information set out below does not purport to be an exhaustive summary of the risks affecting the ABC.

Group and ABC UK nor are they set out in any particular order of priority.

If any of the following risks were to materialise, ABC Group's business, financial condition, results or future operations could be materially and adversely affected with consequent impact on the financial position of the Company. In such cases an investor may lose part or all of his investment.

### Risks relating to the ABC Group

#### Exposure to external events

The ABC Group could be affected by unforeseen events outside its control, including economic, social and political events and trends both in the UK and abroad. These include changes in economic, political, administrative, taxation or other legal or regulatory regimes, terrorist or other attacks, inflation, deflation or other currency exchange fluctuation.

#### Past performance

Past performance is not necessarily a guide to future performance. Past events, experience derived from these, or assumptions derived from any of these, do not predetermine the future.

#### ABC LLC is a recently formed company.

ABC LLC's business plan is based on assumptions about market penetration and predicted future trade of its current and proposed business activities, which are supported by research undertaken and the Directors' experience to date. The Directors consider these assumptions to be reasonable but are inherently subject to variation and uncertainty. There is no certainty that all or any of the elements of its business plan will be fulfilled, that the outcome of ABC Group's strategy will be as anticipated, or that ABC Group will achieve the required level of profitability or sufficient cash flow to achieve its stated objectives.

## **Reliance on the Alpha Business Centre Team**

ABC Group's success depends on the activities of its Directors, managers and partners and if one or more of these were unable or unwilling to continue in their position, ABC Group's business may be disrupted and it might not be able to find replacements on a timely basis or with the same level of skill and experience.

Finding such replacements could be costly which could adversely impact its financial results.

## **Risks relating to an investment in the Corporate Bonds II**

### **Exposure to performance of ABC Group**

If ABC LLC does not perform as expected then it may default on the payment of interest or capital repayment pursuant to the Revolving Facility. This in turn may result in ABC UK defaulting on the payment of interest or principal of the Corporate Bonds II on the due dates. Although the Corporate Bondholders may be able to recover monies by enforcing their security, they may not recover all or any of the amounts due. In addition the debenture granted by ABC UK to the Corporate Bondholders will rank behind the debenture already granted to the holders of the corporate bonds issued pursuant to the first fund raise which closed in late November 2012/early December 2012. This means that if the assets of ABC UK were to be distributed following an insolvency event then the holders of the corporate bonds from the first fund raise will receive the first share of any proceeds from a distribution of ABC UK's assets. It may therefore be difficult for Corporate Bondholders to redeem their Corporate Bonds II at face value and realise their investment.

### **Rolled-Up Interest Added to the Principal Amount of Corporate Bond II**

The rolling up of the interest means that ABC UK will be paying interest on a greater principal sum

and thus at the time of redemption ABC UK will be obliged to pay that Investor a larger return. ABC UK will only be able to pay this additional amount if at the time the interest is rolled-up ABC UK is able to lend those monies to ABC (Dubai) under the terms of the

Revolving Loan Facility. ABC (Dubai) may not draw down this additional amount under the terms of the Revolving Loan Facility and if this was to be the case then ABC UK would not be able to pay the Investor these larger returns.

### **Fluctuation in property values**

The valuation of the Defined Properties upon which the Directors of ABC UK will rely for determining covenanted Security will be made at a fixed date and in a currency used locally for the purpose of property transactions. While the Directors will regularly review the portfolio of properties relied upon for security, it is possible through variations in currencies, property market conditions, and the condition of specific properties (or a combination of all of these) that the value of the properties if required to be sold may be less than the value of the outstanding Corporate Bonds II, and in such circumstances Corporate Bondholders may not get back all of the capital they had invested or accrued but unpaid interest.

### **No external guarantee**

The Corporate Bonds II are secured against both the assets of ABC UK and the first legal charges in favour of ABC UK over the Defined Property. However, this security is not a guarantee from a third-party or financial institution. If the ABC Group was wound-up or liquidated and the assets of the ABC Group were worth less than the value of the outstanding Corporate Bonds II (including all accrued but unpaid interest), then the Corporate Bondholders would not get back all or possibly any of the capital they had invested or accrued but unpaid interest.

## **ADDITIONAL INFORMATION**

Bradley James Lincoln and Best Asset Management Limited, ABC UK's sole directors, and ABC UK accept responsibility, both individually and collectively, for the information contained in this Invitation Document. To the best of the knowledge and belief of the Directors and ABC UK (who have taken all reasonable care to ensure that such is the case), the information contained in this Invitation Document is in accordance with the facts at the date of issue of this Document and does not omit anything likely to affect the import of such information.

### **ABC UK**

ABC UK was incorporated and registered in England and Wales on 23 August 2012 under the Companies Act 2006 (as amended) with registered number 08188706. The Company is domiciled in England and its registered office and principal place of business is located at Booths Hall, Chelford Road, Knutsford, Cheshire WA16 8GS. No financial statements have been prepared, audited or filed or due to be with the Register of Companies.

### **Share capital**

ABC LLC holds the entire issued share capital (1 ordinary share of £1.00) in ABC UK. Save for this 1 ordinary share, since the date of incorporation no share or loan capital of the Company has been issued, is agreed to be issued, is under option or is agreed conditionally or unconditionally to be put under option, or (except pursuant to the Offer) is now proposed to be issued.

### **Directors' additional information**

Neither Director has been a director of a company or a partner in a partnership which has been placed in receivership, administration or insolvent liquidation (including a company or partnership voluntary arrangement) whilst he was a director of that company or a partner in that partnership or during the 12 months preceding such events.

Neither Director (i) has any unspent convictions; (ii) is or has been bankrupt or made any voluntary arrangement; (iii) has been the subject of public criticism by a statutory or regulatory authority (including recognised professional bodies); or (iv) has been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of any company.

### **Material agreements**

ABC UK entered into the following documents on 30 September 2012:

- (i) Revolving facility from the first fund raise that closed in late November/early December 2012; and
- (ii) Debenture granted to Brian Thorogood as security trustee for the corporate bondholders from the first fund raise that closed in late November/early December 2012.

No commissions, discounts, brokerages or other special terms have been granted by ABC UK in connection with the issue or sale of any capital except as disclosed herein.

### **Litigation and contingent liabilities**

ABC UK has contingent liabilities arising from its obligation to redeem and pay interest to the holders of the corporate bonds from the first fund raise that closed in late November/early December 2012. Neither ABC UK nor its Directors are aware of any governmental, legal or arbitration proceedings pending or threatened against ABC UK at any time since ABC UK's incorporation.

### **General**

TPC has given and not withdrawn its written consent to the inclusion in this Invitation Document of the references to its name in the form and context in which they appear.

The following definitions apply throughout this document unless the context otherwise requires:

<b>"ABC Bond II" &amp; "ABC Corporate Bond II"</b>	means the Bond Instrument as detailed in Appendix I of this document.
<b>"ABC LLC"</b>	means Alpha Business Centres LLC registered and incorporated in Dubai with Economic License Number 676595
<b>"ABC Group"</b>	means ABC LLC, the Company and other subsidiary undertakings from time to time and "ABC Group Company" means any one of them
<b>"ABC UK"</b>	The Company
<b>"Allowable Redemption Period"</b>	means the period commencing on the date that is the third anniversary of the date that the Corporate Bond II was issued by ABC UK and ending of the date that is 10 Business Days immediately prior to the date that is the fourth anniversary of the date that the Corporate Bond II was issued by ABC UK
<b>"Business Day(s)"</b>	(a) day(s) (other than a Saturday or a Sunday) on which banks are generally open for business in London
<b>"Bond Issuer"</b>	means The Company
<b>"CBD"</b>	Means Central Business District
<b>"Closing Date"</b>	the earlier of full subscription or 1 p.m. on Monday 15th April 2013 or such later date as the Directors may determine
<b>"Companies Act 2006"</b>	the Companies Act 2006 to the extent in force from time to time
<b>"Company" or "ABC UK"</b>	ABC Alpha Business Centres UK Limited, a private company limited by shares incorporated in England and Wales with registration number 08188706
<b>"Corporate Bonds II"</b>	up to £10,000,000 8.32% non transferable Secured Redeemable Corporate Bonds II of £1.00 each to be issued by the Company pursuant to the terms of this Offer to be secured on the Company's assets (further details of which are set out at page 22 in the section headed "Security Cover")
<b>"Corporate Bond Applicant"</b>	an applicant who completes a Corporate Bond II Application Form to subscribe for Corporate Bonds II
<b>"Corporate Bond Application Form"</b>	the Corporate Bond II application form attached to this Invitation Document
<b>"Corporate Bond II Application"</b>	an application by a Corporate Bond II Applicant
<b>"Corporate Bondholder(s)"</b>	Investor(s) who subscribe for and hold the Corporate Bonds II
<b>"Corporate Bond II Instrument"</b>	the corporate bond instrument constituting the Corporate Bonds II (a copy of which is attached to this Invitation Document)
<b>"Defined Property"</b>	Assets secured under the Revolving Loan Facility.

<b>"Directors"</b>	Bradley James Lincoln and Best Asset Management Limited, being all the directors of the Company at the date of this Invitation Document
<b>"Draw-down"</b>	means the event when the Company loans funds to ABC LLP
<b>"EEA"</b>	European Economic Area
<b>"EMEA"</b>	Means Europe, Middle East and Asia
<b>"FSA"</b>	the United Kingdom Financial Services Authority
<b>"FSMA"</b>	the Financial Services and Markets Act 2000 of the United Kingdom, as amended
<b>"Invitation Document"</b>	this document
<b>"Investor(s)"</b>	a Corporate Bond II Applicant(s)
<b>"London Stock Exchange"</b>	London Stock Exchange plc
<b>"MFSA"</b>	Maltese Financial Services Authority
<b>"Offer"</b>	the offer of Corporate Bonds II in the Company
<b>"Official List"</b>	the list maintained by the United Kingdom Listing Authority in accordance with section 74(1) of FSMA for the purposes of Part VI of FSMA
<b>"Registrars"</b>	Greyfriars Asset Management Limited Liability Partnership, a limited liability partnership registered in England and Wales with number OC304665
<b>"Revolving Loan Facility"</b>	a loan facility of up to £10,000,000 between ABC UK and ABC (Dubai) entered into on or around the date of this Invitation Document
<b>"Security Trustee"</b>	the person or organization who may act on behalf of the Bondholders to take charge of and sell the assets offered as security in the case of default by the Company. In the first instance the Security Trustee will be Brian Thorogood of "Beeshive", 87 Weston Road, Olney, Bucks'
<b>"UK" or "United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland
<b>"UKLA"</b>	the FSA acting in its capacity as competent authority for Part VI of FSMA

*All references to statute or other forms of UK legislation in this document shall, unless otherwise stated, be references to statutes or forms of legislation of the UK and any references to provisions of any legislation shall include any amendment, modification, re-enactment or extension thereof. All references to time in this document are to London time and all dates and times stated in this document may be subject to change*

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## CORPORATE BOND II INSTRUMENT

Constituting up to £10,000,000 8.32% Secured Redeemable Corporate Bonds II

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### BETWEEN

**ABC ALPHA BUSINESS CENTRES UK LIMITED** incorporated and registered in England and Wales with company number 08188706 whose registered office is at Booths Hall, Chelford Road, Knutsford, Cheshire WA16 8GS (the "**Company**").

### RECITALS

The Company has, by resolution of its board of directors passed on the same date as this instrument, resolved to create up to a maximum nominal amount of £10,000,000 8.32% Secured Redeemable Corporate Bonds II, to be constituted in the manner set out below and has entered into the Debenture to secure sums due to the Bondholders under the Corporate Bonds II.

### AGREED TERMS

#### 1 DEFINITIONS AND INTERPRETATION

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

"**ABC**" Alpha Business Centres LLC registered and incorporated in Dubai with Economic License number 676595

"**ABC Revolving Facility**" means a loan facility of up to £10,000,000 between the Company and ABC entered into on or around the date of this instrument

"**ABC Properties**" means all land and/or buildings which are wholly owned (whether long term leasehold or freehold) by ABC or its Subsidiaries at the time this definition is applied and:

- (a) that are subject to outstanding first legal charges (if any) in favour of the Company which have been granted pursuant to the ABC Revolving Facility; and
- (b) those properties that ABC or its Subsidiaries shall grant a first legal charge to the Company on the date that monies are to be lent by the Company to ABC pursuant to the ABC Revolving Facility.

"**Allowable Redemption Period**" means the period commencing on the date that is the third anniversary of the date that the Corporate Bond II was issued by the Company and ending of the date that is 10 Business Days immediately prior to the date that is the fourth anniversary of the date that the Corporate Bond II was issued by the Company

"**Bondholder(s)**" means each person(s) for the time being entered in the Register as a holder of any Corporate Bonds II

"**Bondholder Redemption Notice**" has the meaning given to it in Condition 2.1

"**Business Day**" means any day, other than a Saturday or Sunday or English bank holiday

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

"**Corporate Bonds II**" means up to £10,000,000 8.32% Secured Redeemable Corporate Bonds constituted by this instrument or, as the case may be, the amount of such corporate bonds for the time being issued and outstanding and each a "**Corporate Bond II**"

"**Debenture**" means a debenture given by the Company to the Security Trustee (as defined in the Debenture) as security trustee for the Bondholders

"**Directors**" means the board of directors of the Company for the time being

"**Event of Default**" means any of those events specified in *clause 10*

"**Expert**" means a suitably qualified independent valuer with experience and local knowledge of the land and/or buildings being valued

"**Long Stop Repayment Date**" means the date that is the fourth anniversary of the date that the Corporate Bond II was issued by the Company

"**Quarter Dates**" means 25 March, 24 June, 29 September, 25 December and each a "**Quarter Date**"

"**Redemption Premium**" means the redemption premium payable pursuant to Conditions 1.1.3 and 3.2.3 only

"**Register**" means the register of Bondholders (provisions relating to which are set out in *clause 9*)

"**Registrars**" means Greyfriars Asset Management LLP or any other person that the Company may notify the Bondholders in writing

"**SIPP**" means self-invested personal pension scheme and being an arrangement which forms all or part of a personal pension scheme, which gives the member the power to direct how some or all of the member's contributions are invested

"**Special Resolution**" means 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 upon 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

"**Subsidiaries**" has the meaning given in section 1159 of the Companies Act 2006.

## 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 which 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** shall be construed as a reference to any individual, firm, company or other body corporate, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) and, respectively, wherever incorporated or established;
- 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 **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);
- 1.2.9 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

1.2.10 £ denotes the lawful currency of the United Kingdom.

1.3 References to any statute or statutory provision shall include references to such statute or statutory provision as in force at the date of this instrument and as subsequently re-enacted or consolidated and shall include references to any statute or statutory provision of which it is a re-enactment or consolidation.

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 Corporate Bonds II include references to all and/or any of the Corporate Bonds II.

1.7 The headings in this instrument are inserted for convenience only and shall not affect construction or interpretation and references to a clause, schedule, condition or paragraph are (unless otherwise stated) to a clause or schedule in this instrument and to a condition or a paragraph of the relevant schedule, respectively.

## 2 AMOUNT OF CORPORATE BONDS II

The principal amount of the Corporate Bonds II is limited to £10,000,000.

## 3 DESCRIPTION OF CORPORATE BONDS II

The Corporate Bonds II shall be known as £10,000,000 8.32% Secured Redeemable Corporate Bonds II and shall be issued in integral multiples of £1 by the Company.

## 4 STATUS OF CORPORATE BONDS II

4.1 The Corporate Bonds II when issued shall rank *pari passu* equally and rateably without discrimination or preference among themselves and as a secured obligation of the Company.

4.2 The amounts outstanding under the Corporate Bonds II and all obligations of the Company hereunder are secured as a continuing security pursuant to the Debenture.

4.3 All liabilities and obligations of the Company to the Bondholders under this instrument are secured on a continuing basis by the Debenture. The Debenture in the name of the Security Trustee (as defined in the Debenture) shall be held by it as security trustee on behalf of all the Bondholders from time to time pro rata to the amount of the Corporate Bonds II held by them.

4.4 The Company hereby covenants with the Bondholders that all monies received from the Bondholders ("Bondholders' Funds") shall only be used for the purposes of loaning those monies to ABC pursuant to the ABC Revolving Facility.

## 5 SECURITY COVER

5.1 The Company covenants with the Bondholders that it shall not lend the Bondholders' Funds to ABC pursuant to the ABC Revolving Facility unless at the time of making such loans the value of "x" (as defined below) is a number that is equal to or greater than 2;

5.1.1 for the purpose of this clause 5:

$$x = \frac{a}{(b + c)}$$

5.1.1.1 a = the aggregate market value of all ABC Properties as valued (in the currency of the country in which the ABC Properties are located, converted to Sterling at the Bank of England's spot rate for the purchase of Sterling with that currency at the time of the deemed conversion) by an Expert at the time this clause 5 is tested;

5.1.1.2 b = the aggregate amount outstanding (at the time this clause 5 is tested) pursuant to the ABC Revolving Facility (including principal and all accrued but unpaid interest);



5.1.1.3 c = the amount that is proposed to be loaned to ABC pursuant to the ABC Revolving Facility at the time this clause 5 is tested.

## 6 REPAYMENT OF CORPORATE BONDS II

6.1 When the Corporate Bonds II become payable in accordance with the provisions of this instrument, the Company shall pay to the Bondholders the full principal amount of the Corporate Bonds II to be repaid together with any accrued interest on such Corporate Bonds II up to and including the date of payment together with any Redemption Premium (if any) (less any tax which the Company is required by law to deduct or withhold from such payment).

6.2 All payments under this instrument, whether of principal, interest, Redemption Premium (if any) or otherwise, shall be made by the Company to the Bondholders entitled to such payments as provided in *paragraph 3* of Schedule 3.

6.3 Where any payment to a Bondholder, whether of principal, interest, Redemption Premium (if any) or otherwise, is due in accordance with the terms of this instrument on a day which 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.

## 7 INTEREST ON CORPORATE BONDS II

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

## 8 CERTIFICATES

8.1 Each certificate for Corporate Bonds II shall:

8.1.1 bear a denoting number;

8.1.2 be issued to a Bondholder as a deed, substantially in the form set out in Schedule 1; and

8.1.3 have the Conditions endorsed on it.

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

8.3 The Company shall not be bound to register more than four persons as the joint holders of any Corporate Bonds II and, in the case of Corporate Bonds II held jointly by several persons, the Company shall not be bound to issue more than one certificate. Delivery of a certificate to the person who is first named in the Register as Bondholder shall be sufficient delivery to all joint holders of the Corporate Bonds II in respect of which such certificate has been delivered.

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

## 9 REGISTER

9.1 The Registrars shall, at all times, keep a Register at its registered office (or at such other place as the Registrars 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 Corporate Bonds II held by each Bondholder;

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

9.2.4 the date of issue of each Corporate Bond II.

9.3 Any change of name or address by any Bondholder which is notified to the Registrars at its registered office address above shall be entered in the Register.

9.4 Any Bondholder may at all reasonable times during office hours and on reasonable notice inspect, and take copies of, the Register.

## 10 DEFAULT

The following are Events of Default:

- 10.1.1 **"Non-payment"**: The Company fails to pay any principal or interest or Redemption Premium (if any) on any of the Corporate Bonds II within 15 Business Days after the due date for payment thereof;
- 10.1.2 **"Breach of undertaking"**: The Company fails duly to perform or comply with any obligation (other than an obligation to pay principal or interest or Redemption Premium (if any) in respect of the Corporate Bonds II) expressed to be assumed by it in this instrument and such failure continues for 15 days after written notice has been given by any Bondholder requiring remedy thereof;
- 10.1.3 **"Insolvency"**: The Company 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), stops, suspends or threatens to stop or suspend payment of all or any material part of its indebtedness or commences negotiations with any one or more of its creditors with a view to the general readjustment or re-scheduling of all or any material part of its indebtedness or makes a general assignment for the benefit of, or composition with, its creditors (or any class of its creditors) or a moratorium is agreed or declared in respect of, or affecting, all or a material part of its indebtedness;
- 10.1.4 **"Enforcement proceedings"**: A distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any part of the assets of the Company and is not discharged or stayed within 15 days;
- 10.1.5 **"Winding-up"**: The Company 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 previously approved by Special Resolution) 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; and
- 10.1.6 **"Encumbrance enforceable"**: Any encumbrance on or over the assets of the Company becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar person) is taken to enforce that encumbrance;

## 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 Company from Bondholders holding more than 50% in nominal value of the Corporate Bonds II 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 Corporate Bonds II, all unpaid accrued interest, any Redemption Premium and any other sum then payable on such Corporate Bonds II shall become due and payable immediately. If the Bondholders give such a direction under this clause, then the principal amount of all Corporate Bonds II, all unpaid accrued interest, any Redemption Premium and any other sum then payable on such Corporate Bonds II (in each case less any applicable taxes) shall be immediately due and payable by the Company and the Company shall immediately pay or repay such amounts to the Bondholders.

## 12 NO SET-OFF

Payments of principal, interest and any Redemption Premium under this instrument shall be paid by the Company to the Bondholders, and the Corporate Bonds II shall be non-transferable, without any deduction or withholding (whether in respect of any set-off, counterclaim, duties, taxes or otherwise whatsoever) unless the deduction or withholding is required by law.

## 13 LIABILITY OF SIPP TRUSTEES

- 13.1 The liability of a SIPP Bondholder or the trustee of that SIPP shall not be personal and shall be limited to the assets of the SIPP under its control for the time being.

## 14 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 Company and the Bondholders and on all persons claiming through or under them respectively.

## 15 ENFORCEMENT

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



15.2 The Corporate Bonds II 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 Company and the Bondholders and all persons claiming through or under them respectively, and shall enure for the benefit of all Bondholders.

15.3 Each Bondholder shall be entitled to sue for the performance and observance of the provisions of this instrument so far as his holding of Corporate Bonds II is concerned. No other person shall have any right to enforce any term or condition of this instrument under the Contracts (Rights of Third Parties) Act 1999.

## 16 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* 24.1 of Schedule 4) with the sanction of a Special Resolution and with the consent of the Company.

## 17 GOVERNING LAW AND JURISDICTION

17.1 This instrument and the Corporate Bonds II 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.

17.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this instrument or any Corporate Bond II 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 CORPORATE BOND II NOTE

Certificate No. [NUMBER]

Date of Issue [DATE]

Amount £[AMOUNT]

**ABC ALPHA BUSINESS CENTRES UK LIMITED** (company number 08188706)  
£10,000,000 8.32% Secured Redeemable Corporate Bonds II

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

**THIS IS TO CERTIFY THAT** [NAME OF BONDHOLDER] is the registered holder of £[AMOUNT] of the £10,000,000 8.32% Secured Redeemable Corporate Bonds II constituted by an instrument entered into by the Company on [●] ("**Instrument**"). Such Corporate Bonds II are issued with the benefit of and subject to the provisions contained in the Instrument and the Conditions endorsed hereon.

- 1 The Corporate Bonds II are repayable in accordance with Condition 1.
- 2 Any change of address of the Bondholder(s) must be notified in writing signed by the Bondholder(s) to the Company at its registered office from time to time.
- 3 The Corporate Bonds II are non-transferable.
- 4 Words and expressions defined in the Instrument shall bear the same meaning in this Certificate and in the Conditions endorsed hereon.
- 5 The Corporate Bonds II 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.
- 6 This Certificate has been executed as a deed and is delivered and takes effect on its date of issue stated at the beginning of it.

Dated:

EXECUTED as a DEED and DELIVERED by **ABC** )  
**ALPHA BUSINESS CENTRES UK LIMITED** )  
acting by one director in the presence of: )

.....  
**DIRECTOR**

Witness Signature: .....

Witness Name: .....

Witness Address: .....

.....

.....



**SCHEDULE 2  
THE CONDITIONS**

**1 REPAYMENT**

1.1 If at anytime prior to the Long Stop Repayment Date the Bondholder has not served on the Company a Bondholder Redemption Notice, then the Company shall on the Long Stop Repayment Date pay to the Bondholder:

1.1.1 the full principal amount of all Corporate Bonds II outstanding on the Long Stop Repayment Date;

1.1.2 all interest accrued on the Corporate Bonds II to be repaid; and

1.1.3 an amount equal to 3% of the principal amount of the Corporate Bonds II that were first issued to the Bondholder.

1.2 Any redemption of the Corporate Bonds II under this Condition 1 shall be made pro rata to the holdings of all Bondholders, together with accrued and unpaid interest accrued on the relevant Corporate Bonds II up to (and including) the date of such repayment by the Company (less any tax required by law to be deducted or withheld from such payment) plus the Redemption Premium.

**2 BONDHOLDER REDEMPTION NOTICE**

2.1 A Bondholder may at anytime request in writing that the Company redeems the whole or part of his Corporate Bonds II at anytime prior to the Long Stop Repayment Date ("Bondholder Redemption Notice").

2.2 If the Bondholder Redemption Notice is received by the Company at anytime prior to the commencement of the Allowable Redemption Period ("Early Request For Redemption") then the Directors may subject to Condition 0 (at their sole discretion) redeem the Corporate Bonds II that are the subject of the Early Request For Redemption on such terms that the Directors and the Bondholder may agree at that time. Subject to Condition 0, for the avoidance of doubt the Company shall not be obliged to redeem any Corporate Bonds II that are the subject of an Early Request For Redemption and if the Directors and the Bondholder fail to reach agreeable terms for the redemption, the Bondholder shall be notified by the Company in writing that the Early Request For Redemption has been rejected.

2.3 If death of a SIPP beneficiary is the sole reason for the Bondholder serving on the Company the Early Request For Redemption then the Directors will not unreasonably withhold or delay the redemption pursuant to such Early Request For Redemption and in any event shall use their reasonable endeavours to procure that such redemption occurs within 24 months immediately following the date of such Early Request For Redemption.

2.4 If the Bondholder Redemption Notice is received by the Company at anytime that is within the Allowable Redemption Period then the Company shall redeem the Corporate Bonds II that are the subject of the Bondholder Redemption Notice in full at par within 30 calendar days of the Company's receipt of the Bondholder Redemption Notice.

2.5 If the Company redeems the Corporate Bonds II in accordance with Condition 2.3 then the Company shall pay to that Bondholder:-

2.5.1 the full principal amount of the Corporate Bonds II to be repaid; and

2.5.2 all interest accrued on the Corporate Bonds II to be repaid.

**3 VOLUNTARY EARLY REPAYMENT BY THE COMPANY WITHIN THE ALLOWABLE PERIOD**

3.1 The Company shall have the right within the Allowable Period to redeem all or part of the Corporate Bonds II in full at par on 14 calendar days' notice in writing to the Bondholder.

3.2 If the Company redeems the Corporate Bonds II in accordance with Condition 3.1 then the Company shall pay to that Bondholder:-

3.2.1 the full principal amount of the Corporate Bonds II to be repaid;

3.2.2 all interest accrued on the Corporate Bonds II to be repaid; and

3.2.3 an amount equal to 3% of the principal amount of the Corporate Bonds II that were first issued to the Bondholder.



3.3 Any payment made under the provisions of Conditions 3.1 and 3.2 shall be treated as reducing the amount of the repayments under Condition 1 proportionately.

3.4 The Company shall be at liberty to redeem some of the Corporate Bonds II only under the provisions of Condition 3.2 and shall not be obliged in anyway to make a redemption pro rata to the holdings of all Bondholders.

## 4 REDEMPTION PREMIUM

The Redemption Premium shall only be payable pursuant to Conditions 1.1.3 and 3.2.3 only and in no other circumstances.

## 5 CANCELLATION

All Corporate Bonds II repaid, prepaid or purchased by the Company shall be cancelled and the Company shall not re-issue the same.

## 6 PAYMENT OF INTEREST

6.1 Until the Corporate Bonds II are repaid in accordance with these Conditions, interest on the principal amount of the Corporate Bonds II outstanding from time to time shall accrue at the rate of 8.32% per annum. Interest will be calculated on a quarterly basis on each Quarter Date in each year or, if such a day is not a Business Day on the immediately preceding Business Day (each such date being an "**Interest Calculation Date**") in respect of the period since the previous Interest Calculation Date or, in relation to the first Interest Calculation Date, the period since the date of issue of the Corporate Bond II.

6.2 Interest will be calculated on each Interest Calculation Date and shall be paid or satisfied either by:

6.2.1 paying in cash to the persons who are registered as Bondholders at the date that such interest payment is made by the Company, in arrears on 15 February, 15 May, 15 August and 15 November (each an "**Interest Payment Date**") in every year and the first such Interest Payment Date for a Corporate Bond II shall be the date that relates to interest for a full period between the Quarter Dates (and such payment shall include interest for the period since the date of issue of the Corporate Bond II) and thereafter shall be paid on each Interest Payment Date; or

6.2.2 rolling up such interest which shall be deemed to be added to the principal amount of the Corporate Bonds II on the Interest Payment Date on which such interest becomes payable PROVIDED that the Bondholder has made a prior election pursuant to Condition 0 ("Roll-Up Election").

6.3 A Bondholder shall only be entitled to make a Roll-Up Election by ticking the appropriate box in the Corporate Bond II subscription application form. Once a Roll-Up Election has been made by a Bondholder then such Roll-Up Election may not be revoked or withdrawn by a Bondholder without the prior written consent of the Company. Any amount added to the principal amount of the Corporate Bonds II pursuant to Condition 0 shall be paid to that Bondholder when the principal amount of the Corporate Bonds II are repaid in accordance with the provisions of this instrument.

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

6.5 If the Company fails to pay any amount of interest or principal or any Redemption Premium on any Corporate Bond II when such amount is due, interest at the rate applicable under these Conditions plus 2% per annum shall accrue on the unpaid amount from the due date until the date of payment.

6.6 Interest on any Corporate Bonds II repaid by the Company in accordance with these Conditions shall cease to accrue as from the date of such repayment.

## 7 DEALINGS

The Corporate Bonds II shall not be capable of being dealt in or on any stock exchange in the United Kingdom or elsewhere and no application has been or shall be made to any stock exchange for permission to deal in or for an official or other quotation for the Corporate Bonds II.

## 8 NOTICES

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 Company 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 15, 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.



## SCHEDULE 3 PROVISIONS AS TO REGISTRATION, TRANSFER AND OTHER MATTERS

### 1 RECOGNITION OF BONDHOLDER AS ABSOLUTE OWNER

The Company shall recognise as absolute owner the registered holder of any Corporate Bonds II. The Company 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 Corporate Bonds II may be subject. The receipt of the registered holder for the time being of any Corporate Bonds II or, in the case of joint registered holders, the receipt of any of them, for the principal payable and any Redemption Premium in respect of such Corporate Bonds II and for the interest from time to time accruing due in respect of such Corporate Bonds II or for any other moneys payable in respect of such Corporate Bonds II shall be a good discharge to the Company 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 Corporate Bonds II, interest or moneys. The Company shall not be bound to enter any notice of any express, implied or constructive trust on the Register in respect of any Corporate Bonds II.

### 2 TRANSFERABILITY OF CORPORATE BONDS II

The Corporate Bonds II are non-transferable.

### 3 PAYMENT OF INTEREST, PRINCIPAL AND ANY REDEMPTION PREMIUM

3.1 The payments of principal, interest, any Redemption Premium or other sums payable in respect of the Corporate Bonds II may be paid by:

- 3.1.1 electronic transfer in immediately available cleared funds on the due date for payment, to the account specified for the purpose by the Bondholder or joint Bondholders in writing to the Registrars; or
- 3.1.2 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 in the case of joint registered holders, made payable to the order of and sent to the registered address of that one of the joint registered holders who is first named on the Register or made payable to such person and sent to such address as the registered holder or all the joint registered holders may in writing direct.

3.2 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 or joint registered holders. Payment of the cheque, warrant or bankers' draft shall be a good discharge to the Company.

3.3 All payments of principal, interest, any Redemption Premium or other moneys to be made by the Company or the Registrars 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.

### 4 RECEIPT OF JOINT HOLDERS

If several persons are entered in the Register as joint registered holders of any Corporate Bonds II then without prejudice to the provisions of *paragraph 3* the receipt of any one of such persons for any interest or principal or any Redemption Premium or other moneys payable in respect of such Corporate Bonds II shall be as effective a discharge to the Company as if the person signing such receipt were the sole registered holder of such Corporate Bonds II.

### 5 REPLACEMENT OF CERTIFICATES

If the Certificate for any Corporate Bonds II 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.

### 6 NOTICE OF BONDHOLDERS

Any notice or other document (including Certificates for Corporate Bonds II) 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 Company for the giving of notice to him. In the case of joint registered holders of any Corporate Bonds



If a notice given to the Bondholder whose name stands first in the Register in respect of such Corporate Bonds II shall be sufficient notice to all joint holders. Notice may be given to the persons entitled to any Corporate Bonds II 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.

## **7 NOTICE TO THE COMPANY**

Any notice or other document (including Certificates for Corporate Bonds II) may be given or sent to the Company by sending the same by post in a prepaid, first-class letter addressed to the Company at its registered office for the time being.

## **8 SERVICE OF NOTICES**

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 THE BONDHOLDERS**

**9 CALLING OF MEETINGS**

The Company may at any time and shall upon the request in writing signed by any registered holder of the Corporate Bonds II for the time being outstanding convene a meeting of the Bondholders to be held at such place as the Company shall determine.

**10 NOTICE OF MEETINGS**

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 invalidate any resolution passed at any such meeting.

**11 CHAIRMAN OF MEETINGS**

A person nominated by the Company 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 15 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 Company and any other person authorised in that behalf by the Directors may attend at any such meeting.

**12 QUORUM AT MEETINGS**

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 Corporate Bonds II 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 Corporate Bonds II 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.

**13 ABSENCE OF QUORUM**

If within 30 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 two Bondholders present in person or by proxy and entitled to vote, whatever the principal amount of the Corporate Bonds II held by them, shall form a quorum.

**14 ADJOURNMENT OF MEETINGS**

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 which might lawfully have been transacted at the meeting from which the adjournment took place.

**15 NOTICE OF ADJOURNED MEETINGS**

Notice of any adjourned meeting at which a Special Resolution is to be submitted shall be given in the manner provided for in the instrument. Such notice shall state that two Bondholders present in person or by proxy and entitled to vote at the adjourned meeting whatever the principal amount of the Corporate Bonds II held by them shall form a quorum.

**16 RESOLUTION ON SHOW OF HANDS**

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.

**17 DEMAND FOR POLL**



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.

## **18 MANNER OF TAKING POLL**

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.

## **19 TIME FOR TAKING POLL**

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.

## **20 PERSONS ENTITLED TO VOTE**

The registered holders of any of the Corporate Bonds II or, in the case of joint holders, any one of them shall be entitled to vote in respect thereof either in person or by proxy and in the latter case as if such joint holder were solely entitled to such Corporate Bonds II. If more than one of such joint holders be present at any meeting either personally or by proxy the vote of the senior who tenders a vote (seniority being determined by the order in which the joint holders are named in the Register) shall be accepted to the exclusion of the votes of the other joint holders.

## **21 INSTRUMENT APPOINTING PROXY**

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.

## **22 DEPOSIT OF INSTRUMENT APPOINTING PROXY**

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 Company at the address where the Register is maintained for the time being (as referred to in *clause 9.1* of the 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 in respect of which it is given unless previous intimation in writing of such death, insanity, revocation shall have been received by the Company at the address where the Register is maintained for the time being (as referred to in *clause 9.1* of the 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.

## **23 VOTES**

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 Corporate Bonds II 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.

## **24 POWER OF MEETINGS OF BONDHOLDERS**

**24.1** In addition to any other powers it may have, a meeting of the Bondholders may, by Special Resolution:

**24.1.1** sanction any compromise or arrangement proposed to be made between the Company and the Bondholders;



- 24.1.2 sanction any abrogation, modification or compromise or any arrangement in respect of the rights of the Bondholders against the Company or its property whether such rights shall arise under this instrument or otherwise;
- 24.1.3 sanction any scheme for the reconstruction of the Company or for the amalgamation of the Company with any other company;
- 24.1.4 sanction any scheme or proposal for the sale or exchange of the Corporate Bonds II for, or the conversion of the Corporate Bonds II into, cash or shares, stock, debentures, debenture stock or other obligations or securities of the Company 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 any documents to effect the aforementioned matters;
- 24.1.5 assent to any modification or abrogation of the provisions contained in this instrument which shall be proposed by the Company and authorise the Company to execute an instrument supplemental to the instrument embodying any such modification or abrogation; and
- 24.1.6 give any authority or sanction which under the provisions of this instrument is required to be given by Special Resolution.

24.2 No resolution shall be effective which would increase any obligation of the Company under this instrument or postpone the due date for payment of any principal or interest or any Redemption Premium in respect of any Corporate Bond II without the consent of the Company.

## 25 SPECIAL RESOLUTION BINDING ON ALL BONDHOLDERS

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.

## 26 RESOLUTIONS IN WRITING

A resolution in writing signed by the holders of at least 75% in nominal value of the Corporate Bonds II for the time being outstanding who are for the time being entitled to receive notice of meetings in accordance with the provisions contained in the 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.

## 27 MINUTES OF MEETINGS

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 Company. 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 as a DEED and DELIVERED by **ABC ALPHA** )  
**BUSINESS CENTRES UK LIMITED** acting by one )  
 director in the presence of: )

.....

**DIRECTOR**

Witness Signature: .....

Witness Name: .....

Witness Address: .....

.....

.....



## APPENDIX II(a): TERMS & CONDITIONS OF A CORPORATE BOND II APPLICATION

It is a condition of making a Corporate Bond II Application that the Corporate Bond II Applicant accepts and agrees to be bound by the following terms and conditions.

### 1. Minimum Subscription

- 1.1 An individual may subscribe for a minimum amount of 10,000 Corporate Bonds II of £1.00 each at any one time ("Minimum Subscription Amount"). An individual may subscribe for amounts in excess of the Minimum Subscription Amount in multiples of 1,000.

### 2. General

- 2.1. The Directors may in his absolute discretion by written notice extend the Offer beyond the Closing Date.
- 2.2. The Directors in his absolute discretion will determine the basis of issue of the Corporate Bonds II under the Offer. The issue of all the Corporate Bonds II is expected to be made on the Closing Date (although the Directors reserves the right to issue Corporate Bonds II prior to the Offer closing). The right is reserved to reject in whole or in part and/or scale down any application. If any application is not accepted, or if any contract created by acceptance does not become unconditional, or if any application is accepted for fewer Corporate Bonds II than the number applied for, or if there is a surplus of funds greater than £1.00 from the application amount, the application monies or the balance of the amount paid on application will be returned without interest by post at the applicant's risk. In the meantime all application monies will be retained by the Company.
- 2.3. The right is reserved to present all cheques and banker's drafts on receipt and to retain certificates for the Corporate Bonds II pending the clearance of all cheques and bank transfers. Monies received will be placed in a separate account by the Company until Corporate Bond II certificates are issued. Thereafter all monies in such account will be held for the Company. Corporate Bond II certificates, with any monies to be refunded (if applicable), will be sent by first class post (at the risk of applicant(s)) within 20 days of acceptance.
- 2.4. No person receiving a copy of this document (including its appendices) in any territory other than the United Kingdom may treat the same as constituting an invitation to him, her or it, nor should he, she or it in any event use the attached application form unless the invitation could lawfully be made to him, her or it or such application form could lawfully be used without compliance with any registration or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application hereunder to satisfy himself, herself or itself as to full observance of the laws of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities needing to be observed in such territory.
- 2.5. Persons resident in territories other than the UK should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to subscribe for Corporate Bonds II.
- 2.6. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of Application or not in all respects complying with the Application Procedure.
- 2.7. An individual may apply for and hold Corporate Bonds II as nominee for another individual but should disclose the identity of the beneficiary.
- 2.8. By completing and delivering a Corporate Bond II Application Form, the Corporate Bond II Applicant (and, if the Corporate Bond II Application Form is signed on behalf of somebody else or on behalf of a corporation, that person or corporation):
  - a) irrevocably offers to take the number of Corporate Bonds II specified in the Corporate Bond II Application Form on the terms of and subject to the conditions set out in this document, including these terms and conditions and subject to the Articles;
  - b) agrees that he, she or it will accept the number of Corporate Bonds II issued to him, her or it in accordance with paragraph 1 above or such lesser number of Corporate Bonds II in respect of which this application may be accepted;
  - c) agrees that all applications, acceptances, allotments and contracts arising from this application will be governed by, and construed in accordance with, English law;
  - d) warrants that if he, she or it signs the Corporate Bond II Application Form on behalf of somebody else or on behalf of a corporation, he, she or it has the authority to do so and such person will also be bound accordingly and will be deemed also to have given the confirmation, warranties and undertakings contained in these terms and conditions of application;
  - e) confirms that he, she or it is not relying on any information or representations other than those contained in this document;
  - f) warrants that the remittance accompanying the Corporate Bond II Application Form will be honored on first presentation and agrees that if it is not honored, the Company may (without prejudice to any other rights it may have) void the agreement to issue the relevant Corporate Bonds II and may issue them to some other person in which case the applicant will not be entitled to any refund or payment in respect thereof;
  - g) agrees that this application constitutes a contract with the Company which shall become binding upon delivery of the application form, duly completed, at the address shown on the application form;
  - h) does not expect the Company or any of its advisers to provide him, her or it with any duty or responsibility similar or comparable to the "suitability" rules of the FSA and is subscribing for Corporate Bonds II on an "execution only" or "appropriate" basis;



- i) warrants that he, she or it is not connected with the Company and will notify the Directors immediately in writing if he, she or it becomes connected as defined in section 252 of the Companies Act 2006;
- j) declares that he, she or it has read, understood and agrees to the terms and conditions contained in this document and the application form, including the risk factors set out in Part 5 of this document; he, she or it has taken all the appropriate professional advice which he, she or it consider necessary before submitting his, her or its application and is aware of the special risks involved in participating in an investment of this nature and understands that the application is made upon the terms of this document and the Corporate Bond II Application Form;
- k) warrants that the Corporate Bonds II will be held by him, her or it for investment purposes; and
- l) warrants that he, she or it is entitled to subscribe for the Corporate Bonds II under the laws of all relevant jurisdictions which apply to him, her or it, has fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities.

2.9. No person has been authorised to issue any advertisements or give any information, or make any representations in connection with the Offer, other than those contained in this document. No person receiving a copy of this document or a Corporate Bond II Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him/her. Save where the context requires otherwise, terms defined in this document bear the same meaning when used in these Terms and Conditions of Corporate Bond II Application and in the Corporate Bond II Application Form.

2.10. To comply with applicable anti-money laundering rules and regulations, Investors will be requested to provide certain identification documents. The Registrars will contact the Investors to confirm what documents are required once they receive the Investor's completed Corporate Bond II Application Form. ABC UK reserves the right to request additional evidence of identity to comply with the Money Laundering Regulations 1993 and Corporate Bond II Application will not be processed until all such information has been received to the satisfaction of the Registrars.

2.11. Where the Bondholder is a SIPP or a SASS then the parties hereby agree that the liability of the SIPP or SASS trustee is limited to the value of the assets of such SIPP or SASS.

### 3. **Taxation**

3.1. If you are in any doubt as to your tax position, you should consult your own professional adviser.

### 4. **Settlement**

4.1. Definitive certificates in respect of the Corporate Bonds II are expected to be dispatched within 20 days of allotment of the Corporate Bonds II to you. No temporary documents of title will be issued.

4.2. All documents or remittances sent by or to an applicant, or as he, she or it may direct, will be sent through the post at his, her or its own risk. All payments made in connection with a subscription for Corporate Bonds II must be made in pounds sterling.

### 5. **Confidentiality**

5.1. This document has been furnished to the recipient on a confidential basis. Neither this document nor any other material relating to the proposal described herein may be copied, reproduced, shown, distributed or issued to any other person at any time without the prior written consent of The Pension Consultancy Limited nor may the information contained herein be discussed with any other person without the prior written consent of The Pension Consultancy Limited.

### 6. **Further Information**

6.1. Potential investors should (i) read the whole of this document and should not rely on summaries of, or individual parts only of, this document and (ii) be aware that an investment in the Company involves a high degree of risk and attention is drawn, in particular, to the risk factors set out on page 15 & 16 of this document.

## APPENDIX II(b): CORPORATE BOND II APPLICATION PROCEDURE

*Before making any application to acquire Corporate Bonds II you are strongly recommended to consult an independent financial adviser authorised under FSMA. The following instructions should be read in conjunction with the Corporate Bond II Application Form, the Additional Information and the Terms & Conditions of a Corporate Bond Application.*

### How to complete the Corporate Bond II Application Form

#### Box 1

Insert your full name and address in BLOCK CAPITALS in Box 1. Individuals can only apply on their own behalf and in their own name. You must be the beneficial owner of the Corporate Bonds II issued to you pursuant to the Offer. Individuals must also give your own address, full postcode, date of birth and National Insurance number. Telephone numbers will only be used in case of a query with regard to your application.

#### Box 2

Insert in Box 2 (in figures) the amount you wish to invest in Corporate Bonds II. Payment must be made by cheque or banker's draft and be made payable to Greystones Asset Management LLP Client Account and no other method of payment will be accepted by the Company. The account name should be the same as that shown in the application.

Please tick the roll-up election box if you wish to make an election to roll-up all interest payable on your Corporate Bond II. Any rolled up interest shall be deemed to be added to the principal amount of the Corporate Bonds II on the interest payment dates on which such interest becomes payable (Roll-Up Election"). Once a Roll-Up Election has been made by a Bondholder then such Roll-Up Election may not be revoked or withdrawn by a Bondholder without the prior written consent of the Company. Any amount added to the principal amount of the Corporate Bonds II pursuant to a Roll-Up Election shall be paid to that Bondholder when the principal amount of the Corporate Bonds II are repaid in accordance with the provisions of the Corporate Bond II Instrument.

Your cheque or bankers' draft must be drawn in sterling on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank which is either a member of the Cheque & Credit Clearing Company Limited or the CHAPS Clearing Company Limited or is a member of the Scottish Clearing Banks Committee or the Belfast Bankers Clearing Committee or which has arranged for its cheques or bankers' drafts to be cleared through facilities provided for members of any of those companies or associations and must bear the appropriate sort code in the top right-hand corner.

The right is reserved to reject any subscription in respect of which the Corporate Bond II Applicant's cheque or bankers' draft has not been cleared on first presentation. Any monies returned will be sent by cheque crossed "A/C payee only" in favour of the subscriber without interest.

If applications by an individual are accompanied by a cheque or bankers' draft signed by or in the name of someone other than the subscriber named in Box 1 (for example, a building society cheque), one of the following additional documents must be enclosed with the Corporate Bond II Application Form: a copy of the subscriber's passport or driving licence or a recent original bank or building society statement or utility bill in the subscriber's name. A copy passport or driving licence should be certified by a solicitor or a bank.

Original documents will be returned by post at the Corporate Bond II Applicant's own risk. Please note that if the above requirements are not fulfilled and suitable evidence of identity cannot be obtained, your subscription may not be accepted.

Corporate Bond II Applications under the Offer will be processed upon receipt. Cheques must not be post-dated. Corporate Bond II Applications may be accepted whilst the Offer remains open for further applications.

#### Box 3

Sign and date the form in Box 3.

Each signature by an individual must be made in the presence of one independent witness who must also sign where indicated. The witness should state his or her name and sign where indicated.

A corporation must execute as a deed, in the case of a UK company by the signature of a director in the presence of an independent witness.

A trust or pension scheme must execute as a deed by ALL trustees signing where indicating in the presence of an independent witness.

If the form is signed on your behalf by an attorney or other agent, that person should state on the form the capacity in which they are signing and the original power(s) of attorney or a copy thereof duly certified by a solicitor must be enclosed for inspection and will be returned in due course.

## APPENDIX II(c): CORPORATE BOND II APPLICATION FORM

In order to be accepted, the duly completed Corporate Bond II Application Form must be received no later than 1.00 pm on Monday 15<sup>th</sup> April 2013 by recorded delivery at the Registrar's registered office at The Cedars, 11 High Street, Fleckney, Leicester, Leicestershire LE8 8AJ marked for the attention of The ABC Corporate Bond II Registrar – Ref: - ABC Corporate Bond II.

**Important:** This document forms part of an invitation document issued by ABC Alpha Business Centres UK Limited on or around 15<sup>th</sup> January 2013 ("Invitation Document") and should be read in conjunction with the Invitation Document.

Words and expressions defined in the Invitation Document shall, save as otherwise defined or as the context may require in this Application Form, have the same meanings in this Application Form.

### Box 1 (the "Corporate Bond II Applicant")

Full Name of Individual or Entity Applying

Address

  
  
  
  
  
**Postcode:** 

Additional Information\*

Email

Telephone (inc STD)

### Box 2 (Subscription)

Number of Corporate Bonds II at £1.00 each

Total Cost (£)

Please tick this box if you wish to make an election to roll-up all interest payable on your Corporate Bond II. Any rolled up interest shall be deemed to be added to the principal amount of the Corporate Bonds II on the interest payment dates on which such interest becomes payable (Roll-Up Election"). Once a Roll-Up Election has been made by a Bondholder then such Roll-Up Election may not be revoked or withdrawn by a Bondholder without the prior written consent of the Company. Any amount added to the principal amount of the Corporate Bonds II pursuant to a Roll-Up Election shall be paid to that Bondholder when the principal amount of the Corporate Bonds II are repaid in accordance with the provisions of the Corporate Bond II Instrument

I enclose a cheque or banker's draft drawn on a UK clearing bank or building society, for the total amount, made payable to Greyfriars Asset Management Limited Liability Partnership a/c ABC Corp Bond.

**Box 3 (Declaration and Signature)**

**Declaration by Applicant**

I/we hereby irrevocably agree to subscribe for the number of Corporate Bonds II set out at Box 2 at a price of £1.00 per Corporate Bond II ("my/our Subscription").

**I HEREBY:**

- (i) Confirm that I/we have received a copy of the Invitation Document and the Corporate Bond II Instrument;
- (ii) Confirm that I/we have not relied on:
  - (a) Any document or other information supplied to me/us by the Company or the Directors (other than the Invitation Document and the Corporate Bond II Instrument);
  - (b) Any representation or warranty, expressed or implied, in respect of the Offer save as contained in the Invitation Document
- (iii) Acknowledge that the Corporate Bonds II issued to me/us will be subject to the Corporate Bond II Instrument, the Terms and Conditions of a Corporate Bond II Application contained in the Invitation Document and I/we shall be bound by the terms of each of these documents and terms and conditions.

This Corporate Bond II Application Form and the contract created by it are governed by English law. I/we submit to the exclusive jurisdiction of the English courts in relation to any dispute concerning the Offer or this Corporate Bond II Application Form.

*(Joint applicants only)* I/We each individually authorise the Directors and anyone acting on their behalf to act upon the written instructions of any one of us in respect to a subscription registered in our names.

*(Corporate applicants only)* I/We hereby confirm that we have the full right and power to make this application, that we act as principal and not agent and that all necessary corporate action has been taken to authorise this application.

**Bank Details:**

Please complete the following details required for yield payments.

- \*Bank Name: .....
- \*Account Number: .....
- \*Sort-Code: \_\_ - \_\_ - \_\_

If overseas Bank Account, please also complete the following information:

- Bank Address (Account registered to): : .....
- .....
- BIC / SWIFT / IBAN Number: : .....



Box 3 (Declaration and signature) continued

**Signature**

By signing this Corporate Bond II Application Form I/we hereby irrevocably make all the declarations set out at Box 3 of this Share Application Form and In Witness Whereof the Applicant hereto has executed this Corporate Bond II Application Form as a Deed on the date stated below:

If Signing as an Individual(s):

EXECUTED as a DEED and DELIVERED by )  
Applicant in the presence of: )

.....  
Applicant

Witness' Signature: .....  
Witness' Name: .....  
Witness' Address: .....  
.....  
.....

Date:

EXECUTED as a DEED and DELIVERED by )  
Applicant in the presence of: )

.....  
Applicant

Witness' Signature: .....  
Witness' Name: .....  
Witness' Address: .....  
.....  
.....

Date:

EXECUTED as a DEED and DELIVERED by )  
Applicant in the presence of: )

.....  
Applicant

Witness' Signature: .....  
Witness' Name: .....  
Witness' Address: .....  
.....  
.....

Date:



**OR If Signing on behalf of a corporation**

EXECUTED as a DEED and DELIVERED by **APPLICANT** )  
acting by one director in the presence of: )

.....  
**DIRECTOR**

Witness Signature: .....  
Witness Name: .....  
Witness Address: .....  
.....  
.....

Date:  
.....

**OR If Signing on behalf of a Trust or Pension Scheme**

EXECUTED as a DEED and DELIVERED by )  
[ ] acting as duly authorised )  
trustee/administrator/beneficiary (*\*Delete as appropriate*)  
of the Applicant in the presence in the presence of:

.....  
Duly Authorised trustee/administrator/ beneficiary of the Applicant (*\*Delete as appropriate*)

Witness' Signature: .....  
Witness' Name: .....  
Witness' Address: .....  
.....  
.....

EXECUTED as a DEED and DELIVERED by )  
[ ] acting as duly authorised )  
trustee/administrator/beneficiary (*\*Delete as appropriate*)  
of the Applicant in the presence in the presence of:

.....  
Duly Authorised trustee/administrator/ beneficiary of the Applicant (*\*Delete as appropriate*)

Witness' Signature: .....  
Witness' Name: .....  
Witness' Address: .....  
.....



ALPHA

BUSINESS CENTRES

E. [info@alpha-bc.com](mailto:info@alpha-bc.com)

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