

14<sup>th</sup> June 2013

Dear ,

I have been a licensee (fully tied) with Enterprise Inns since and during this year period I have had 6 Area Managers.

For five and a half years the level of communication was extremely limited with little to no contact from these Managers.

In 2009, when the world economy crashed, I presented a business/cash flow forecast to my then Area Manager.

This confirmed that with the fee's charged by Enterprise relating to my rent and beer prices my business would soon be operating at a loss and was not sustainable. Furthermore without support from Enterprise my business would collapse completely. My Area Manager told me that he would take it away and discuss it with his Manager.

I did not receive any feedback regarding this and some time later was advised that my Area Manager had left the company and that a new area manager would be appointed in due course.

On introduction to my new Area Manager, I informed him of the difficulties I was experiencing and presented him with a copy of the forecast in the hope that he would be able to propose a way to relieve some of the financial pressure I was under.

Unfortunately this area manager did not last long. No support was provided and no financial assistance given.

In 20 I was notified by Enterprise that my rent would be increasing as per my lease by 5% to £ .

This went up again in 20 by 5% to £ and in 20 to £ .

I felt like I was suffocating and had major worries regarding the security of my family home which I had used as collateral in raising funds to purchase the lease in 20 .

In the hope of a short term resolution I was forced to use a loan of £ (approx) that I obtained in to sustain the business.

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was appointed as my Area Manager in .

I went through the exact same sequence of events with as with the previous Managers and he informed me that he would take the information away to review.

We had several subsequent meetings regarding cash flow and the current business. I was surprised and delighted at how supportive this new Area Manager was.

Enterprise brought in a financial solutions company to confirm that my figures were correct, and it was agreed that support was essential.

I met with and his Manager . They informed me that they were to provide financial support in three areas;

1. Capital Investment of £
2. Reduce rent to £ p.a.(non inc of VAT a reduction of £ )
3. Discount on products (£ approx per 22 gallon = £ per week)

I welcomed the news, but told them that whilst I appreciated the discount, it was not enough. I explained that as one of the most expensive Public Houses in the area due to the prices I was being charged any discount that I was given would be used to reduce the price of drinks allowing me to be more competitive with other bars in the area. Therefore there would not be an increase to the profit allowing me to improve the position of the business.

They advised that this was only the first foot on the ladder and they wanted track progression over the next couple of months.

In I was forced to approach a financial solutions company ( ). It was agreed that the best route at this stage was for the company to go into a Company Voluntary Arrangement (CVA).

In renovation work commenced on . Enterprise Inns decorated inside and outside the pub.

In addition, to the front of the pub they resurfaced the beer garden, gave me new lights and signage and to the rear they coated the paint and installed new heaters in the smoking area.

Their investment has allowed me to reinvent the pub, increasing footfall and revenue. This level of support has been absolutely massive to me.

However I still have major concerns that it's not enough and have held further meetings with Enterprise to raise concerns of my financial situation.

During these meetings I have informed them that whilst bills are being covered I have taken only a minimum wage from the company for the 60+ hours a week that I am

working. For this reason I have requested further support and am currently awaiting their response.

If there is no further support available then there is a possibility that my company may be liquidated.

I would like to document how thankful I am to Enterprise Inns for the level of support that they have provided me over the last months. I hope that our working relationship will be able to continue.

Yours sincerely