

Notice: These Heads of Terms and the details of the Large Sites Infrastructure Fund facilities set out herein are indicative and may change.

Dated 2014

Homes and Communities Agency

and

[Developer]

Heads of Terms

for the Large Sites Infrastructure Fund facilities

Version 2

September 2014

Archived

Heads of Terms for the Large Sites Infrastructure Programme facilities

Parties (including parties to related documents)	
Developer	[] (Developer) (it is expected that the Developer, for the purposes of receipt of the Funding will be a private sector entity)
Agency	Homes and Communities Agency (Agency)
Contractors	[] (Contractors) (the Agency require collateral warranties with the ability step-in and assign)
[Guarantor]	[] (Guarantor) (parent company or other guarantor acceptable to the Agency)
Monitoring Surveyor	[] (Monitoring Surveyor) (Developer to appoint a surveyor, approved by the Agency, to monitor claims for funding against scheme details, certify completion of the Infrastructure Works and monitor withdrawals from any Project Account. The Agency will require a duty of care)
[Senior Lender(s)]	[] (Senior Lender)
Funding (the amount and requirements for draw down)	
Loan Facility	£[] (the Agency will not loan more than this amount)
Loan Facility Interest Rate	<p>Interest shall be calculated by reference to the aggregate of the EC Reference Rate plus a margin of []% and be calculated on a daily basis using the adjusted balance method.</p> <p>Interest will capitalise every 3 months from the date of the first drawdown and added to the Loan Facility</p> <p>The Agency reserves the right to re-assess the credit worthiness of the Developer during the term of the Loan Facility. The margin will be altered accordingly if there is any change in the Developer's credit worthiness.</p>
Infrastructure Costs	The Infrastructure Costs are included in the Project Budget and identified in the Infrastructure Costs Plan. The Loan Facility can be used to fund all or part of these costs but will not cover any expenditure incurred prior to the date of the Loan Facility without the Agency's approval.
Infrastructure Delivery	<p>Infrastructure Works to have commenced by [] and to be completed by no later than the date agreed with the Agency and specified within the Loan Facility Agreement. This will reflect the date set out in the PE Approval.</p> <p>The Agency will agree with the Developer milestones for infrastructure delivery and for delivery of the Wider Project (as set out in the Infrastructure Costs Plan and the PE Approval). Failure to meet these milestones may lead to an Event of Default.</p>
Availability Period	The period beginning on the date of the Loan Facility up to and including [], subject to the conditions precedent. Any

	<p>amounts not drawn by the end of this availability period will be cancelled.</p> <p>The final claim for funding must be no later than 28 February [].</p> <p>These dates are not capable of variation.</p>
<p>Drawdown of the Loan Facility</p>	<p>There are Conditions Precedent to draw down of the Loan Facility including but not limited to:</p> <ul style="list-style-type: none"> (a) Agency satisfaction that the amount of the claim is in accordance with the Project Budget and that all security documentation has been completed (b) no Event of Default has occurred and is continuing or would result from the proposed draw down (c) evidence (in such form as the Agency requires) that all matters represented and warranted by the Developer under the Agreement (see below) are true and correct as if made at each delivery of a claim for draw down and would be true and correct immediately after the making of any such draw down (d) the Agency being in receipt of duly executed certified copies of material contracts to which the claim relates, and related collateral warranties in favour of the Agency (e) evidence that the Developer has sufficient funding (whether from its own resources or otherwise) to cover any cost overrun that arises in delivering the Infrastructure Works (f) certification and verification of the Claim by the Monitoring Surveyor (g) project specific requirements concerning phasing (which may affect security and milestones) (h) [other requirements set out within the PE Approval]
<p>Conditions Precedent (the Agency will not be under any obligation under the Loan Facility Agreement until certain conditions are met, to the Agency's satisfaction). The following conditions are indicative and not limited to those which need to be met (in form and substance satisfactory to the Agency) prior to drawdown under the Facility:</p>	
<p>Governance</p>	<p>The Agency will require evidence (in form and substance satisfactory to the Agency) of the ability of each of the Developer and any Guarantor to enter into the Finance Documents including:</p> <ul style="list-style-type: none"> (a) certified copies of certificates of incorporation, memorandum and articles of association of the Developer and any Guarantor (b) certified copies of board resolutions of the Developer and any Guarantor approving the financing and related transactions and approving entry into all required documents (c) confirmation of the roles of Developer and other partners in delivering the Project, for example, Senior Lender and contractor

	<p>(d) a legal opinion from the solicitors of any Guarantor that the Guarantor has the capacity to enter into and be bound by the Facility Agreement, Guarantee and any supplemental documents and the enforceability of them.</p>
<p>Financial</p>	<p>To the satisfaction of, and in a form approved by, the Agency:</p> <p>(a) if applicable, evidence of availability of Senior Lender debt funding, including confirmation that all conditions precedent thereto have been met by the Developer</p> <p>(b) if applicable, evidence that the Developer has contributed the Developer Loan Contribution</p> <p>(c) evidence that all other amounts specified in the Project Budget to be provided prior to drawdown have been received in full by the Developer</p> <p>(d) copies of the Senior Lender's finance documents</p> <p>(e) evidence that the Developer will have sufficient funding (when added to the funding to be provided by the Agency under the Loan Facility) to commence and complete the Project in accordance with the Bid, the Project Budget and meet each milestone date</p> <p>(f) the latest available audited financial statements of the Developer and any Guarantor including certified copies of the accountants' reports</p> <p>(g) professional valuations and surveys (including valuations of the Project)</p> <p>(h) if the Senior Lender has a charge over the Site, the duly executed and completed Intercreditor Deed</p> <p>(i) the appointment by the Developer of an independent Monitoring Surveyor to verify and certify draw down claims, completion and where relevant withdrawals from a Project Account, and receipt by the Agency of a duly executed duty of care from the Monitoring Surveyor</p>
<p>Commercial</p>	<p>(a) a copy of, and the Agency being satisfied with, the Due Diligence Package</p> <p>(b) copies of policies, certificates or cover notes relating to each contract or policy of insurance taken out by or on behalf of the Developer to comply in all respects with the insurance requirements set out in the facility agreement (including the reinstatement of Infrastructure Works)</p> <p>(c) evidence that the certified build programme in respect of the Infrastructure Works will be completed by the agreed Infrastructure Works Target Date</p> <p>(d) evidence that all necessary consents and other authorisations the Agency considers necessary have been obtained to ensure that each milestone is met by the relevant milestone</p>

	<p>date</p> <p>(e) any environmental report which may be required in respect of the Project in form and substance satisfactory to the Agency</p> <p>(f) satisfactory completion of due diligence in relation to matters not limited to health and safety, environmental protection, procurement, data protection, equality and diversity, project deliverability, design quality and financial and legal issues</p>
<p>Legal</p>	<p>(a) execution of the Loan Facility agreement, Legal Charge, Debenture, Monitoring Surveyor collateral warranty, and (as relevant) the Guarantee, Charge Over Bank Account Deed, Intercreditor Deed and any other documentation required by the Agency</p> <p>(b) certified copies of deeds of release relating to all outstanding security interests granted by the Developer over the property comprising the Project (other than as permitted or contemplated by the Intercreditor Deed, if any);</p> <p>(c) a Certificate of Title in a form acceptable to the Agency, prepared by solicitors acceptable to the Agency</p> <p>(d) undertakings from the Developer's solicitor in connection with the real property the subject of the Legal Charge and registration of the Legal Charge including submission of all relevant Land Transaction returns and registration of any transfer or lease of relevant parts of the Site including the Legal Charge with agreed priority</p> <p>(e) Copies of material contracts for delivery of the Infrastructure Works and the Wider Project including any development agreements and agreements for sale of affordable housing units</p> <p>(f) Certified copies of any duly executed collateral warranties, professional appointments or other construction related documents for material contracts already in place</p> <p>(g) the completion of any transfers or leases to the Developer at market value and on acceptable terms to acquire relevant land estates in relevant parts of the Site, payment of all relevant SDLT and registration of relevant disposals to the Developer at the Land Registry</p> <p>(h) evidence that the interest of the Developer in the property the subject of the Certificate of Title is sufficient to allow the Project to be completed without the need to obtain any further property or rights and that it is free from any conditions, restrictions or covenants which adversely affect the completion of the Project</p> <p>(i) a legal opinion from the legal advisers to the Guarantor, in form and substance satisfactory to the Agency, as to the capacity of the Guarantor to enter into and be bound by the</p>

	facility agreement, the Guarantee and any other documents and as to the enforceability of those documents
Project Specific	The Agency may require additional Project Specific Conditions to be met.
Security (the Agency will require some or all of the following as security under the Facility Agreement)	
Debenture	A debenture over all assets and undertakings from time to time of the Developer.
Guarantee	On demand all monies and performance guarantees from any parent company or other organisation.
Legal Charge	In the form of a legal mortgage over all property that forms part of the Project (to the extent not included in the Debenture), including over all areas required for access to and servicing of the Project and any other land required to deliver, involved in, or necessary for, the completion of the Project as disclosed by the Certificate of Title as security for all monies due from the Developer to the Agency. Security to include all accesses and services to the extent owned by the Developer.
Collateral Warranties / Assignment	Over contracts material to the delivery of the Infrastructure Works (which may include land agreements and income generating contracts such as energy contracts). Terms will include step-in rights and assignment by the Agency.
Charge Over Bank Account Deed	A legal charge over any ringfenced 'Project Account' for receipts from the Wider Project. Through this deed the Developer will notify the bank of the Agency's charge over the account and the approval of the Agency required for release of funds from the account. The charge will then be registered by the Developer with Companies House.
Intercreditor Deed	<p>An Intercreditor deed between the Agency, the Senior Lender and the Developer may be required which will include both Agency and Senior Lender standstill provisions. The Intercreditor Deed may need to include the following provisions:</p> <ul style="list-style-type: none"> (a) a cap to the Senior Lender's debt funding that ranks as senior debt to reflect the amount of the Senior Lender's debt funding that relates to the Site; (b) no amendments to material clauses of underlying agreements such that the following provisions are altered; <ul style="list-style-type: none"> i payments ii repayment dates iii interest rates (c) enforcement; (d) dual reciprocity of information; and (e) Subordination of any funding from the Developer/other entities

Financial / Loan to Value Covenant	The Agency may require a financial covenant that the net debt of the Developer and any Guarantor shall not at any time exceed []% of its net worth and/or a loan to value covenant
Most Favoured Lender	The Developer warrants and represents that the terms of the Loan Facility (including without limitation the Margin), are no less favourable to the Agency than the most favourable terms offered by [the Senior Lender] to finance the Project and that should more favourable terms be agreed the Agency shall be notified immediately and the terms extended to the Agency.
Undertakings	<p>Undertakings from the Developer and Guarantor (if any and to the extent relevant) that are usually included in loan documentation of this kind, including but not limited to:</p> <ul style="list-style-type: none"> (a) Negative pledge (except as permitted by any Intercreditor Deed); (b) no to make distributions; (c) no disposal of the whole or any part of the Site unless a permitted disposal or permitted encumbrance, (d) (subject to Intercreditor Deed) to ensure all payment obligations under the facility agreement rank ahead of other indebtedness if secured and, if unsecured, rank at least equally with all its other unsecured and unsubordinated indebtedness; (e) no borrowings (except as contemplated by the Project Budget); PLUS no security other than as permitted by Intercreditor Deed (f) maintenance of full and accurate accounts and records (including receipts and expenditure) in relation to the Project and permitting inspection by the Agency and/or its advisors or any project monitor appointed by the Agency; (g) promptly to provide the Agency or its project monitor with all requested information and documentation in relation to the Project and the Developer's business; (h) promptly to provide the Agency or its project monitor (or its nominee) access to the Project site upon request; (i) no material alteration (including any alteration which may have an effect on the Infrastructure Costs, the value of the Wider Project, or Infrastructure Works Delivery or Wider Project Delivery) to the Infrastructure, Project, Project Budget or Due Diligence Package, without the prior written consent of the Agency; (j) compliance with terms of all consents required for the Project and that no Infrastructure Works are commenced without all necessary consents (including, but not limited to, planning consents) having been obtained; (k) compliance with the law and all relevant legislation, including

	<p>EU procurement legislation and other procurement legislation and the provision of evidence of such compliance on request;</p> <p>(l) maintenance of full and proper insurance;</p> <p>(m) to act at all times with the utmost good faith;</p> <p>(n) to ensure that all contracts entered into in connection with the Project are competitively procured (utilising a documented decision making process, taking into account public sector accountability and probity) and/or to provide evidence satisfactory to the Agency of the procurement process and that the costs of the works to be undertaken under such contract represent fair market cost;</p> <p>(o) to procure that each contractor complies with all of its contracts which relate to the Project and it will enforce the terms of the project documents at all times;</p> <p>(p) to take all steps to satisfy the Agency that its procurement policies and procedures are suitable and competent to allow proper performance of all work in relation to the Project;</p> <p>(q) until all repayment obligations are met, to only dispose of any land or buildings constructed under the Wider Project:</p> <ul style="list-style-type: none"> i at arm's length fair market value and terms; ii pursuant to freehold or long leasehold or pursuant to tenancy agreements or lease approved by the Agency; iii in accordance with a marketing strategy and timetable, and provide the Agency with regular [monthly][quarterly] marketing reports setting out the details of and progress of sales as against the marketing strategy and timetable, with full disclosure in connection with any variance; <p>(r) the provision of the following information in writing:</p> <ul style="list-style-type: none"> i audited annual financial statements; ii quarterly management accounts, with certificate from two directors; iii [monthly/quarterly] cashflow relating to the Project [form to be agreed]; notification of any matter which could result in material change to the Project Budget (whether actual or estimated) or the Due Diligence Package; iv the receipt of (or an offer of) any other public financial assistance or guarantees in relation to the Project; v notification of any event which might adversely affect
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	<p>timely delivery and completion of any part of the Project;</p> <p>vi notification of any change in control of the Developer;</p> <p>vii the occurrence of any event of default under the Loan Facility and also in relation to the senior finance documents; and</p> <p>viii any information the Agency requires in relation to the Project;</p> <p>(s) to ensure that the Infrastructure Works are completed in accordance with the Project Budget, the Due Diligence Package, any necessary consents and any project specifications and that all work is carried out in a good and workmanlike manner;</p> <p>(t) to ensure the Wider Project Delivery milestones are met;</p> <p>(u) from the date of first draw down of the Loan Facility until the latter of the Final Repayment Date or practical completion of all units, the provision of a report, no later than 10 business days following the end of each calendar month (unless agreed otherwise by the Agency) and on the Final Repayment Date, setting out, amongst other things, the progress of the Project against the Project Budget and the Due Diligence Package, and confirming compliance with the facility agreement, signed by a senior representative of the Developer;</p> <p>(v) to ensure that all marketing materials in connection with the Project acknowledge that the Agency and the Department for Communities and Local Government are providing financial assistance;</p> <p>(w) to ensure that a representative of the Agency has the right to be represented at project meetings and that such representative is provided with all relevant meeting materials and reasonable notice of all such meetings.</p> <p>(x) performance reports from the Monitoring Surveyor from time to time;</p> <p>(y) to maintain a full record of particulars of all income received and expenditure incurred by the Developer in respect of the Project, to provide a summary of this to the Agency when required to do so, and to make available to the Agency when requested all data, documentation, materials and accounts in relation to the Project and the facility agreement;</p> <p>(z) to retain for a period of 10 years from the final repayment date all data, documents, materials and accounts in relation to the Project and the facility agreement; and</p> <p>(aa) to allow the Agency to call a meeting with the Developer at any time on reasonable prior written notice and ensure that a</p>
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	<p>representative with necessary authority and knowledge attends that meeting.</p>
<p>Permitted Disposals and Encumbrances</p>	<p>Only Permitted Encumbrances and Permitted Disposals of the Site and in relation to the Developer and any Guarantor will be allowed under the Loan Facility agreement.</p> <p>Permitted Encumbrances include encumbrances created by or arising out of any of the Senior Lender finance documents, arising by law in the ordinary course of the Developer's business, arising out of title retention provisions in a supplier's standard conditions, created pursuant to the Loan Facility agreement, and those granted with the prior written consent of the Agency.</p> <p>Permitted Disposals will depend on the nature of each Project (as the Project is detailed in the Bid and the PE Approval). The Agency will consider the Developer's disposal strategy and the forms of disposals which will be required by the Developer to deliver receipts and the Developers financial covenant strength (where any security will be released in part on a permitted disposal, the Loan Facility agreement will ensure that the Agency's remaining security is not prejudiced and where the value of the Agency's remaining security is below the agreed outstanding loan to value ratio, the Agency shall require as a condition of its release of the charge such additional security as the Agency requires).</p> <p>Examples of Permitted Disposals include the transfer of the freehold or the grant of a long lease / tenancy agreement / deed of easement (on an arm's length basis and on open market value (where relevant)):</p> <ul style="list-style-type: none"> (bb) of any freehold reversionary interests at the Site (but only where in respect of the particular disposal all other Permitted Disposals at that part of the Site have been effected (cc) of any leasehold interest on full repairing and insuring terms which do not materially affect the value of the reversion (dd) of disposals of commercial buildings or units if anticipation in the Project (ee) of part(s) of the Site needed for utility stations / services (ff) of disposals pursuant to planning and highways legislation (gg) agreed with the Agency as being a permitted disposal <p>If there is a Project Bank Account, for any disposal to be a Permitted Disposal, the Agency will require an undertaking from the Developer's solicitor to pay the receipts from the disposal into the Project Bank Account.</p>
<p>Repayment</p>	
<p>Repayment</p>	<p>Phased repayment dates / milestones and no later than the Final Repayment Date agreed with the Agency and as set out in the PE Approval.</p> <p>The phasing of repayments may affect the Agency's security and the Agency may require appropriate loan to value protections are in place with delivery of additional or substitute security as appropriate.</p> <p>Where repayment is linked to rental income, the Agency may require</p>

	a debt service covenant from the Developer to provide a minimum level of repayment.
Repayment Priority	<p>The Agency's assumption is that it will be the senior lender or joint senior lender.</p> <p>Should other loan finance from a bank or other financial institution or investor have to be repaid, in full or in part, in priority to repayments to the Agency, these arrangements will be considered and negotiated on a scheme by scheme basis and an Intercreditor Deed will be required.</p>
Voluntary Prepayment	Prepayment permitted with 15 business days' notice to the Agency without premium or penalty in a minimum amount of £500,000 and in multiples of £100,000 and may not be redrawn.
Project Account	If a Project Account is agreed in the PE Approval, the Agency will require not less than 5 Business Days' notice prior to the proposed date of withdrawal with specified information (including from the Monitoring Surveyor).
Representations, Warranties and Obligations	
Representations and warranties	<p>Representations and warranties by the Developer and Guarantor (if any and to the extent relevant) that are usually included in loan documentation of this kind (to be made on entering into the Loan Facility Agreement, on each claim for draw down, and within monthly reports) including but not limited to:</p> <ul style="list-style-type: none"> (a) power and authority; (b) performance of obligations under the project documents and Finance Documents will not breach or conflict with any law, regulation or other agreement; (c) due incorporation, vires and consents; (d) enforcement and validity of obligations; (e) no prohibited acts; (f) compliance with all finance and project documents; (g) undertaking the Project and all marketing activity in accordance with the Due Diligence Package, the Project Budget and the marketing strategy for the Wider Project; (h) no default under any law or other agreement which may affect the Developer's ability to perform its obligations under the project documents or Finance Documents; (i) maintenance and provision of financial statements; (j) no withholding tax on any payments to be made to the Agency and all tax returns filed; (k) no litigation, arbitration or administrative proceedings taking place, pending or, to the Developer's knowledge, threatened against the Developer or Guarantor or their assets which may have a material adverse effect; (l) full disclosure and accuracy of all information that might

	<p>influence the Agency's decision to provide funding to the Developer;</p> <ul style="list-style-type: none"> (m) solvency of the Developer and any Guarantor; (n) no material adverse change assets, business or financial condition since the date of its last annual accounts; (o) no event of default; (p) all required authorisations have been and are being complied with and remain current; (q) preparation of quarterly management accounts in accordance with GAAP and give true, accurate and fair reflection of its financial condition; (r) good legal title to the Site or such parts of the Site as have been acquired at that time (including access and services to and freedom to use) and all other assets necessary to implement the Project, free from any security or restrictions which might affect the Project; (s) compliance with all applicable environmental laws and consents and no environmental claims or actions threatened or pending.
<p>Delivery Obligations</p>	<p>Usual delivery obligations will be placed on the Developer to ensure delivery of the Project, including but not limited to:</p> <ul style="list-style-type: none"> (a) providing the Agency with the opportunity to attend project meetings (b) if relevant, entry into all requisite agreements with the highways authority in respect of construction of highways at the Project and the procurement of any bond or guarantee required by the highways authority (c) entry into agreement with relevant water authority for construction and adoption of sewers serving the Project and the procurement of any bond or guarantee required by such water authority in connection with such agreement (d) if relevant, entry into any requisite agreement with the relevant Council for the adoption by that Council of the open space land required as a result of the practical completion of a residential unit (e) the appointment of CDM co-ordinator and provision by CDM co-ordinator to Health and Safety Executive of particulars specified in schedule 1 of the CDM Regulations (f) ensuring that the Project commences by the Start Date and is carried out and completed in accordance with the Project Details, the Milestone Dates and by the Infrastructure Works Target Date and that the Wider Project Delivery Milestones are achieved. Milestones may only be extended at the reasonable discretion of the Agency.

Default

Events of default

These include without limitation:

- (a) default in payment or other obligations (subject to certain materiality thresholds)
- (b) failure of the Developer or any Guarantor to comply with any Finance Document
- (c) breach of any representation, warranty or undertaking by the Developer or the Guarantor
- (d) failure to commence works for the Infrastructure by the agreed start date and failure to complete the Infrastructure by agreed longstop date
- (e) a milestone failure occurs or, in the opinion of the Agency, is likely to occur, including failure to deliver the Wider Project in accordance with agreed milestones, the Project Budget and the Due Diligence Package
- (f) the Infrastructure Works are not carried out in a good and workmanlike manner, or in accordance with the necessary consents, project specifications or the Due Diligence Package
- (g) any consent required under the Infrastructure or Wider Project is withdrawn or revoked and is likely to have a material adverse effect on the ability of the Developer to meet its obligations under the Loan Facility agreement
- (h) fraud by the Developer or the Guarantor
- (i) cross-default including but not limited to default under any other agreement between the Agency and the Developer or the Guarantor
- (j) change of status of the Developer or the Guarantor (including change in control, change in finance, assets or business) which is likely to have a material adverse effect or cessation of trade
- (k) insolvency or potential insolvency events in relation to the Developer or the Guarantor
- (l) the Developer or any contractor has insufficient funds and resources to complete the Project in accordance with the Project Budget or the Due Diligence Package
- (m) any Prohibited Act occurs
- (n) any security provided to the Agency, including the Debenture, Legal Charge and Guarantee, is not or ceases to be effective or have the priority expressed in it or is alleged to be ineffective by any person
- (o) the Developer fails to claim, in respect of the Project by [], all forms of financial assistance available to it under the

	<p>Finance Documents</p> <p>(p) any project document is terminated</p>
Consequences of Event of Default	<p>Upon the occurrence of an Event of Default, the Agency may (at its discretion, but subject to the terms of any Intercreditor Deed) do some or all of the following:</p> <p>(a) cancel, suspend or vary the terms of the Loan Facility</p> <p>(b) call for immediate repayment or whole or part of the Loan Facility</p> <p>(c) enforce the Debenture, Legal Charge, Guarantee or other security</p> <p>(d) terminate the Loan Facility Agreement</p>
Other Key Terms	
Agency Liability	The Agency's liability to the Developer or any other third party in respect of the Loan Facility shall not be more than the principal investment by the Agency under the Loan Facility, as appropriate.
Taxes	All payments are to be free of withholding and any other taxes.
Assignment	<p>The Agency may transfer or assign all or part of the Loan Facility at any time.</p> <p>The Developer may not transfer or assign all or any part of the Loan Facility at any time without the prior written consent of the Agency.</p>
Boilerplate	The Loan Facility Agreement will include standard boilerplate provisions, including but not limited to state aid, procurement, freedom of information, confidentiality, waiver, notices, amendments, set off and severability.
Governing law	Laws of England and Wales.
Procurement	<p>The Developer must use reasonable endeavours to comply with all applicable EU Procurement Requirements in connection with the procurement of the Infrastructure Works or any services relating to the Project. Subject to this, all procurement of works, equipment, goods and services by the Developer relating to the Infrastructure Works shall be based on value for money and the Developer shall:</p> <p>(a) use all reasonable endeavours to obtain not less than three tenders from potential contractors;</p> <p>(b) select a contractor from potential contractors on the basis of overall value for money and suitable skill and experience;</p> <p>(c) use a fair and documented decision-making process in selecting contractors and take account of the need for public sector accountability and probity; and</p> <p>(d) not appoint a contractor connected with the Developer</p>
Agency absolute discretion	Agency decisions, approvals and consents shall be in the Agency's absolute discretion unless otherwise stated.

Definitions (the definitions below are with reference to the terms used within these Heads of Terms)	
Developer Loan Contribution	The amount that the Developer will contribute to the Infrastructure Costs, as set out in the Project Budget, including any other loan funding.
Charge Over Bank Account Deed	Document governing the charge over bank account to be granted by the Developer to the Agency on or about the date of this Agreement
Due Diligence Package	<p>The information package submitted by the Developer to the Agency, in agreed form, setting out, amongst other things:</p> <ul style="list-style-type: none"> (a) satisfactory evidence of financial standing of the Developer [and Guarantor] (where not already HCA Investment Partners); (b) full disclosure of Developer corporate and delivery structure (c) cashflow completed to the satisfaction of the Agency; (d) drawings and construction specifications, planning permission and other consents and site valuation with clarity regarding the land to be charged as security to the Agency ; (e) the construction timetable and construction milestones in connection with the Project, (f) the timetable and deadlines for all marketing activities and property sales; and (g) the timing of financial drawdowns under the Loan Facility and any other funding sources, including all equity injections and Senior Lender heads of terms.
Final Repayment Date	Not to be later than [REDACTED]
Finance Document	<ul style="list-style-type: none"> (a) Loan Facility Agreement; (b) Charge Over Bank Account Deed; (c) Debenture; (d) Legal Charge; (e) Collateral Warranties; (f) Parent Company Guarantees.
Infrastructure Costs	The costs to which the Loan Facility can be used in completing the Infrastructure Works.
Infrastructure Costs Plan	A plan scheduled to the Loan Facility Agreement which sets out the annual draw down, and estimated expenditure dates and draw down dates for each type of expenditure falling within Infrastructure Costs.
Infrastructure Works	The infrastructure to be delivered utilising investment from the Large Sites Infrastructure Fund.
PE Approval	The Agency's Project Executive's terms of approval for the Project

Project	Infrastructure Works and the Wider Project
Project Account	A ringfenced bank account into which net disposal proceeds are paid and over which the Agency will hold a charge and approve withdrawals.
Project Budget	The Project financials including cashflow, as set out in the Due Diligence Package, as updated from time to time with the consent of the Agency.
Site	The whole of the Wider Project Site. The security and the Certificate of Title is to refer to the whole Site.
Wider Project	The delivery of the project, other than the Infrastructure Works.
Wider Project Delivery Milestones	Milestones relating to the Wider Project once the Infrastructure Works have been completed (to be agreed)

THE ABOVE TERMS, INCLUDING PRICING LEVELS, DO NOT CONSTITUTE OR IMPLY A COMMITMENT ON HCA TO PROVIDE FUNDING, NOR A REPRESENTATION THAT SUCH FUNDING WILL BE MADE AVAILABLE. ANY SUCH COMMITMENT WILL BE SUBJECT TO CONTRACT AND SATISFACTORY DUE DILIGENCE AND DOCUMENTATION.

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