



### Schedule

### Loan Confirmation

Schedule to the Agreement between The Royal Bank of Scotland plc and Northumberland County Council

To: [REDACTED]  
Northumberland County Council  
County Hall  
Morpeth  
NE61 QEF

Dear [REDACTED]

#### Local Authority Loan Agreement dated 10<sup>th</sup> July 2008

Expressions defined in the Loan Agreement Terms and Conditions, a copy of which was previously supplied to you, shall have the same meaning in this letter unless otherwise defined.

This letter is a written confirmation of the £15m, 70year LOBO Loan, at 4.26% agreed in the telephone call between Prebon and Phil Smith on 10th July 2008.

It was specifically agreed on the telephone that the agreed Loan and Loan Details incorporated the Loan Agreement Terms and Conditions, copies of which are enclosed for execution (whether or not the Loan Agreement Terms and Conditions had been signed and returned to the Bank at the time of the telephone call).

Please note that the Borrower is now committed to draw the Loan. Return of this Loan Confirmation and the signed Loan Agreement Terms and Conditions to the Bank is a pre-condition to drawdown, and failure to do so will be a breach of the Loan Agreement Terms and Conditions as agreed on the telephone, which can give rise to a liability for Breakage Loss under clause 10.

#### Loan details:

- |                               |   |
|-------------------------------|---|
| 1. Loan Amount                | £15m  |
| 2. Term:                      | the period of 70 years commencing on the Drawdown Date. |
| 3. Drawdown Date:             | 17th July 2008  |
| 4. Initial Fixed Rate:        | 4.26%   |
| 5. Initial Period:            | 8 Years   |
| 6. Anticipated Interest Rate: | 4.26%   |
| 7. Option Period:             | Every 6 months after Initial Period                     |

The terms contained in this Loan Confirmation form part of the Loan Agreement.

Your attention is drawn to the provisions of Clause 10 of the Loan Agreement Terms and Conditions which apply if the Borrower fails to draw a Loan on the Drawdown Date or makes any early repayment of a Loan.

Signed for and on behalf of The Royal Bank of Scotland plc

Signature.....

Date.....

The Loan and Loan Details contained in this Loan Confirmation are agreed

Signed for and on behalf of the Borrower

8 Position held: *Director of Finance*

2 Signature....



Date..... *15/7/8* .....