

## **Director's loan agreement**

This agreement is dated 7 October 2026 and is between:

1. Pennine Cycle Works Ltd, a company registered in England and Wales, number ZZ135790, whose registered office is at 18 Mill Street, Hebden Bridge HX7 8AJ ("the Company"); and
2. Callum Hart, of 4 Birchcliffe Road, Hebden Bridge HX7 8DB ("the Director").

### **1 The loan**

#### **1.1 Loan amount and purpose**

The Company agrees to lend the Director £8,000 ("the Loan") for the purchase of a car.

#### **1.2 Payment of loan**

The Company will pay the Loan in one sum on 12 October 2026 to the Director's account at Halifax, sort code 11-03-22, account 55667788.

### **2 Approval**

Small loan: The total of this Loan and any other loans, quasi-loans and related guarantees or security the Company or its subsidiaries have given for the Director, or anyone connected with them, does not exceed £10,000. The board approved the Loan at its meeting on 5 October 2026.

### **3 Interest**

The Director will pay interest on the outstanding amount at 3.75% a year. Interest accrues daily and is payable with each repayment.

### **4 Repayment**

#### **4.1 Repayment method**

The Director will repay the Loan in instalments as set out in the Schedule.

#### **4.2 Early repayment**

The Director may repay all or part of the Loan early at any time without charge.

#### **4.3 Set-off**

The Company may set off any amount due and unpaid under this agreement against dividends declared in the Director's favour, but not against salary unless the Director has agreed in writing to that deduction.

## **5 When the whole Loan becomes due**

The whole outstanding Loan and interest become payable immediately if:

### **5.1 Late payment**

the Director fails to pay any amount within 14 days of its due date and still has not paid 7 days after the Company asks in writing;

### **5.2 Cessation as director or employee**

the Director stops being a director or an employee of the Company, unless the Company agrees otherwise in writing within 30 days;

### **5.3 Bankruptcy or arrangement with creditors**

the Director is made bankrupt or enters into an arrangement with their creditors; or

### **5.4 Company insolvency**

the Company is put into liquidation or administration.

## **6 Records**

### **6.1 Loan account and statements**

The Company will record the Loan and each repayment in the Director's loan account, and give the Director a statement of the balance on request and at least once a year.

### **6.2 Disclosure and tax**

The Director acknowledges that the Loan will be disclosed in the Company's accounts, and may have tax consequences for both the Company and the Director, on which each has had the chance to take advice.

## **7 General**

### **7.1 Amendments and write-off**

Any change to this agreement, including a release or write-off of the Loan, must be in writing, approved by the board and, where needed, the members, and signed by both parties.

## **7.2 Director's conflict of interest**

The Director takes part in no board decision about the enforcement or variation of this agreement, unless the Company's articles allow it.

## **7.3 Third party rights**

No one other than the parties may enforce this agreement.

## **7.4 Governing law and jurisdiction**

This agreement is governed by the law of England and Wales, and the courts of England and Wales have exclusive jurisdiction.

### **Schedule: repayments**

| <b>Instalment</b> | <b>Due date</b> | <b>Amount (£)</b> | <b>Balance after payment (£)</b> |
|-------------------|-----------------|-------------------|----------------------------------|
| 1                 | 12 January 2027 | £2,000            | £6,000                           |
| 2                 | 12 April 2027   | £2,000            | £4,000                           |
| 3                 | 12 July 2027    | £2,000            | £2,000                           |
| 4                 | 12 October 2027 | £2,000            | £0                               |

### **Signatures**

Signed by Jade Okoye, director, for and on behalf of Pennine Cycle Works Ltd: \_\_\_\_\_ Date:

Signed by Callum Hart, the Director: \_\_\_\_\_ Date: