

SYNDICATION LETTER – TERM FACILITY AGREEMENT**PRIVATE & CONFIDENTIAL**

From: HSBC Bank plc

To: Vistry Group PLC (the "**Company**")

Copy to: HSBC Bank plc (the "**Agent**" and "**Mandated Lead Arranger**")

5 September 2022

Dear Sir/Madam

Project Coach – Syndication**1. INTRODUCTION**

1.1 We refer to the £400,000,000 term loan facility agreement made between (among others) HSBC Bank plc as mandated lead arranger (the "**Mandated Lead Arranger**"), the Company and HSBC Bank plc as agent (the "**Agent**") dated on or around the date of this letter (the "**Facility Agreement**").

1.2 Except as otherwise expressly provided in this letter, terms defined in the Facility Agreement shall have the same meaning when used in this letter. In this letter, the following terms have the following meanings:

"Successful Syndication" means the Underwriter reduces its participation in the Facility to a final hold of not more than £100,000,000;

"Successful Syndication Date" means the date on which Successful Syndication has occurred;

"Syndication" means the primary syndication of the Facility;

"Syndication Period" means the period commencing on the date of the Scheme Press Release or Offer Press Release, as the case may be, and ending on the earlier of:

- (a) the Successful Syndication Date; and
- (b) the date which is four Months after the date of the Facility Agreement

"Upfront Fee" has the same meaning as set out in the Upfront Fee Letter; and

"Upfront Fee Letter" means an upfront fee letter dated on or about the date of this letter in relation to the Facility Agreement and entered into between the Company and HSBC Bank plc as mandated lead arranger and agent.

2. APPOINTMENT

2.1 The Company hereby:

- (a) appoints the Mandated Lead Arranger as exclusive mandated lead arranger of the Facility, and the Mandated Lead Arranger hereby accepts such appointment;

- (b) appoints HSBC Bank plc as exclusive bookrunner (the "**Bookrunner**") in connection with Syndication, and the Bookrunner hereby accepts such appointment;
- (c) appoints HSBC Bank plc as exclusive underwriter of the Facility (the "**Underwriter**"), and the Underwriter hereby accepts such appointment; and
- (d) agrees that:
 - (i) no other person shall be appointed as mandated lead arranger, bookrunner or underwriter;
 - (ii) no other titles shall be awarded; and (save as provided in the Finance Documents) no other compensation shall be paid to any other person (other than any fees payable to the Company's and the Finance Parties' professional advisers),

in connection with the financing of the Acquisition without the prior written consent of the Mandated Lead Arranger.

3. **FEES, COSTS AND EXPENSES**

The Company shall promptly on demand pay the Mandated Lead Arranger, the Underwriter and the Bookrunner the amount of all costs and expenses (including legal fees and in relation to the pre-agreed Debt Domain fees) reasonably incurred by them in connection with the Syndication, whether or not the Finance Documents are signed.

4. **CLEAR MARKET**

- 4.1 During the period from the date of this letter to the Successful Syndication Date, the Company shall not (and shall ensure that no other member of the Group shall) announce, enter into discussions to raise, raise or attempt to raise any other finance in the international or any relevant domestic syndicated loan, debt, bank, capital or equity market(s) (including, but not limited to, any bilateral or syndicated facility, bond or note issuance or private placement) without the prior written consent of the Mandated Lead Arranger.

- 4.2 Paragraph 4.1 does not apply to:

- (a) the Facility;
- (b) the Backstop RCF Agreement;
- (c) the extension of the 2021 Facility Agreement for the same or a smaller amount;
- (d) any ancillary facility provided under the 2021 Facility Agreement or any promissory note issued in the ordinary course of business;
- (e) the renewal of any existing bilateral facility with the same lender for the same or a smaller amount where the facility is permitted by the terms of the Finance Documents;
- (f) any financing provided to any Joint Venture on the basis that such financing is non-recourse to a member of the Group (other than that Joint Venture);
- (g) any increase, renewal or refinancing of the Pricoa Bond, provided that where the aggregate amount of Financial Indebtedness under the Pricoa Bond (or such refinancing equivalent) exceeds an aggregate amount of £100,000,000 (or its equivalent in other currencies) (such amount being the "Excess Financing") the Company shall cancel the Total Commitments under the Facility Agreement in an

amount equal to the amount of such Excess Financing from time to time in accordance with the terms of the Facility Agreement; or

- (h) any other financial indebtedness not falling within paragraph (g) above arising under a note or other similar debt instrument sold to certain investors advised by Pricoa Capital Group or any of its affiliates, provided the Company shall cancel the Total Commitments under the Facility Agreement in an amount equal to the amount of such financial indebtedness from time to time in accordance with the terms of the Facility Agreement.

5. **SYNDICATION**

5.1 The Company agrees that the Mandated Lead Arranger shall, during the Syndication Period, syndicate all or any portion of its Commitment to one or more entities (i) from the "white list" of permitted transferees pre-agreed between the Mandated Lead Arranger and the Company before the date of this letter (with such updates as may be agreed between the Mandated Lead Arranger and the Company from time to time) (the "**White List**") or (ii) any other entity or entities as may be consented to by the Company in accordance with clause 23 (Changes to the Lenders) of the Facility Agreement.

5.2 The Mandated Lead Arranger shall, in consultation with the Company, manage all aspects of syndication of the Facility, including timing, the selection of potential Lenders from the White List, the acceptance and allocation of commitments and the amount and distribution of fees to Lenders. Subject to any applicable confidentiality agreement between the Company and the Mandated Lead Arranger, the Company authorises the Mandated Lead Arranger to discuss the terms of the Facility with, and to disclose those terms to, potential Lenders from the White List to facilitate the Syndication.

5.3 During the Syndication Period, the Company shall, and shall ensure that the other members of the Group, give any assistance which the Mandated Lead Arranger reasonably requires (such assistance to cause as little disruption to the business of the Group and the Target Group as is reasonably practicable in the circumstances) in relation to the syndication of the Facility including, but not limited to:

- (a) the preparation, with the assistance of the Mandated Lead Arranger, of a lender presentation containing all relevant information (including projections) including, but not limited to, information about the Group and how the proceeds of the Facility will be applied (the "**Lender Presentation**"). The Company shall approve the Lender Presentation before the Mandated Lead Arranger distributes it to potential Lenders from the White List on the Company's behalf;
- (b) providing any information reasonably requested by the Mandated Lead Arranger or potential Lenders from the White List in connection with the Syndication;
- (c) making available the senior management and representatives of the Company and other members of the Group for the purposes of giving presentations to, and participating in meetings with, potential Lenders at such times and places as the Mandated Lead Arranger may reasonably request; and
- (d) using commercially reasonable efforts to ensure that the Syndication benefits from the Group's existing lending relationships; and
- (e) making any minor amendments to the Finance Documents which the Mandated Lead Arranger reasonably request on behalf of potential Lenders.

6. **FLEX**

6.1 **Flex Rights**

- (a) Subject to the terms of this letter, if the Mandated Lead Arranger considers it is necessary to achieve Successful Syndication (for the avoidance of doubt, whether or not a Successful Syndication is achieved), the Mandated Lead Arranger shall be entitled, after consultation with the Company for a maximum period of 3 Business Days, to:

- (i) increase the Margin applicable to the Facility by up to ■■■ per cent. (■■■ basis points) per annum (the "**Margin Flex**"); and/or
- (ii) increase the Upfront Fee by up to ■■■ per cent. (■■■ basis points) (the "**Upfront Fee Flex**").

(each a "**Flex Right**"), provided that the Mandated Lead Arranger shall use reasonable endeavours to increase the Upfront Fee or, as applicable, the Margin by the lowest amount necessary to achieve the Successful Syndication.

- (b) If any change in the pricing of the Facility pursuant to the exercise of the Upfront Fee Flex is made after the date of payment of any amount of the Upfront Fee in accordance with the terms of the Upfront Fee Letter (an "**Original Instalment**"), the Company shall, on the date falling five Business Days after the date on which it receives an invoice for the relevant amount from the Mandated Lead Arranger (or the Agent on its behalf), pay to the Mandated Lead Arranger (or the Agent on its behalf, if so instructed by the Mandated Lead Arranger after the date of the Facility Agreement) an amount equal to the amount of the Upfront Fee Flex that would have been payable in respect of the Original Instalment if the change in pricing had been in force when such Original Instalment was paid.

6.2 **Exercise of Flex Rights**

Each Flex Right may only be exercised during the period from the date of this letter to (and including) the last day of the Syndication Period.

6.3 **Amendments**

The parties to this letter agree to promptly enter into such documents as may be necessary to amend this letter or the Finance Documents to implement any changes required as a result of the exercise of any of the Flex Rights pursuant to paragraph 6.1(b) above. In particular, but without limitation:

- (a) the Company will procure that each other Obligor also enters into such amending documents or otherwise provides a confirmation of continuation of all guarantees provided by such Obligor; and
- (b) the margin ratchet mechanism set out in clause 8.3 (Margin adjustments financial covenants) of the Facility Agreement will be amended to reflect the increase in the Margin as a result of the exercise of the Margin Flex by the same percentage as the Margin increase resulting from the Margin Flex.

7. **MISCELLANEOUS**

- 7.1 Each party to this letter shall not assign any of its rights or transfer any of its rights or obligations under this letter without the prior written consent of each other party to this letter.
- 7.2 This letter may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this letter.
- 7.3 Clauses 39 (Governing law) and 40 (Enforcement) of the Facility Agreement shall apply to this letter mutatis mutandis, as if they were set out in full herein.

- 7.4 This letter is a Fee Letter and a Finance Document.
- 7.5 Unless expressly provided to the contrary in this letter, a person who is not a party to this letter has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any of its terms.
- 7.6 Notwithstanding any term of this letter, the consent of any person who is not a party to this letter is not required to rescind or vary this letter at any time.

[signature pages follow]

[Redacted Signature]

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For and on behalf of

HSBC Bank plc

as Mandated Lead Arranger, Bookrunner and Underwriter


[Redacted Signature]

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For and on behalf of

HSBC Bank plc

as Agent

We agree to the above terms.

DocuSigned by:

.....BT3031BA0B814A3.....

For and on behalf of

Vistry Group PLC