

Company number SC335662

PRIVATE COMPANY LIMITED BY SHARES

MINUTES OF A MEETING

of

the board of directors of CLYDE GATEWAY DEVELOPMENTS LIMITED (**Company**)

held on 27 March 2020

Present: John Gallacher (Chairperson)

David Alexander Bankier

Greg Hepburn

Stuart Heslop

Ian Sinclair Manson

1. NOTICE, QUORUM AND APOLOGIES

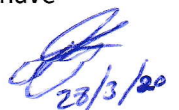
- 1.1. The chairperson reported that due notice of the meeting had been given in writing by notice dated 4 March 2020, the meeting was being held by conference call in accordance with article 76 of the Company's articles of association and that a quorum was present. Accordingly, the chairperson declared the meeting open.
- 1.2. The chairperson reported that Carol Nugent, Derek McCrindle and Allan McQuade had sent their apologies.

2. DECLARATIONS OF INTEREST

- 2.1. Each director present confirmed that they had no direct or indirect interest in any way in the proposed transaction to be considered at the meeting which they were required by section 177 of the Companies Act 2006 and the Company's articles of association to disclose.

3. BUSINESS OF THE MEETING

- 3.1. The chairperson reported that the business of the meeting was to consider, and if thought fit, approve secured borrowings of £2,618,000 from Scottish Enterprise (**SE**) repayable by 31 December 2026 for application against a number of physical regeneration projects including in the first instance Phase 2 of the Purifier Studios at Dalmarnock.
- 3.2. The chairperson reminded the directors of their statutory duties to the Company as set out in sections 171 to 174 (inclusive) of the Act. In particular each director was reminded of their statutory duty to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the factors set out in section 172(1) of the Act.



27/3/20

4. BACKGROUND TO THE TRANSACTION

- 4.1. The boards of both Clyde Gateway URC (CGURC) and the Company have previously approved the principle of seeking loans to help fund development activities with existing investment properties being used as security and their rental receipts servicing the debt.
- 4.2. Constructive discussions took place with SE during February over a further loan which could be applied against a number of projects with the first being Phase 2 of the Purifier Studios in Dalmarnock. On 4 March Board approval was given to enter into a development loan agreement with Scottish Enterprise for up to £3.0m. CGURC's Board also approved the loan terms later that same day. Scottish Enterprise has completed its year-end finance review and has now confirmed it can make £2.618m available which would be secured over the Red Tree Magenta and Albus buildings. The loan agreement includes the option to request that SE discharge the standard securities over such property, and for the interest rate chargeable to be amended to the unsecured rate of 3.29% if required at a later date – it was noted that such request would be subject to certain conditions, including the financial performance of the Company. In view of the issues associated with Covid-19 and the fact that Registers of Scotland is currently closed, Scottish Enterprise has confirmed that it will continue to offer secured terms on the basis that SE currently hold security over the One Rutherglen Links building until such times as the Land Register application record (as administered by Registers of Scotland is reopened and the standard securities in respect of Red Tree Magenta and The Albus Buildings can be registered (the **Transaction**)).
- 4.3. In order to deliver the Transaction it is envisaged that the Company will enter into the following documents
 - 4.3.1. a £2,618,000 loan confirmation agreement between SE and the Company for the purpose of providing the Company with working capital to help facilitate the development of The Purifier Studios and Red Tree Central and other regeneration projects which incorporates and is to be read in conjunction with SE's standard loan terms and conditions;
 - 4.3.2. standard securities in respect of The Albus Building and Red Tree Magenta; and
 - 4.3.3. a director's certificate.

(the **Transaction Documents**) which documents will be on broadly similar terms to the suite of documents entered into in respect of the development loan last year (taking account of any changes in SE's standard terms, loan terms and conditions, and the commercial terms set out in the agreed heads of terms for the Transaction, a copy of which was produced to the meeting).

5. CONSIDERATION OF DOCUMENTS AND RESOLUTIONS

- 5.1. After careful consideration of the Transaction and in particular the matters set out in paragraphs 4.2 and 4.3 including the agreed heads of terms and the matters referred to in section 172(1) of the Companies Act 2006, IT WAS RESOLVED that:
 - 5.1.1. completing the Transaction would promote the success of the Company for the benefits of its members as a whole;
 - 5.1.2. the Company delegate authority to Ian Manson and/or Barry Macintyre to negotiate and finalise the terms of the Transaction Documents on behalf of the



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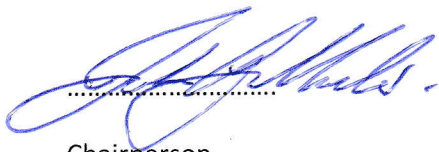
Company on terms that they consider appropriate and are authorised to sign and deliver such Transaction Documents as agreed by either one of them together with any ancillary documents thereto on behalf of the Company.

6. **FILING**

The chairperson instructed the Company's solicitors to make all necessary and appropriate entries in the statutory books of the Company.

7. **CLOSE**

There was no further business and the chairperson declared the meeting closed.

A handwritten signature in blue ink, appearing to be 'J. J. ...', written over a dotted line.

Chairperson

28th March 2020.