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**EUR 15,000,000 SUBORDINATED UNSECURED LOAN  
DATED 29 MAY 2019**

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**BETWEEN**

- (1) **BANIMMO SA**, a limited liability company (*société anonyme/naamloze vennootschap*) organised and existing under Belgian law, having its registered office at Bischoffsheimlaan 33, 1000 Brussels, Belgium and registered under company number 0888.061.724 RLP Brussels (the "**Borrower**"); and
- (2) **PATRONALE LIFE SA**, a limited liability company (*société anonyme/naamloze vennootschap*) organised and existing under Belgian law, having its registered office at Bischoffsheimlaan 33, 1000 Brussels, Belgium and registered under company number 0403.288.089 RLP Brussels (the "**Lender**").

**IT IS AGREED as follows:**

**1. Definitions**

**1.1 In this Agreement:**

"**Agreement**" means this subordinated unsecured loan agreement.

"**Asset**" means any development project of the Borrower or a Borrower's subsidiary or in which the Borrower or a Borrower's subsidiary may have an interest as part of a joint-venture.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for general business in Brussels.

"**Change of Control**" means in relation to the Borrower, if two or more persons acting in concert or any individual person (a) acquire legally and/or beneficially, and either directly or indirectly, more than 50 per cent. of the issued share capital of the Borrower; or (b) have the *de facto* or *de iure* power to exercise, directly or indirectly, a decisive influence on the designation of a majority of the directors of the Borrower or on the business orientation of the Borrower.

"**Drawdown Date**" means the date on which the relevant Loan is to be made under the Facility.

"**Event of Default**" means any of the events mentioned in Clause 12 (*Events of Default*).

"**Effective Date**" means the date of this Agreement.

"**Existing Senior Secured Loan**" means the currently outstanding senior secured loan of EUR 8,000,000 granted by the Lender to the Borrower under a loan agreement dated 18 May 2018.

"**Facility**" means the credit facility made available under this Agreement as described in Clause 2 (*Availability of Facility and purpose*).

"**Facility Amount**" means EUR 15,000,000.

"**Final Repayment Date**" means 1 June 2026.

"**Finance Documents**" means this Agreement or any other document designated as such by the Lender and the Borrower.

**"Interest Payment Date"** means 1<sup>st</sup> June of each year.

**"Loan"** means a loan made or to be made under the Facility by the Lender to the Borrower pursuant to a Notice of Borrowing or the principal amount outstanding for the time being of that loan.

**"Notice of Borrowing"** means a request from the Borrower in accordance with Clause 4 substantially in the form of Schedule 1 (*Form of Notice of Borrowing*).

1.2 Clause headings are for ease of reference only and shall be ignored in construing the Agreement.

**2. Availability of Facility and purpose**

2.1 Upon and subject to the terms of this Agreement, the Lender makes available to the Borrower a credit facility in an amount equal to the Facility Amount.

2.2 The proceeds of the Facility shall be used to (i) finance the Borrower's capital expenditure as foreseen in the Borrower's business plan approved by the Borrower's board of directors on 6 March 2019 (the "**Business Plan**") and (ii) to repay and finally discharge the Existing Senior Secured Loan (in principal and interest).

2.3 Without prejudice to the foregoing and to any other provision of this Agreement, the Lender shall not be bound to monitor or enquire as to the application by the Borrower of the proceeds of the Facility.

**3. Subordination**

3.1 The Lender hereby agrees that all present and future indebtedness, liabilities and obligations whatsoever (whether incurred, assumed, modified, amended or created before or after the date of this Agreement, whether actual or contingent, joint or several and whether or not matured or liquidated or otherwise howsoever payable) payable, owing, due or incurred by the Borrower to the Lender at any time under this Agreement shall be subordinated in all respects to any other liabilities owing, due or incurred by the Borrower to any creditor whatsoever.

3.2 The Lender hereby agrees that the Borrower shall not, prior to the Final Repayment Date:

- (a) prepay or otherwise discharge (including by set-off) the Loans;
- (b) provide security, in any manner, for all or any part of the Facility.

3.3 The Lender shall not, prior to the Final Repayment Date and in absence of Event of Default:

- (a) demand or accept payment, off-set, declare prematurely due and payable or otherwise seek to accelerate payment of all or any part of the Loans or allow the same to occur automatically;
- (b) take, accept or receive the benefit of any security from the Borrower in respect of the Facility.

3.4 If the Borrower becomes subject to any insolvency proceedings or voluntary arrangement or there occurs any payment or distribution of all or any part of the assets of any kind or character of the Borrower or the proceeds thereof, to creditors of the Borrower, by reason of the liquidation, dissolution or other winding-up of the Borrower or the businesses of the Borrower or by reason of any bankruptcy, reorganisation, seizure or insolvency or similar proceeding or any assignment for the benefit of creditors, **then** any payment or distribution of any kind, whether in cash, securities or other property which is payable or deliverable upon or with respect to the Loans owed by the Borrower under this Agreement or any part thereof by a liquidator, administrator or receiver (or the equivalent thereof) of the Borrower or the estate of the

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Borrower (the “**relevant rights**”) shall only be paid to the Lender after the full and entire discharge of all other debts of the Borrower. If the Lender receives undue relevant rights notwithstanding the above, the Lender shall hold such relevant rights on behalf of the unpaid creditors and shall forthwith retransfer such relevant rights to the liquidator, administrator or receiver (or the equivalent thereof) of the Borrower or the estate of the Borrower.

#### 4. **Utilisation of the Facility**

The Borrower may utilise the Facility as from 1 June 2019 by delivering to the Lender a duly completed Notice of Borrowing not later than on the third Business Day prior to the Drawdown Date provided that on the proposed Drawdown Date:

- (a) no Event of Default has occurred or is continuing or would result from or would be in existence immediately following the making of the Loan;
- (b) there has been no material adverse change in the business, assets or condition of the Borrower since the date of this Agreement;
- (c) each of the representations and warranties stipulated in Clause 9 (*Representations and warranties*) remains accurate as at the date of the Notice of Borrowing and the Drawdown Date as if given on such date by reference to the facts and circumstances then subsisting.

The amount of the proposed Loan must be EUR 500,000 or a multiple thereof.

#### 5. **Interest**

- 5.1 The rate of interest applicable on each Loan shall be a fixed rate of 5% (five percent) per annum.
- 5.2 The Borrower shall pay accrued interest on each Loan on each Interest Payment Date (*pro rata temporis*).
- 5.3 If the Borrower fails to pay any amount payable by it hereunder on its due date or otherwise in accordance with Clause 13 (*Payments*), interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 3 per cent. per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods.

#### 6. **Repayment**

The Borrower shall repay the Loans in full on the Final Repayment Date, together with any unpaid interest accrued on the Loans and all other moneys then due from the Borrower under this Agreement.

#### 7. **Voluntary Prepayment**

- 7.1 The Borrower may, if it gives the Lender not less than 5 Business Days’ (or such shorter period as the Lender may agree) prior notice, prepay the whole or any part of the Loans together with any unpaid interest accrued on the amount so prepaid.
- 7.2 Upon voluntary prepayment of the Loan, a prepayment fee of 0.5% of the prepaid amount shall be due by the Borrower to the Lender.

#### 8. **Mandatory Prepayment**

Upon the occurrence of a Change of Control,

- (a) the Borrower shall promptly notify the Lender upon becoming aware of that event; and

- (b) the Lender may decide to cancel the Loans by notifying the Borrower in writing, in which case all amounts outstanding, together with accrued interest, and all other amounts accrued under the Finance Documents, shall become immediately due and payable.

## **9. Representations and warranties**

9.1 The Borrower represents and warrants to the Lender on the Effective Date as follows:

- (a) the Borrower is a limited liability corporation duly incorporated and validly existing under the laws of Belgium and is fully qualified and empowered to own its assets and to carry out its business as it is being conducted;
- (b) the Borrower has full power, authority and legal right to enter into and engage in the transactions contemplated by the Finance Documents and has taken all necessary corporate and other action to authorise the execution, delivery and performance of the Finance Documents and the obligations expressed to be assumed by it in the Finance Documents are its legal and valid obligations binding on it in accordance with the terms thereof;
- (c) neither the signing and delivery of the Finance Documents nor the performance of any of the transactions contemplated therein will (i) contravene or constitute a default under any provision of any agreement, instrument, law, judgement, order, licence, permit or consent by which the Borrower or any of its assets is or was bound or affected nor (ii) cause any limitation on the Borrower, or the powers of its directors, whether imposed by or contained in any document which contains or establishes its constitution or in any law, order, judgment, agreement, instrument or otherwise, to be exceeded;
- (d) no Event of Default has occurred and no event has occurred which constitutes, or which with the giving of notice and/or the lapse of time and/or a relevant determination would constitute, a contravention of, or default under, any agreement or undertaking or instrument by which the Borrower, or any of its assets is bound or affected, being a contravention or default which might have a material adverse effect on the business, assets or condition of the Borrower, or materially and adversely affect the Borrower's ability to observe or perform its obligations under any Finance Document;
- (e) no litigation, arbitration or administrative proceedings or claim which might by itself or together with any other such proceedings or claims have a material adverse effect on the Borrower's business, assets or condition and materially and adversely affect the Borrower's ability to observe or perform its obligations under this Agreement, is presently in progress or pending to the best of the knowledge, information and belief of the Borrower;
- (f) all of the information supplied to the Lender by the Borrower or on its behalf was true and accurate in all material respects as at the date it was provided or at any date at which it was stated to be given and the Borrower has not omitted to supply any information which, if disclosed, would make such information untrue or misleading in any respect;
- (g) it is not necessary for the legality, validity, enforceability and admissibility in evidence of this Agreement that it be filed, recorded or registered with any court or authority in Belgium;
- (h) the execution, delivery, performance and observance of the Finance Documents by the Borrower and the exercise of its rights under the Finance Documents constitute private and commercial acts, and the Borrower will not be entitled to claim for itself or its



revenues or assets immunity from suits, execution, attachment or other legal proceedings; and

- (i) the Borrower nor any of its respective affiliates, directors or officers, or, to the best of knowledge of the Borrower, any agent or employee of it, has engaged in any activity or conduct which would violate any applicable anti-bribery, anti-corruption or anti-money laundering laws or regulations applicable to it in any applicable jurisdiction.

9.2 The representations and warranties set out in Clause 9.1 shall survive the execution of this Agreement until the Final Repayment Date and the making of a Loan hereunder and shall be deemed to be repeated on the Drawdown Date, and the last day of each Interest Period, each with reference to the facts and circumstances then subsisting, as if made at each such time.

## 10. Undertakings

The Borrower undertakes with the Lender from the date of this Agreement until all its liabilities under this Agreement have been discharged that:

- (a) the Borrower shall comply in all respects with all laws to which it may be subject, if failure to comply has or is reasonably likely to have a material adverse effect;
- (b) the Borrower will ensure that its obligations under this Agreement constitute its direct, unconditional (subject to the subordination) and general obligations;
- (c) there will be no indebtedness incurred by the Borrower at the Assets' level, except if approved by the Borrower's board of directors and the Lender;
- (d) the Borrower will at all times maintain in full force and effect any and all such registrations, licences, consents and/or approvals, as may be necessary or desirable to enable it to perform its obligations under the Finance Documents and shall promptly furnish the Lender with copies thereof;
- (e) the Borrower will send to the Lender on a half-yearly basis a financial information package on the Borrower, in a form and substance agreed between the parties;
- (f) if the Borrower becomes aware of the occurrence of an event which is or could become an Event of Default, it will forthwith notify the Lender and provide the Lender with the steps which it is taking, or is considering taking, in order to remedy or mitigate the effects of such event or otherwise in connection with it;
- (g) the Borrower shall not enter into any amalgamation, demerger, merger or corporate reconstruction where the person surviving any such amalgamation, demerger, merger or corporate reconstruction does not assume the obligations of the Borrower hereunder by operation of law or otherwise;
- (h) the Borrower shall not enter into a single transaction or a series of transactions (whether related or not) to voluntarily sell, lease, transfer or otherwise dispose of all or a substantial part of its business or assets, except for transfers or disposals made in the ordinary course of business of the Borrower and transfers or disposals of assets in exchange for other assets comparable or superior as to type, value and quality;
- (i) the Borrower will comply with any "know your customer" requirements as it may be reasonably requested by the Lender;
- (j) the Borrower shall promptly inform the Lender of (i) any material adverse change in its business and financial conditions as the same is reflected in the latest financial statements from time to time made available by it to the Lender and (ii) the occurrence

of any breach of the financial covenant stipulated in Clause 11 (*Financial covenant*) upon becoming aware of same;

- (k) the Borrower shall comply in all respects with any legislation prohibiting unlawful financial assistance including in relation to the payments of amounts due under this Agreement; and
- (l) the Borrower shall procure that (i) at the first general meeting of the shareholders of the Borrower after the Effective Date, the shareholders of the Borrower will approve this Agreement and any provision of this Agreement within the scope of article 556 of the Belgian Companies Code, and (ii) the resolutions of the shareholders of the Borrower are filed with the clerk of the competent Commercial Court within 10 Business Days from the date of the general meeting.

## 11. Financial covenant

- 11.1 The Borrower shall ensure that at all times the Consolidated Net Debt Ratio does not exceed 65 per cent.

"**Consolidated Net Debt Ratio**" means the ratio of the Net Financial Debt to Total Assets.

"**Total Assets**" means the total assets as shown in the most recent half-yearly or yearly consolidated balance sheet of the Borrower.

"**Net Financial Debt**" means the addition of (x) long term financial debt and (y) short term financial debt, minus (z) cash position, each as shown in the most recent half-yearly or yearly consolidated balance sheet of the Borrower.

- 11.2 The Consolidated Net Debt Ratio shall be tested on a half yearly basis.

## 12. Events of Default

If:

- (a) the Borrower fails to pay any amount due under this Agreement on the due date, in the currency and in the manner specified herein unless such non-payment is due to technical or administrative reasons and has been remedied within three Business Days; or
- (b) the requirement in clause 11 (*Financial covenant*) is not satisfied; or
- (c) the Borrower fails to observe or perform any of its obligations under this Agreement or under any undertaking or arrangement entered into in connection herewith (other than an obligation to make a payment) and, in the case of a failure capable of being remedied, the Lender does not determine, within ten Business Days of such failure, that it has been remedied to the Lender's satisfaction; or
- (d) any representation, warranty or statement which is made (or acknowledged to have been made) by the Borrower in this Agreement or which is contained in any statement, letter or notice provided under or in connection with this Agreement proves to be incorrect in any material respect when made or if repeated at any time with reference to the facts and circumstances subsisting at such time would not be accurate; or
- (e) the Borrower shall cease to carry on all or a substantial part of its business or shall suffer the loss of the whole or a substantial part of its assets; or
- (f) any indebtedness owed by the Borrower to the Lender becomes due or capable of being declared due before its stated maturity or after expiration of any grace period or is not repaid at maturity as extended by any applicable grace period; or

- (g) the Borrower becomes or is declared insolvent; or
- (h) the Borrower is dissolved or wound up; or
- (i) any event or series of events occurs (including any material adverse change in the business, assets, financial condition of the Borrower) which has a material adverse effect on the Borrower's ability to meet its financial obligations (the term "material adverse effect" to be construed so as to include any change which is so significant that had such change occurred prior to the date hereof a reasonable and diligent bank would not have entered into this Agreement upon the terms and subject to the conditions hereof),

then, the Lender may forthwith or at any time thereafter by notice to the Borrower, cancel the Facility and declare all outstanding Loans to be immediately due and payable, whereupon they shall become immediately due and payable, together with all interest accrued up to the date of such payment and all other amounts payable by the Borrower pursuant to this Agreement.

### **13. Payments**

- 13.1 All payments to be made by the Borrower hereunder shall be made available to the Lender in euro for value on the respective due date and in immediately available, freely convertible and freely transferable funds to such account as the Lender may from time to time by notice specify to the Borrower.
- 13.2 All proceeds of the Loans will be credited by the Lender to the account with IBAN BE69 7330 0962 7278, BIC KREDBEBB.
- 13.3 If any payment would otherwise be due on a day which is not a Business Day, it shall be due on the next succeeding Business Day with interest calculated until the actual day of payment.

### **14. Fees and costs**

- 14.1 The Borrower shall, promptly on demand, pay the Lender the amount of all costs and expenses (including legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and perfection of this Agreement.
- 14.2 No upfront, exit or other fee is due by the Borrower under this Agreement.

### **15. Further provisions**

#### **15.1 Notices**

Any notice or communication under or in connection with this Agreement shall be in writing and shall be delivered personally, or by letter and e-mail to the following addresses:

**in the case of the Borrower:**

Banimmo SA/NV  
Bischoffsheimlaan 33  
1000 Brussels  
Belgium  
Attention: Laurent Calonne, CEO  
Phone: 02 710 53 11  
E-mail: laurent.calonne@banimmo.be

**in the case of the Lender:**

Patronale Life SA/NV  
Bischoffsheimlaan 33



1000 Brussels  
Belgium  
Attention: Filip Moeykens  
Phone: 0495.18.36.11  
E-Mail: Filip.Moeykens@patronale-life.be

or to such other address as either party may have notified to the other in writing. A notice shall be deemed to be duly given or made when delivered (in the case of a letter) and upon receipt in legible form (in the case of an email).

#### 15.2 Invalidity of any provision

If any of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and the parties shall consult with a view to agreeing suitable replacement provisions consistent with the spirit and intent of this Agreement.

#### 15.3 Transferability

- (a) The Borrower may not assign or transfer its rights, benefits or obligations hereunder.
- (b) The Lender may at any time assign or transfer its rights or any interest in this Agreement to any parent company, subsidiary or affiliate.
- (c) Subject to the Borrower's prior explicit consent, not to be unreasonably withheld, the Lender may at any time assign or transfer its rights or any interest in this Agreement to any bank or financial institution which is regularly engaged or established for the purpose of making, purchasing or investing in loans, securities or other financial assets.

#### 15.4 Counterparts

This Agreement 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 Agreement.

#### 15.5 Governing law

This Agreement is governed by, and shall be construed in accordance with, the laws of Belgium.

#### 15.6 Submission to jurisdiction

The parties hereto irrevocably submit any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement) to the non-exclusive jurisdiction of the courts of Brussels, Belgium.

#### 15.7 Entire agreement


This Agreement and the documents referred to herein constitutes the entire agreement between the parties and may not be varied, amended or modified except by an instrument in writing signed by all parties.




**This Agreement has been executed in Belgium in two originals on the date stated at the beginning of this Agreement. Each party to this Agreement acknowledges having received one original of this Agreement.**


**BANIMMO SA as Borrower**

  
By: **Laurent Calonne\***  
Name: Member of Management Committee  
\*Representing Lares Real Estate bvba  
Title: \_\_\_\_\_

  
By: \_\_\_\_\_  
Name: Damien Darche  
Title: Member du Comité de Direction

**PATRONALE LIFE SA as Lender**

By:   
Name: OLIVIER NOKERKEN  
Title: DIRECTOR.

By:   
Name: HANS VAN CAMPFORT  
Title: DIRECTOR

**SCHEDULE 1  
FORM OF NOTICE OF BORROWING**

To: [*Lender*]

[*Date*]

Dear Sirs, dear Madams,

1. We refer to EUR 15,000,000 Subordinated Unsecured Loan agreement dated 22 May 2019 between Banimmo SA as borrower and Patronale Life SA as lender (the "**Agreement**").
2. Terms defined in the Agreement shall have the same meaning herein as therein.
3. We hereby give you notice pursuant to Clause 4 of the Agreement that we wish to borrow a Loan on the following terms:
  - (a) Drawdown Date: 1 June 2019
  - (b) Amount in EUR: EUR 15,000,000, applied as follows:
    - (i) EUR 8,426,666.67 shall be offset with the outstanding balance in principal and interest of the Existing Senior Secured Loan as at 1 June 2019; and
    - (ii) the balance of EUR 6,573,333.33 to be wired on the account mentioned in Clause 13.2 of the Agreement.
4. We confirm that the matters represented by us and set out in Clause 9 (*Representations and warranties*) of the Agreement are true and accurate on the date hereof as if made on such date, with reference to the facts and circumstances now subsisting and that no Event of Default has occurred and is continuing or would result from the proposed Loan.

Yours faithfully,  
for and on behalf of

[*Borrower*]

