



# BURNINGNIGHT LOANS

*Information Brochure*





## *The BurningNight Loans* **DISCLAIMER**

*This disclaimer is important and requires your immediate attention.*

This document (the “Information Brochure” or “Document”) constitutes the basis upon which you may make a loan offer to BurningNight Ltd (“BurningNight”) which BurningNight may accept on the terms and conditions set out in this Document.

You should not make an offer to lend to BurningNight as set out in this Document except on the basis of the information published in this Document and the Key Commercial Terms (see format on page 35).

Your attention is particularly drawn to the “Risk Factors” which are set out on pages 32, 33 and 34 of this Document. You should consider carefully whether BurningNight Loans are a suitable financial commitment for you to make in light of your personal circumstances. BurningNight Loans will become a secured debt of BurningNight but may not be a suitable financial commitment for all recipients of this Document. The money that you lend to BurningNight as a BurningNight Loan (your “Capital”) is at risk.

Making a loan of this nature involves a degree of risk.

It may not be possible to sell or realise BurningNight Loans before they mature or to obtain reliable information about the risks to which they are exposed.

BurningNight Loans will be a debt of BurningNight secured over all of its assets under a debenture constituting a fixed and floating charge.

However, there can be no certainty or guarantee that any realisation of such assets through the enforcement of such security will be sufficient to enable BurningNight to repay all or part of the Loans or BurningNight’s liabilities thereunder.

This Document, which is a financial promotion for the purposes of Section 21 of the Financial Services and Markets Act 2000 (“FSMA”), is issued by BurningNight, which accepts responsibility for the information contained herein. This Document has been approved as a financial promotion for UK publication by Crowdstacker Limited of 154-160 Fleet Street, London, EC4A 2DQ, which is authorised and regulated by the Financial Conduct Authority to operate an electronic lending platform. Crowdstacker Limited is registered on the Financial Conduct Authority’s Register with registration number 648742.

This Document does not constitute a prospectus to which the Prospectus Rules of the Financial Conduct Authority apply. Therefore, this Document and the Loans have not been approved by the Financial Conduct Authority or any other regulatory body, and do not give rise to any rights to claim

compensation under the Financial Services Compensation Scheme.

You should ensure that you have read and understood this Document in its entirety before agreeing to offer Loans to BurningNight. If you are in any doubt as to the contents of this Document, or whether making the Loans is a suitable financial commitment for you, you should seek your own independent advice from an appropriately qualified advisor authorised under the Financial Services and Markets Act 2000 and who specialises in advising on loans, financial commitments and other such debt instruments.

This Document does not constitute an offer to make a loan or other financial commitment or the solicitation of an offer to make a loan or other financial commitment in any jurisdiction in which such offer or solicitation is unlawful. The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

Communications sent by you to the Custodian (as such term is defined on page 3) shall be treated as delivered to it on the day of actual receipt by the Custodian. All documents, payments or electronic information and communications sent by, to or from you or on your behalf will be sent entirely at your own risk.



## *The BurningNight Loans* **DEFINITIONS**

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### *Crowdstacker*

Crowdstacker Limited, an electronic lending platform that is authorised and regulated by the FCA.

### *Custodian*

Reyker Securities plc.

### *Debenture*

A debenture between BurningNight and the Security Trustee under which BurningNight creates a fixed and floating charge in favour of the Security Trustee over all its assets and business.

### *FCA*

Financial Conduct Authority.

### *Information Brochure or Document*

This document.

### *Key Commercial Terms*

The key commercial terms format set out in this Document on page 35 which on acceptance will be populated with the Lender's details, the Interest Rate, the Interest Payment Date, the Commencement Date, the Loan Amount and the Repayment Date.

### *Lenders*

All those individuals who enter into Loan Contracts with BurningNight.

### *Loan T&Cs*

The terms and conditions applicable to each Loan as set out in this Document and which form part of each Loan Contract.

### *Loan Contracts*

The loan contracts consisting of the Loan T&Cs and the Key Commercial Terms between Lenders and BurningNight.

### *BurningNight*

BurningNight Limited.

### *BurningNight Group or The Group*

BurningNight Limited and its subsidiaries.

### *BurningNight Loans or Loans*

Loans made or to be made to BurningNight pursuant to the terms and subject to the conditions of the Loan Contracts following acceptance by BurningNight.

### *Security*

The Debenture.

### *Security Trustee*

Crowdstacker Corporate Services Limited or such other person as is appointed as trustee under the Security Trust Deed.

### *Security Trust Deed*

The deed between the Security Trustee and BurningNight by which the Security Trustee holds the Security on trust for the benefit of Lenders.

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*The BurningNight Loans*

## A NOTE FROM OUR CEO

*Welcome to BurningNight and thank you for taking the time to read this Information Brochure.*

We launched our loan on the Crowdstacker platform in September 2016 with the hope of funding two new multi-concept bars in Nottingham and Birmingham as well as update our existing bar in Leeds. The response we received has been phenomenal, we have not only raised over £3.5m but we have successfully executed our plans. The new bars have already shown an increase in value since their opening which is great news for investors.

Our expertise lies in identifying new venues that offer great value which we can launch quickly after renovating to a high standard. We have identified some more great sites in Leeds, Harrogate, Cardiff and 2 other cities and we have decided to offer the opportunity for investors to continue to share in our growth by extending our target raise to £7m.

Let me tell you a bit more about our business. We operate and own bars and pubs across England, focusing on large premises located



in major city centres such as Leeds, Liverpool, Manchester, Birmingham, Nottingham and Cardiff. These venues house multiple concept bars in one site, consisting of the Bierkeller, Shooters Sports Bar, and Around The World In 80 Beers. We also provide design and management services to another concept bar and grill called The Potting Shed.

Each bar is aimed at a slightly different clientele from sports fans to professionals. This helps ensure we have consistent and diverse revenue throughout the week at each of our premises. Our bars have enjoyed huge success and we aim to expand across further key cities around the UK.

We wanted to choose a way of financing our expansion that would allow our existing loyal customers as well as new potential customers and investors to participate in our growth. That is why we launched the BurningNight Loans with award

winning Peer to Peer lending platform, Crowdstacker. We are looking to raise a further £3.5m (in addition to the £3.5m we have already raised) via Crowdstacker. In return we are offering a fixed interest rate of 7% p.a. paid quarterly over a three year term. Your loan will be secured against all of the assets of BurningNight Limited and over its subsidiary companies.

We have included some amazing potential rewards for those investors who invest more than £2,500 including a suitcase full of beers from across the world as well as other great benefits.

We are excited and confident about our future and we believe our loan is a great opportunity for you to earn a fixed return by lending to an expanding British business.

**ALAN HARPER**  
*BurningNight CEO*

*Your capital is at risk if you lend to businesses*

<sup>1</sup> <https://www.crowdstacker.com/blog/crowdstacker-wins-two-industry-awards-january-2017>



## *The BurningNight Loans* **WHO WE ARE**



BurningNight Group was set up in 2010 to pursue opportunities within the licensed trade and leisure industry, and to develop brands with national potential.

We now operate six multi branded concept bars in Leeds, Liverpool, Manchester and Cardiff, now also in Birmingham and Nottingham. We also let out, on a fully tied basis, a number of smaller bars. We also provide design and management services to another concept bar and grill called The Potting Shed.

We believe we operate a unique core model, focussing on large premises located in city centres able to house multi branded concept bars within one venue. Each bar trades under three brands under the same roof. These brands are Bierkeller, Shooters Sports Bar and Around The World In 80 Beers (ATW).

### *Bierkeller*

Our Bavarian themed Bierkellers are venues with a truly distinctive brand offering various German beers served in steins, long heavy

oak benches, oompah bands and staff wearing Bavarian clothing. Weekends in these venues are often booked weeks in advance ensuring a significant and regular income stream.

### *Shooters*

Our Shooters Sports Bars create a second to none audio visual experience. All sites now have massive P4 HD LED video walls and we believe this unique selling point creates bars which are the best by far for sports viewing in the UK.

### *Around The World*

World beers and food are served in our Around The World bar which features old world décor, distressed wood and vintage luggage to give an “old world feel”.

### *The Potting Shed*

A bar and grill with a modern feel using almost everything that is reclaimed and/or upcycled. The bar focuses on offering artisanal all fresh produce, traditional pub food but in a gastro style alongside main stream and ‘off piste’ craft ales and hand selected fine wines.

We also operate our own group beer company that negotiates directly with the breweries to supply our own bars and a small group of external strategic partners where we have common interest. Our group beer company drives our bottom line profit through bulk buying beer and receiving volume discounts.

We now employ/contract 500 people across our business and generated turnover of c. £17.5m for the year ending 31st July 2016 with an Operating Profit of £533k.<sup>2</sup>

We have a strong management team with well over 100 combined years of experience in the licensed trade industry. Our team has successfully operated numerous pubs and bars in the past 25 years.

*“We have invested heavily in our operations and systems in preparation for our next phase of growth”*

Our innovative ‘cloud based’ operations system aims to ensure that all business data is held securely at an off-site location and can be instantly accessed via computer, tablet or smart phone. It has been designed to monitor every aspect of the operational side of the business, including sales, stock, payroll, scheduling, booking and maintenance.

This allows management to quickly and easily access stocking information and dynamically adjust stock levels in line with changing sales patterns.

We can monitor staff schedules and compare planned schedules to historical sales performance and real time trading data, helping us to maintain an optimum wage to sales ratio. We also install bespoke high-end CCTV monitoring systems with full integration to our systems with the intention of maximising security for our staff and our premises.

<sup>2</sup> Based on BurningNight management accounts July 2016.



## *The BurningNight Loans*

# OUR CONCEPT

Our concept targets large city centre sites (over 15,000 sq ft – total area) where we believe there is limited competition to our brand from traditional bars and restaurants.

We typically look to acquire sites with cheaper per square foot leases relative to other bars and receive attractive landlord incentives to lease these larger spaces.

Our target sites and areas have a high volume of passing trade, often with complementary retail outlets such as a cinema or shops.

We believe the single site, multi bar operation has many benefits including the ability to attract a slightly different customer for each brand, with the benefit of each theme being available and accessible to all.

The layouts are intended to be flexible, helping us to maximise overall returns, in line with best performing brands as well as adapt effectively to changes in consumer trends.

Our brands are complimentary and aim to drive sales throughout the week, helping to smooth out the normal revenue fluctuations expected in normal bar business, specifically:

## *BurningNight*

### SHOOTERS

Shooters Sports Bars are busy mostly mid-week evenings and weekend day times.

## *BurningNight*

### BIERKELLER

The Bierkeller is busier Friday & Saturday nights with the live Oompah band entertainment, which is a huge attraction.

## *BurningNight*

### AROUND THE WORLD

Around The World in 80 Beers has stable sales all week, a stronger lunch offer, and a premium offer on weekends.

### POTTING SHED TRADING

A bar and grill with a modern feel using almost everything that is reclaimed and/or upcycled. This company sits outside the group and BurningNight Group provide design and management services.





*The BurningNight Loans*

OUR BRANDS:

## BIERKELLER

*A unique take on the classic German Bierkeller is brought to life with an amazing blend of décor, entertainment, food and drink.*

A night out in a Bierkeller venue is truly distinctive and we believe makes this brand a real point of difference to the competition. A typical night out at a Bierkeller venue will involve:

- *Various German beers served in steins*
- *Staff wearing traditional Bavarian clothing*
- *Authentic & traditional German fare*
- *Long heavy oak bench seating*
- *WaiterPad™ handheld digital ordering service*
- *Oompah bands*

[www.thebierkeller.com](http://www.thebierkeller.com)







*The BurningNight Loans*

OUR BRANDS:

## SHOOTERS SPORTS BAR

*Shooters Sports Bars create an electrifying "sports viewing" experience.*

All sites have massive P4 HD LED video walls, which we believe are better than those in any bar in the UK for sports viewing.

- *Full coverage of all major sports & sporting events*
- *Interactive & gaming machines*
- *Multiple pool tables*
- *Fast pour taps allow for rapid service*
- *Pre-bookable seating for the best seat in the house*
- *Attractive drink offers often brewery funded*

[www.shooterssportsbar.co.uk](http://www.shooterssportsbar.co.uk)



**SHOOTERS**  
SPORTS 'N' SHORTS



*The BurningNight Loans*

**OUR BRANDS:**

## **AROUND THE WORLD IN 80 BEERS**

*The Around The World brand was created for maximum customer experience.*

We allow customers to encounter different cultures through food and drink with carefully selected products. Our menus are an extension of our philosophy and play host to some of the world's most famous beers, ciders, wines and cocktails.

The bar offers:

- *A comprehensive selection of global beers*
- *World foods to match the liquor offer*
- *Catchy promotions including 'Beer passports' whereby customers can win around the world trips*
- *Old world décor distressed wood and vintage luggage giving an "old world feel"*

[www.atwbar.com](http://www.atwbar.com)





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The BurningNight Loans  
**OUR BARS**



*BurningNight*  
**LEEDS**

This was the original site established in 2010. It is located in the busy commerce and banking area of the city, a two minute walk from the train station and the new £1 billion Trinity shopping centre. It is also near the leisure circuits of Greek St/Park Row and Millennium Square.

*Highlights*

Around The World (ATW)	199m <sup>2</sup>
Bierkeller	203m <sup>2</sup>
Shooters	394m <sup>2</sup>
<b>Net trading m<sup>2</sup></b>	<b>796m<sup>2</sup></b>
Current EBITDA contribution	£315,000
Bar rent	£200,000
Estimated capital cost	£480,340

*Customer review*

“The bar downstairs is more relaxed with live music on throughout the week and weekends. However, Shooters attract most of its customers to the upstairs sports bar, which has big screen TVs, pool tables and other games. A cracking place if there is a big football game on or boxing - the atmosphere is crazy!”

**Lee**  
*Shooter Sports Bar*



*BurningNight*  
**LIVERPOOL**

The bar was established in Nov 2012. It is located in the award winning £1.3 billion street-scapes shopping centre<sup>3</sup>, on the main walking route between Consort Square and Albert Dock (only 200 yards away and a world heritage site).

*Highlights*

Around The World (ATW)	273m <sup>2</sup>
Bierkeller	355m <sup>2</sup>
Shooters	354m <sup>2</sup>
<b>Net trading m<sup>2</sup></b>	<b>982m<sup>2</sup></b>
Current EBITDA contribution	£368,000
Bar rent	£160,000
Estimated capital cost	£1,246,215

*Customer review*

“What a fantastic night! There was dancing on the tables, singing and a truly great atmosphere. It is something you need to experience. Something to say you’ve done at least once in your life. We will definitely go back. Instead of going in a booth we will definitely be in the thick of it on the benches next time!”

**Caroline**  
*Bierkeller - Liverpool*



*BurningNight*  
**CARDIFF**

The bar was established in August 2015. It is adjacent to the Millennium stadium, opposite the main public transport hub. The site sits 250 yards from the new pedestrianised zones currently being developed, which will include key restaurants, bars and retail brands.

This venue has seen a drop in trade since the commencement of significant building works in the immediate vicinity including

construction of the new BBC Cymru Wales headquarters (180,000 sq ft) together with further office buildings of approximately 100,000 square foot with basement parking and retail units.\* This is just one phase of five and has led to some temporary road closures and difficulties in accessing the venue directly from the train station. The directors are confident trade will increase upon completion of these works and forecast a post “trade disruption” EBITDA of £292,000 at bar level.

*Highlights*

Around The World (ATW)	375m <sup>2</sup>
Bierkeller	350m <sup>2</sup>
Shooters	361m <sup>2</sup>
<b>Net trading m<sup>2</sup></b>	<b>1,086m<sup>2</sup></b>
Projected EBITDA contribution	£292,000
Bar rent	£225,000
Estimated capital cost	£1,649,645

\* Source - centralsquarecardiff.co.uk



The BurningNight Loans  
**OUR BARS**



*BurningNight*  
**MANCHESTER**

The bar was established in August 2013. It is located in the busy leisure hub of the city, adjacent to the Arndale shopping centre and the MEN arena is a one-minute walk, as is Victoria rail station and city-wide tram service.

*Highlights*

Around The World (ATW)	313m2
Bierkeller	321m2
Shooters	280m2
<b>Net trading m2</b>	<b>914m2</b>
Current EBITDA contribution	£390,000
Bar rent	£190,000
Estimated capital cost	£1,290,131

*Customer review*

“My favourite bar of the complex. Great food and drinks, quick and polite service even when extremely busy!!! Fab bar!”

**Lee**  
*Shooter Sports Bar*



*BurningNight*  
**BIRMINGHAM**

Launched in December 2016 with the funds secured from Crowdstacker, the brand new Birmingham Bierkeller enjoyed a busy Christmas and has continued to be hugely popular into 2017. Located on the thriving Broad Street, it is well situated in the heart of the city nightlife.

*Highlights*

Around The World (ATW)	363m2
Bierkeller	329m2
Shooters	400m2
<b>Net trading m2</b>	<b>1,092m2</b>
Projected EBITDA contribution	£423,000
Bar rent	£190,000
<small>(Initial 12 months rent free)</small>	
Estimated capital cost	£1,168,657

*Customer review*

“Great night, great music, great atmosphere if you want a good night it’s the place to be me and my other half had one of the best night up broad street for a very long time will be going again”

**David**  
*Bierkeller - Birmingham*



*BurningNight*  
**NOTTINGHAM**

The latest of the Bierkeller complexes to open, funded by the capital raised with Crowdstacker, the brand new venue is located in the thriving Nottingham city centre. The concept bar enjoyed a lively launch night and continue to draw in customers through all out the week.

*Highlights*

Around The World (ATW)	349m2
Bierkeller	330m2
Shooters	378m2
<b>Net trading m2</b>	<b>1,057m2</b>
Projected EBITDA contribution	£448,000
Bar rent	£210,000
<small>(Initial 12 months rent free)</small>	
Estimated capital cost	£50,089

*Customer review*

“Awesome place! Best and biggest screen I’ve ever watched sport on!”

**Anton**  
*Bierkeller - Nottingham*

## WHAT WE WANT TO DO

Our vision is to continue the expansion of our already successful roll-out program of branded concept bars in key cities around the UK. Following the success of our first raise, we would like to borrow an additional £3.5m to help facilitate the next phase of the program and unlock the growth potential.

We intend to use the funds raised to open new bars in Harrogate, Leeds, Cardiff and 2 further Venues.



Existing Venues



New Venues



*Your capital is at risk if you lend to businesses*

*The BurningNight Loans*  
**THE NEW VENUE IN  
 HARROGATE**

*Unit 3, Royal Baths,  
 Harrogate*

The unit provides the trading areas, Ground 7117 & Basement 977

*The Location*

This grade II listed building is situated in a fantastic location in Montpellier Gardens forming part of the prime restaurant and bar circuit within Harrogate Town Centre.

The unit is opposite JD Wetherspoon and close to the following other operators: Jamies Italian, Gino's, Wagamma, Revolution De Cuba, The Pit and Viper Rooms.

*The Venue*

The premises also benefits from one of the largest south facing external terrace which is approx. 2,315 sq ft.

Internally the unit benefits from an extremely attractive vaulted ceiling with a floor to ceiling height of 6m which provides an impressive sense of grandeur.

*Highlights*

<b>Net trading m<sup>2</sup></b>	<b>890m<sup>2</sup></b>
Projected recurring EBITDA	£265,000
Bar rent (Initial 9 months rent free)	£110,000
Estimated capital cost	£610,000



*The BurningNight Loans*  
**THE NEW VENUE IN**  
**LEEDS**

*Trinity Centre, 33  
 Bond St, Leeds*

*The Venue*

Set in the heart of the thriving Leeds retail and entertainment centre, the new venue will be located at the axis of two of Leeds' busiest pedestrian routes—Bond Street and Albion Street.

The new venue will be split over two floors, including an impressive roof terrace, fronting one of Leeds' busiest pedestrian routes. Surrounded by popular high street shops and with a passing footfall of 145,000 per week, 33 Bond Street is one of Leeds' most desirable retail locations attracting 7.5m visitors a year\*.

*The Location*

The Bond Street access benefits from all day, every day footfall with shoppers, office workers and students all using this section of Bond Street. The division of the 35,000 sq-ft former Next unit directly opposite to accommodate

Cosy Club, GBK, and potentially Leon and Zizzi's will also add to the night time economy on Bond Street.

Inside the Trinity centre, the scheme has consolidated its position as West Yorkshire's dominant shopping centre and the catering operators in particular go from strength to strength. For example, the restaurant Cote is the latest signing in 5,000 sqft at a rent of £235,000 p.a. Approximately 7% of the 20 plus million Trinity Leeds footfall use the Trinity Kitchen area, and as the escalators leading to the proposed bar are at the entrance to Trinity Kitchen, this footfall will be capitalised upon by BurningNight Group.

*Highlights*

<b>Net trading m<sup>2</sup></b>	<b>1,500m<sup>2</sup></b>
Projected recurring EBITDA	£633,000
Bar rent (Initial 12 months rent free)	£175,000
Estimated capital cost	£1,380,000



Image Source: Trinity Leeds / Land Security: Artists impressions: Trinity Leeds leasing brochure 2015.pdf / Trinity Leeds Roof-top restaurant opportunity.pdf  
 \*Trinity Footfall 145,000 a week / 7.5m a year, figure taken from a Leeds Council footfall camera



*The BurningNight Loans*  
**THE NEW VENUE IN**  
**CARDIFF**

*25-29 Merthyr Road,  
 Cardiff*

*The Location*

Set in a prime location of Whitchurch, the new venue is in the centre of the thriving high street, boasting artisanal bakeries and coffee shops. Located in an affluent area with a population

of over 16,000, and over 100k within 15 minutes drive, a popular location with the local population, it also attracts visitors in from the surrounding area. Llandaff train station is less than 1 km away, providing easy access from neighbouring towns and Cardiff city centre.

The bar will be located amongst existing successful operators such as The Plough, Fino Lounge and The Pizzeria Villaggio.

Located just 3 miles north of Cardiff city centre, Whitchurch has become a popular destination for visitors looking for an alternative to the city nightlife.

*The Venue*

BurningNight Group plan to renovate the property, which comprises of 3 interconnected two storey units with a timber and glazed shop fronts at ground floor level and painted render beneath a blue slate covered roof.

The idyllic venue boasts a large garden with an external bar. Full of charm and character, the new venue is expected to attract in new customers, whilst remaining popular with the existing loyal base.

*Highlights*

<b>Net trading m<sup>2</sup></b>	<b>362m<sup>2</sup></b>
Projected recurring EBITDA	£272,000
Bar rent	£70,000
Estimated capital cost	£725,000





*The BurningNight Loans*

## HOW WE WILL REPAY YOUR LOAN

In order to undertake the next stage of our growth plan, we intend to invest in some great new sites in Leeds, Harrogate, Cardiff and 2 other cities.

All bars will potentially add significant additional revenues and capital value following the initial upfront investment over a period of 6 months.

We expect to generate free cash flow in excess of the amount we have borrowed.

This free cash flow is planned to be used to repay the loan. In the event free cash flow is less than the amount borrowed we intend to refinance the shortfall through traditional finance providers.

*The BurningNight Loans*

## WHAT IS MY SECURITY?

*First:* your loan is secured on the assets of BurningNight where BurningNight gives the Security Trustee a first ranking debenture. BurningNight's assets can be valued by looking at the value of its current and future leased and freehold pubs and their current and future profitability.

*Second:* six of its principal subsidiaries, Cornertrack Limited, BurningNight (Services) Limited, B&W Logistics Limited, Crossingarea Limited, Contactwith Limited and Sports Café 2008 (Leeds) Limited, will provide cross guarantees in favour of the Security Trustee where they guarantee BurningNight's liabilities to the Security Trustee.

*Third:* two of its principal subsidiaries, Cornertrack Limited and BurningNight (Services) Limited will each give the Security Trustee a first ranking debenture over its assets and business.

*The Group and its subsidiaries have been profitable for each of their last 5 years of trading history, with turnover increasing to c.£17.5m.*

The Group Operating Profit for the year ended 31st July 2016 amounted to £533,202.<sup>6</sup>

In the event of default, the Security Trustee can enforce the debenture over BurningNight and take control of the company bank accounts, with the aim to ensure that any free operating cash flow is used to repay Lenders. The Security Trustee will also be entitled to enforce the cross guarantees and the debentures over the relevant subsidiaries in order to repay Lenders.

<sup>6</sup> Based on BurningNight management accounts July 2016.



## *The BurningNight Loans* **FINANCIALS**

The Group has had a good financial year, with turnover increasing to c.£17.5m, EBITDA at bar level (operational) of £2.1m and £764k (after all administrative expenses). The results are broadly in line with budgets and forecasts for the

year to 31st July 2016. In July 2016 the company completed a new investment of equity. £1.5m of loans were replaced with new preference shares. This has had the effect of increasing Shareholders' Funds to £3.5m.

### *Profit & Loss*

<i>Profit &amp; Loss</i>	<i>Year Ended 31<sup>st</sup> July 2016 (unaudited)</i>	<i>Year Ended 31<sup>st</sup> July 2015 (audited)</i>
<i>Turnover</i>	£17,561,066	£16,405,995
<i>Gross Profit</i>	£6,286,113	£5,274,072
<i>Operating Profit</i>	£533,202	£495,956
<i>Net Profit (before tax)</i>	£28,719	£91,877

### *Balance Sheet*

<i>Balance Sheet</i>	<i>Year Ended 31<sup>st</sup> July 2016 (unaudited)</i>	<i>Year Ended 31<sup>st</sup> July 2015 (audited)</i>
<i>Fixed Assets</i>	£7,914,470	£5,303,502
<i>Current Assets</i>	£3,461,140	£2,310,576
<i>Current Liabilities</i>	£6,265,694	£3,165,435
<i>Long Term Liabilities</i>	£1,623,867	£2,364,986
<i>Net Assets</i>	£3,486,049	£2,083,657
<i>Shareholders' Funds</i>	£3,486,049	£2,083,657

*Your capital is at risk if you lend to businesses.*  
Past performance is no guarantee of future returns

*The BurningNight Loans*

## WHO'S BEHIND BURNINGNIGHT?

*BurningNight Group was started by Allan Harper in 2010.*

An experienced entrepreneur in the licensed trade business. He set out on a mission to create unique brands that captured the essence of a great night out. BurningNight has its head office in Leeds and employs/contracts over 500 people in the UK.



**ALLAN HARPER**  
*CEO*

Allan is a serial entrepreneur and self-starter who has previously built up and sold a chain of multiple businesses within the licensed trade, the largest of which being a disposal of 56 freehold premises to London and Edinburgh Inns in 2005 for £21.5m.<sup>7</sup>

Allan took a break from the industry, but missed the cut and thrust of the licensed trade and in 2010 decided to build a new bar and pub estate.

In the short space of time since founding BurningNight Group he has grown the business to an annual turnover in excess of £17m and an operating profit of c. £500k.



**CHRISTOPHER PICKLES**  
*CFO*

Chris is a Qualified Chartered Accountant with over 25 years post qualification experience including 12 years in the leisure industry. He has a demonstrable track record of successfully managing people and complex finance functions in a variety of organisations. Chris heads up the accounting team and reports on all aspects of the groups finances including weekly and monthly accounts and detailed KPIs.

Chris also has significant experience in corporate finance preparing detailed business plan financials for the raising of funding in excess of £50m in the last 12 years. His knowledge and understanding of what funders require on a quarterly basis from the perspective of financials and associated covenants should give lenders confidence that reporting requirements are adhered to.



**RICHARD WEDDALL**  
*Property Director*

Richard is a Qualified Chartered Surveyor with over 17 years post qualification experience, specialising in the licensed and leisure industry. He has a proven track record in identifying and acquiring public houses, bars and development sites, utilising a wealth of experience and contacts within this specialist sector. He has worked for clients ranging from niche pub and development companies through to national pub, restaurant and convenience store companies. He is responsible for the project management of capital schemes, ranging from small refurbishments to a dilapidated grade two listed former fire station needing complete redevelopment.



**KEVIN HILL**  
*Group Executive Chef*

Kevin is an accomplished, well-rounded executive chef. A hands on, Michelin star trained catering professional, Kevin has sector-crossing, multi-site operational experience in hospitality, leisure, hotels, restaurants, pubs and bars.

His proven track record of success includes growing revenue through innovation, new product development offerings and exceptional team management.

A creative and passionate Group Executive Chef, Kevin is able to develop, train, implement and focus on results, continuous improvement and KPI's.

<sup>7</sup> Publico Limited audited accounts period ended 2nd Oct 2005



**ISAAC MAYNE**  
*Head Of Marketing & Promotions*

Isaac has several years' experience working in the leisure sector, working with some of the biggest bar and club brands in the country. At BurningNight Group he is responsible for managing all aspects of marketing and promotion to ensure growth of all brands on a local and national scale.



**TOM LAWSON**  
*Digital Marketing Manager*

Tom creates web content and manages all social media accounts for various outlets. He also manages digital marketing, including third party organisations and reviews. Tom works to constantly build and improve our customer database.



**STEPHEN MCKNIGHT**  
*Group Stock Controller*

Stephen is a highly motivated and loyal individual with a degree in mathematics. Since the beginning he has been part of BurningNight Group, now boasting over 10 years experience in the leisure industry. He is responsible for all aspects of stock ordering and management throughout the group ensuring the best GPs possible are reached.



**PETER ROBINSON**  
*Head of Sales*

Peter drives in-unit sales teams to achieve sales targets, including corporate bookings. He is responsible for managing the in-unit sales teams, ensuring the constant building of business networking contacts and the ongoing expansion of our customer reach.



**REBECCA EASTWOOD**  
*Head of Operations*

Rebecca brings a wealth of experience from full service restaurants through to the casual bar and dining scene, having worked for both large branded operators and award winning small business owners within the hospitality industry. Rebecca's real passion lies within people management, driving our venue teams to deliver an unforgettable experience to our customers whilst maximising on the overall profitability of the business.



**DAVID HOWARTH**  
*Operations Director*

David has over a decades worth of experience in operations for the food and drink industry, this combined with his attention to detail, leadership qualities and hard work ethic ensures that BurningNight Group's quality and standards are constantly improving as well as adapting to the current market. He's responsible for ensuring the venues run smoothly, efficiently and have a high rate of customer retention and loyalty.



**JOHN TANKARD**  
*I.T Director*

John has 30 years of cutting edge I.T. experience and a doctorate in computer science. He manages all our tilling, EPOS and I.T. needs throughout the whole group including stock control software and reporting systems. This is an important part of our business as it is the direct reporting link back to the head office of all of our units trading activity in real time.



**JADE RENNER**  
*Retail Operations Director*

Having managed both Liverpool and Manchester Bierkeller, Jade has gained full knowledge of the retail environment. Additionally, Jade was instrumental in the implementation of the drinks management software systems.

Jade oversees all beer and logistics of the business, in short, she is a very adept all-rounder and can focus wherever needed to ensure the business runs smoothly.



**FRANK BYRNE**  
*Group Risk Insurance Manager*

Frank is highly focused & determined about all aspects of his Group responsibility for Health & Safety and Insurance. Before joining BurningNight Group, he worked for over 30 years in the Corporate Insurance Industry, including 12 years as a national level Manager for AIG for the UK. Frank holds an Advanced Diploma in Insurance (ACII) with the Chartered Insurance Institute. Frank worked in insurance technical sales for 20 years so he understands the interaction between Safety, Sales & Results.



### *The BurningNight Loans*

## YOUR LOAN TO BURNINGNIGHT

The Key Commercial Terms set out the main financial terms, parties and security that form part of your Loan. You need to familiarise yourself with the Key Commercial Terms and the Loan T&Cs.

Read more about the Key Commercial Terms on page 35, and the Loan T&Cs on pages 36-40.

*BurningNight draws your attention to the following key terms:*

<i>Target Raise</i>	<i>Interest Rate</i>	<i>Min Amount</i>	<i>Loan Term</i>	<i>Interest</i>
We are targeting to raise £7,000,000	7% fixed annual interest rate	Minimum loan amount is £500	Over a 3-year term	Interest paid quarterly

*The Loan may be held in:*

- A Small Self-Administered Scheme (*'SSAS'*)
- A Self-Invested Personal Pension (*'SIPP'*)
- An Innovative Finance Individual Savings Account (*'IFISA'*)



*Your capital is at risk if you lend to businesses.*



*The BurningNight Loans*

## YOUR LOAN TO BURNINGNIGHT

*What could I be earning over the next 3 years?*

<i>Loan Amount</i>	<i>Gross Return per annum (p.a.)</i>	<i>Gross Return per Quarter</i>	<i>Gross Return over 3 years</i>
£500.00	£35.00	£8.75	£105.00
£5,000.00	£350.00	£87.50	£1,050.00
£10,000.00	£700.00	£175.00	£2,100.00
£50,000.00	£3,500.00	£875.00	£10,500.00
£100,000.00	£7,000.00	£1,750.00	£21,000.00

*Your capital is at risk if you lend to businesses.*



## The BurningNight Loans HOLD IN YOUR ISA

### Earn tax-free interest on Peer to Peer investments by using the new Innovative Finance ISA (IFISA).

All interest earned is paid tax-free to your Innovative Finance ISA account, which will remain on your IFISA balance, available for re-investment. Alternatively, interest can be paid directly into your bank account on request. It is also possible to transfer in from an existing Cash ISA and Stocks & Shares ISA.

The new IFISA is designed for Peer to Peer (P2P) investing, allowing you to earn higher returns on your money and help British businesses borrow at reasonable interest rates. Crowdstacker is one of a few P2P providers currently able to offer this new category of ISA.

### Crowdstacker is an HMRC approved, ISA Manager.

Crowdstacker is authorised and regulated by the FCA and are one of the first Peer to Peer lending platforms to receive full FCA permissions and can offer Innovative Finance ISA investments.

You can invest up to £20,000 in the 2017/18 tax year across the three types of ISA: a Cash ISA, Stocks and Shares ISA and the Innovative Finance ISA. All the interest you receive in your IFISA is completely tax-free, subject to your own personal tax status. Interest payments are paid directly back into your Crowdstacker IFISA account.

You can transfer in part or all of your existing ISA pot (any funds from Cash ISA or Stocks and Share ISA accounts you may have from previous tax years). Transfers from previous ISAs will not be deducted from this years ISA balance.

You can find out more about the Crowdstacker IFISA in our guide, available on request.



**Select investment**  
Choose a Peer to Peer investment from our current range of lending opportunities.



**Fund through an IFISA account**  
Earn tax-free interest by investing in an IFISA, add this years ISA allowance or transfer from an existing ISA.



**Fund through a P2P account**  
Earn up to £1,000 interest tax-free\* by investing with a P2P lending account.



**Withdraw interest**  
You are able to have the interest earned paid into your bank account.



**Receive interest into your IFISA account**  
View your tax-free interest on your Crowdstacker IFISA account, which you can then re-invest.



**Receive interest into your bank account**  
Your interest will be paid directly into your bank account.

**IFISA** INNOVATIVE FINANCE ISA





## The BurningNight Loans IFISA KEY POINTS



### 1. *How do I open a Crowdstacker Innovative Finance ISA?*

The process to open a Crowdstacker IFISA is very easy. All you need are your bank account details (for the account you would like to link to your IFISA) and your National Insurance number to hand.

You can apply online at: [www.crowdstacker.com](http://www.crowdstacker.com) or call us on 020 7118 7570 for a paper application form.

### 2. *What are the tax rules on an ISA?*

Investors do not have to declare income or gains from an ISA on their tax returns, unless the ISA subscription has been made void. Capital losses in respect of ISA investments are disregarded for the purposes of capital gains tax.

### 3. *What are the ISA limits?*

Investors can subscribe in each tax year to one of each of the following: Cash ISA, Stocks and Shares ISA; and Innovative Finance ISA. From 6 April 2017 the overall ISA limit of £20,000 can be split between a Cash ISA, a Stocks and Shares ISA, and an Innovative Finance ISA as the investor wishes.

### 4. *Can I transfer from my existing ISAs?*

You can transfer the funds from your Cash ISAs and Stocks and Shares ISAs into your Crowdstacker Innovative Finance ISA.

If you apply online for the Innovative Finance ISA you will be offered transfer forms during the online application process which will allow you to transfer from any existing ISAs to your new Innovative Finance ISA

If you would like to apply by post please call us on 020 7118 7570 and we can post them to you.

### 5. *Does Crowdstacker charge any fees?*

It's completely free to open an Innovative Finance ISA account with Crowdstacker.

Crowdstacker does not charge any fees to transfer ISA funds from previous or current tax years into your Innovative Finance ISA.

[www.crowdstacker.com](http://www.crowdstacker.com)  
[info@crowdstacker.com](mailto:info@crowdstacker.com)  
020 7118 7570

**IFISA** INNOVATIVE  
FINANCE  
ISA

# REWARDS

There is the potential for some amazing rewards for those investors looking to invest £2,500 or more, including a beer suitcase with beers from across the world as well as other great benefits.



Enter code

**BNIGHT10**  
when you invest to  
add your reward.

Only one rewards perk package can be redeemed per person. **Promo code cannot be used in conjunction with any other promotional offers or promo code.** Please see page 42 for the rewards T&Cs.

## If you invest at least £2,500

There is an unlimited amount of this rewards perk package available.

- 1 Amazing Beer Suitcase of beers from across the world
- 1 Beer Tasting Session hosted by staff in one of our venues of your choice (Min 4 - Max group 8)
- 1 Bronze Bierkeller Entertainment Complex Card – This gets you 5% off all food & drink for 3 years



You must use promo code **BNIGHT10** to claim this reward.

## If you invest at least £15,000

There are 25 of this rewards perk package available on a first come, first served basis.

- 1 Amazing Beer Suitcase of beers from across the world
- 1 Beer Tasting Session hosted by staff in one of our venues of your choice (Min 4 - Max 8)
- 1 Cocktail Masterclass Session hosted by staff in one of our venues of your choice (Min 4 - Max 8)
- 1 Oompah Band Show Experience hosted by staff in one of our venues of your choice (max group size 8) (subject to Friday)
- 1 Gold Bierkeller Entertainment Complex Card – This gets you 20% off all food & drink for 3 years



You must use promo code **BNIGHT10** to claim this reward.

## If you invest at least £5,000

There are 35 of this rewards perk package available on a first come, first served basis.

- 1 Amazing Beer Suitcase of beers from across the world
- 1 Beer Tasting Session hosted by staff in one of our venues of your choice (Min of 4 - Max 8)
- 1 Cocktail Masterclass Session hosted by staff in one of our venues of your choice (Min of 4 - Max 8)
- 1 Silver Bierkeller Entertainment Complex Card – This gets you 10% off all food & drink for 3 years



You must use promo code **BNIGHT10** to claim this reward.

Packages cannot be used on a Saturday or bank holiday.  
Packages cannot be used on main event days unless specified.

*If you invest at least*

**£25,000**

*There are 10 of this rewards perk package available on a first come, first served basis.*

- 1 Amazing Beer Suitcase of beers from across the world
- 1 Beer Tasting Session hosted by staff in one of our venues of your choice (Min 4 - Max 8)
- 1 Cocktail Masterclass Session hosted by staff in one of our venues of your choice (Min 4 - Max 8)
- 3 Oompah Band Show Experiences in one of our venues of your choice (Max 8)
- 1 Platinum Bierkeller Entertainment Complex Card – This gets you 25% off all food & drink for 3 years
- Once a year access for 3 years to a choice of tickets for various sporting events from teams we work with, including and not limited to: Liverpool FC, Manchester Utd, Manchester City, Leeds Utd, Leeds Rhinos, Everton FC, Cardiff City, Manchester Storm, Manchester Giants and Cardiff Devils. (limited availability)



*You must use promo code **BNIGHT10** to claim this reward.*

*If you invest at least*

**£50,000 or more**

*There are 10 of this rewards perk package available on a first come, first served basis.*

- 1 Amazing Beer Suitcase of beers from across the world
- 1 Beer Tasting Session hosted by staff in one of our venues of your choice (Min 4 - Max 8)
- 1 Cocktail Masterclass Session hosted by staff in one of our venues of your choice (Min 4 - Max 8)
- 6 Oompah Band Show Experiences hosted by staff in one of our venues of your choice (Max 8)
- 1 Bierkeller Entertainment Complex Hero Card – This gets you 30% off all food & drink for 3 years
- Four times a year access for 3 years to a choice of tickets for various sporting events from teams we work with, including and not limited to: Liverpool FC, Manchester Utd, Manchester City, Leeds Utd, Leeds Rhinos, Everton FC, Cardiff City, Manchester Storm, Manchester Giants and Cardiff Devils. (limited availability)
- Invitations to all of our VIP events for 3 years (5 invites)
- 1 Heineken Experience Tour VIP Tickets (5 tickets)



*You must use promo code **BNIGHT10** to claim this reward.*

*For a P2P investment over*

**£100,000**

*Call us today for an exclusive VIP offer.*

**020 7118 7570**

*Enter code*

**BNIGHT10**

when you invest to add your reward.

Only one rewards perk package can be redeemed per person. **Promo code cannot be used in conjunction with any other promotional offers or promo code.** Please see page 42 for the rewards T&Cs.



## *The BurningNight Loans* **CROWDSTACKER**

*Crowdstacker Limited is an electronic lending platform that is authorised and regulated by the FCA.*

We believe we are different from other platforms. Our goal is to save you time by filtering through the many opportunities out there, leaving you with investment opportunities we consider to be of the highest quality.

We aim to achieve this through our carefully designed selection process. We carry out bespoke, independent due diligence on each potential borrower. We reject many along the way. We negotiate additional levels of protection for our Lenders and organise the documentation so that it can be easy to understand the benefits and risks of each opportunity.

Our due diligence includes three key steps. Only what we believe are the best investment opportunities will make it to the third. The three key steps are:

### **1.** *Pre-screening*

This initial assessment includes:

- a. Verification - confirming the identity of the potential company and its directors, including checking for County Court Judgements, directors that have been disqualified and other red flags, as well as Anti Money Laundering checks performed in line with Financial Action Task Force (FATF) guidelines.
- b. Automated credit analysis - using a credit scoring model to provide an initial assessment of credit worthiness. The model is one used by the majority of credit insurers and claims to predict around 70% of the defaults in the next 12 months.<sup>8</sup>

### **2.** *In depth analysis*

Our due diligence process is performed by chartered accountants with experience of analysing companies of all sizes. This includes:

- a. Financial health – an assessment of current and projected financial performance and position. Management and statutory accounts, cash flows, business plans, repayment strategy and existing debt are all considered.

b. Management team – we meet senior management teams at their premises and assess the quality of the team and its operations.

- c. Loan structure and conditions - a recommendation is made regarding the loan structure and associated conditions to protect investors.

### **3.** *Credit committee*

Our credit committee is responsible for reviewing all reports and approving each new business proposal.

Once a loan is approved, we work with the company to produce informative documentation that outlines the key benefits and key risks for the loan.

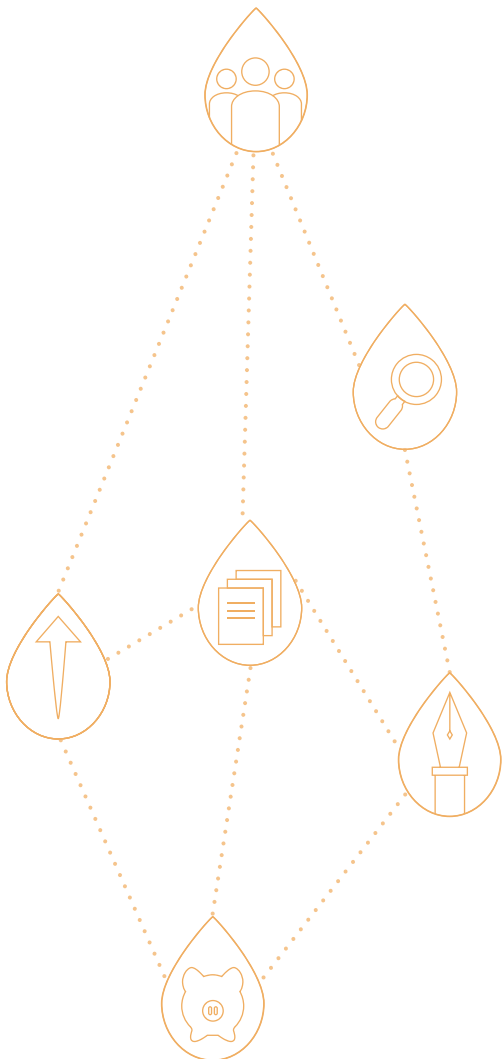
We also co-ordinate with the Custodian over the payment of interest and the return of investors' capital at the end of the Loan. Crowdstacker Corporate Services Ltd (a fellow group company of Crowdstacker) also acts as Security Trustee. This gives us the authority to take action if we become aware of any issues that could put your investment at risk.

<sup>8</sup> [www.creditsafeuk.com/about-us/why-choose-creditsafe/](http://www.creditsafeuk.com/about-us/why-choose-creditsafe/)



### The BurningNight Loans

## THE OTHER PARTIES



### The Security Trustee

Crowdstacker's associate company, Crowdstacker Corporate Services Limited acts as Security Trustee.

The role of the Security Trustee is to:

- Hold on behalf of all Lenders the security for the Loans over the assets of BurningNight and its subsidiary companies.
- Enforce the security over BurningNight in certain circumstances where BurningNight fails to pay interest or repay the Loans.
- Further information on the role of the Security Trustee can be found in clauses 18 and 19 of the Lender T&Cs.

### The Custodian

Reyker Securities plc (established in 1983) acts as the Custodian. At times, for example prior to you making a loan to a borrower or when collecting interest payments from the borrower for you, the Custodian may hold client money on your behalf.

This money is held on deposit with a UK bank in client money accounts. In the event of this bank becoming insolvent, these deposits are protected against

losses of up to a maximum of £75,000 per eligible client per bank under the Financial Services Compensation Scheme ('FSCS'). The limit applies to the total of all deposits held with that bank, whether held through the Custodian or directly with the bank. In the event that you were to suffer a financial loss directly as a result of the Custodian becoming insolvent you may be able to claim compensation from the FSCS of up to £50,000.

Following the relevant Commencement Date, the Custodian transfers the full amount of the Loan monies to BurningNight. If the Loans do not satisfy the Acceptance process, the Custodian will return your money to you.

Finally, the Custodian is also responsible for the payment of interest and repayment of your Loan to you once it has received payment from BurningNight.

Reyker Securities plc is authorised and regulated by the Financial Conduct Authority (frn.115308). It provides a unique and extensive range of bespoke services to banks and financial institutions, including safe custody and discretionary wealth management services. Reyker Securities plc is a member of the London Stock Exchange and Euroclear.



*The BurningNight Loans*  
**TWO MINUTE FAQs**

*We are more than happy to answer any questions you may have.*

If your question is not covered by our FAQs, please contact us on [info@crowdstacker.com](mailto:info@crowdstacker.com).



## *The BurningNight Loans*

# FAQs

### *What return can I expect?*

You will receive 7% gross interest per annum on your Capital.

### *How often will interest be paid?*

Your interest will be paid quarterly.

### *How much can I lend?*

The minimum amount you can lend is £500.

### *When do BurningNight Loans mature?*

BurningNight Loans are for a 3 year fixed term. On maturity, you are entitled to the return of the original Loan in full.

### *What about Pensions?*

You can hold BurningNight Loans within a Small Self-Administered Scheme (SSAS) or a Self-Invested Personal Pension (SIPP).

### *What about ISAs?*

You can hold your loan in the Crowdstacker Innovative Finance ISA and receive tax-free interest.

### *What is the fundraising target?*

The Loans will be allocated on a 'first come, first served' basis, with a target of £7,000,000

### *How will your investment via a Loan be used?*

Investments are intended to be used by BurningNight to grow the business by refurbishing or adding new multi brand bars.

### *Who is the Borrower?*

BurningNight Limited.

### *What is Crowdstacker?*

Crowdstacker is a Peer to Peer lending platform authorised and regulated by the FCA. Crowdstacker matches companies such as BurningNight Limited that are seeking to raise finance with Lenders like you that are seeking to invest money.

### *Is Crowdstacker covered by the Financial Services Compensation Scheme?*

Lending through the Crowdstacker platform is not covered by the Financial Services Compensation Scheme.

### *What happens if Crowdstacker goes out of business?*

In the unlikely event that Crowdstacker goes out of business, your Loan would be administered by the Custodian in the normal way and you would continue to receive interest payments until maturity when your capital will be repaid.

### *What is the Custodian?*

The Custodian is an independent third party that will primarily hold your money in a segregated client account during the loan offer period, covered by the Financial Services Compensation Scheme, and organises the payment of interest on the Loans and the repayment of the Loan at the end of the term. If the Custodian becomes insolvent, then any funds held by it are covered by the Financial Services Compensation Scheme up to £50,000.

Please note that once your money is transferred from the Custodian to BurningNight and for the duration of your loan, your capital is not covered by the Financial Services Compensation Scheme.

*Your capital is at risk if you lend to businesses.*



## *The BurningNight Loans* **RISK FACTORS**

*In addition to the other relevant information set out in this Information Brochure the following specific risk factors should be considered carefully when evaluating whether to make a loan to BurningNight.*

If you are in any doubt about the contents of this Information Brochure, or the action you should take, you are strongly recommended to consult a professional advisor specialising in advising on loans, financial commitments and other such debt instruments.

The directors of BurningNight (the “Directors”) believe the following risks to be significant for potential Lenders. The risks listed, however, do not necessarily comprise all those associated with BurningNight and BurningNight Loans and are not intended to be presented in any assumed order or priority. In particular, BurningNight’s performance may be affected by changes in legal, regulatory and tax requirements as well as overall global financial conditions.

### **PARTICULAR COMPANY RELATED RISKS**

*Not protected by the Financial Services Compensation Scheme*

As with stocks and bonds, BurningNight Loans are not protected by the Financial Services Compensation Scheme against loss.

### **BUSINESS RISK**

No assurances can be given as to the future performance of BurningNight and whether BurningNight will continue to achieve its business objectives.

Prospective Lenders/ investors should be aware when considering the past performance of BurningNight that past performance is not necessarily indicative of future results, and there can be no guarantee that BurningNight will remain profitable in the future. Performance depends on many factors including the value of the assets, market conditions, any related costs, the timing and management of the transactions, all of which may change over time.

#### *Mitigation*

Since inception in 2010, BurningNight has been profitable for the last 5 years. It has an exceptional management team that have a strong track record in the licensed trade.

### **MANAGEMENT RISK**

Lenders will not have the opportunity to evaluate fully for themselves relevant economic, financial and other information regarding BurningNight, and will be dependent on the judgement and abilities of BurningNight’s management.

There is no assurance that BurningNight’s management will not make mistakes or take the best course of action in all the circumstances.

Accordingly, no person should lend to BurningNight unless they are willing to entrust all aspects of conducting the business of BurningNight to the Directors and senior management.

Lenders do not have any right to participate in the day-to-day management of BurningNight or business decisions. Additionally, funds advanced to BurningNight are at risk of employee or management misappropriation.

#### *Mitigation*

The Directors of BurningNight are experienced professionals that have been managing the business since 2010 and they have a strong track record in the licensed trade business.

### **ILLIQUID ASSET RISK**

The Loans are not available for sale on any market so the Loans are an illiquid asset. There is a risk that Lenders will not be able to dispose of their Loans to third parties. Therefore, it may not be possible to sell or realise BurningNight Loans until they are repaid by BurningNight when the Loans mature.

#### *Mitigation*

Crowdstacker will endeavour to make available a facility on its platform that gives Lenders the ability to sell their Loans to other members of the Crowdstacker community. However, there is no certainty or guarantee that Lenders will find willing buyers for







the Loans at a price that Lenders will find acceptable, and Lenders may suffer a loss on the disposal of their Loans.

### **NO CERTAINTY THAT LENDERS WILL BE REPAID AT MATURITY**

#### *Risk*

If BurningNight were to become insolvent, there is a risk that (a) BurningNight Loans may not be repaid in part or in full, and (b) some or all of the interest due on BurningNight Loans may not be paid in part or in full.

There is no certainty or guarantee that any realisation of assets or the Security will be sufficient to enable BurningNight or, as the case may be the Security Trustee, to repay BurningNight Loans or BurningNight's liabilities thereunder.

#### *Mitigation*

BurningNight Loans are a debt of BurningNight secured over all of its assets and undertakings.

### **PROFITS OF THE BUSINESS ARE NOT SUFFICIENT TO PAY INTEREST OR REPAY THE LENDERS**

#### *Risk*

If BurningNight were unable to achieve sufficient turnover, the profitability of the company would be impacted, and may not be in a position to pay interest or capital to Lenders.

#### *Mitigation*

Management have extensive experience of running businesses in the licence trade industry, and in the event that sales do not achieve the forecasted targets they will take appropriate actions such as delaying further capital investment and reducing staff numbers.

### **LICENSED TRADE RISK**

#### *Risk*

Given the nature of the business, there is always a possibility that the licensed trade regulation could change, or the firm could be found to have been acting inappropriately and not adhering to the rules of the alcohol licensing laws. In this case fines or other legal proceeding could impact the profitability of the firm.

#### *Mitigation*

BurningNight have the knowledge and experience to be able to adapt to and embrace regulatory changes as well as having experienced management in place to manage the risks.

### **INABILITY TO ATTRACT NEW CLIENTS AND MAINTAIN EXISTING ONES**

#### *Risk*

Demand falls leading to a reduction in revenues.

#### *Mitigation*

BurningNight aims to deliver a great customer experience. We believe the multi brand concept is unique and we see the prevailing trend and direction of demand is likely to gain rather than reduce.

### **FAILURE OF I.T SYSTEMS AND POTENTIAL LOSS OF OTHER SERVICES**

#### *Risk*

Failure of I.T systems or other services lead to an increase in cost, and affects the ability of the company to perform its contractual obligations.

#### *Mitigation*

BurningNight has invested heavily in its I.T systems. All the data is held securely in the cloud based storage system and is delivered to computers, tablets and smart phones.

All data is backed up in multiple locations and can be accessed from an alternative location allowing management and staff to continue working and accessing management data. Given the above considerations, the risk of business disruption due to material failure of I.T systems, or loss of other services, is considered relatively low.

### **RISK OF LOSS OF KEY INDIVIDUALS**

#### *Risk*

The management skills and processes employed by the business are key to performance and ability to grow. Replacing the loss of key individuals or directors within the firm could be a time consuming process, and impede the ability of the company to perform its contractual obligations, leading to reductions in revenue.

#### *Mitigation*

Whilst loss of key individuals would provide a short term problem until replacements are appointed the company is satisfied that the long term business plan would not be affected and that replacements could be found.

### **REPUTATIONAL RISK**

#### *Risk*

As with all companies there is an underlying risk that clients could complain and/or claim for compensation if they have cause to believe they have been provided with or have experienced poor or suboptimal customer service. The risk associated with this is that the company could suffer loss of reputation and could fail to attract new customers or lose existing ones and thus revenues would suffer.





### *Mitigation*

BurningNight is committed to providing high quality products and services, and aiming to ensure that processes and systems are in place and staff are suitably qualified and trained such that the risk of complaints and/or claims is minimised.

### **INSURANCE RISK**

The business and its assets will be subject to damage and loss by the usual insurable risks of fire, theft and climatic events and by uninsurable risks such as loss of profit due to fall in demand or poor management or third party competition and there is no certainty that BurningNight will not suffer loss and/or damage by such risks from time to time.

### *Mitigation*

BurningNight, where economically practicable and available, endeavours to mitigate insurable business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable, or the policy provisions and exclusions may render a particular claim by BurningNight outside the scope of the insurance cover.

### **BREXIT RISK**

Adverse effects on licensed trade associated with the UK's decision to leave the European Union (EU).

### *Risk*

Uncertainty surrounding the economic consequence of the UK leaving the EU leads to a reduction in consumer spending on leisure, resulting in a reduction in turnover.

### *Mitigation*

BurningNight operates large multi branded bars in four major UK city centres and is expanding this to six where it focuses on high

density population areas with above average earning clientele. Reduction in UK consumer spending is not expected to be great as these are large catchment areas with affluent clientele. Any domestic decline in revenues due to Brexit will likely be compensated for by the increase in foreign visitors who have already seen the benefits of a weaker pound.

### **GENERAL RISKS**

Macro-economic risks and changes in the general economic outlook, both in the UK and globally, may impact the performance of BurningNight and the licensed trade sector. Such changes may include (but are not limited to):

Contractions in the UK economy or increases in the rate of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);

New or increased government taxes, duties or changes in taxation laws; and

A prolonged and significant downturn in general economic conditions may have a material adverse impact on BurningNight's trading and financial performance.

### **SUMMARY**

The above risk factors are not exhaustive and they do not purport to be a complete explanation of all the risks and significant considerations involved in lending to BurningNight.

Accordingly, and as noted above, additional risks and uncertainties not presently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on BurningNight's business and prospects.

BurningNight Loans may not be a suitable investment for all who review this Information Brochure.

Lenders should take their own tax advice as to the consequences of making BurningNight Loans as well as receiving interest payments from them.

The value of a Loan may go down and you may receive back less than the full amount invested. In extreme circumstances you may not receive any capital back at all. Losses on your capital may arise due to a combination of lower sales prices achieved, a lack of sales and higher costs, inability to raise borrowings or an inability to meet debt payments.

Other than the obligations and other covenants of BurningNight set out in this Document, no representation or warranty, express or implied, is given to the Lenders by either BurningNight or the Directors and officers of BurningNight.

In particular but without limitation, no representation or warranty is given by any such person or entity as to:

- (i) the tax consequences;
- (ii) the regulatory consequences; and
- (iii) the business and investment risks associated with acquiring, holding or disposing of the Loans.



*The BurningNight Loans*

## THE KEY COMMERCIAL TERMS

### NAME OF LENDER

[Your name]

### ADDRESS OF LENDER

[Your address]

### EMAIL ADDRESS OF LENDER

[Your email address]

### NAME OF BORROWER

BurningNight Limited

### ADDRESS OF BORROWER

Sovereign House 1-2 South Parade  
Leeds  
LS1 5QL

### CLOSING DATE

[The closing date as set out on the website]

### COMMENCEMENT DATE

[The commencement date of your loan is 1 week from the relevant closing date]

### EARLY REPAYMENT CHARGE

None

### REPAYMENT DATE

3 Years from the relevant commencement date

### TERM OF LOAN

3 years

### MINIMUM AMOUNT

£500

### MINIMUM LOAN RAISE

£350,000

### LOAN AMOUNT

[The amount you lend]

### INSTALMENT

(If applicable)

### TARGET LOAN RAISE

£7,000,000

### LOAN VARIATION TERM

No change is permitted to be made to the loan under clause 8.1 of the loan T&Cs

### INTEREST PAYMENT DATE

Up to 5 business days from the end of each interest period

### INTEREST PERIOD

Quarterly

### INTEREST RATE

7% per annum

### CUSTODIAN

Reyker Securities plc

### SECURITY DOCUMENT(S)

First charge debenture over assets of BurningNight Limited and cross guarantees provided by six subsidiaries where two have provided debentures over their assets

### COMPARABLE LOANS NUMBER

BN1

### LOAN REFERENCE NUMBER

[Your loan reference number]

### ACCEPTANCE PROCESS

The Borrower accepts the Lender's loan offer (as such term is defined in the loan T&Cs) on the relevant commencement date provided that the following conditions are all satisfied:

1. Loan Offers have been received from lenders that at least equal the Minimum Loan Raise of £350,000 by the relevant Commencement Date;
2. The Borrower has not notified Crowdstacker that it does not wish to proceed with the Loan; and
3. Crowdstacker has not withdrawn the loan transaction with the Borrower from the platform.



## *The BurningNight Loans*

# LOAN T&Cs

### 1. *Definitions & Interpretation*

1.1. The following words have these meanings in the Loan T&Cs unless a contrary intention appears:

**DEFINITION**  
Meaning.

**ACCEPTANCE** the process of acceptance by the Borrower as it is specified in the Key Commercial Terms;

**BORROWER** a member of Crowdstacker identified as a Borrower in the Key Commercial Terms;

**BORROWER'S DEBT** all the Borrowers' liabilities to the Lender (and where relevant to the Security Trustee) present, future, actual or contingent and will include (i) Interest (ii) the Loan and (iii) related costs and expenses;

**BORROWER T&Cs** the borrower terms and conditions that the Borrower agrees to be bound by from time to time when the Borrower accesses and uses the Crowdstacker Platform or otherwise agrees to be bound by from time to time;

**BUSINESS DAY** a day other than a Saturday or a Sunday on which clearing banks are open for business in London;

**CLIENT ACCOUNT** the segregated client account(s) with the Custodian used for the purpose of holding funds on behalf of the members of Crowdstacker;

**COMMENCEMENT DATE** as defined in the Key Commercial Terms;

**COMPARABLE LOANS** all loans (present and future) made by multiple Lenders to the Borrower which are identified as having Key Commercial Terms with the same Comparable Loans Number as the Loan;

**COMPARABLE LOANS NUMBER** as defined in the Key Commercial Terms;

**CROWDSTACKER**  
Crowdstacker Limited (UK company registration number 09056449) of 154 – 160 Fleet Street, London EC4A 2DQ;

**CROWDSTACKER PLATFORM** the Crowdstacker Platform operated by Crowdstacker for the purpose of facilitating Loans between Lenders and Borrowers;

**CUSTODIAN** as defined in the Key Commercial Terms;

**EARLY REPAYMENT CHARGE** as defined in the Key Commercial Terms;

**INSTALMENT** as defined in the Key Commercial Terms;

**INTEREST PAYMENT DATE** as defined in the Key Commercial Terms;

**INTEREST PERIOD** as defined in the Key Commercial Terms;

**INTEREST RATE** as defined in the Key Commercial Terms or varied by clause 8.1;

**KEY COMMERCIAL TERMS** the key commercial terms as set out in the brochure and/or on the Website giving in particular details of the borrower, the commencement date, the interest rate and the interest period, together with the details of the “lender” and the “loan amount” that are specified during the Loan Offer process;

**LENDER** the member of Crowdstacker identified as a Lender in the Key Commercial Terms;

**LENDER T&Cs** the lender terms and conditions that a lender agrees to be bound by from time to time when a lender accesses and uses the Crowdstacker Platform or otherwise agrees to be bound by from time to time;

**LOAN** the individual loan transaction entered into between the Borrower and the Lender following Acceptance;

**LOAN AMOUNT** the principal amount of the Loan as made in the Loan Offer and accepted by the Borrower;

**LOAN CONTRACT** the loan contract between a lender and the Borrower consisting of the Loan T&Cs and the Key Commercial Terms which that particular lender has agreed to when entering into that loan contract with its own Loan Reference Number;

**LOAN OFFER** a loan offer which a potential Lender makes on the Crowdstacker Platform or in a written application;

**LOAN SUMMARY** the summary of a particular loan set out on the Crowdstacker Platform;

**LOAN T&Cs** these loan terms and conditions - version 1/2016;

**MY ACCOUNT** the section of the Crowdstacker Platform which may be accessed by a member of the Crowdstacker Platform using his/her own secure login details;

**REPAYMENT DATE** as defined in the Key Commercial Terms;

**SECURITY** the security created by any Security Document;

**SECURITY DOCUMENT(S)** the security document(s) effecting security over the assets of the Borrower or other party granted to the Security Trustee and as set out in the Key Commercial Terms before the Commencement Date;





## SECURITY TRUSTEE

Crowdstacker Corporate Services Limited or such other person as is appointed as trustee under the Security Trust Deed;

## SECURITY TRUST DEED

the deed by which the Security Trustee is appointed to hold the Security for the benefit of the Lender and the Lenders of Comparable Loans on the terms set out in that deed;

**WEBSITE** the Crowdstacker website at: [www.crowdstacker.com](http://www.crowdstacker.com)

**1.2.** In these Loan T&Cs, unless the contrary intention appears:

**1.2.1.** the singular includes the plural and vice versa and any gender includes the other gender;

**1.2.2.** 'person' unless the context otherwise requires includes a natural person, a firm, a partnership, a body corporate, an unincorporated association or body, a state or agency of state, trust or foundation (whether or not having separate legal personality);

**1.2.3.** a 'natural person' unless the context otherwise requires shall mean a human being, as opposed to a juridical person created by law;

**1.2.4.** a reference to:

**1.2.4.1.** a document means that document as amended, replaced or Novated;

**1.2.4.2.** a statute or other law means that statute or other law as amended or replaced, whether before or after the date of this Loan Contract and includes regulations and other instruments made under It;

**1.2.4.3.** a clause or schedule is a reference to a clause or a schedule in these Loan T&Cs; and

**1.2.4.4.** a month means a calendar month;

**1.2.5.** where the word 'including'

or 'includes' is used, it is to be taken to be followed by the words: 'but not limited to' or 'but is not limited to', as the case requires;

**1.2.6.** where a period of time is expressed to be calculated from or after a specified day, that day is included in the period;

**1.2.7.** headings are inserted for convenience and do not affect the interpretation of these Loan T&Cs.

## 2. The Loan

**2.1.** The Key Commercial Terms that govern a Loan Contract are agreed between the Borrower and the Lender during the Loan Offer and Acceptance process.

**2.2.** Where a Lender makes a Loan Offer which results in an Acceptance by the Borrower this gives rise to a Loan. The date of the Loan Contract shall be the relevant Commencement Date.

**2.3.** These Loan T&Cs set out the terms and conditions which apply in respect to a Loan made by the Lender to the Borrower.

**2.4.** Before Acceptance the Lender will have made payment of the Loan Amount to the Client Account held by the Custodian.

**2.5.** After Acceptance the Custodian will pay the Loan Amount from the Client Account to the Borrower within 7 Business Days of the Commencement Date. For the avoidance of doubt the Custodian is only obliged to pay from the Client Account what sum it receives in respect of the Loan Amount from the Lender and no more.

**2.6.** A Borrower may enter into multiple loans with a number of Lenders where all loans are on similar terms.

## 3. Repayment

**3.1.** The Borrower agrees to repay the Lender the Loan Amount at the times and in the Instalments if any shown in the Key Commercial Terms and

in any event by the Repayment Date.

**3.2.** The Borrower agrees to make all payments due under the Loan on time.

**3.3.** If the Borrower is late in paying an interest payment or Instalment, or repaying the Loan Amount the Lender and Crowdstacker will have the rights detailed in clause 9.

**3.4.** The Borrower will effect repayment of the Loan Amount by crediting the Client Account with the Loan Amount. On receipt of the Loan Amount the Custodian will pay the Loan Amount to the Lender within 8 days of the Repayment Date. For the avoidance of doubt the Custodian is only obliged to pay from the Client Account what sum it receives in respect of the Loan Amount from the Borrower and no more.

**3.5.** All payments by the Borrower will be made without deduction of tax.

**3.6.** All payments by the Borrower to the Lender will be in the following order of priority:

**3.6.1.** first towards paying any arrears on the Loan;

**3.6.2.** second towards paying the current interest and principal due in respect of the Loan.

## 4. Interest

**4.1.** The Borrower agrees to pay the Lender interest on the Loan at the Interest Rate.

**4.2.** The Borrower shall pay interest on the Loan on the Interest Payment Date in arrears for each Interest Period.

**4.3.** Interest on the Loan shall accrue at the Interest Rate from the Commencement Date to the Repayment Date or if earlier the date of actual repayment of the Loan.





**4.4.** Where the Interest Period is monthly each Interest Period will begin on the same calendar day in each month as the Commencement Date and end on the day before such calendar day in the next month.

**4.5.** Where the Interest Period is quarterly each Interest Period will begin on the same calendar day in each quarter as the Commencement Date and end on the day before such calendar day every three calendar months thereafter.

**4.6.** Where the Interest Period is semi-annual each Interest Period will begin on the same calendar day in each semi-annual period as the Commencement Date and end on the day before such calendar day every six calendar months thereafter.

**4.7.** If the Interest Payment Date falls on a day which is not a Business Day, it shall instead be paid on the next Business Day in that calendar month if there is one or the preceding Business Day if there is not.

**4.8.** If the Loan is not repaid in full within 14 days of the Repayment Date, interest shall continue to accrue on the Loan at the Interest Rate and be immediately due and payable as it accrues.

## **5. Early Repayment**

**5.1.** The Borrower may repay a Loan early (i.e. before the Repayment Date), but it has to repay the entire Loan Amount and the entire loan amount of all Comparable Loans.

**5.2.** Where the Borrower repays a Loan early the Borrower may be subject to paying an Early Repayment Charge to the Lender.

## **6. Transfer by Novation**

**6.1.** Each Lender may transfer by novation its right, title and interest in any Loan Contract and all associated rights under the Lender T&Cs to any

other registered Lender on the Crowdstacker Platform (or to the Security Trustee if a Loan goes into default as set out in the Lender T&Cs and the Borrower T&Cs, which may subsequently assign or transfer all such rights, title and interest to a third party).

**6.2.** The Borrower's rights and obligations under a Loan Contract that have been transferred shall not be adversely affected in any way whatsoever.

**6.3.** A Borrower shall not be entitled to assign or transfer its rights or obligations under any Loan Contract.

**6.4.** A transfer by novation shall be effected by electronic means upon the acceptance by the new Lender of an offer by the transferring Lender to sell a Loan Contract in accordance with the transfer provisions as set out on the Website. The new Lender shall make payment of the agreed transfer amount to the Custodian who will collect payment on behalf of the Lender in accordance with the transfer provisions as set out on the Website.

**6.5.** At the time of entry into a transfer by novation (the "Transfer Time") the Borrower and the transferring Lender shall be released from further obligations towards one another under the relevant Loan Contract (being the "Discharged Obligations"). The Borrower and the new Lender shall at the Transfer Time assume those Discharged Obligations towards one another, as if the new Lender's details originally appeared in the Key Commercial Terms in place of the transferring Lender. The new Lender will then become the Lender under that Loan Contract. The Borrower confirms its agreement to these arrangements and waives any requirement for it to be a party to such transfer. A transfer by novation will not otherwise have any effect on the Key Commercial Terms applicable to that Loan Contract.

**6.6.** Any fees charged by Crowdstacker for administering a transfer by novation shall be paid by the relevant Lenders in accordance with the Lender T&Cs, and the Borrower shall not be liable for any fees in connection with the transfer.

## **7. Information**

**7.1.** If the Borrower is, or at any time becomes aware of any of the following circumstances, then the Borrower will promptly provide to Crowdstacker full written details of such circumstances, claims or potential claims:

**7.1.1.** Circumstances (including without limitation any claims, undisclosed liabilities, litigation, arbitration, court proceedings or investigations which are current, threatened, pending or otherwise reasonably likely to occur against the Borrower by any third party) which could or might result in a material adverse change in the Borrower's financial condition, business or assets; and/or

**7.1.2.** any current or future claim (or potential claim) by HM Revenue & Customs (or any other governmental department or agency or other public body) against the Borrower.

**7.2.** The Borrower shall, from time to time, on request from Crowdstacker, provide Crowdstacker with such information as it may reasonably require about the Borrower's financial condition, business and affairs, and compliance with the terms of the Loan Contract.

## **8. Variation**

**8.1.** Notwithstanding any other clause in the Loan T&Cs, in certain circumstances and in its absolute discretion, Crowdstacker (acting as agent on behalf of





the Lenders) may agree with the Borrower to restructure the Loan and amend the Loan Contract so as to increase the term by one year, with a corresponding increase in the interest rate to 1.5 times the Interest Rate unless otherwise specified in the Key Commercial Terms under the “Loan Variation Term” section.

**8.2.** For the avoidance of doubt, no such restructuring can take place without the written agreement of the Borrower. The Borrower acknowledges and agrees that Crowdstacker may require additional and/or restated security documentation to be executed by the Borrower (and any third party or guarantor as the case may be), or independent advice to be taken by the Borrower, each as a precondition to any restructuring.

## **9. Termination Event of Default**

**9.1.** The Borrower agrees that Crowdstacker may, on the Lender’s behalf terminate the Loan and all Comparable Loans on behalf of all Lenders and demand repayment of the full Loan Amount owed by the Borrower under the Loan and each Comparable Loan if:

**9.1.1.** the Borrower or any guarantor misses, fails to pay or only partially pays any amount that is due under the Loan Contract;

**9.1.2.** the Borrower has provided false information (including without limitation the purpose for which the loan has been requested) in a way which affects the decision to allow the Borrower to register as a member of Crowdstacker, the decision to list details of the loan on the Website, or the information that is provided to Lenders in contemplation of their lending to the Borrower;

**9.1.3.** the Borrower has breached the terms of this Loan Contract and/or any other loan contract

that it is a party to (including those relating to a different loan on Crowdstacker) and, in respect of other loan contracts only, either notice has been given to the Borrower ending that loan contract or Crowdstacker has reasonable grounds to believe that as a result:

**9.1.3.1.** the Borrower will also breach the terms of this Loan Contract; or

**9.1.3.2.** any of the other events of termination stated in this clause will occur;

**9.1.4.** the Borrower has breached the terms of any Security Document or any Security Trust Deed that it is a party to or any future security which the Borrower has provided to the Security Trustee or for the benefit of the Lender;

**9.1.5.** the Borrower’s membership of Crowdstacker is terminated for any reason under the Borrower T&Cs;

**9.1.6.** a petition is presented which is not discharged within 10 business days, or an order made or an effective resolution passed for the winding up or dissolution or for the appointment of a liquidator of the Borrower;

**9.1.7.** the Borrower ceases to pay its debts or is unable to pay its debts as they fall due or is deemed by legislation, contractually or by a competent court unable or admits its inability to do so or makes a general assignment for the benefit of or a composition with its creditors;

**9.1.8.** the Borrower ceases to carry on its business or a substantial part of its business;

**9.1.9.** notice is given of an intention to appoint an administrator, a petition is filed or a competent court makes an order for the appointment of an administrator in relation to the Borrower;

**9.1.10.** an encumbrancer takes possession or steps are taken for the appointment of an administrator or receiver or administrative receiver or manager or supervisor or sequestrator over the whole or any substantial part of the undertaking or assets of the Borrower;

**9.1.11.** any person who has provided a guarantee for the Loan or any Comparable Loans breaches the terms of any guarantee or other Crowdstacker document that it is a party to, or disputes or threatens to dispute the enforceability of that guarantee or other document, or suffers or is likely to suffer a material adverse change to their financial position, or Crowdstacker has any reason to believe that a guarantee or security document has become unenforceable, and in any case, a replacement guarantee or security document has not been provided to Crowdstacker’s reasonable satisfaction within 14 days of a request from Crowdstacker;

**9.1.12.** the Borrower (or if any person who has provided a guarantee for the Loan) dies, becomes of unsound mind, becomes bankrupt or makes a voluntary arrangement with anyone that they owe money to;

**9.1.13.** where the Borrower is a partnership, the composition of the partnership materially, in the reasonable opinion of Crowdstacker, changes following the date of any Loan Contract or any partner dies, becomes of unsound mind, becomes bankrupt or makes a voluntary arrangement with anyone that they owe money to; or

**9.1.14.** if a claim by HM Revenue & Customs (or any other governmental department of agency or other public body) is, or is reasonably likely to be



adversely decided against the Borrower and the Borrower does not meet any payment obligation relating to that claim within the required period.

## 10. Security & Enforcement

10.1. Where indicated in the Key Commercial Terms, the Security shall be held for the benefit of the Lender and all Lenders of Comparable Loans by the Security Trustee on the terms of the Security Trust Deed.

10.2. If an event of default has occurred under any Security Document the Security Trustee is entitled to enforce the Security on the terms of the Security Trust Deed.

## 11. Waiver

11.1. A waiver of any right under the Loan Contract and Loan T&Cs is only effective if it is in writing and it applies only to the party to whom the waiver is addressed and to the circumstances for which it is given or is set out in the Key Commercial Terms.

11.2. Unless specifically provided otherwise, rights arising under the Loan Contract and the Loan T&Cs are cumulative and do not exclude rights provided by law.

11.3. Any waiver by either party of a breach of any provision of the Loan Contract or the Loan T&Cs shall not be considered to be a waiver of any other or later breach of the same, of any other provision.

## 12. Severability

12.1. Notwithstanding that the whole or any part of any provision of the Loan Contract or the Loan T&Cs may prove to be illegal or unenforceable, the other provisions of the Loan Contract or the Loan T&Cs and the remainder of the provision in question shall continue in full force and effect. In relation to any illegal or unenforceable

part of the Loan Contract or the Loan T&Cs, the parties hereto agree to amend such part in such manner as may be requested from time to time by any of the parties hereto provided that such proposed amendment is legal and enforceable and to the maximum extent possible carries out the original intent of the parties in relation to that part.

## 13. Representations

13.1. The Borrower confirms that, in entering into this Loan Contract, it has not relied on any representation made by or on behalf of Crowdstacker or any of the Lenders or on any written statement, advice, opinion or information given to the Borrower in good faith by or on behalf of Crowdstacker or any of the Lenders; and has been and will continue to be solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with this Loan Contract.

## 14. Restrictions

14.1. In entering into this Loan Contract, the Borrower agrees that it will not borrow any monies from its directors, officers, members, partners, shareholders or any other third party that ranks in priority of recovery to the Loan. In the event that the Borrower does enter into any such loan, the rights to payment of that loan will be subordinated behind the Loan, except to the extent otherwise required by insolvency law.

14.2. In entering into this Loan Contract, the Borrower agrees that it will not enter into any other new borrowing arrangement (or any arrangement having the effect of a borrowing) with any third party where the total amount of external finance raised from third parties would as a result exceed 30% of the total amount lent to the Borrower through the Crowdstacker Platform without the prior written consent of

Crowdstacker. Such consent shall not be unreasonably withheld. This clause shall not restrict the Borrower from entering into asset-specific financing or invoice purchasing arrangements.

## 15. Limited Liability Partnerships

15.1. In the event that the Borrower is a partnership, by entering into the Loan Contract the Borrower makes the following declaration:

“I confirm that I am authorised by the partnership to enter into this agreement for and on behalf of the partnership and that I am authorised by the partnership upon entering into this agreement to bind the partnership to the terms of this agreement.”

## 16. Third Parties

16.1. The Borrower and Lender agree that, while Crowdstacker is not a party to the Loan Contract, Crowdstacker may take the benefit of and specifically enforce each express term of the Loan Contract and any term implied under it pursuant to the Contracts (Rights of Third Parties) Act 1999 on behalf of the Lender.

16.2. The records kept by Crowdstacker shall be conclusive of the facts and matters they purport to record except where there is an obvious error.

## 17. Notice

17.1. Any notice or other communication to be given under the Loan Contract or the Loan T&Cs must be in writing and will be served by delivering it personally or by email and for the attention of the relevant party mentioned below (or as otherwise notified by that party). Any notice will be deemed to have been received:

17.1.1. if delivered personally, at the time of delivery;

17.1.2. in the case of email, at the time of transmission.

17.2. The addresses of the parties for the purposes of Loan Contract or the Loan T&Cs are as set out in the Key Commercial Terms, or such other address as may be notified in writing from time to time by the relevant party to the other party.

## 18. Governing Law & Jurisdiction

18.1. The Loan Contract and the Loan T&Cs and any disputes or claims arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) are governed by, and construed in accordance with, the law of England.

18.2. The Lender and the Borrower irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Loan Contract and the Loan T&Cs or their subject matter or formation (including non-contractual disputes or claims)





## *The BurningNight Loans* **RISK WARNINGS**

### *The Crowdstacker platform matches businesses looking to borrow with investors looking to lend.*

Although lending to businesses can be rewarding, it may involve a number of risks. If you choose to lend through Crowdstacker, you need to be aware of four important considerations:

#### **1. Loss of capital**

All investment in businesses involves an element of risk. Past performance of any company, including those with good cash flow and a healthy balance sheet, may not be a good guide to their successful performance in the future. Lending to businesses can lead to a loss of your capital as a Lender if they default. You should not lend more money than you can afford to lose.

#### **2. Illiquidity**

Any lending you carry out through Crowdstacker will be highly illiquid (inability to sell assets quickly or without substantial loss in value). There is currently no active secondary market for the loans you take part in, although they are transferable if you are able to find a willing transferee. Even for a successful loan that is being repaid on time by the Borrower, the underlying principal debt you have lent will not be accessible to you until the loan expires. In particular, if you are over the age of 60 at the time of lending you should consider the effect this illiquidity could have on your lifestyle.

#### **3. Diversification**

Lending to businesses should be done as part of a diversified portfolio.

This means that you should invest small amounts in multiple asset classes as opposed to a large amount in one or a few. You should also invest only a small proportion of your investable capital in this asset class, with the majority of your investable capital invested in safer, more liquid assets. You are able to further diversify by lending to multiple businesses on the Crowdstacker platform as opposed to just one.

#### **4. Tax**

You are responsible for the administering of your own tax affairs, which may include capital gains and/or income tax. We do not provide tax advice and you should seek this independently before lending if you are unsure of your position. It is your responsibility to ensure that your tax return is correct and is filed by the deadline and any tax owing is paid on time. If you are unsure how this investment will affect your tax status you must seek professional advice before you lend.

*Please note that lending through Crowdstacker is not covered by the Financial Services Compensation Scheme.*



## *The BurningNight Loans* **REWARDS T&Cs**

*Enter code **BNIGHT10** when you invest to add your reward.*

The “Rewards” are made available by BurningNight Limited (“the promoter”). Registered Office: Sovereign House 4th Floor, 1-2 South Parade, Leeds, LS1 5QL. Registered in England and Wales under number 7320095.

### *Terms and Conditions*

1. These rewards are available to persons aged 18 years or over who are resident in the United Kingdom.

2. Entrants: persons who (i) are or have become members of the Crowdstacker platform and (ii) have entered into loan contracts with the promoter through the Crowdstacker platform and who have advanced to the promoter until the promoter has raised £3.5m in loans:

2.1. at least £2,500 for the bronze reward – unlimited in number of entrants;

2.2. at least £5,000 for the silver reward – limited to the first 35 entrants to use the rewards promotion code in their application and make payment to the Custodian;

2.3. at least £15,000 for the gold reward – limited to the first 25 entrants to use the rewards promotion code in their application and make payment to the Custodian;

2.4. at least £25,000 for the platinum reward – limited to the first 10 entrants to use the rewards promotion code in their application and make payment to the Custodian;

2.5. £50,000 or more for the hero reward – limited to the first 10 entrants to use the rewards promotion code in their application and make payment to the Custodian.

3. No other methods of entry are available to the rewards scheme.

4. By entering this rewards scheme, entrants consent to the promoter processing their personal information in accordance with the terms of the promoter’s Privacy Policy.

5. Entrants are only entitled to their rewards (where awarded to them) once their loan has commenced.

6. A person is only entitled to one reward per person, subject to availability, and the person will receive the highest reward still available at the time of payment to the Custodian with respect to the amount of payment made.

7. There is no cash alternative and the rewards are non-transferable.

### *Complex Cards*

8. The various complex cards which give a discount for food and drink are valid for 36 months from date of award.

### *Beer Tasting Sessions, Cocktail Masterclass Sessions, and Oompah band shows experiences*

9. All the beer tasting sessions, cocktail masterclass sessions and oompah band show experiences cannot be used on a Saturday, English bank holiday or main event day/days. These sessions are valid for 36 months from the date of the award.





10. All the beer tasting sessions, cocktail masterclass sessions and oompah band show experiences have to be booked in advance at the central office of the promoter (tel no 0845 5333 000) and are subject to availability on the day.

#### *The Amazing Beer Suitcases*

11. The beer suitcases consist of 8 bottles. Entrants living within 25 miles of one of the promoter's sites must either collect their reward to take home or can alternatively enjoy the reward for consumption at any of the main BurningNight venues in Manchester, Liverpool, Leeds and Cardiff. Entrants living more than 25 miles of all of the promoter's sites will have the option to have their reward delivered to them.

#### *Sporting events*

12. The Sporting events are valid for 36 months from date of award. The Platinum package entitles you to apply to attend up to 1 event per year for 3 years. The Hero package entitles you to apply to attend up to 4 events per year for 3 years. There is no carry forward to the next year, where the sporting event is not utilised.

13. Tickets for the sporting events can be applied for by calling the central office of the promoter (tel no 0845 5333 000) and are subject to availability.

#### *VIP invitations*

14. The VIP invitations are valid for 36 months from the date of the award.

#### *Heineken Experience Tours*

15. The Heineken experience tours are valid for 36 months from the date of the award.

16. All Heineken experience tours have to be booked in advance at the central office of the promoter (tel no 0845 5333 000) and are subject to availability.

17. It is the entrant's responsibility to ensure that the contact details provided are accurate and will remain accurate for the duration of the reward scheme.

18. The Promoter will notify the entrants of the rewards they are entitled to claim in writing within 60 days after the relevant loan commencement date.

19. If any reward is unclaimed after reasonable efforts have been made to contact the entrant after 90 days, the reward is automatically cancelled. The promoter reserves the right to determine a new claimant without any liability to the original entrant for doing so.

20. The promoter will not be liable for any circumstances beyond its reasonable control that prevents the rewards or any element of the rewards from being awarded to the winners.

21. The promoter may collect personal information from entrants under the Data Protection Act 1998 and other applicable data privacy laws.

22. The promoter reserves the right to amend or change the rewards or any element of them and to change these terms and conditions without prior notice at any time, for whatever reason, and without liability to any entrants for doing so.

23. To take advantage of the rewards scheme, entrants must enter the correct promo code BNIGHT10 into the application and by doing so entrants agree to be bound by these terms and conditions.

24. This rewards scheme is subject to the laws of England and Wales and the exclusive jurisdiction of the English courts.



## **BurningNight LOANS**

*Information Brochure*

*April 2017*

*020 7118 7570*

*[www.crowdstacker.com](http://www.crowdstacker.com)*



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