

MR01

Particulars of a charge



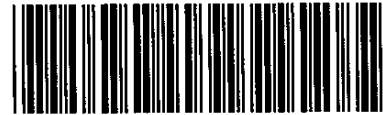
Companies House

000203/E23



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A fee is payable with
Please see 'How to pay' on



R0ZIX7LF

RCS 07/01/2021 #183

COMPANIES HOUSE

AA00ID0A

A10 11/03/2021 #264

COMPANIES HOUSE

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A04 07/01/2021 #56

COMPANIES HOUSE

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

☒ **What this form is NOT for**
You may not use this form to
register a charge where the
instrument. Use form MR01

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.



You **must** enclose a certified copy of the instrument with this form.
scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 0 1 5 2 6 8 8 2

Company name in full HAYDOCK FINANCE LIMITED

189

For official use

Filing in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 1 d 8 m 1 m 2 y 2 y 0 y 2 y 0

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge.

Name DOWNING BLOCK DISCOUNTING LIMITED

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below.

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge.

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Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Brief description

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

- ☒ **Yes**
☐ **No**

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

- ☒ **Yes** Continue
☐ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

- ☐ **Yes**

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

- ☒ **Yes**
☐ **No**

8

Trustee statement ^①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

^① This statement may be filed after the registration of the charge (use form MR06).

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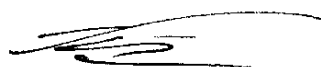
Signature

Please sign the form here.

Signature

Signature

X



X

This form must be signed by a person with an interest in the charge.

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Katherine Allum Wilson

Company name Downing LLP

Address 6th Floor, St Magnus House

3 Lower Thames Street

Post town London

County/Region

Postcode E C 3 R 6 H D

Country UK

DX

Telephone 020 7630 4348



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1526882

Charge code: 0152 6882 0189

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th December 2020 and created by HAYDOCK FINANCE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th January 2021.

②

Given at Companies House, Cardiff on 29th March 2021



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

MASTER BLOCK DISCOUNTING AGREEMENT

This Agreement is dated: 18 December 2020

BETWEEN

- (1) **Haydock Finance Limited** (company number 01526882) whose registered office is at Challenge House, Challenge Way, Greenbank Business Park, Blackburn BB1 5QB (**Seller**); and
- (2) **Downing Block Discounting Limited** (a company registered in England with number 12435083) whose registered office is at 6th Floor, St Magnus House, 3 Lower Thames Street, London EC3R 6HD (**Buyer** which expression shall include its successors and assigns).

IT IS HEREBY AGREED as follows:

1 Interpretation

1.1 In this Agreement:

Approved Customer Agreements means those Customer Agreements under which Purchased Rights subsist

Block Discounting Agreement has the meaning given to it in clause 2

Business Day means a day (other than a Saturday, Sunday or a public holiday) on which banks are open for business in London

Buyer Account means the Buyer's bank account held with Royal Bank of Scotland (sort code: 16-01-09; and account number: 00660842), or as notified to the Seller from time to time into which sums are to be paid by the Seller

Buyer's Group means the Buyer, any Subsidiary of the Buyer, any Holding Company of the Buyer and any Subsidiary of any Holding Company of the Buyer, in each case for the time being and **member of the Buyer's Group** shall be construed accordingly

CA 2006 means the Companies Act 2006 and all subordinate and related legislation, regulations, guidelines, rules and principles made thereunder, pursuant thereto or in connection with

CCA means the Consumer Credit Act 1974 and all subordinate and related legislation, regulations, guidelines, rules and principles made thereunder, pursuant thereto or in connection with

Contract Right means (unless otherwise agreed in writing by the Parties hereto), at any given time:

- (a) all rights, title and interest of the Seller under any Customer Agreement including, but not limited to, the right to receive the rentals and all other monies whatsoever payable by the Customer under the relevant Customer Agreement; and
- (b) all rights of the Seller under any Customer Security Agreement and all liens, reservations of title, right of tracing and other rights enabling the Seller to enforce any such debts or claims

I hereby certify that this document
is a true and correct copy of the
original instrument

PETER NAYLOR
PARTNER, DOWNING LLP

6th floor ST MAGNUS HOUSE 3 LOWER THAMES STREET LONDON EC3R 6HD

together being the **Contract Rights**

Customer means any person to whom the Seller shall have contracted or shall during the term of this Agreement contract to supply goods or services pursuant to a Customer Agreement

Customer Agreement means any agreement entered into (whether before or after the date hereof) between the Seller (as owner, lessor, seller or creditor as the case may be) and a Customer which is a hire purchase agreement, hire agreement, rental agreement, conditional sale agreement, credit sale agreement, loan agreement or any other agreement for the provision of credit or hire facilities

Customer Security Agreement means any guarantee, indemnity or other security relating to the Customer's obligations under a Customer Agreement

Discount Charge means the discount charge calculated in accordance with the Facility Letter

Event of Default means any event or circumstance specified as such in clause 17

Facility Letter means the facility letter dated on or around this Agreement, addressed from the Buyer to the Seller and countersigned by the Seller, as may be amended or replaced from time to time by the Buyer

Goods means the goods, equipment and/or other items which are the subject matter of any Approved Customer Agreement, or Customer Agreement under which Unassigned Contract Rights exist, together with all parts, accessories, additions and replacements in respect thereof from time to time

Holding Company means a holding company (as defined in section 1159 CA 2006)

Listing Schedule means any schedule of Customer Agreements delivered by the Seller to the Buyer from time to time pursuant to clause 4.1, in the Buyer's standard form

LPA means the Law of Property Act 1925 and all subordinate and related legislation, regulations, guidelines, rules and principles made thereunder, pursuant thereto or in connection with

Minimum Sum means in relation to any Purchased Right, an amount calculated in accordance with the terms of the Facility Letter and notified to the Seller by the Buyer

Party means a party to this Agreement, together being the **Parties**

Purchased Right means any Contract Right purchased or purported to be purchased by the Buyer pursuant to this Agreement or any agreement which this Agreement replaces including, without limitation, any Contract Right which replaces a Purchased Right pursuant to clause 10

Purchase Price means the price payable by the Buyer for the Contract Rights under each Customer Agreement, as calculated in accordance with clause 5

Repurchase Price means the amount calculated in accordance with clause 18.3

Satisfaction Amount has the meaning given to it in clause 6.4

Secured Liabilities means all present and future liabilities, whether actual or contingent and whether owed jointly or severally, of the Seller to the Buyer under this Agreement and each Block Discounting Agreement

Security shall mean any guarantee, indemnity, mortgage, charge, pledge, lien, retention of title clause, right of tracing or other encumbrance securing any obligation of any person

Security Provider means any party providing the Security and/or entering into a Customer Security Agreement

Seller's Group means the Seller, any Subsidiary of the Seller, any Holding Company of the Seller, any Subsidiary of any Holding Company of the Seller and any company sharing the same directors as the Seller in each case for the time being and **member of the Seller's Group** shall be construed accordingly

Subsidiary means a subsidiary (as defined by section 1159 CA 2006)

Unassigned Contract Rights means, at any time, all Contract Rights purchased or purported to be purchased under the Block Discounting Agreement which are not validly and effectively assigned to the Buyer by way of sale, including the full benefit of all Customer Security Agreements relating thereto and all rights of the Seller to enforce any such debts or claims in respect of the Contract Rights purchased or purported to be purchased under the Block Discounting Agreement

Unsold Sums has the meaning given to it in clause 8.7

Value means in relation to the Contract Rights arising under any Customer Agreement:

- (a) in respect of any Customer Agreement in relation to which the scheduled payments to be made to the Seller by the Customer thereunder have not commenced (and were not due to commence) on or before the date the Seller offers to sell the relevant Contract Right to the Buyer, the aggregate amount (as determined by the Buyer) expended by the Seller in funding the relevant Customer Agreement; or
- (b) in respect of any Customer Agreement in relation to which the scheduled payments to be made to the Seller by the Customer thereunder have commenced (or were due to commence) on or before the date the Seller offers to sell the relevant Contract Right to the Buyer, the aggregate amount which remains to be paid by the Customer (whether of principal or interest or otherwise, but excluding any VAT payable by the Customer) under the relevant Customer Agreement at the time of purchase of those Contract Rights, assuming that the Customer Agreement runs its full course

VAT means value added tax as provided for in any relevant legislation (including any primary or subordinate legislation of the European Union or any official body or agency thereof) and any tax similar or equivalent to value added tax or any sales or turnover tax and any similar tax replacing or introduced in addition to any of the same

1.2 Any reference in this Agreement to:

- (a) a **person** shall be construed as a reference to any person, firm, company or corporation or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (b) a **financial obligation** shall be construed so as to include any obligation for the payment or repayment of money, whether present or future, actual or contingent; and
- (c) a **security interest** shall be construed as a reference to a mortgage, charge, pledge, lien, retention of title clause, right of tracing or other security interest securing any obligation of any person.

- 1.3 The clause headings in this Agreement are inserted for convenience only and shall be ignored in construing this Agreement. Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting the masculine shall include the feminine and the neuter.
- 1.4 If there are two or more Sellers, the expression **Seller** shall mean and include such two or more parties and each of them or (as the case may require) any of them and shall so far as the context admits be construed as well in the plural as in the singular, and all covenants and representations in this Agreement expressed or implied on the part of the Seller shall be deemed to be joint and several covenants and representations by such parties.
- 1.5 If by the terms of this Agreement any act would be required to be performed on or within a period ending on a day which is not a Business Day, the act shall be deemed to have been duly performed on or by the next Business Day after that day.
- 1.6 References in this Agreement to any statutory provision and subordinate legislation shall be construed as references to those statutes or subordinate legislation as respectively amended, re-enacted or replaced from time to time.

2 Block Discounting Agreement

- 2.1 The **Block Discounting Agreement** is a single agreement constituted by this Agreement, as supplemented or varied by the Facility Letter, and in the case of conflict between the terms of this Agreement and the Facility Letter, the terms of the Facility Letter shall prevail.
- 2.2 References in this Agreement or the Facility Letter to this Agreement or to the Facility Letter shall, unless the context requires otherwise, be construed as references to the Block Discounting Agreement and **hereunder** and **herein** and similar expressions shall be construed accordingly.

3 Offer and purchase of Contract Rights

- 3.1 The Seller may from time to time offer to sell and the Buyer may, upon the terms and conditions contained in this Agreement, purchase all or any Contract Rights which now exist or during the continuance in force of this Agreement come into existence, provided that nothing in this Agreement or elsewhere shall impose upon the Buyer any obligation to purchase any of the Contract Rights so offered.

4 Procedure for purchase of Contract Rights

- 4.1 The Seller may, from time to time, offer to sell to the Buyer any Contract Rights by delivering to the Buyer:
- (a) a Listing Schedule, which shall also include references to any Customer Security Agreement and details of any Contract Rights the Seller wishes to sell to the Buyer;
 - (b) originals of such Customer Agreements and any Customer Security Agreements, invoices or delivery notes or other documents or information which the Buyer may need to consider the relevant offer; and
 - (c) if so requested, a certificate of acceptance in a form satisfactory to the Buyer, signed by the Customer under each Customer Agreement set out in a Listing Schedule, recording the acknowledgment of the Customer that it has received the relevant Goods and/or services to which such Customer Agreement relates and that such Goods are of satisfactory quality, fit for purpose and acceptable to the Customer in every respect.

- 4.2 The delivery to the Buyer of a Listing Schedule, pursuant to clause 4.1, shall constitute an offer to sell to the Buyer each of the Contract Rights arising from the Customer Agreements included in the Listing Schedule. Such offer shall be irrevocable for a period of 5 days from the date on which the Buyer received such Listing Schedule.
- 4.3 The Seller shall be deemed to have made an offer to sell each Contract Right arising from the Customer Agreements included in a Listing Schedule, whether or not such Listing Schedule is accompanied by any letter of offer or any other document. Any offer which is made or deemed to be made by the Seller pursuant to the terms of the Block Discounting Agreement shall only be capable of acceptance by the Buyer in accordance with clause 4.4, and the Seller acknowledges that any other purported method of acceptance shall be of no effect.
- 4.4 If the Buyer wishes to accept any offer by the Seller to sell Contract Rights in whole or in part (which the Buyer may agree or refuse to do in its absolute discretion), it will pay to the Seller the Purchase Price and such payment shall constitute acceptance of the relevant offer as regards the Contract Rights to which the payment relates. Upon payment of the Purchase Price to the Seller, there will be vested in the Buyer the full benefit of all of the Seller's rights, title and interest, present or future, arising out of or in respect of:
- (a) the Contract Rights in relation to the Customer Agreements set out in the Listing Schedule, including, but not limited to, all claims for payment and other rights and remedies in respect of such Contract Rights or the failure to pay the same, including claims for interest thereon, all monies which are now or may at any time be or become due or owing by the Customer in respect of or arising out of such Contract Rights, together with the benefit of all common law and equitable rights reserved by the Seller and relating thereto; and
 - (b) all Security and Customer Security Agreements in respect of the relevant Customer Agreements.

5 Purchase Price

- 5.1 The Purchase Price payable for the Purchased Rights under each Customer Agreement shall be a sum equal to the Value of the Contract Rights arising under the relevant Customer Agreements at the time of payment less any Discount Charge.
- 5.2 The Buyer shall be entitled (if it so elects and in or towards satisfaction of the Seller's obligations) to deduct from the Purchase Price or any part of it any other sum which, on the date of the Buyer's acceptance of the relevant Contract Rights or, as the case may be, the date when the outstanding balance of the Purchase Price or any part of it becomes payable to the Seller, is presently due and payable to the Buyer by the Seller.

6 Minimum Sum

- 6.1 Irrespective of whether the Seller has received the Minimum Sum from the Customers, the Seller shall pay to the Buyer (in respect of each Purchased Right) the Minimum Sum on the dates specified by the Buyer in the Facility Letter. The Seller will execute a direct debit mandate in favour of the Buyer in respect of the Minimum Sum to pay the Minimum Sum in to the Buyer Account. If the Seller repurchases any Purchased Rights from the Buyer under clause 10 then the Minimum Sum will be reduced by such amount as the Buyer certifies appropriate.
- 6.2 So long as no Event of Default has occurred and none of the Customers are in default under any of the Customer Agreements, the Seller may, until instructed otherwise by the Buyer, retain the sums collected by the Seller (in respect of each Purchased Right) to the extent these exceed

the Minimum Sum. The Buyer shall have no obligation to pay any part of the Discount Charge to the Seller and the Seller shall only be entitled to recover the same by deduction from the sums collected by the Seller (in respect of each Purchased Right) as provided herein. If any Customer under any of the Customer Agreements is in default or if the Seller has incurred any liability to the Buyer whether under this Agreement or under any other agreement or in any manner whatsoever and whether such liability shall be by way of debt or damages the Buyer may apply in discharge of the Seller's liability so much of the Discount Charge as shall be necessary for that purpose and the amount which the Seller is entitled to retain from the sums collected by the Seller (in respect of each Purchased Right) shall be reduced accordingly.

- 6.3 The Buyer shall not be obliged to pay any sum to the Seller in respect of the Purchase Price of any Contract Right except as provided for in clauses 3.1 and 6.
- 6.4 After the Buyer has received a sum equal to the aggregate of: (i) the Purchase Prices of the Purchased Rights under all of the Approved Customer Agreements contained in any Listing Schedule; and (ii) all amounts due under clause 9 in cleared funds (**Satisfaction Amount**), it may transfer to the Seller without payment, its right title and interest in those Purchased Rights and upon such transfer the ownership and all subsisting rights in respect of the Purchased Rights to which the transfer relates shall be revested in the Seller. On such revesting all the Buyer's rights and obligations under this Agreement in relation to such Purchased Rights shall thereafter cease but without prejudice to the Buyer's rights accrued before revesting.
- 6.5 Any transfer of Purchased Rights by the Buyer to the Seller pursuant to clause 6.4 shall be on the basis that all representations, warranties and other contractual terms (whether express or implied) in relation to such Purchased Rights (save that the Buyer has such title to the same as it acquired from the Seller) shall be excluded to the full extent permitted by law.

7 Inquiries by the Buyer

- 7.1 Before accepting any offer in respect of the sale of Contract Rights under this Agreement (and without affecting the Seller's obligations under this Agreement), the Buyer shall be entitled to make such inquiries as it may think fit in regard to such Contract Rights and the Customer under the applicable Customer Agreement and the Seller shall use its best endeavours to provide full responses to such inquiries.

8 Agency

- 8.1 The Buyer hereby appoints the Seller as its sole agent and trustee (which appointment the Seller hereby irrevocably accepts) and in such capacity the Seller, at its own expense, shall collect on behalf of the Buyer (and take all such action or legal or other proceedings to enforce payment as the Buyer may require) and receive from the Customer all sums due in respect of the Purchased Rights.
- 8.2 Subject to clause 6.2, the Seller shall at its own expense diligently collect all sums due in respect of the Purchased Rights and on receipt shall pay them to the Buyer in accordance with the terms of the Block Discounting Agreement and pending payment shall hold such sums in a separate account on trust for the Buyer.
- 8.3 Subject to clause 6.2, the Seller shall inform the Buyer on the last Business Day of each month of the amount received or recovered by the Seller in respect of each Purchased Right.
- 8.4 The Buyer may, at any time following the occurrence of an Event of Default or if any rentals or other sums due under an Approved Customer Agreement are not paid when due, by notice in writing immediately terminate the agency of the Seller and by itself or any other agent collect

the amounts due in respect of the Purchased Rights from the Customers or any Security Provider, in which case the Seller covenants and undertakes to the Buyer that it will not in any way interfere with or attempt to interfere with the collection by the Buyer or request the Customer or any Security Provider to pay such monies otherwise than to the Buyer or as the Buyer may from time to time direct and will not otherwise attempt to divert any sums due from the Buyer and that the Seller will not receive or collect or attempt to receive or collect from the Customer or any Security Provider any sums due and the Seller shall upon request co-operate and afford the Buyer all such assistance as the Buyer may require to procure such collection and enforcement.

- 8.5 Notwithstanding anything contained in this Agreement or elsewhere, the Buyer shall be entitled at its absolute discretion at any time following the occurrence of an Event of Default or if any rentals or other sums due under an Approved Customer Agreement are not paid when due to give notice to any Customer or Security Provider of the assignment or purchase of any Purchased Rights, but so that the giving of notice shall not in any way release the Seller from its obligations under the Block Discounting Agreement.
- 8.6 At any time following the occurrence of an Event of Default, the Buyer may direct the Seller to pay any amount it actually receives from its Customer's or any Security Provider in respect of Purchased Rights into an account in the Buyer's name.
- 8.7 If the total amount due from any Customer to the Seller comprises both sums due in respect of Purchased Rights and other sums due (**Unsold Sums**) any payment received by the Seller from such Customer shall be deemed to have been paid by the Customer:
- (a) first in or towards satisfaction of the sums then due by the Customer in respect of the Purchased Rights; and
 - (b) secondly in or towards satisfaction of the Unsold Sums.

9 Payments in respect of Purchased Rights

- 9.1 If for any reason the Seller does not receive from its Customer's any payment due in respect of a Purchased Right, the Seller shall nevertheless pay to the Buyer in accordance with clause 8.2 a sum equal to that due payment.
- 9.2 If the Buyer subsequently receives an amount in respect of such a Purchased Right whether from the Seller pursuant to clause 8.2 or directly from the Customer, once the Buyer has received an amount equal to the Value of such Purchased Rights, it shall pay to the Seller a sum equal to the amount actually received by the Buyer in cleared funds in relation to the relevant Approved Customer Agreements subject to any deductions or withholdings (including, but not limited to, the Discount Charge) authorised by this Agreement or required by law.

10 Repurchase and replacement of Customer Agreements

- 10.1 If an Event of Default occurs, or it appears to the Buyer that the Buyer is likely to sustain loss or damage in consequence of a purchase made of a Contract Right pursuant to the provisions of the Block Discounting Agreement, then the Buyer may by notice to the Seller:
- (a) require the Seller to repurchase the Purchased Right on such date as the Buyer shall specify in such notice, in accordance with clause 18.3; or
 - (b) require the Seller, in replacement of the Purchased Rights to which the Buyer refers in such notice, to transfer to the Buyer without payment by the Buyer such other Contract

Rights as the Buyer shall in its absolute discretion think fit, such Contract Rights to be, in the opinion of the Buyer, at least equal in Value to the Contract Rights so replaced. On acceptance of any such Contract Rights in place of the repurchased Purchased Rights, title to such Contract Rights shall automatically be deemed to be assigned to the Buyer without further notice.

11 Goods not accepted or returned by the Customer

- 11.1 Any Goods which are not accepted by the Customer or which are returned by the Customer to the Seller and any proceeds of them shall be held in trust for the Buyer under immediate advice and all Goods so returned will be plainly marked as belonging to the Buyer.
- 11.2 The Buyer shall be entitled to sell or dispose of any Goods which come into its possession as agent for the Seller and the proceeds of sale (net of VAT and expenses) shall, subject to clause 24 and any other deductions or withholding authorised by this Agreement, or required by law, be paid to the Seller.

12 Representations of the Seller

- 12.1 The Seller represents and warrants on each date that an offer to sell Contract Rights is made or deemed to be made to the Buyer pursuant to the terms of this Agreement (such representations and warranties to be deemed to be repeated on each date that the Listing Schedule is delivered to the Buyer and the date that the Buyer makes a payment of the Purchase Price to the Seller in respect of such Contract Rights), that as regards every Contract Right arising from the Customer Agreements included in any Listing Schedule:
- (a) the Seller has power to enter into the Block Discounting Agreement and to exercise its rights and perform its obligations thereunder and all corporate or other action required to authorise the execution of the Block Discounting Agreement by the Seller and the performance by the Seller of its obligations thereunder has been duly taken;
 - (b) the Seller has not taken any corporate action nor have any other steps been taken or legal proceedings been started or, to the best of the Seller's knowledge and belief threatened against the Seller for its winding-up, dissolution or reorganization or for the appointment of an administrator, administrative receiver, receiver, trustee or similar officer of it or of any or all of its assets;
 - (c) no Event of Default has occurred and is continuing;
 - (d) the execution of the Block Discounting Agreement and the Seller's exercise of its rights and performance of its obligations thereunder:
 - (i) will not result in the existence of, nor oblige the Seller to create any, Security over all or any of its present or future revenues or assets (other than the Security granted pursuant to the Block Discounting Agreement); and
 - (ii) will not result in any breach by the Seller of any provision of its memorandum of association or its articles of association, any provisions of law or any agreement or other instrument binding on it;
 - (e) the Seller is the legal and beneficial owner of the relevant Contract Rights and is entitled to sell and assign the same to the Buyer free from any Security and that the Contract Rights are legally enforceable by the Seller and remain to be paid in full, and will not

be old, overdue, contingent or disputed, and that the particulars of the Contract Rights in the relevant Customer Agreement are true and accurate;

- (f) the Seller has not sold or assigned or offered to have sold or assigned such Contract Rights to any person other than the Buyer, and that there will be no set-off, counterclaim, deduction or extension of time applicable to such Contract Rights and no justification for non-payment of the full amount due in respect of such Contract Rights by the Customer;
- (g) the Customer Agreement and any related Customer Security Agreement are governed by the laws of England and constitute the legal, valid, binding and enforceable obligations of the relevant Customer and any Security Provider;
- (h) all the requirements of the CCA and any regulations made thereunder and any other statutory or other requirements, including, but not limited to data protection and money laundering regulations, have been complied with in relation to the relevant Customer Agreements and that the Seller will continue to comply with all such requirements to ensure that each Customer Agreement remains fully enforceable at all times;
- (i) in the case of a Customer Agreement which is cancellable or has a right of withdrawal under the terms of the CCA, the relevant cancellation or withdrawal period has expired;
- (j) the Customer Agreement (unless a credit agreement) is a bona fide contract of the Seller for the sale or supply of goods (other than the capital assets of the Seller) and/or services;
- (k) any deposit shown in a Customer Agreement was paid in the manner stated, and any allowance given to the Customer for Goods taken in part exchange is reasonable in relation to the value of such Goods;
- (l) the details of the Customer, the particulars of the Goods and other information set out in the Customer Agreement are correct in every respect;
- (m) the details of the parties, the particulars of the Goods and other information set out in any relevant Customer Security Agreement are, to the best of the Seller's knowledge, correct in every respect;
- (n) any insurance required under the relevant Customer Agreement has been effected;
- (o) the relevant Customer under a Customer Agreement has not made any claim (meritorious or otherwise) which remains outstanding in connection with the Goods the subject of such Customer Agreement for any reason whatsoever, including but without limitation any claim, complaint or rejection by virtue of delay in the delivery, condition, fitness for purpose, satisfactory quality or description of the Goods;
- (p) the Customer and any Security Provider is not an employee, officer, director of the Seller, or an associate of the Seller as defined in section 184 of the CCA;
- (q) the Seller is the legal and beneficial owner of the Goods specified in any relevant Customer Agreement and such Goods are free from any Security;
- (r) the Goods specified in each relevant Customer Agreement are in good working order, repair and condition, are of satisfactory quality, are fit for the Customer's purpose and comply in all respects with the requirements of law and with all the provisions of the Customer Agreements;

- (s) the Goods specified in each relevant Customer Agreement have been duly delivered to and accepted by the relevant Customer or the actual ultimate user of the goods by the Customer, in each case under the terms of the relevant Customer Agreement;
- (t) each Customer Agreement and any related Customer Security Agreement is fully valid and enforceable and is not disputed, or subject to cancellation or rescission by the relevant Customer or Security Provider;
- (u) each Customer Agreement and any related Customer Security Agreement has not been breached by the relevant Customer or Security Provider;
- (v) the particulars contained in the Listing Schedule relating to such Contract Right are true and accurate in all respects and the Seller has no information which might prejudice or affect any of the rights, power or ability of the Buyer to enforce any provision of the Customer Agreement or any Customer Security Agreement relating thereto;
- (w) none of the Customer Agreements or Customer Security Agreements which are the subject of an offer by the Seller pursuant to the terms of this Agreement have been varied by the Seller and no side letters or side agreements have been entered into by the Seller in relation to such Customer Agreements or Customer Security Agreements and all such Customer Agreements and Customer Security Agreements are in the form of the Customer Agreements delivered by the Seller to the Buyer with the relevant offer pursuant to clause 4.1;
- (x) any claim which the Seller is entitled to make in respect of loss or damage to Goods has been or will be punctually made; and
- (y) any proceeds of any claims in respect of Purchased Rights are or will be held in trust for the Buyer and will be paid over immediately.

13 General Undertakings of the Seller

13.1 The Seller covenants and undertakes with the Buyer:

- (a) that in so far as the amount due in respect of any of the Purchased Rights shall be less than the sum specified in the Customer Agreement to which it relates for any reason whatsoever (including but without limitation fraud or by reason of a credit note issued by the Seller or a debit note raised by a Customer in respect of a discount taken or other claim), it will immediately pay to the Buyer the difference between the amount due in respect of the Purchased Right and the sum so specified as its amount in the relevant Customer Agreement;
- (b) that if:
 - (i) any amount due in respect of a Purchased Right shall not be or become due and owing by the Customer under the relevant Customer Agreement, or shall be alleged by the Customer not to be due and owing;
 - (ii) the existence of a Customer Agreement or a Purchased Right or any part of either of them shall at any time be disputed by the Customer;
 - (iii) any right of set-off or counterclaim or right to a deduction or withholding has arisen or arises;

- (iv) any matter which would constitute a breach by the Seller of its warranties or covenants in relation to such Customer Agreement or Purchased Right has occurred or occurs;
- (v) the Customer purports to reject the Goods or disputes his liability to pay the amount due or any part of it, and gives as a reason for such dispute any alleged breach by the Seller of the relevant Customer Agreement;
- (vi) the Seller shall be or becomes liable to pass any credit to a Customer in respect of a Customer Agreement or a Purchased Right or otherwise;
- (vii) the Seller shall accept the return of any Goods; or
- (viii) the Seller shall be in breach in respect of any of the warranties or covenants given under this Agreement in relation to a Customer Agreement,

then the Seller will in each and every such case, notwithstanding that the Seller has failed to notify the Buyer of a dispute in accordance with clause 12 and whether or not any such action or allegation or reason is justified and without any demand, immediately pay to the Buyer a sum equal to the Value of the Purchased Rights under that Customer Agreement or the due proportion thereof without any deduction, set-off or counterclaim whatsoever. If any payment is made under this clause 13.1, the provisions of clause 9.2 shall apply;

- (c) not to sell, assign or transfer, or purport to do so, any Purchased Right and/or any Goods or create or permit to subsist, or purport to do so, any Security over any Purchased Right and/or any Goods (other than Security created pursuant to this Agreement) or do any act likely to affect adversely the Buyer's rights relating to any Purchased Right;
- (d) to perform and observe every covenant and obligation which the Seller has undertaken to perform and observe in any Customer Agreement and/or Customer Security Agreement relating to any Purchased Right and not to do any act which could have the effect of discharging, waiving or adversely affecting the rights of the Seller under such document;
- (e) that as regards every Purchased Right, the Seller will procure that no set-off or counterclaim or right to a deduction (save only as may be required by law) will at any time be allowed to arise, and that the Seller will not assign or charge or deal with any Purchased Right or the Goods (or purport to do any of the above) except as expressly provided for in this Agreement;
- (f) forthwith upon execution of this Agreement by the parties hereto to notify its bankers and to use its reasonable endeavours to obtain the agreement of such bankers that the Security created pursuant to this Agreement shall stand in priority to any charges granted by the Seller to such bankers;
- (g) that all facts, figures and statements of any kind and all signatures appearing on every Customer Agreement and other document supplied to the Buyer as evidence of or relating to a Contract Right will be true and genuine;
- (h) not to create or permit to subsist any Security over the Unassigned Contract Rights and/or the Goods (other than Security created pursuant to this Agreement) without the prior written consent of the Buyer;

- (i) to notify the Buyer of any return, repossession, loss of, or damage to, any of the Goods or of any request for extended credit or adjustment, dispute or claim relating to a Purchased Right or to any of the Goods and generally of all material happenings and events affecting Purchased Rights and/or Goods or the value or amount thereof;
- (j) that all amounts due in respect of Purchased Rights shall be due for payment in accordance with the payment terms stated in the Customer Agreements and that such Customer Agreements shall not at any time be altered, waived or terminated without the prior written approval of the Buyer;
- (k) that the Seller will advise the Buyer of all such facts and circumstances as it may suspect or which may come to its knowledge affecting the credit of any Customer or which otherwise might affect the interests of the Buyer and in particular any request by any Customer for an extension of any time within which to pay any sum otherwise due and of any dispute or claim which may arise between the Seller and any Customer in relation to a Purchased Right immediately the Seller becomes aware of the same;
- (l) that the Seller will make all relevant tax payments and returns in relation to the Goods;
- (m) that the Seller shall keep all necessary and proper accounts of its dealings in relation to the Purchased Rights and copies of all Customer Agreements and other documents relating to them and such accounts and copies shall at all times be open for inspection by the Buyer or its authorised representatives;
- (n) to provide to the Buyer forthwith on demand all books, records and all other documents relating to the Customer Agreements;
- (o) to render to the Buyer if so requested by the Buyer, such particulars relating to the Purchased Rights as the Buyer may from time to time reasonably require;
- (p) that the Seller shall fulfil its obligations under each Customer Agreement and shall indemnify the Buyer against any claims resulting from its failure so to do;
- (q) that, if, at the request of the Buyer, the Seller shall repossess any Goods, it shall not repossess any Goods contrary to law or in an illegal manner and shall indemnify the Buyer against all claims arising from any repossession and shall hold all repossessed Goods on trust for the Buyer and deal with the same as the Buyer shall direct;
- (r) that, at its own expense, the Seller shall give the Buyer any assistance it requires to enforce any of the Purchased Rights;
- (s) to hold all sums received and/or recovered by it in respect of a Purchased Right on trust for the Buyer;
- (t) to pay the Buyer the amount of all legal charges paid or incurred by the Buyer on any assignment or re-assignment of a Purchased Right;
- (u) to endorse in favour of the Buyer such bills of exchange as may from time to time be issued or endorsed to the Seller in respect of all or any part of a Purchased Right;
- (v) from time to time on the request of the Buyer, furnish the Buyer with such information as is available to the Seller about the business and financial condition of the Seller as the Buyer may reasonably require; and

- (w) as soon as the same become available, but in any event within 181 days after the end of each of its financial years, deliver to the Buyer a copy of its published audited financial statements for such financial year.

13.2 The Seller shall indemnify and keep fully indemnified the Buyer against all losses, claims, damages, costs, charges, expenses and other liabilities of whatsoever nature suffered or incurred by the Buyer in connection with:

- (a) any breach or non-fulfilment by the Seller of any of its obligations or warranties under this Agreement;
- (b) any VAT payable by the Buyer in respect of any transaction or matter contemplated by this Agreement and/or any Block Discounting Agreement;
- (c) any claim by any Customer or any other person relating to a Purchased Right or to the effect that the Seller has failed to perform any of its obligations under any Approved Customer Agreement, or that the Goods which are the subject of an Approved Customer Agreement are unsatisfactory, unfit for their purpose or otherwise defective,

and the Seller shall pay to the Buyer, without any deduction whatsoever, the amount of any losses, claims, damages, costs, charges, expenses and other liabilities so suffered or incurred by the Buyer.

14 Undertaking to execute document

14.1 The Seller undertakes to execute at any time and from time to time when requested by the Buyer an assignment in such form as the Buyer may require of all or any of the Purchased Rights in favour of the Buyer and to execute and do such further documents and things as the Buyer may require effectively to vest full legal title to the Purchased Rights and, if the Buyer so requires, to the Goods in the Buyer.

15 Security – Unassigned Contract Rights and Goods

15.1 As a continuing security for the payment and discharge of the Secured Liabilities, the Seller with full title guarantee (as defined in the Law of Property (Miscellaneous Provisions) Act 1994) hereby charges by way of first fixed charge all its right, title and interest, present and future, in and to:

- (a) the Unassigned Contract Rights; and
- (b) the Goods.

15.2 As further continuing security for the payment and discharge of the Secured Liabilities, the Seller hereby charges with full title guarantee in favour of the Buyer by way of first floating charge all right, title and interest, present and future, in and to:

- (a) the Unassigned Contract Rights; and
- (b) the Goods not effectively charged by way of first fixed charge pursuant to the provisions of clause 15.1.

15.3 The Security constituted by this Agreement and under this clause 15 shall be in addition to any other Security the Buyer may at any time hold for any of the Secured Liabilities, and shall remain in full force and effect until discharged by the Buyer.

- 15.4 The Seller shall whenever requested by the Buyer execute such further Security as the Buyer may direct over the Unassigned Contract Rights and/or the Goods, or take such other steps as the Buyer may require for improving or perfecting the Security hereby constituted.
- 15.5 On the occurrence of any event which is or which may with the passage of time become an Event of Default, the Buyer may:
- (a) appoint one or more persons to be a receiver (which expression includes an administrator, administrative receiver and a receiver and manager) or receivers of the whole of any part of the Unassigned Contract Rights and/or the Goods, and every receiver so appointed shall be deemed at all times and for all purposes to be the agent of the Seller which shall be solely responsible for his acts and defaults and for the payment of his remuneration; and/or
 - (b) by notice in writing to the Seller convert the floating charge hereby created into a fixed charge over the Unassigned Contract Rights and/or the Goods, and the Seller's ability to deal in any manner with the Unassigned Contract Rights and/or the Goods, shall thereby cease except to the extent otherwise agreed by the Buyer.
- 15.6 The foregoing powers of appointment of a receiver shall be in addition to all statutory and other powers of the Buyer under the LPA and the statutory powers of sale and of appointing a receiver shall be exercisable without the restrictions contained in sections 103 and 109 LPA or otherwise and the foregoing power to appoint a receiver hereinbefore or by statute conferred shall be and remain exercisable by the Buyer notwithstanding any prior appointment in respect of all or any part of the Unassigned Contract Rights and/or the Goods.
- 15.7 On the occurrence of an Event of Default the charge created by clause 15.2 shall automatically, without notice, be converted into a fixed charge and thereafter the provisions of clauses 15.5 and 15.6 shall apply.
- 15.8 The Seller shall not create or permit to subsist any Security over the Unassigned Contract Rights and/or the Goods (other than Security created pursuant to this Agreement) without the prior written consent of the Buyer.
- 15.9 Section 93 LPA (relating to the consolidation of mortgages) shall not apply to this Agreement.
- 15.10 This Agreement contains a qualifying floating charge, and paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to clause 15.2.

16 Power of attorney

- 16.1 The Seller hereby irrevocably and by way of security appoints the Buyer and separately any receiver (which expression includes an administrator, administrative receiver and a receiver and manager) or receivers appointed hereunder as the attorney of the Seller:
- (a) to execute a legal assignment or transfer of any Purchased Rights and/or Goods in such form and at such time as the Buyer in its absolute discretion deems appropriate;
 - (b) otherwise to perform any act which the Seller is obliged or could be required to do hereunder;
 - (c) to demand, sue for or receive and give effective discharge for all sums payable by any person in respect of any Purchased Rights and/or Goods;

- (d) to repossess, sell, lease, hire or otherwise dispose of or use any of the Goods and to apply any consideration therefore in or towards the discharge of any Secured Liabilities;
 - (e) institute legal proceedings or otherwise; and
 - (f) do all such further things as the Buyer may in its absolute discretion consider to be necessary or expedient for perfecting the Buyer's title to such Purchased Rights and for their recovery.
- 16.2 The Buyer shall not make any request under clause 14 nor exercise the power of attorney granted in its favour under this clause 16 in respect of any Purchased Right and/or Goods unless an Event of Default has occurred provided that, without prejudice to any rights of the Seller in damages for breach of this sub-clause, any exercise of such power of attorney shall be valid in favour of third parties whether or not any Event of Default has occurred.
- 16.3 Any documents to be executed under this power of attorney may be executed by any officer or any authorised manager of the Buyer.
- 17 Event of Default and termination**
- If:
- 17.1 the Seller commits any breach of this Agreement and/or the Facility Letter; or
 - 17.2 any representation or warranty made by the Seller herein, the Facility Letter or in any notice, or other document, certificate or statement delivered pursuant hereto or in connection herewith proves to have been incorrect or misleading in any respect when made; or
 - 17.3 the Seller fails to perform or discharge any of its obligations under a Customer Agreement; or
 - 17.4 the Seller or any member of the Seller's Group commits any breach of any other agreement entered into between a member of the Seller's Group and a member of the Buyer's Group; or
 - 17.5 the Seller is unable to pay its debts as they fall due, commences negotiations with any one or more of its creditors with a view to a general extension of the time within which it must liquidate its financial obligations or makes a general assignment for the benefit of or a composition with its creditors; or
 - 17.6 the Seller ceases or threatens to cease to carry on business or disposes of all or a substantial part of its business; or
 - 17.7 the Seller makes any arrangement or composition with its creditors or commits any act of bankruptcy or, if the Seller is an individual or a partnership, the Seller (or any of its partners, as appropriate) dies, is made or becomes bankrupt or has a trustee in bankruptcy appointed over it or the partnership is dissolved; or
 - 17.8 the Seller has a distress execution or other process levied on any of its assets which is not discharged within 5 days; or
 - 17.9 the Seller takes any corporate action or other steps are taken or proceedings are started for the Seller's winding-up or dissolution (otherwise than for the purposes of reconstruction or amalgamation without insolvency on terms which have been approved by the Buyer in writing) or for the appointment of any administrator, receiver, liquidator or administrative receiver of the Seller or of any or all of its revenues and assets; or

- 17.10 any financial obligation of the Seller is not paid when due, any financial obligation of the Seller becomes due and payable prior to its specified maturity or any creditor of the Seller becomes entitled to declare any financial obligation of the Seller due and payable prior to its specified maturity; or
- 17.11 in Scotland (in addition to the events specified in clauses 17.1 to 17.9 so far as applicable), if the Seller becomes notour bankrupt or suffers sequestration to be awarded to the Seller's estate or effects or a received or judicial factor or trustee to be appointed for any portion of the Seller's estate or effects or suffers any arrestment, charge, pointing or other diligence to be issued or if there is any exercise or threatened exercise by any landlord's hypothec; or
- 17.12 any event occurs in any jurisdiction which is similar or analogous to any of the events specified in clauses 17.5 to 17.9 inclusive above; or
- 17.13 there is a change in the ownership or control of the Seller from that existing at the date of this Agreement; or
- 17.14 there is, in the opinion of the Buyer, a material adverse change in the financial position or business of the Seller; or
- 17.15 any of the directors of the Seller become the subject of criminal proceedings in any jurisdiction whatsoever; or
- 17.16 any circumstances arise which give reasonable grounds in the opinion of the Buyer for belief that the Seller may not (or may be unable to) perform its obligations hereunder; or
- 17.17 any of the directors of the Seller become the subject of civil proceedings in relation to alleged fraud or misrepresentation in any jurisdiction whatsoever,

then in any such event the Buyer shall be entitled to terminate this Agreement immediately by giving notice in writing to the Seller.

18 Effect of notice of termination

- 18.1 Subject to clause 10, upon notice of termination of this Agreement, the Seller shall offer no further Contract Rights to the Buyer under this Agreement but the provisions of this Agreement shall, subject to clause 18.2, continue to govern the rights and obligations of the Seller and the Buyer in relation to any existing Purchased Rights.
- 18.2 Upon and after the termination of this Agreement for whatever cause the Buyer shall be entitled to withhold (by way of security for the due payment of any sums which then or subsequently may be or become due to the Buyer) the whole or any part of the sums which might then or subsequently otherwise be due from the Buyer to the Seller provided that the amount so withheld at any time shall not exceed the outstanding amount due or to become due in respect of the Purchased Rights.
- 18.3 Any repurchase of Purchased Rights by the Seller following notice by the Buyer pursuant to clause 10 shall be on the following terms:
- (a) the Repurchase Price payable by the Seller for each of the Purchased Rights shall be a sum representing the difference between:
- (i) the aggregate of:
- (A) the Purchase Price; plus

- (B) the costs and all other sums due to the Buyer hereunder including but without limitation all arrears and any interest thereon and the Discount Charge; plus
 - (C) any costs incurred by the Buyer in terminating or redeploying any funding arrangements which it has put in place to finance the acquisition of the relevant Contract Rights under this Agreement; and
 - (ii) all sums paid by the Customer or the Seller in respect of the applicable Purchased Rights to the Buyer in cleared funds;
 - (b) title to such Purchased Rights will not pass to the Seller until receipt by the Buyer in cleared funds of the Repurchase Price;
 - (c) all representations, warranties and other contractual terms (whether express or implied) in relation to such Purchased Rights (save that the Buyer has such title to the same as it acquired from the Seller) shall be excluded to the full extent permitted by law.
- 18.4 Upon payment of the Repurchase Price under clause 18.3 the ownership and all subsisting rights in respect of the Purchased Rights to which the Repurchase Price relates shall be revested in the Seller. On such revesting all the Buyer's rights and obligations under this Agreement in relation to such Purchased Rights shall thereafter cease but without prejudice to the Buyer's rights accrued before revesting.

19 Payments

- 19.1 The Seller covenants to indemnify the Buyer and keep it fully indemnified against all stamp duty (including any fines and penalties relating thereto) on any assignments and the amount of all costs, charges and expenses of whatsoever nature which may be incurred by the Buyer in collecting and/or enforcing and/or attempting to collect and/or enforce amounts due in respect of the Purchased Rights and/or by way of enforcement of any of the Seller's obligations under the Block Discounting Agreement and agrees that the Seller's obligations under the Block Discounting Agreement shall continue in force without any right of set-off or counterclaim against the Buyer until the Buyer shall have received in full the outstanding amount due in respect of the Purchased Rights.
- 19.2 All payments to be made by the Seller shall be made in pounds sterling in immediately available cleared funds free and clear of and (save only as may be required by law) without deductions, set-off, counterclaim or any withholding whatsoever and as directed in writing by the Buyer by no later than 11:00a.m. on the due date for such payment.

20 Interest

- 20.1 The Seller undertakes that if it shall fail to pay any sum becoming due and payable to the Buyer under this Agreement the Seller shall pay interest on such sum from the date when the same became due and payable at a rate of 5 per cent over the base rate of the Bank of England from time to time and as well after as before any judgement obtained under this Agreement.

21 Taxation

- 21.1

- (a) Subject to clause 21.1(b), any VAT chargeable in respect of any supply for VAT purposes by the Buyer to the Seller shall be payable by the Seller to the Buyer on demand.
 - (b) All payments to be made by the Seller to the Buyer under this Agreement are calculated without regard to VAT. If any such payment constitutes the whole or any part of the consideration for a taxable supply (whether that supply is taxable pursuant to the exercise of an option or otherwise) by the Buyer to the Seller, the amount of that payment shall be increased by a percentage equal to the VAT which is chargeable in respect of the supply in question.
- 21.2 If the Buyer is obliged to make a payment (**Payment**) to the Seller under this Agreement which is referable to a receipt (**Receipt**) by the Buyer and the Receipt is taken into account as a receipt in calculating a tax liability of the Buyer whilst the Payment is not allowed as a deduction in calculating that tax liability, then the amount of the Payment the Buyer is obliged to pay to the Seller shall be reduced by such amount as is necessary to put the Buyer in the same net of tax position as the Buyer would have been in if the Receipt had not been taxable and the Payment had not been deductible for tax purposes in the Buyer's hands.
- 21.3 If the Buyer makes a payment or suffers a loss (**Loss**) in respect of which it is entitled to be indemnified or reimbursed pursuant to any provision of this Agreement and the Buyer is advised by its tax advisers that the payment by way of indemnity or reimbursement (**Indemnity Payment**) will or is likely to be taken into account as a taxable receipt in the hands of the Buyer in computing a tax liability of the Buyer whilst the loss is not or is unlikely to be deductible in computing the tax liability, then the Indemnity Payment shall be increased to an amount (**Grossed-up Payment**) which is certified by the Buyer's tax advisers as being equal, after the subtraction of any tax which may be payable by the Buyer in respect of the Grossed-up Payment, to such amount as is necessary to put the Buyer in the same net of tax position as the Buyer would have been in if the Loss had not been deductible and the Indemnity Payment had not been taxable in the Buyer's hands.
- 21.4 If any deduction or withholding is required by law in respect of any sum payable under any Customer Agreement the right to the receipt of which is a Purchased Right, then the Seller shall, on demand, make an additional payment to the Buyer of such an amount as is necessary to put the Buyer in the same net of tax position as it would have been in if the sum payable under the relevant Customer Agreement was not subject to any such deduction or withholding.
- 21.5 If any deduction or withholding is required by law in respect of any sum payable under this Agreement by the Seller to the Buyer, then the Seller shall, on demand, make an additional payment to the Buyer of such an amount as is necessary to put the Buyer in the same net of tax position as it would have been in if the sum payable was not subject to any such deduction or withholding.
- 21.6 If the introduction, abolition, withdrawal of, or any change in, any law, practice or concession or any regulation or official directive of any taxation or other authority (whether in the United Kingdom or elsewhere) or any change in the interpretation or application thereof to the Buyer (other than a change in the rate of corporation tax) shall result in the Buyer not receiving the same net rate of return (taking account of its tax position and all other relevant circumstances), then the Buyer may require the Seller to compensate therefor in such amount and in such manner as the Buyer determines necessary to place the Buyer in the same net of tax position as it would have been in if such introduction, abolition, withdrawal or change had not happened.
- 21.7 All stamp, documentary, registration, property or other like duties or taxes, including any penalties, additions, fines, surcharges or interest relating thereto imposed or chargeable on or

in connection with this Agreement or any other document connected with or contemplated by this Agreement or which is executed in connection with any provision in this Agreement shall be paid by the Seller provided that the Buyer shall be entitled to pay any such duties or taxes, whereupon the Seller shall on demand indemnify the Buyer against those duties and taxes.

22 Evidence of sums collected

- 22.1 For the purposes of this Agreement, the Buyer's records in the form of a certified copy ledger sheet shall be final and conclusive evidence as to the sums collected and received by the Buyer in respect of Purchased Rights and as to any other matter stated in it.

23 Indulgence

- 23.1 The obligations of the Seller under this Agreement shall not be discharged or affected by any time or indulgence granted by the Buyer to any Customer or other person or (except by express waiver in writing) to the Seller. If at any time the Buyer does not insist on its strict rights under this Agreement, this shall not prevent it from doing so on any other occasion.

24 Right of set-off

- 24.1 Without prejudice to any of its other rights and remedies the Buyer shall be entitled to set-off all or any of its liabilities to the Seller against all or any of the Seller's liabilities to the Buyer under this or any other Agreement or account.

25 Costs and expenses

- 25.1 The Seller shall from time to time on demand reimburse the Buyer for all costs and expenses (including legal fees) incurred in or in connection with the preservation and/or enforcement of any of the rights of the Bank under this Agreement or under any Purchased Right.

26 Notices

- 26.1 All notices required under this Agreement and each Block Discounting Agreement shall be in writing and sent by first class post or hand delivered to the Party to be served at its registered office or (if not a company) a place of business last known to the Party giving the notice and shall be deemed to have been received 2 days after posting if sent by first class post or on delivery if hand delivered.

27 Variation

Any variation of this Agreement and any consent by the Buyer relating to this Agreement shall only be effective if in writing.

28 Invalidity

- 28.1 If any clause or part of a clause contained in this Agreement and each Block Discounting Agreement is declared by any court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall in no way impair or affect any other clause or part of a clause all of which shall remain in full force and effect.

29 Assignment

- 29.1 This Agreement and each Block Discounting Agreement is personal to the Seller and it shall not assign any of its rights, liabilities or obligations thereunder without the written consent of the Buyer.

- 29.2 The Buyer may assign this Agreement and/or each Block Discounting Agreement or any of its rights, liabilities or obligations under it, as it thinks fit.

30 General

- 30.1 This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- 30.2 Nothing in this clause shall limit or exclude any liability for fraud.
- 30.3 Each Party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement. Each Party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this Agreement.
- 30.4 The Seller warrants to the Buyer that there is no other agreement or arrangement between it and any other person relating to the Purchased Rights.
- 30.5 This Agreement replaces and supersedes any master block discounting agreement entered into between the Buyer and the Seller on or before the date of this Agreement.

31 Governing law

- 31.1 This Agreement and each Block Discounting Agreement will be governed by and construed in accordance with English law and all claims and disputes (including non-contractual claims and disputes) arising out of or in connection with this Agreement and each Block Discounting Agreement, will be determined in accordance with English Law.
- 31.2 Each Party irrevocably submits to the non-exclusive jurisdiction of the English Courts in relation to all matters (including non-contractual matters) arising out of or in connection with this Agreement.

Executed as a deed by the Parties or their duly authorised representatives on but not delivered until the date of this Agreement.

SIGNATURE PAGE TO THE MASTER BLOCK DISCOUNTING AGREEMENT

Executed as a deed by
Haydock Finance Limited
acting by

)
)
) Signature of Director
18th December 2020

.....
Signature of Director
18th December 2020

Executed as a deed by
Downing Block Discounting Limited acting
by two attorneys under a power of attorney
dated 9th December 2020

.....
(attorney's signature)

.....
(attorney's signature)

in the presence of

Signature of witness

.....

Name

.....

Address

.....

SIGNATURE PAGE TO THE MASTER BLOCK DISCOUNTING AGREEMENT

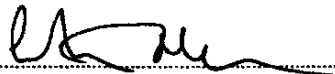

Executed as a deed by)
Haydock Finance Limited)
acting by a director in the presence of) Signature of Director

.....
Signature of witness

Name

Address

Executed as a deed by
Downing Block Discounting Limited acting
by two attorneys under a power of attorney
dated 9th December 2020


(attorney's signature)

(attorney's signature)

in the presence of

Signature of witness

Name

KATHRYN ALLNER MOLLY MCGINCH

Address

CHILDS FARM 144 POWARD HILL
WOODROW N22 7U
AMERSHAM LONDON
BUCKS HP7 0QQ SW16 4PA