



**Registration of a Charge**

Company name: **1PM (UK) LIMITED**

Company number: **03681755**

Received for Electronic Filing: **22/05/2014**



X38FHA2H

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**Details of Charge**

Date of creation: **08/05/2014**

Charge code: **0368 1755 0078**

Persons entitled: **CIT VENDOR FINANCE (UK) LIMITED**

Brief description:

**Contains fixed charge(s).**

**Contains floating charge(s) .**

**Contains negative pledge.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **BERMANS LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 3681755

Charge code: 0368 1755 0078

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th May 2014 and created by 1PM (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd May 2014 .

Given at Companies House, Cardiff on 22nd May 2014

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

DATED 8 May 2014

**1PM (UK) LIMITED**

**and**

**CIT VENDOR FINANCE (UK) LIMITED**

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**MASTER RECEIVABLES  
DISCOUNTING AGREEMENT**

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**THIS MASTER RECEIVABLES DISCOUNTING AGREEMENT** is dated 8 May 2014 and made between:

- (1) **1PM (UK) LIMITED**, company no. 03681755 and whose registered office is at 15 St James's Parade, Bath, Somerset, BA1 1UL (the **Vendor**); and
- (2) **CIT VENDOR FINANCE (UK) LIMITED**, company number 3235845, whose registered office is at Circa, 2a high Street Bracknell, Berkshire RG12 1AA (the **Purchaser**).

**BACKGROUND:**

- (A) Pursuant to the Facility Letter, the Purchaser has agreed to provide a block discounting facility to the Vendor upon the terms and conditions set out therein and subject to this Master Agreement.
- (B) This Master Agreement is intended to take effect as a deed.

**IT IS AGREED** as follows

**1. DEFINITIONS AND CONSTRUCTION**

**1.1 Definitions**

In this Master Agreement:

**Agreements**

means the Hire Agreements, Hire Purchase Agreements, Conditional Sale Agreements, credit sale agreements, and loan agreements entered into by the Vendor as owner, seller or lender with the Customers named in such agreements and submitted by the Vendor to the Purchaser pursuant to the provisions hereof.

**Business Day**

means a day other than a Saturday or Sunday when financial institutions in London are generally open for banking business;

**Change of Control**

shall be interpreted in accordance with Section 840 of the Income and Corporation Taxes Act 1988;

**Collection Charge**

means the periodic payment agreed to be made by the Purchaser to the Vendor calculated in accordance with the Facility Letter and payable in accordance with clause 4.1(f);

**Conditional Sale Agreement**

shall have the meaning given to such term in Section 189(1) of the Consumer Credit Act 1974;

**Contract Rights**

means all of the right, title, interest and benefit (present and future, actual and contingent) of the Vendor in and to:

(a) the Agreements, including:

- (i) the right to receive all and any moneys due or to become due to the Vendor under or pursuant to the Agreements;
- (ii) all claims in respect of any breach of or default under the Agreements (including any claim

for damages other than claims of the Vendor for damages which the Vendor has suffered personally);

(iii) any right of the Vendor to rescind or terminate the Agreements;

(iv) any right of the Vendor to compel performance and otherwise exercise all rights and remedies under the Agreements; and

(v) any right of the Vendor to give and receive notices, reports, requests and consents, to make demands, to exercise discretions and to exercise all options and elections, pursuant thereto or in connection therewith; and

(b) the Security;

**Customer**

means, with respect to any Agreement, any person that is a hirer, buyer or borrower under such Agreement; and

**Deed of Assignment**

means a deed of assignment as referred to in clause 5 and in the form set out in schedule 3 assigning to the Purchaser the Contract Rights the subject of the Offer to which such deed relates.

**Facility Letter**

means the letter from the Purchaser to the Vendor under which the Purchaser agrees to provide to the Vendor a block discounting facility and under which the Purchaser will consider Offers made under this Master Agreement from time to time;

**Goods**

means the goods and other items which are the subject matter of any Purchased Agreement or Agreement to be purchased under which Unassigned Contract Rights exist and which are listed in the Listing Schedule executed by the Vendor and Purchaser from time to time together with all parts, accessories, additions and replacements in respect thereof from time to time

**Hire Agreement**

means an agreement for the hire of goods, without an option to purchase those goods;

**Hire Purchase Agreement**

shall have the meaning given to such term in Section 189(1) of the Consumer Credit Act 1974;

**Listing Schedule**

means a schedule of Agreements the subject of an Offer in the form set out in schedule 2 (or in such other form as may be required by the Purchaser);

<b>Loss</b>	means any reasonable loss, demand, liability, obligation, claim, action, proceeding, damage, adverse judgement, fee (including any reasonable justifiable fee and out-of-pocket cost and expense of any legal counsel);
<b>Master Agreement</b>	means this Master Receivables Discounting Agreement
<b>Minimum Sum</b>	means: <ul style="list-style-type: none"> <li>(a) with respect to each Periodic Sum due under any Hire Agreement to which a fixed period of hire applies, Hire Purchase Agreement, Conditional Sale Agreement credit sale agreement or loan agreement, an amount equal to each such Periodic Sum less ( provided the relevant Periodic Sum has been collected in full by the Vendor from the Customer), the Collection Charge; and</li> <li>(b) with respect to each Periodic Sum due under Hire Agreements to which a minimum period of hire applies an amount equal to each such Periodic Sum payable in the minimum period of hire, less( provided the relevant Periodic Sum has been collected in full by the Vendor from the Customer),the Collection Charge</li> </ul>
<b>Offer</b>	means an offer by the Vendor to sell the Contract Rights with respect to certain Agreements to the Purchaser in the form set out in schedule 1 (or in such other form as may be required by the Purchaser);
<b>Periodic Sum</b>	means each periodic sum or instalment payable by a Customer under a Purchased Agreement
<b>Purchased Agreement</b>	means any Agreement in respect of which an Offer has been accepted by the Purchaser;
<b>Purchased Rights</b>	means the Contract Rights the subject of any Purchased Agreement;
<b>Purchase Price</b>	means, in relation to any Offer, the price at which the Purchaser will purchase the Purchased Agreements the subject of that Offer upon acceptance thereof;
<b>Security</b>	means any Security Interest and any guarantee, indemnity or other surety granted in connection with any person's obligations under or in connection with the Purchased Rights;
<b>Security Interest</b>	means any mortgage, charge, bill of sale, pledge lien or other security interest securing any obligation of any person or any other agreement having similar effect;

<b>Secured Obligations</b>	means all present and future liabilities, whether actual or contingent and whether owed jointly or severally, of the Vendor to the Purchaser under this Master Agreement and any Listing Schedule
<b>Substitute Agreements</b>	has the meaning given to such term in clause 9.1;
<b>Unassigned Contract Rights</b>	means, at any time, all Contract Rights purchased or purported to be purchased under this agreement not assigned to the Purchaser by way of sale including the full benefit of all related guarantees, securities and indemnities and all rights of the Vendor to enforce any such debts or claims in respect of the Contract Rights purchased or purported to be purchased under this Master Agreement.
<b>Underwriting Procedures</b>	means the "know your client" and credit underwriting procedures of the Vendor, as approved in writing by the Purchaser from time to time; and
<b>Value</b>	means in relation to the Contract Rights arising under any Agreement the aggregate amount which remains to be paid by the Customer (whether of principal or interest or otherwise, but excluding any value added tax payable by the customer) under the relevant Agreement at the time of purchase of those Contract Rights, assuming that the Agreement runs its full course
<b>VAT</b>	means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

## 1.2 Construction

- (a) Any reference in this Master Agreement to:
- (i) "assets" includes present and future properties, revenues and rights of every description;
  - (ii) this Master Agreement or any other agreement or instrument is a reference to this Master Agreement or that other agreement or instrument as amended or novated;
  - (iii) "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
  - (iv) a person includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;
  - (v) a provision of law is a reference to that provision as amended or re-enacted;



- (vi) a clause or schedule is a reference to a clause of or schedule to this Master Agreement; and
- (vii) the Vendor or the Purchaser is a reference to that party's successors and permitted assigns;
- (b) Words importing the plural include the singular (and vice versa);
- (c) The *ejusdem generis* rule shall not apply and accordingly the interpretation of general words shall not be restricted by being preceded by words including a particular class of acts, matters or things or by being followed by particular examples;
- (d) Section, clause and schedule headings are for ease of reference only;
- (e) Where two or more persons are named as the Vendor(s) in this Master Agreement their liability shall be joint and several and references to the Vendor shall include each of them and any notice given to one shall be notice to all;
- (f) This Master Agreement incorporates and shall be varied or supplemented by the terms and conditions of the Facility Letter. In the event of any conflict between the terms of this Master Agreement or the Facility Letter, the terms of the Facility Letter shall prevail.

## 2. OFFERS TO SELL

The Vendor may from time to time in accordance with the Facility Letter make an Offer to sell Contract Rights to the Purchaser. Any such Offer shall be in the form set out in schedule 1 and shall be accompanied by the following documents:

- (a) a Listing Schedule;
- (b) the original of each of the Agreements referred to in such Listing Schedule;
- (c) copies of any Security relating to any of the Agreements referred to in such Listing Schedule (save the Vendor will supply the original of any Security where specifically requested by the Purchaser);
- (d) copies of all invoices;
- (e) any other information which the Vendor is required to supply under the Facility Letter or which the Purchaser may require.

## 3. ACCEPTANCE OF OFFERS

- 3.1 An Offer made under clause 2 may be accepted by the Purchaser within a period of 5 business days after the date of receipt of the Offer by the Purchaser. An Offer may be accepted or rejected in whole or in part by the Purchaser in its absolute discretion and, if the Purchaser does not accept an Offer in the time and manner set out in this Master Agreement, the Purchaser shall be deemed to have rejected such Offer.
- 3.2 Upon acceptance of an Offer and the payment of the Purchase Price, there shall be vested in the Purchaser, with full title guarantee, the full benefit of all of the Purchased Rights.
- 3.3 If the Purchaser wishes to accept any Offer by the Vendor to sell the Contract Rights in whole or in part (which the Purchaser may agree or refuse to do in its absolute discretion) it will pay to the Vendor the Purchase Price and such payment shall constitute acceptance of the relevant Offer as regards the Contract Rights to which the payment relates.
- 3.4 The Vendor shall on demand deliver to the Purchaser the original of any Purchased Agreement, Security, invoice, delivery note, satisfaction note or other document

requested by the Purchaser relating to a Purchased Agreement. Purchaser will accept a copy of the invoice aforementioned provided vendor undertakes to provide the original invoice to the Purchaser within 3 days of Purchaser's demand therefor. Any original invoice in the Purchaser's possession shall be returned to the Vendor within 3 business days of the Vendor's request therefor.

#### **4. VENDOR'S COVENANTS**

##### **4.1 The Vendor undertakes at its own expense and cost:**

- (a) to execute such further documents and do such further things as the Purchaser may reasonably require effectively to vest in the Purchaser full and unencumbered title in the Purchased Rights;
- (b) to pay to the Purchaser on demand the amount of any Loss suffered, incurred or paid by the Purchaser in enforcing or attempting to enforce the Purchased Rights or the Vendor's obligations under this Master Agreement;
- (c) to maintain proper accounts in the names of all Customers of the Vendor showing the amounts paid by and due from such Customers and to permit full inspection and audit of such accounts together with all records and documents (paper or electronic) relevant to any Purchased Agreements and any anonymised evidence reasonably required by the Purchaser relating to the performance of any Agreements funded by other block discounters to be carried out by the Purchaser or any person authorised by the Purchaser when required and to permit the Purchaser or any other person authorised by the Purchaser to take such copies of the said accounts and such extracts (which shall be anonymised where appropriate) thereof as the Purchaser may reasonably require;
- (d) to furnish to the Purchaser copies of:
  - (i) as soon as the same become available, but in any event within 180 days after the end of each of its financial years, its audited consolidated financial statements for that financial year;
  - (ii) as soon as the same become available, but in any event within 45 days after the end of each month, its consolidated financial statements for that month. Each set of financial statements delivered by the Vendor pursuant to this clause 4.1(d) shall be certified by a director of the Vendor as fairly representing the financial condition of the Vendor as at the date as at which those financial statements were drawn up and shall be prepared using generally accepted accounting principles in the United Kingdom;
- (e) upon request to notify the Purchaser of the address of any Customer and the location of the goods comprised in any Purchased Agreement.;
- (f) to collect punctually as agent of the Purchaser all sums due under the Purchased Agreements and, subject to the terms of the Facility Letter and clause 8, to remit such sums without any deduction (save for the Collection Charge) to the Purchaser at such intervals as the Purchaser may require holding them meanwhile as the Purchaser's agent or as the Purchaser shall direct provided that the Purchaser may upon any material breach by the Vendor of any term of this Master Agreement (and in particular any breach of clause 4, 6, 8 or 9), terminate the Vendor's authority and agency to collect sums from Customers under the Purchased Agreements and the Vendor shall then cease to collect or engage in collecting them and (for the avoidance of doubt) the Collection Charge shall thereupon cease to be deductible from sums due under the Purchased Agreements and shall no longer be payable by the Purchaser to the Vendor irrespective of the method used to calculate the Collection Charge;

- (g) to comply with the provisions of the Data Protection Act 1998 and to indemnify the Purchaser against any Loss suffered, incurred or paid by the Purchaser in connection with any breach by the Vendor of the Data Protection Act 1998; and
  - (h) to comply with its obligations under the Facility Letter.
  - (i) that as regards every Periodic Sum, the Vendor 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 Vendor will not assign, charge nor otherwise dispose or deal with any Periodic Sum or the Goods (or purport to do any of the above) except as expressly provided for in this Agreement,
  - (j) that all facts, figures and statements of any kind and all signatures appearing on every Purchased Agreement and other document supplied to the Purchaser as evidence of or relating to a the Contract Rights will be true and genuine,
  - (k) that all amounts due in respect of the Periodic Sums shall be due for payment in accordance with the payment terms stated in the Purchased Agreements and that Purchased Agreements shall not at any time altered, waived or terminated without the prior written consent of the Purchaser,
  - (l) that the Vendor will advise the Purchaser of all such facts and circumstances as it may suspect or which come to its knowledge affecting the credit of any Customer or which otherwise might affect the interests of the Purchaser 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 Vendor and any Customer in relation to the Purchased Agreements immediately the Vendor becomes aware of the same,
  - (m) that the Vendor will make all relevant tax payments and returns in relation to the Goods,
  - (n) that the Vendor shall fulfil its obligations under each Purchased Agreement and shall indemnify the Purchaser against any claims resulting from its failure to do so,
  - (o) that, if at the request of the Purchaser, the Vendor shall repossess any Goods it shall not repossess any Goods contrary to law or in an illegal manner and shall indemnify the Purchaser against any and all claims arising from any repossession and shall hold all repossessed Goods on trust for the Purchaser and deal with the same as the Purchaser shall direct,
  - (p) that, at its own expense, the Vendor shall give the Purchase any assistance it requires to enforce collection of the Periodic Sums, and
  - (q) that it will not create or permit to subsist any charge or other encumbrance over the Purchased Rights and/or Goods without the prior written consent of the Purchaser.
- 4.2 Vendor shall indemnify and keep the fully indemnified the Purchaser against all losses, claims, damages, costs, charges, expenses and other liabilities of whatsoever nature suffered or incurred by the Purchaser in connection with

any breach or non-fulfilment by the Vendor of any of its obligations or warranties under this agreement, any claim by any Customer or any other person relating to a Purchased Agreement or to the effect that the Vendor has failed to perform any of its obligations under a Purchased Agreement and the Vendor shall pay to the Purchaser without any deduction whatsoever, the amount of any losses, claims, damages, costs, charges, expenses and other liabilities so suffered or incurred by the Purchaser.

**5. POWER OF ATTORNEY**

As security for its obligations under this Master Agreement, the Vendor appoints the Purchaser the Vendor's attorney for the purposes of the execution of any assignment required to be executed by the Vendor in favour of the Purchaser under the provisions of this Master Agreement or any assignment or novation hereof and for the purpose of executing all other documents necessary or desirable to vest or perfect title in the Purchaser to any of the Purchased Rights.

**6. REPRESENTATIONS AND WARRANTIES BY VENDOR**

**6.1 The Vendor hereby represents and warrants that:**

- (a) it is a company or limited liability partnership duly incorporated and validly existing in its jurisdiction of incorporation;
- (b) it has the power to enter into, exercise its rights and perform and comply with its obligations contained in this Master Agreement and no limit on its power will be exceeded by the performance of its obligations under this Master Agreement;
- (c) the execution and delivery of this Master Agreement, performance by the Vendor of its obligations under this Master Agreement and the transactions contemplated hereby will not:
  - (i) contravene any existing applicable law to which the Vendor is subject;
  - (ii) conflict with or result in a breach by the Vendor of any agreement to which the Vendor is a party or which is binding on any of its assets; or
  - (iii) contravene the terms of any of the Vendor's constitutional documents or the terms of any prior security over any of its assets given by the Vendor to any Customer;
- (d) it has obtained and will maintain in full force and effect throughout any period in which this Master Agreement is in force all necessary consents and licences necessary for the carrying on of its business and the performance of its obligations under this Master Agreement;
- (e) this Master Agreement is entered in the normal course of business of the Vendor and the carrying out of the transactions contemplated by this Master Agreement shall be construed as part of the carrying on of the normal course of business of the Vendor;
- (f) unless previously disclosed in writing to the Purchaser prior to the date of the relevant Offer, no Customer is either:
  - (i) a subsidiary of the Vendor;
  - (ii) the holding company of the Vendor; or

- (iii) a subsidiary of the holding company of the Vendor (in each case, as the terms "subsidiary" and "holding company" are defined in section 736 of the Companies Act 1985);
- (g) the Vendor is the legal and beneficial owner of the Purchased Rights and entitled to sell and assign the same to the Purchaser free from any encumbrance and that the Purchased Rights are legally enforceable by the Vendor and remain to be paid in full, and will not be old, overdue, contingent or disputed, and that the particulars of the Purchased Rights in the relevant Purchased Agreement are true and accurate,
- (h) the Vendor has not sold or assigned or offered to have sold or assigned the Purchased Rights to any person other than the Purchaser, and that there will be no set-off, counterclaim, deduction or extension of time applicable to the Purchased Rights and no justification for non-payment of the full amount due in respect of the Periodic Payments by the Customer,
- (i) all the requirements of the Consumer Credit Act 1974 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 fully complied with in relation to the Purchased Agreements and that the Vendor will continue to comply with all such requirements to ensure that each Purchased Agreement remains fully enforceable at all times,
- (j) the deposit shown in each Purchased Agreement was paid in the manner stated and so far as the Vendor is aware, any allowance given to the Customer for Goods taken in part exchange is reasonable in relation to the value of such Goods.
- (k) the Vendor is the legal and beneficial owner of the Goods specified in any Purchased Agreements and the Goods are free from any encumbrances
- (l) the Goods specified in each Purchased Agreement are in good order, repair and condition and are fit for the Customer's purpose and comply in all respects with the requirements of law and with all the provisions of the Purchased Agreements,
- (m) the Goods specified in each Purchased Agreement have been duly delivered to and accepted by the relevant Customer under the terms of the Purchased Agreement,
- (n) each Purchased Agreement is fully valid and enforceable and is not disputed or subject to cancellation or rescission by the relevant Customer and each Purchased Agreement has not been breached by the relevant Customer,
- (o) any insurance required under a Purchased Agreement has been effected,
- (p) none of the Purchased Agreements which are the subject of an offer by the Vendor pursuant to the terms of this Agreement have been varied by the Vendor and no side letters or side agreements (which have not been disclosed to the Purchaser before the Purchaser accepts an Offer) have been entered into by the Vendor in relation to any Purchased Agreements and all such Purchased Agreements are in the form of the Agreements delivered by the Vendor to the Purchaser with the relevant offer pursuant to clause 2,

- (q) any claim which the Vendor is entitled to make in respect of loss or damage to Goods has been or will be punctually made,
  - (r) any proceeds of any claims in respect of Purchased Rights are or will be held in trust for the Purchaser and will be paid over immediately,
  - (s) the Customer under a Purchased Agreement has not made any claim (meritorious or otherwise) which remains outstanding in connection with the Goods the subject of the Purchased Agreement for any reason whatsoever including but without limitation and claim, complaint or rejection by virtue of delay in the delivery, condition, fitness for purpose, satisfactory quality or description of the Goods
  - (t) both on the making of an offer by the Vendor and on the acceptance of such offer by the Purchaser pursuant to clause 3 no event referred to in clause 16 has occurred and is continuing,
  - (u) the Purchased Agreement and any related Security is governed by the laws of England, constitute the legal, valid and binding obligations of the relevant Customer and Security provider,
  - (v) the particulars contained in the Listing Schedule relating to the Purchased Rights are true and accurate in all respects and the Vendor has no information which might prejudice or affect any of the rights, power or ability of the Purchaser to enforce any provision of the Purchased Agreement or any Security relating thereto,
  - (w) the details of the Customer and the particulars of the Goods and other information set out in the Listing Schedule are correct in every respect,
  - (x) all statements and information supplied to the Purchase are to the best of the Vendor's knowledge, true and accurate in all respects, and
  - (y) the Purchased Agreements and the Purchased Rights are, at all times, broadly representative of the Vendor's portfolio of Agreements as a whole by reference to the risk grade and asset type and furthermore are also representative of the lease receivables which the Vendor offers to other funders
- 6.2 The representations and warranties in clause 6.1 are made by the Vendor on the date of this Master Agreement and shall be deemed to be made by the Vendor by reference to the facts and circumstances then existing:
- (a) on the date of each Offer; and
  - (b) the date any such Offer is accepted by the Purchaser; and
  - (c) in respect of any Agreement accepted in substitution for a Purchased Agreement under clause 9 below, on the date of the substitution in respect of that substitute Agreement.
- 6.3 References in clause 6.1 to an Agreement shall be deemed to include references to each Agreement the subject of any Offer (which subsequently becomes a Purchased Agreement) and each Purchased Agreement.

**7. VENDOR COVENANTS AND WARRANTIES**

- 7.1 The Vendor covenants to the Purchaser the payment of each Minimum Sum.
- 7.2 The Vendor shall promptly indemnify the Purchaser against any Loss which the Purchaser may suffer, incur or pay pursuant to or in connection with any Purchased Agreement.
- 7.3 The Vendor shall be liable to indemnify the Purchaser under clause 7.2 whether or not:
- (a) the relevant Loss results from the breach by any Customer of its obligations under the relevant Purchased Agreement;
  - (b) the Purchaser has any legal right to claim against any Customer or other person for the relevant Loss but if it has such a right it shall assign the benefit of all such rights on receipt of the indemnity monies from the Vendor and return all original paperwork to the Vendor and re-assign the Purchased Rights to the Vendor; or
  - (c) the Purchaser has availed itself of its legal remedies against any Customer or other person or against the goods comprised in the relevant Purchased Agreement.
- 7.4 Without prejudice to clause 7.2, a Loss shall be deemed to have been suffered, incurred or paid by the Purchaser pursuant to or in connection with a Purchased Agreement:
- (a) with respect to any representation, warranty or statement made by the Vendor under or in connection with this Master Agreement which is or proves to have been incorrect or misleading in any respect when made upon the date on which the Purchaser purchased or purported to purchase the Contract Rights under the Agreement or Purchased Agreement in respect of which such representation, warranty or statement has been made;
  - (b) upon termination of the relevant Purchased Agreement or of the hiring of the goods comprised in the relevant Purchased Agreement save where termination is by way of expiry of the agreed term of hire;
  - (c) upon a Customer making default for 60 days if a Periodic Sum is monthly or 30 days for if a Periodic Sum is quarterly in payment of any sum due under the relevant Purchased Agreement; and
  - (d) if the Purchaser does not receive from the Vendor within 14 days of the due date therefor and in accordance with the terms of clause 8, an amount equal to the Minimum Sum,
- whichever of the foregoing events shall first occur.
- 7.5 Any Loss that is deemed to have occurred pursuant to clause 7.4 shall be computed as:
- (a) where the relevant Purchased Agreement is a Hire Purchase Agreement, a Conditional Sale Agreement, a credit sale agreement, a Hire Agreement which states a fixed or primary period or a loan, the aggregate of the unpaid Periodic Sums less any discount for prepayment at the rate inherent in the underlying agreement. ; and
  - (b) where the relevant Purchased Agreement is a Hire Agreement which does not state a fixed or primary period but states a minimum period of leasing, the aggregate of the unpaid Periodic Sums payable in the minimum period , less any discount for prepayment at the rate inherent in the underlying agreement.

together with, in each case, interest on overdue instalments, all legal and other expenses incurred by the Purchaser in relation to the Purchased Agreement and all other sums for which the Customer is liable under the Purchased Agreement (or would be liable if the Purchased Agreement were binding on him) and has not paid to the Purchaser less such rebate for the acceleration of payment as the Purchaser would have been obliged to allow the Customer under the terms of the relevant Purchased Agreement if the Customer had completed its payments on the date of the deemed Loss.

## **8. PAYMENTS UNDER THE PURCHASED AGREEMENTS**

- 8.1 The Vendor shall collect, as agent for the Purchaser, all sums paid in connection with the Purchased Rights.
- 8.2 The Vendor shall remit to the Purchaser each Minimum Sum at a time specified in writing by the Purchaser from time to time. To the extent that the Customer under the relevant Purchased Agreement does not make any such payment, the Vendor undertakes to make payment of the same to the Purchaser.
- 8.3 Upon receipt of an amount equal to or exceeding the aggregate of the Minimum Sums in relation to a Purchased Agreement, the Purchaser will transfer back to the Vendor (without consideration) the Purchased Rights in relation to that Purchased Agreement 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 Vendor.

## **9. SUBSTITUTE AGREEMENTS**

- 9.1 If, with respect to any Purchased Agreement(s):
- (a) any Loss is suffered or incurred by the Purchaser;
  - (b) the Vendor wishes to be excused from (or breaches) its obligations under clauses 8.1 and/or 8.2;
  - (c) the relevant Customer wishes to enter into a separate agreement with the Vendor for goods of a superior specification than those comprised in such Purchased Agreement; or
  - (d) there is non-compliance with paragraphs 9 (a) and 9(b) of the Facility Letter,
- the Vendor shall forthwith request (and, if the Purchaser requires, the Vendor shall request) that the Purchaser exchanges the Contract Rights under that Purchased Agreement in substitution for the Contract Rights under an Agreement which has not been the subject of any Offer (any such Agreement being a "Substitute Agreement") and which complies with the requirements of clause 9.2.
- 9.2 Any Substitute Agreement(s) offered to the Purchaser under clause 9.1 shall:
- (a) be an agreement under which the aggregate of the unpaid Periodic Sums is not less than the aggregate of the unpaid Periodic Sums under the relevant Purchased Agreement;
  - (b) in all cases, goods acceptable to the Purchaser of the nature of those comprised in the relevant Purchased Agreement; and
  - (c) give effect to compliance with paragraphs 9(a) and 9(b) of the Facility Letter.
- 9.3 The Purchaser shall be under no obligation to agree any request to accept any Contract Rights with respect to any Substitute Agreement in exchange for Contract Rights under a Purchased Agreement and may agree to such request in its absolute discretion.
- 9.4 In relation to each Purchased Agreement referred to in clause 9.1(c), the Purchaser hereby appoints the Vendor as its agent (and the Vendor hereby accepts such



appointment) to agree with such Customer the terms under which the relevant Purchased Agreement is terminated provided that such termination will take effect only from the date upon which the relevant Substitute Agreement is accepted by the Purchaser in accordance with this Master Agreement. For the avoidance of doubt upon acceptance by the Purchaser of the relevant Substitute Agreement the Purchaser shall transfer to the Vendor (without consideration) the Purchased Rights in relation to that Purchased Agreement.

- 9.5 Any Substitute Agreement which is accepted by the Purchaser under this clause 9 shall constitute a **"Purchased Agreement"** for the purpose of this Master Agreement. Following the vesting in the Purchaser of the Purchased Rights pursuant to clause 3.2 in the Substitute Agreement, the Purchaser shall re-assign such interest as it has in the Purchased Rights relating to the Purchased Agreement which has been replaced by the Substitute Agreement.

10. **INTEREST ON OVERDUE PAYMENTS**

In the event of the Vendor failing to pay any sum due by it under this Master Agreement or the Facility Letter on its due date the Vendor shall be liable to pay interest on such sum at the rate of 2% per annum above the base lending rate of National Westminster Bank plc from time to time in force from the due date of demand for payment until the date when payment is made. Such interest shall accrue from day to day and shall run after as well as before any judgement or decree obtained against the Vendor.

11. **STATUTORY RIGHTS**

The terms and conditions in favour of the Purchaser under this Master Agreement shall be in addition to and not in substitution for any terms, conditions or warranties implied in favour of a purchaser of goods under applicable law and regulation (including under the Sale of Goods Act 1979).

12. **TAXES AND GROSS UP**

- 12.1 All payments by the Vendor under this Master Agreement shall be made without set-off or counterclaim whatsoever and free and clear of any tax, deduction or withholding of any kind save as required by applicable law.

- 12.2 All amounts payable under this Master Agreement by either party to the other shall be deemed to be exclusive of VAT.

13. **VENDOR NOT AGENT**

Save as expressly provided by this Master Agreement, the Vendor is not the agent of the Purchaser nor shall the Vendor be deemed to have authority from the Purchaser for any purpose.

14. **CHARGE**

- 14.1 The Vendor with full title guarantee (as defined in the Law of Property (Miscellaneous Provisions) Act 1994) hereby (and to the intent that the security so constituted shall be a continuing security in favour of the Purchaser) charges by way of first floating charge for the payment and discharge of the Secured Obligations all its right, title and interest, present and future, in and to (a) the Unassigned Contract Rights and (b) the Goods.

- 14.2 If the Vendor fails to perform or observe any of its obligations under this clause 14, the Purchaser shall be entitled but not obliged to take such steps as it thinks fit in or towards making good the Vendor's default. All money paid by the Purchaser in the exercise of its rights under this clause 14 shall be money properly paid by it and the Vendor shall pay them to the Purchaser on demand.

- 14.3 The Vendor irrevocably and by way of security appoints each of them, the Purchaser and any person nominated for the purpose by the Purchaser in writing under hand by an officer of the Purchaser severally as attorney of the Vendor and in its name on its behalf and as its act and deed to execute seal and deliver and otherwise perfect any deed (including but not limited to the Deed of Assignment) assurance agreement instrument act or thing which it ought to execute and do under the covenants undertakings and provisions contained in this clause 14 or which may required or deemed proper in the exercise of any rights or powers under this floating charge pursuant to this clause 14 or otherwise for any of the purposes of the security provided hereunder and the Vendor covenants with the Purchaser to ratify and confirm all acts or things made done or executed by such attorney as specified above.
- 14.4 The security under this clause 14 shall be a continuing security to the Purchaser and shall not be considered as satisfied or discharged by any intermediate payment of the whole or part of the Secured Obligations and shall be in addition and without prejudice to or affect any other mortgages charges securities liens remedies or guarantees whatsoever which may now or at any time subsequently be held for in respect of the Secured Obligations.
- 14.5 The security constituted by this Master Agreement shall be in addition to any other security the Purchaser may at any time hold for any of the Secured Obligations, and shall remain in full force and effect until discharged by the Purchaser.
- 14.6 The Vendor shall whenever requested by the Purchaser execute such further security as the Purchaser may direct over the Unassigned Contract Rights and/or the Goods or take any other steps as the Purchaser may require for improving or perfecting the security hereby constituted.
- 14.7 On the occurrence of any event which is or which may with the passage of time become one of those events mentioned in clause 16, the Purchaser may:
- (a) by notice in writing to the Vendor convert the floating charge hereby created into a fixed charge over the Unassigned Contract Rights and/or the Goods, and the Vendor'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 Purchaser, and/or
  - (b) 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 Vendor which shall be solely responsible for his acts and defaults and for the payment of his remuneration.
- 14.8 The foregoing power of appointment of a receiver shall be in addition to all statutory and other powers of the Purchaser under the Law of Property Act 1925 and the statutory powers of sale and of appointing a receiver shall be exercisable without the restrictions contained in sections 103 and 109 of that Act or otherwise and the foregoing power to appoint a receiver hereinbefore or by statute conferred shall be and remain exercisable by the Purchaser notwithstanding any prior appointment in respect of all or any part of the Unassigned Contract Rights and/or the Goods.
- 14.9 On the occurrence of any event mentioned within clause 16 the charge created by clause 14.10 shall automatically, without notice, be converted into a fixed charge and thereafter the provisions of clauses 14.13 and 14.14 shall apply.

- 14.10 The Vendor shall not create or permit to subsist any charge or other encumbrance over the Unassigned Contract Rights and/or the Goods without the prior written consent of the Purchaser.
- 14.11 Section 93 of the Law of Property Act 1925 (relating to the consolidation of mortgages) shall not apply to this Master Agreement.
- 14.12 This Master 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 this clause 14.
- 15. NOTICES**
- 15.1 Any communication to be made under or in connection with this Master Agreement or the Facility Letter shall be made in writing and may be made by letter or fax.
- 15.2 The address and fax number of the Vendor for any communication or document to be made or delivered under or in connection with this Master Agreement is as set out in the Facility Letter or any substitute address or fax number as the Vendor may notify to the Purchaser by not less than 5 Business Days' notice.
- 15.3 Any communication or document made or delivered by one person to another under or in connection with this Master Agreement will only be effective:
- (a) if by way of fax, when received in legible form; or
  - (b) if by way of letter, when it has been left at the relevant address or two Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address.
- 16. TERMINATION**
- A) If,
- 16.1 the Vendor commits any breach of the Facility Letter, or
- 16.2 any representation or warranty made by the Vendor in connection with the facility Letter proves to have been incorrect or misleading in any way, or
- 16.3 the Vendor fails to make any payment due under this agreement and/or any Listing Schedule, or under any other agreement with the Purchaser at the time and in the manner specified in the relevant agreement, or
- 16.4 any representation or warranty made by the Vendor herein or 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
- 16.5 the Vendor fails to perform any of its obligations hereunder and/or under any Listing Schedule, or under any other agreement with the Purchaser and, if such default is capable of remedy, the same is not remedied within fourteen days of the date of such default, or
- 16.7 the Vendor makes any arrangement or composition with its creditors or commits any act of bankruptcy or has a trustee in bankruptcy appointed over any or all of its assets, or

- 16.8 the Vendor fails to meet its debts as they fall due or if any petition is presented or resolution passed or order made for winding up of the Vendor, or
- 16.9 the Vendor ceases or threatens to cease to carry on business or disposes of all or a substantial part of its assets and/or business, or
- 16.10 the Vendor has a distress execution or other process levied on any of its assets which is not discharged within 5 days, or
- 16.11 a petition is presented for the winding up of the Vendor or the appointment of an administrator or receiver, or a liquidator administrator or receiver is appointed or any steps are taken to appoint a liquidator administrator or receiver over any part of the Vendor's assets or undertaking, or
- 16.12 there is a change in the ownership or control of the Vendor from that existing at the date of this agreement, to which the Purchaser has not previously given its prior written consent or
- 16.13 there is in the opinion of the Purchaser a material adverse change in the financial position or business of the Vendor, or
- 16.14 any of the directors of the Vendor become the subject of any criminal proceedings in any jurisdiction whatsoever, or
- 16.15 any of the directors of the Vendor become the subject of civil proceedings where there is a finding by the court of alleged fraud or misrepresentation in any jurisdiction whatsoever, or As above
- 16.16 the Vendor fails to deliver to the Purchaser originals of the Purchased Agreements referred to in a Listing Schedule within 5 business days of payment of the Purchase Price,

then the Purchaser shall be entitled to terminate this agreement immediately by notice in writing.

- (B) If the Vendor wishes to terminate this Agreement, the Vendor shall give 3 months' written notice of termination to the Purchaser, from which time no further Facility Fees will be due from the Vendor. Any Facility Fees already paid by the Vendor to the Purchaser will not be refundable.

## **17 EFFECT OF NOTICE OF TERMINATION**

- 17.1 Upon notice to terminate this agreement, the Vendor shall offer no further Contract Rights to the Purchaser under this agreement but the provisions of this agreement shall including, but not limited to, the Purchaser's rights set out in clause 4.1 (f) and this clause 17, continue to govern the rights and obligations of the Vendor and the Purchaser in relation to any existing Purchased Agreements.
- 17.2 Upon and after the termination of this agreement for whatever cause the Purchaser 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 Purchaser) the whole or any part of the sums which might then or subsequently

otherwise be due from the Purchaser to the Vendor provided that the amount so withheld at any time shall not exceed the outstanding amount due or to become due in respect of the Periodic Sums

17.3 Upon the occurrence of any of the events referred to in clause 16, the Purchaser may by notice in writing require the Vendor to repurchase all or any of the Contract Rights and the Vendor shall thereupon repurchase such Contract Rights in accordance with the provisions of clause

17.4 Any repurchase of the Purchased Rights by the Vendor following notice by the Purchaser pursuant to clause 17.3 shall be on the following terms:

a) the Repurchase Price payable by the Vendor 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 Purchaser hereunder including but without limitation all arrears and any interest thereon and the Discount Charge; plus

(C) any costs incurred by the Purchaser 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 Vendor in respect of the applicable Purchased Rights to the Purchaser in cleared funds;

b) title to such Purchased Rights will not pass to the Vendor until receipt by the Purchaser 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 Purchaser has such title to the same as it acquired from the Vendor) shall be excluded to the full extent permitted by law.

17.5 Upon payment of the Repurchase Price under clause 17.4 the ownership and all subsisting rights in respect of the Purchased Rights to which the Repurchase Price relates shall be revested in the Vendor. On such revesting all the Purchaser's rights and obligations under this agreement in relation to such Purchased Rights shall thereafter cease but without prejudice to the Purchaser's rights accrued before revesting.

## **18 RIGHT OF SET-OFF**

Without prejudice to any of its other rights and remedies the Purchaser shall be entitled to set-off all or any of its liabilities to the Vendor against all or any of the Vendor's liabilities to the Purchaser under this agreement or account.

**19 MISCELLANEOUS**

- 19.1 No failure to exercise, nor any delay in exercising, on the part of the Purchaser, any right or remedy under this Master Agreement shall operate as a waiver of such right or remedy. No single or partial exercise of any such right or remedy shall prevent any further or other exercise of such right or remedy or the exercise of any other right or remedy. The rights and remedies provided in this Master Agreement are cumulative and not exclusive of any rights or remedies provided by law.
- 19.2 Any amendment or waiver of any provision of this Master Agreement and any waiver of any default under this Master Agreement shall be effective only if made in writing and signed by the Purchaser.
- 19.3 A certificate by the Purchaser as to any sum payable to it under this Master Agreement shall, in the absence of manifest error, be conclusive for the purposes of this Master Agreement and *prima facie* evidence in any legal action or proceeding arising out of or in connection with this Master Agreement;
- 19.4 The parties agrees to keep confidential, subject as hereinafter provided, all information regarding the other party's business and operations which it acquires as a consequence of having entered into this Agreement.
- 19.5 No party shall be precluded by virtue of the preceding provisions of Clause 16.4:
- (a) from disclosing information which is in the public domain;
  - (b) from disclosing information which is trivial or obvious;
  - (c) from disclosing information in circumstances where it is required by law to make such disclosure;
  - (d) from disclosing information to its auditors or other professional advisers for the purpose of receiving their advice or for audit purposes;
  - (e) from disclosing information to its parent, subsidiary and associated companies in circumstances where it reasonably believes that the relevant company will maintain the confidentiality of such information.
- 19.6 This Master Agreement shall be binding upon and enure to the benefit of the Purchaser and the Vendor and each of their respective successors and permitted assigns.
- 19.7 The Purchaser may assign and/or transfer any of its rights and obligations under this Master Agreement (including in relation to any Purchased Agreement and any Contract Rights). The Vendor shall not, without the express prior written consent of the Purchaser, assign or transfer any of its rights or obligations under this Master Agreement.
- 19.8 In the event that any provision of this Master Agreement shall be declared by any court or other competent authority to be void or unenforceable by reason of any

provision of applicable law it shall be deleted and the remaining provisions of this Master Agreement shall continue in full force and effect.

19.9 A person who is not a party to this agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement.

19.10 This Master Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Master Agreement.

## **20 GOVERNING LAW AND JURISDICTION**

20.1 This Master Agreement is governed by English law.

20.2 The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Master Agreement (including a dispute regarding the existence, validity or termination of this Master Agreement).

This Master Agreement has been entered into as a deed on the date stated at the beginning of this Master Agreement.

## SCHEDULE 1

### Form of Offer

xxxxxxxxxxxxxxxxxx

[Address]

Fax: [•]

Attention: [•]

[Date]

Dear Sirs,

**Offer pursuant to the Master Receivables Discounting Agreement dated [•] and made between xxxxxxxxxxxxxx and [•] (the Master Agreement).**

We refer to the Master Agreement. Terms used in this Offer shall have the meanings given to such terms in the Master Agreement.

We hereby offer to sell to you all our right, title, interest and benefit in and to the Contract Rights under the Agreements set out in the Listing Schedule attached to this Offer.

We represent and warrant the facts and matters in clause 6 of the Master Agreement and we agree that this Offer and any purchase by you pursuant to this Offer shall be governed by the terms and conditions of the Master Agreement.

If you wish to accept this Offer please:

- 1 execute the attached Deed of Assignment and deliver a copy and the original of such executed Deed of Assignment to us; and
- 2 pay the [Purchase Price] in respect of the Contract Rights the subject of this Offer by [CHAPS transfer] to [•] of [•], sort code [•], account number [•].

This Offer is governed by English law.

Yours faithfully,

***This is an example only***

For and on behalf of

[Vendor]



## **SCHEDULE 2**

### **Form of Listing Schedule**

This is the Listing Schedule referred to in the Offer dated [●] from [●] and made pursuant to the Master Receivables Discounting Agreement dated [●] and made between xxxxxxxxxxxxxxxxxxxx and [●].

<b>Name of Customer</b>	<b>Details of Goods</b>	<b>Agreement Number</b>	<b>Repayment Terms</b>	<b>Repayment Amount</b>	<b>Remaining Period</b>	<b>Balance Due</b>
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**SCHEDULE 3**  
**Form of Deed of Assignment**

XXXXXXXXXXXXX  
[Address]

Fax: [•]  
Attention: [•]

[Date]

Dear Sirs,

**Master Receivables Discounting Agreement dated [•] and made between XXXXXX (the "Vendor") and CIT Vendor Finance (UK) Limited (the "Purchaser") (the "Master Agreement")**

We refer to the Master Agreement and to the Offer dated [•] from us to you (the "Offer").

Terms used in this Deed of Assignment shall have the meanings given to such terms in the Master Agreement.

As absolute owner and with full title guarantee, the Vendor hereby assigns irrevocably and absolutely to the Purchaser, all of the Contract Rights with respect to the Agreements set out in the Listing Schedule (other than the Contract Rights with respect to those Agreements which the Purchaser rejects pursuant to clause 3.1 of the Master Agreement).

The Purchase Price with respect to the Contract Rights, the subject of this Deed of Assignment and Charge is £[•].

The parties confirm that the foregoing assignment is made pursuant to the Master Agreement and that all the provisions of the Master Agreement shall apply in relation to this Deed of Assignment.

This Deed of Assignment is governed by English law.

**EXECUTED** as a Deed )  
for and on behalf of )  
[•] )  
acting by [•] )  
and by [•] )

***This is an example only***  
Director


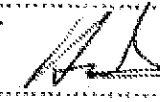
***This is an example only***  
Director/Secretary

**SIGNED** )  
for and on behalf of )  
XXXXXXXXXXXXX )  
acting by [•] )

***This is an example only***  
Authorised Signatory

SIGNATURE PAGE

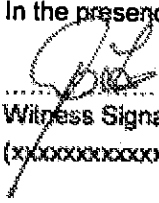
EXECUTED as a Deed )  
For and on behalf of )  
1PM (UK) LIMITED )  
acting by its duly authorised attorney )

  
.....  
Director  
  
.....  
Director/Secretary

EXECUTED as a Deed )  
For and on behalf of )  
CIT VENDOR FINANCE (UK) LIMITED )  
acting by its duly authorised attorney )

.....  
Director  
  
.....  
Authorised Signatory

In the presence of :

  
.....  
Witness Signature  
(xxxxxxxxxxxxxxxxxx)