

# Relendex

## Terms and Conditions for prospective Lenders

(As amended on 30<sup>th</sup> August 2021)

The following Terms and Conditions explain:

- how the Relendex platform (the “**Relendex Platform**”) works;
- how to become a member of the Relendex Platform as a prospective Lender; and
- how you may use the Relendex Platform operated by Relendex Limited at [www.Relendex.com](http://www.Relendex.com) (the “**Relendex Website**”).

If you decide to become a member of the Relendex Platform as a prospective Lender, you must comply with these Terms and Conditions. These Terms and Conditions should be read alongside, and are in addition to, our privacy policy ([accessible here](#)). These Terms and Conditions should also be read alongside the Terms and Conditions for Relendex IFISAs which terms and conditions apply to applicants and members of the Relendex Platform who decide to open a Relendex IFISA in addition to these Terms and Conditions.

Please read these Terms and Conditions carefully and print a copy for your future reference. By using the Relendex Platform and the services provided via the Relendex Website, you confirm that you have read, understood and agree to these terms and conditions and the privacy policy (each as amended from time to time) and where you're acting on behalf of an LLP, limited company or public body that the person which you represent agrees to these Terms and Conditions. If you do not agree to these Terms and Conditions, you must stop using the Relendex Platform and the Relendex Website immediately.

References in these Terms and Conditions to “**Relendex**”, “**we**”, “**us**” and “**our**” are to Relendex Limited (a company incorporated in England & Wales under number 07486328, whose registered office is at Ground Floor, 45 Pall Mall, London SW1Y 5JG and entered on the Financial Conduct Authority Register reference number FRN723117. References to Relendex, may, depending on the context, be to the Relendex Platform operated by us through the Relendex Website. References to “**you**” and “**your**” mean a user of the Relendex Website and the services provided via the Relendex Website, whether as an individual or on behalf of an entity which meets the lender criteria set out below. References to a “**Borrower**” are to a person to whom monies will be lent by persons which agree to lend via the Relendex Website (each such person being a “**Lender**”). Other capitalised terms and expressions used in these Terms and Conditions shall unless the context otherwise requires have the meaning set out in section 0 below.

The way that the Lending process works overall is that Borrowers and their borrowing proposals will be identified through the Relendex Platform and as a Lender you will have the opportunity, with other Lenders, to participate in Lending to Borrowers. In order to participate in Lending to a Borrower you as a prospective Lender will be given the opportunity to bid in an auction process which is carried out through the Relendex Platform.

## **1. How to become a prospective Lender**

1.1 In order to be permitted to make bids to lend on the Relendex Platform you must meet the following conditions, unless otherwise agreed in writing by Relendex at its absolute discretion:

- (a) you must be an individual, LLP, limited company, partnership or public body;
- (b) you must not be subject to any restriction affecting your ability to lend on the Relendex Platform under the laws and regulations of any jurisdiction. You may not become a prospective Lender on the Relendex Platform and exchange if you are a resident or a citizen of the USA and its dependent territories;
- (c) you must have a valid and current bank or building society account (If this account is not with a UK bank or building society, we will need to verify the source of the funds which you propose to use to make loans via the Relendex Platform before we confirm to you your right to offer to make such loans, in accordance with section 1.10 below);
- (d) you must register your details on the Relendex Website; and
- (e) we must have confirmed to our satisfaction your suitability to be a prospective Lender on the Relendex Platform in accordance with section 1.10 below.

1.2 If you are using the Relendex Platform and the services provided via the Relendex Website, agreeing to these terms and conditions and/or entering into a Loan Facility Agreement or effecting a Novation on behalf of an LLP, limited company, partnership or public body and/or as trustee or nominee for a third party, you warrant in each case that you are duly authorised and/or have the requisite right and/or power to act on behalf of such entity or third party. We shall be entitled to rely on such warranty and shall not be required to investigate the grant and/or terms of such authority, right or power.

1.3 For the avoidance of doubt, there are no restrictions on the aggregate amount you can lend when you participate in Loans, although Auction Particulars may in some or all cases specify a minimum and/or a maximum amount which may be lent by Lenders in relation to a particular Loan to a Borrower.

1.4 You cannot be a Lender while you are also a Borrower with an outstanding Loan through the Relendex Platform, except where you are acting as a director of or member of a Borrower and wish to act as a Lender in a different capacity. No Self-Invested Personal Pension (SIPP) member, whose SIPP scheme is a Lender on the Relendex

Platform may also be a Borrower.

1.5 Relendex's principal role is to perform administrative functions: bringing together prospective Borrowers and Lenders, providing a stream-lined process for the provision of loans (including the development of standard form loan facility agreements) and co-ordinating and facilitating the payment and collection of sums due under or in connection with those loans (including certain actions upon a Borrower's default). Relendex will not perform any management functions on a Lender's behalf or otherwise. Lenders retain complete control over and discretion as to whether or not to offer to make a Loan to any Borrower. Nothing Relendex does and nothing on the Relendex Website or Relendex Platform is intended to operate or be construed as advice or recommendation by Relendex to participate in any way in any particular Loan made or proposed Loan to be made to a Borrower. By making a Bid you agree and acknowledge that you are not relying upon any such advice or recommendation.

1.6 Relendex allocates each Borrower a risk band classification based upon our assessment of such Borrower's creditworthiness (which may in turn be based upon a separate assessment made by a Property Adviser). There are four separate risk bands for this purpose: A+, A, B and C. Please note that you should not rely on any risk band classification. The provision of a risk band classification is intended to be indicative only. Since the risk bands are not an absolute measure of risk but a general indication of the risk of potential default involved in lending to a Borrower in a particular risk band (with Bands A+ and A being indicative of a lower risk of default and C being indicative of a higher risk of default). Notwithstanding any risk band classification, and except if you choose a Secured Portfolio, you must form your own opinion regarding the creditworthiness of a Borrower and undertake your own research, analysis and assessment of each Borrower in relation to each proposed Loan or existing Loan in which you offer to participate by making a Bid) and where appropriate, seek your own independent financial advice.

1.7 We accept no responsibility and disclaim all liability for any information concerning a Borrower which may be made available to prospective Lenders through the Relendex Platform or for any risk band classification. We may from time to time update or amend at any time information relating to and/or the risk band classification allocated to a Borrower, but do not accept any obligation to do so.

1.8 While we believe that access to the assets of a Borrower (via the security given by that Borrower to the Security Trustee) can provide additional comfort as to the likelihood of repayment, we give no warranty or representation as to the likelihood of a Borrower meeting its financial obligations in relation to any Loan even where there is recourse to the assets of any Borrower.

1.9 You warrant to Relendex that all information provided to us by you or any person on your behalf in the course of the registration and lending process is true and accurate

in all respects and not rendered misleading by any omission. You will inform us immediately in writing if any of the information you have provided to us is or becomes inaccurate or otherwise changes.

1.10 Once you are registered on the Relendex Website and have applied to become a Lender through Relendex, we will carry out Anti-Money Laundering, identity and fraud checks on you and your members, directors and shareholders. (Such checks are without prejudice to section 1.2 above). Relendex uses its own internal guidelines and policies when assessing applications but has complete discretion as to whether to allow you to become a prospective Lender (or continue to be a prospective Lender) on the Relendex Platform. We may require you to send us copies of any relevant passports or other identification documents, plus a utility bill and any other document or information we consider in our absolute discretion to be necessary or desirable in assessing your application. You are also required to provide details of your designated (registered) bank account from which you intend to send funds to the Relendex Client Bank Account or, as the case may be, Relendex ISA Client Account. If this remitting bank account changes you must immediately amend your Relendex Lender Account details. Relendex is only authorised to return funds to a Lender's designated bank account. If you do not provide all appropriate identification documents, utility bill and/or other information we may request you will not be authorised to trade and you will be unable to make offers to lend on the Relendex platform. For more details about how we use your information, please refer to our *privacy policy link*). Once we have satisfied ourselves as to your identity and suitability to be a prospective Lender on the Relendex Platform we will set up a Relendex Lender Account for you. If at any time, and for any reason whatsoever, we cease to be satisfied as to your identity and/or your suitability to be a prospective Lender we shall be entitled to suspend and/or terminate your rights to make any further Bids via the Relendex Platform.

1.11 You can transfer money into your Relendex Lender Account by bank transfer. It is important that you quote your Relendex Lender Account number in the narrative box if you transfer money using a bank transfer. Transfers will be deemed to be complete as soon as the relevant funds are credited to your Relendex Lender Account.

1.12 As soon as we receive and allocate funds to your Relendex Lender Account you can offer to participate in Loans through the Relendex Platform, up to the level of the funds in your Relendex Lender Account by making Bids in the manner detailed below.

1.13 Funds equal to the amount in your Relendex Lender Account will be held by Relendex in a segregated client account (the “**Client Bank Account**”). Funds held from time to time on behalf of members of the Relendex Platform who have opened a Relendex IFISA will be held in a separate segregated client bank account called the Relendex ISA Client Account and references to the Client Bank Account include references to the Relendex ISA Client Account where appropriate. Funds received by

us from you or otherwise held on your behalf will be held by us on trust for you and treated as Client Money in accordance with the FCA's Client Money Rules. The Client Bank Account is a segregated bank account opened at NatWest Bank plc in the UK. Funds at any time held by Relendex in a Client Bank Account may in some cases be covered and up to relevant limit protected by the Financial Services Compensation Scheme in the case of the insolvency of the bank at which the Client Bank Account is held. For the avoidance of doubt, Lender funds which at any time are lent to a Borrower through the Relendex Platform and constituting a Loan Part at any relevant time as referred to below would not be covered and protected by the Financial Services Compensation Scheme. The Funds will remain in the Client Bank Account until they are lent to a Borrower pursuant to a Loan Part. Funds will be transferred to the relevant Borrower from the individual Lender's sub-account within the Client Bank Account on draw down pursuant to a Loan Part, at which time your Relendex Lender Account will be debited by an amount equal to the amount of the draw down. If for any reason whatsoever a Loan Facility Agreement is either terminated prior to drawdown of the proposed Loan or not entered into by the Borrower at all, the amount of funds debited from your Relendex Lender Account will be re-credited to your Relendex Lender Account.

1.14 No interest will accrue or be credited to you in respect of funds held in the Client Bank Account before they are either deployed, for the purposes of either the participation in a Loan or the purchase of a Loan Part from another Lender. Funds held in the Client Bank Account will not be transferred from the Client Bank Account without the signature and authority of duly authorised representatives acting on behalf of Relendex.

1.15 You may only withdraw money from your Relendex Lender Account in excess of the total value of Accepted Bids and Active Bids (as those terms are defined in section 4.2 below) you have made from your Relendex Lender Account together, if applicable, with the amount of any funds re-credited to your Relendex Lender Account in accordance with section 1.13 above.

## **2. Username and password**

2.1 On registering with us as a prospective Lender you must provide a username and email address, enter a password and a Personal Identification Number ("**PIN**"). These must be used in order to access certain restricted parts of the Relendex Website. Each time you access your Relendex Lender Account you will need to enter your email address and password. Your username, password and PIN are personal to your Relendex Lender Account and are not transferable.

2.2 Your username, password and PIN are the methods used by us to identify you and so you must keep them secure at all times. We shall be entitled to accept as given by you any instruction where your email address and password has been used to

access the Relendex Website and/or use the services provided by the Relendex Website. We shall not be liable for acting on any such instruction.

2.3 You are responsible for all information provided and any activity on the Relendex Website by anyone using your username and password. If you authorise an employee, sub-contractor or agent to use your Relendex Lender Account you will be responsible for their activity on the Relendex Website. Any breach of security, loss, theft or unauthorised use of a username, password, PIN or security information must be notified to us immediately using the contact details at section 23 of these terms and conditions.

2.4 You agree not to adapt or circumvent the systems in place in connection with the Relendex Website.

2.5 Without prejudice to section 2.2, we reserve the right not to act on your instructions where we suspect that the person logged into your Relendex Lender Account is not you or we suspect illegal or fraudulent activity or unauthorised use.

### 3. The lending process

3.1 Relendex will identify a Borrower and its Loan Request and will negotiate a Term Sheet. Once the Term Sheet is signed by the Borrower and the bidding process set out in section 4 has concluded, Relendex will negotiate a Loan Facility Agreement with such Borrower. Both the Term Sheet and the Loan Facility Agreement will contain the Key Contract Terms agreed with such Borrower and the proposed interest rate. Where we consider appropriate, Relendex may segment the requested Loan into respective tranches ("**Tranches**") on the basis of the respective portions of the Loan that each such Tranche bears to the overall market value of the property offered by the Prospective Borrower by way of security for the requested Loan. The respective Tranches in relation to any requested Loan will be referred to as the "Secured Senior Ranking Tranche" ("**Secured Senior Ranking Tranche**") and the "Secured Junior Ranking Tranche" ("**Secured Junior Ranking Tranche**") with the exact portions of the Loan categorised as each respective Tranche being determined on a case by case basis by reference to the amount each Tranche bears to the market value of the property concerned. For example, it may be that the Secured Senior Ranking Tranche in relation to a particular Loan is a portion of the Loan equating to 50% of the market value of the relevant property offered as security and the Secured Junior Ranking Tranche is a portion of the Loan equating to the segment between 50% and 70% of the market value of such property. The relevant market value is that determined by the valuation obtained for the purposes of the Loan Request. Each Tranche in the proposed Loan will be attributed to a separate proposed Tranche Interest Rate which will be set out in the Auction Particulars for the proposed Loan with the Tranche Interest Rate for each Tranche taking into account, among other things, the respective risk attached to each such Tranche on the basis that, as described in more detail in section 10, the Secured Senior Ranking Tranche will rank ahead of the Secured Junior Ranking

Tranche in circumstances where there is a shortfall in the overall amount repaid by the Borrower or recovered from the realisation of any property provided to secure the Loan. The exact details of any Tranches and the respective Tranche Interest Rates and Tranche Service Fees (payable as part of the Tranche Interest) attaching to each such Tranche will be set out in the Auction Particulars for the proposed Loan.

3.2 There are several ways to offer to lend money through the Relendex Platform:

(a) You may select Borrowers by using a Relendex search tool to identify Loan Requests which have not been completed or withdrawn to which Borrowers you may wish to lend pursuant to a Loan Part and bid on those Loan Requests in an Auction described in section 4 below.

(b) You may bid to purchase outstanding Loan Parts belonging to other Lenders using a Relendex search tool in the Relendex Resale Marketplace. It is only possible to buy the whole of a Loan Part from another Lender.

(c) You may specify particular criteria (which have been determined by Relendex) to select prospective Borrowers with certain profiles to whom you may wish to lend pursuant to a Loan Part using a Relendex tool called AutoLending. Among other criteria you may specify is whether you wish to participate in Secured Senior Ranking Tranches and/or Secured Junior Ranking Tranches. The AutoLending facility allows you to bid automatically on Loan Requests which match your criteria in online auctions. It also allows you to bid automatically to purchase existing Loan Parts which match your criteria. Relendex may extend or change the criteria available on AutoLending from time to time.

(d) You may choose an Innovative Finance ISA product advertised on the Relendex Website which automatically lends your money for the stated term of the product against certain parameters, which include target rates of return, risk band classification and maximum loan to value ratios (a "**Secured Portfolio**"). Please see sections 4.9 to 4.13, 0 to 5.23, 7.6 and 8.5 to 8.9 for more details of the operation of a Secured Portfolio.

You may also use a combination of the above ways to offer to lend. There is more information on the Relendex Website at <http://www.relendex.com/about/auctions> and <http://www.relendex.com/additional-bidding-rules> which explains how to make offers to lend money and the bidding process and sets out additional rules which apply to the bidding process, including in particular in relation to the use of the AutoLending tool. Those rules supplement and are incorporated within these Terms and Conditions and prevail in the event and to the extent of any conflict between those rules and the other terms of these Terms and Conditions.

## 4. The bidding process

Sections 4.1 to 4.8 only apply for direct purchases of Loan Parts in live Auction (other than a Secured Portfolio auction) or the Relendex Resale Marketplace, Section 4.9 applies to Secured Portfolios only and Sections 4.10 to 4.14 apply to both direct purchases and Secured Portfolios.

### **Active Lender Process**

4.1 All applications by prospective Borrowers to borrow using the Relendex Website are carefully reviewed by experienced underwriters and classified at the initial application stage into risk bands based on an evaluation of the prospective Borrower, property asset, tenants and other market data. Borrowers that pass through this screening process may initiate a Borrower Requirement, which is available for review at [www.relendex.com/borrowing](http://www.relendex.com/borrowing) (the "**Borrower Requirement Pages**"). The Borrower Requirement Pages contain details specific to each Borrower, including the maximum amount the Borrower wishes to borrow, the property to be provided by way of security in respect of the proposed Loan, a valuation report and other professional reports, together if applicable with copies of lease documentation relating to that property and/or a summary of that documentation, the risk band classification of the Borrower determined by Relendex, and the terms applicable to the proposed Loan (including if applicable, whether there are separate Tranches and the respective interest rates attributed to each respective Tranche). The information and documentation available for review on or via the Borrower Requirement Pages are referred to as the "**Auction Particulars**"). Once you have selected a proposed Loan in which you would like to participate, you are required to choose the amount you wish to lend at the advertised annual interest rate for the relevant Loan or, as the case may be, Tranche and make an offer to lend. Provided you have sufficient funds in your Relendex Lender Account, this offer to lend, known as a "**Bid**", then becomes an "**Active Bid**" and is entered into the Auction on the relevant Borrower Requirement Page. On making a Bid your Relendex Lender Account will be debited with the amount of your Bid and the funds will be credited to the Bid Reserve Account.

4.2 The minimum Bid which may be made will be specified for each separate Auction. You can increase the amount of any Active Bid by the increments specified in each separate Auction.

4.3 You should read the Auction Particulars in relation to any Borrower Requirement carefully and in detail before deciding whether or not to make a Bid. You should seek your own independent professional advice in relation to the content of the Auction Particulars before making a Bid. By making a Bid, you confirm to that you have read, considered and understood the Auction Particulars in relation to the corresponding Borrower Requirement.

4.4 Bidding will continue until the proposed Loan has been Fully Funded. Upon a

proposed Loan becoming Fully Funded, the Auction will close.

4.5 Although Auction Particulars may and generally shall specify an Auction Period, including a latest date and time for the placing of Bids, the Auction Period may be extended by us at our absolute discretion at any time prior to its expiry, by notice posted on the relevant Borrower Requirement Page.

4.6 If you are using the AutoLending tool, you are required to specify in relation to any relevant proposed Loan the interest rate of the Loan Part in which you are prepared to participate. You will need to allocate funds to your AutoLending account on the Lender Dashboard. Relendex will automatically bid funds available in your Relendex AutoLending Account on all available Borrower Requirements that match your criteria. AutoLending will also automatically purchase Loan Parts listed for sale by existing Lenders that offer a rate equal to or above your offered rate. AutoLending will only purchase Loan Parts that have no premium or discount applied to the principal value outstanding.

4.7 A proposed Loan must be Fully Funded before it may be accepted by the relevant Borrower. A Loan will complete once it has become Fully Funded and the relevant Active Bids have been accepted.

4.8 Where Relendex collects arrangement fees from a Borrower which either elects not to accept the proposed Loan to which the relevant Auction relates, or elects to do so but fails to draw down the proposed Loan in any circumstances whatsoever, Relendex shall (in addition to re-crediting your Relendex Lending Account with the amount that had been credited to your Bid Reserve Account pursuant to section 4.1 in accordance with section 1.13 above) pay to you and all Parallel Lenders an aggregate amount (divided between you and the Parallel Lenders pro rata to the amount of your and their respective Accepted Bids) equal to fifty per cent of such arrangement fees.

### ***Secured Portfolios***

The following Section 4.9 only applies to Secured Portfolios.

4.9 If you choose a Secured Portfolio, you will need to fund your Relendex ISA Lending Account. You will then need to bid in an auction of a Secured Portfolio, as offered by Relendex from time to time, in order to purchase a part of the Secured Portfolio (a "**Secured Portfolio Part**") in an amount equal to the amount of the bid. Once Relendex confirms that the bid to purchase a Secured Portfolio Part is successful, it will automatically use the funds allocated to the Secured Portfolio Part to bid to acquire Loan Parts in Loans that match the parameters of the chosen Secured Portfolio. Such Loan Parts may be new Loan Parts in an Auction or Loan Parts listed for sale on the Relendex Resale Marketplace. Loan Parts will be allocated weekly to the Secured

Portfolio and interest will accrue to Lenders on the first working day following the close of the relevant Auction of the underlying Loan Parts.

### ***Terms applicable to the Active Lender Process and Secured Portfolios***

4.10 All Bids made by you in an Auction on the Borrower Requirement Pages (including by selecting a Secured Portfolio) or using AutoLending are final and cannot be withdrawn by you unless:

- (a) the Bid is not Accepted by us on or before the expiry of the Post-Auction Period;
- (b) we decline the Bid; or
- (c) we withdraw the relevant Loan Request from the Auction.

4.11 A Borrower will be entitled, at any time during the Post-Auction Period, to notify Relendex that they do not wish to accept the proposed Loan to which the relevant Auction relates. In those circumstances Active Bids made in that Auction will not be accepted and that proposed Loan will not come into legal effect.

4.12 We reserve the right to withdraw Borrower Requirements from an Auction, the availability of the AutoLending tool and the availability of a Secured Portfolio at any time at our sole discretion. We may also change from time to time the minimum and/or maximum amounts that you can Bid and will tell you about these changes on the Relendex Website.

4.13 You can monitor your current loan portfolio in the Lender Dashboard section of the Relendex Website. If you have a Secured Portfolio, your current loan portfolio will be available upon reasonable request.

4.14 If your Bid is not accepted, your Relendex Lender Account will be re-credited with the funds held in the Bid Reserve Account.

## **5. Entering into Loan Parts**

Sections 5.1 to 5.21 only apply to direct purchases of Loan Parts in live Auction (other than a Secured Portfolio auction) or the Relendex Resale Marketplace.

### ***Active Lender Process***

5.1 Making a Bid is an offer to enter into a Loan Facility Agreement with, among others, the relevant Borrower for the Loan Part in question. Pending the outcome of the Auction, funds of the Lender concerned held in the Bid Reserve Account equal to the prospective Loan Part may not be used to make other Bids or be withdrawn by you.

5.2 For the purposes of making Bids, at the time of any Bid, the amount of such Bid will automatically be debited from your Relendex Lender Account balance and credited to the Bid Reserve Account where it may not be used to make other Bids or be withdrawn by you. The actual funds representing the amount of such Bid will meanwhile, continue to be held in the individual Lender's sub-account within the Client Bank Account pending drawdown of the Loan by the relevant Borrower. You authorise us to transfer the funds held in your Lender sub-account within the Client Bank Account to the Borrower for the purpose of making the Facility available to the Borrower pursuant to a Notice of Drawing delivered in accordance with the relevant Loan Facility Agreement.

5.3 The Loan Part will be governed by the standard Loan Conditions and will incorporate the Key Contract Terms. The Key Contract Terms set out the specific details of the Loan, other than, if the Loan has been segmented into Tranches, the different Tranche Interest Rates and Tranche Service Fees which will apply to each Tranche which will be included within the Auction Particulars. You will be deemed to have accepted the Loan Conditions and Key Contract Terms by making or increasing a Bid, on each separate occasion that you do so.

### ***Relendex Resale Marketplace Process***

5.4 Subject to us (as platform operator) offering a facility for you to sell your interest in a Loan or Loan Part through the Relendex Resale Marketplace, you (the “**Existing Lender**”) may transfer by novation all or part of your rights and obligations in relation to a Loan or Loan Part to another party (the “**New Lender**”). The Existing Lender may transfer by novation all or part of its interests in a Loan or Loan Part.

5.5 The Borrower will give its consent, pursuant to section 7.1 of the terms and conditions applicable to the Borrower and the Loan Facility Agreement, to any transfer of a Loan or Loan Part made in accordance with the terms of the Loan Facility Agreement and these Terms and Conditions.

5.6 A transfer will only be effective if the procedure set out in section 5.9 is complied with.

5.7 Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

- 5.7.1 the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents, the Transaction Security or any other documents;
- 5.7.2 the financial condition of any Obligor;
- 5.7.3 the performance and observance by any Obligor of its

- obligations under the Finance Documents or any other documents; or
- 5.7.4 the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,

and any representations or warranties implied by law are excluded.

5.8 Nothing in any Finance Document obliges an Existing Lender to:

- 5.8.1 accept a re-transfer from a New Lender of any of the rights and obligations transferred under this section 5; or
- 5.8.2 support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Finance Documents or otherwise.

5.9 A transfer by an Existing Lender made under the Loan Facility Agreement and these Terms and Conditions is effected when the New Lender accepts the Existing Lender's offer to transfer a Loan or Loan Part by clicking the relevant acceptance button on the Relendex Resale Marketplace. On such date:

- 5.9.1 each of the Borrower and the Existing Lender shall be released from further obligations towards one another under the Loan Facility Agreement and the other Finance Documents which relate to the Existing Lender's Loan or Loan Part in the amount so specified and in respect of the Security Documents, and their respective rights against one another under the Finance Documents and in respect of the Security Documents shall be cancelled (being the "**Discharged Rights and Obligations**");
- 5.9.2 each of the Borrower and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as the Borrower and the New Lender have assumed and/or acquired the same in place of the Borrower and the Existing Lender;
- 5.9.3 we, the Security Trustee and the New Lender shall acquire the same rights and assume the same obligations between themselves and in respect of the Transaction Security as they would have acquired and assumed had the New Lender been a Lender as at the date of the Loan Facility Agreement with

the rights, and/or obligations acquired or assumed by it as a result of the transfer and to that extent we, the Security Trustee and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and

5.9.4 the New Lender shall become a party to the Loan Facility Agreement as a Lender.

5.10 If an Existing Lender transfers the Loan or a Loan Part to a New Lender, a new loan agreement shall be formed by novation between the New Lender and the Borrower in an amount equal to the amount stated by the New Lender when it accepts the Existing Lender's offer in accordance with section 5.9 and on the same terms as these Terms and Conditions. The remaining part of the Existing Lender's Loan or Loan Part shall continue to be governed by these Terms and Conditions.

5.11 Each New Lender confirms, by accepting the Existing Lender's offer in accordance with section 5.8, for the avoidance of doubt, that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite New Lender or New Lenders in accordance with these Terms and Conditions on or prior to the date on which the transfer becomes effective in accordance with these Terms and Conditions and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

5.12 The Borrower will give its consent, pursuant to the terms and conditions applicable to the Borrower, to the listing on the Relendex Platform of all details relating to a Loan or Loan Part for the purposes of this section. Such details include (but are not limited to) any information pack prepared by or on the Borrower's behalf in respect of a Loan or Loan Part and submitted to us (whether before or after the date of the Loan Facility Agreement) and as set out in the Auction particulars.

5.13 The Key Contract terms and proposed interest rate are contained in the Loan Facility Agreement which is initially made between the Borrower, Relendex (as Agent), Relendex as agent for and on behalf of each Lender, and the Security Trustee, and to which a New Lender will become a party in the capacity of a Lender pursuant to the novation procedure set out at section 5.9.

5.14 If you purchase a Loan Part from an Existing Lender, you will have such Loan Part novated to you pursuant to the provisions of section 5.10 and, in doing so, become a party to the relevant Loan Facility Agreement as a Lender. The relevant funds will then be transferred from your Relendex Lender Account to the Relendex Lender Account of the Existing Lender. Information on the transfer of Loan Parts is set out in section 7 below (Selling your Loan Parts).

5.15 Only whole Loan Parts may be transferred between Lenders.

5.16 Some existing Loans and/or Loan Parts on the Relendex Resale Marketplace may require different novation mechanics to those set out in the prior paragraphs. To facilitate the transfer of such Loans, each Lender appoints us as its agent to enter into a Deed of Novation to effect such transfer by way of novation. By following the procedure set out in section 5.9, a Lender provides us with authority to enter into such Deed of Novation and to effect a transfer of the relevant Loan or Loan Part on their behalf.

5.17 Each time you purchase or sell a Loan Part, you may view and download any Deed of Novation which was entered into on your behalf and which details the terms of your purchase or sale within your Relendex Lender Account 'History' tab.

5.18 In all Deeds of Novation we will quote a Lender's address as being "**c/o Relendex Limited**" and state Relendex's postal address. Each Lender agrees that all notices and communications given to it by another Lender may be sent to Relendex on their behalf.

### ***Secured Portfolio***

5.19 The details of the Secured Portfolios available at any time are set out on the Relendex Website. Choosing a Secured Portfolio will constitute a continuing instruction to Relendex to make Bids to Borrowers on your behalf, both for new Loan Parts and Loan Parts offered for sale on the Relendex Resale Marketplace, in respect of all monies you have bid on a specific Secured Portfolio as offered from time to time, provided that the relevant parameters of your chosen Secured Portfolio are met.

5.20 The target rate of the Secured Portfolio you select is the annualised expected rate, once your specific Secured Portfolio proceeds have been deployed and our fees have been deducted.

5.21 Once purchases of Loan Parts we have made on your behalf have been completed, you will be bound by the terms and conditions of the resulting matched Loan Parts. You will not be able to amend, cancel or withdraw from any Loan Parts otherwise than in accordance with these Terms and Conditions. Interest on a matched Loan Part accrues from the 8<sup>th</sup> Business Day after the closing of an Auction of the particular Secured Portfolio issue.

5.22 When you choose a Secured Portfolio, you can be matched with a Loan Part which has a term that differs from the term (or remaining term) of the Secured Portfolio you chose. We will use reasonable endeavours to transfer the Loan Part to another Lender at the end of the term you selected, subject to there being sufficient liquidity on the Platform (i.e. there are other lenders on the Platform willing to purchase your Loan Parts or other lenders purchasing Secured Portfolios). If there is insufficient liquidity on the

Platform, your money will be returned to you as and when either sufficient liquidity returns to the Platform or the Borrower repays their Loan Parts, in each case which can take longer than the term you selected.

5.23 We will not be responsible for the suitability of any Secured Portfolio you select or for the Bids we place on your behalf for Loan Parts. We do not provide advice as to the suitability of any Secured Portfolio. You should consider carefully the terms of the risk disclosure information found on the Relendex Website before entering into a Secured Portfolio. If you are in any doubt as to the suitability of a Secured Portfolio for your circumstances, we strongly recommend that you seek independent financial advice.

## **6. Interest, prepayments and repayments**

6.1 The interest, prepayments and repayments payable to you on each Loan Part can be viewed in the Lender Dashboard section of the Relendex Website. The Loan Facility Agreement governs the payment of these amounts. Where sums are paid by the Borrower after their due date (or the Borrower is otherwise in default) interest is payable at a Default Rate as set out in the relevant Loan Facility Agreement. Where the relevant Loan is segmented into Tranches the respective Tranche Interest Rates applying to the different Tranches will be determined by Relendex and set out in the Auction Particulars and interest at the Facility Interest Rate payable by the Borrower pursuant to the relevant Loan Facility Agreement will, once received by Relendex, be allocated and applied by Relendex as between the respective Tranches on the basis of the Tranche Interest Rates attributed to each Tranche. Each Lender hereby authorises Relendex to allocate interest received by it at the Facility Interest Rate from the Borrower among the Lenders on the basis of the different Tranche Interest Rates attributed to the Tranches by Relendex and set out in the relevant Auction Particulars. Each Lender also authorises Relendex to allocate and apply the Facility Service Fee received by it from the Borrower as between the respective Tranches on the basis of the respective Tranche Service Fees.

6.2 All repayments, prepayments and interest accrued pursuant to the relevant Loan Facility Agreement will (subject to any allocation of amounts by Relendex in connection with separate Tranches of any Loan) on receipt by Relendex as Agent be credited directly to your Relendex Lender Account.

6.3 In the event of prepayment of a Loan pursuant to section 6.2 of the relevant Loan Facility Agreement, the Prepayment Fee shall (subject to section 10 below) be payable by the Borrower to and for the account of Relendex.

6.4 The duration and payment dates (interest and principal) of any Loan will be as set out in the Auction Particulars.

6.5 In the UK you are liable for income tax on the interest that you receive as a

Lender. Lenders can obtain online reports from Relendex of income and deductions in any tax period. Relendex may be required by the UK tax authorities to deduct withholding tax (“WHT”) at the rate of 20% on interest paid to individual lenders. Relendex is not required to deduct withholding tax on interest paid to companies that are subject to UK Corporation Tax. UK individual lenders may treat the WHT that has been deducted as a tax credit against their overall income tax liability in any particular year. Lenders who are taxable in some other jurisdictions may also be able to claim a tax credit for WHT that has been deducted. Lenders should seek independent professional advice in assessing their liability to taxation in the relevant jurisdiction.

6.6 You will be able to request an annual statement of interest earned by you for tax purposes, by defining the relevant reporting period in the Relendex Lender Account ‘History’ tab.

## 7. Selling your Loan Parts

7.1 If you want to get access to the money you have lent to Borrowers before any Loan in which you have participated has been repaid, and such Loan is not part of a Secured Portfolio, you can offer to sell your Loan Parts to other Lenders at Relendex through our Loan Part re-sale marketplace. Please note that you cannot sell (or offer to sell) Loan Parts:

- (a) with less than one month of the loan period remaining; or
- (b) where you have been notified by Relendex that the Borrower is the subject of either an Event of Default or a Potential Event of Default (as those terms are defined in the relevant Loan Facility Agreement).

7.2 The sale price for a Loan Part will be the outstanding principal amount lent by you to participate in a Loan, plus any accrued interest. The accrued interest will be updated automatically at the end of each day.

7.3 You can sell Loan Parts by selecting the Loan Parts you want to sell in the Lender Dashboard section of the Relendex Website, and these Loan Parts will be listed on the Relendex Website for sale for up to 30 days, after which any unsold Loan Part will be removed from the sale listing and you will continue to be the owner of that Loan Part. The sale of the Loan Part will be effected by the procedure set out in section 5.9.

7.4 If you sell Loan Parts, the sale proceeds will be transferred to your Relendex Lender Account from the buying Lender's Relendex Lender Account after deduction of the Sale Fee, if applicable, payable to Relendex (see section 8.3 below).

7.5 We may elect to extend or reduce the 30 day sale listing period from time to time.

7.6 If you have entered into a Secured Portfolio, you may be able to get access to the

money you have lent to Borrowers before any Loan in which you have participated has been repaid by specifying in writing to Relendex the amount you would like to access. By specifying such amount, you are authorising Relendex to offer to sell your Loan Parts with a value less than or equal to such amount to other Lenders on your behalf through the Relendex Resale Marketplace no later than 7 days after we receive your instructions. If you want to access your money within the first 12 months of the Auction of your Secured Portfolio closing, we charge a redemption fee (for our own account) in an amount which is the greater of £25 or 1% of the amount accessed. Part withdrawals must be in multiples of £500.

## 8. Relendex fees

8.1 In addition to the arrangement fee and other fees referred to in the Term Sheet and the respective Loan Facility Agreement, Relendex will charge the Borrower a percentage of the interest payable annually on each Loan (the “**Facility Service Fee**”). The Facility Service Fee will be calculated by reference to the principal value of each Loan outstanding at the beginning of the period in which a relevant interest payment is payable. The Facility Service Fee may vary from time to time. Where a Loan has been segmented into Tranches each Tranche will have a separate Tranche Service Fee rate as set out in the Auction Particulars for the relevant Loan. The Facility Service Fee, which will be specified in the Auction Particulars for the relevant Auction, will be collected together with the interest received from the Borrower under the relevant Loan for the account of Relendex. If at any time interest is payable at the Default Rate, the Facility Service Fee will be chargeable at the Default Service Fee Rate.

8.2 The Facility Service Fee is payment for administering and facilitating the Loan. It is not payment for the risk classification of Borrowers that we carry out.

8.3 There are no fees payable if you sell a Loan Part through the Relendex Platform, except if you are selling a Loan Part which is part of a Secured Portfolio (see section 7.6). Relendex reserves the right to introduce a fee equal to 1.0% (one per cent) of the total outstanding principal sum of the Loan Part sold (the “**Sale Fee**”) and, following introduction of the Sale Fee to amend the Sale Fee terms from time to time.

8.4 There is no charge for withdrawing funds from your Lender Account and transferring them to a UK bank account for next day settlement. Lenders may however incur charges for international bank transfers. Where Relendex incurs such charges the amount will be deducted from the amount withdrawn or transferred out of your Lender Account with Relendex.

### ***Secured Portfolio fees and rates of return***

8.5 If you choose a Secured Portfolio, Relendex will charge you as Lender a product fee on each Loan which makes up your Secured Portfolio at a rate being the difference

(in percentage terms) per annum between the interest rate actually paid by relevant Borrowers in respect of Loan Parts held in an individual Secured Portfolio Part and the target rate of return stated in the relevant Auction when the Secured Portfolio was purchased (the “**Secured Portfolio Fee**”). The Secured Portfolio Fee will be calculated by reference to the principal value of each Loan in the Secured Portfolio outstanding at the beginning of the period in which a relevant interest payment is payable. The Secured Portfolio Fee will be deducted at source from the interest received from the Borrower under the relevant Loan.

8.6 We do not guarantee the target return on a Secured Portfolio Part. However, if during the relevant period:

- (a) your actual total return on your Secured Portfolio Part is less than your projected total return on your Secured Portfolio Part; and
- (b) the House Price Index, in relation to new build properties, falls by an amount less than or equal to 10%,

then Relendex shall pay you the difference between your projected total return and your actual total return.

8.7 If the House Price Index, in relation to new build properties, has fallen by more than 10% in the relevant period and the Loan Parts held by the Lender within his/her Secured Portfolio during the relevant period have not achieved the projected total return, then Relendex may, in its sole discretion pay a sum equal to the difference between the projected total return and the actual total return.

8.8 Relendex will use its reasonable endeavours to recover any shortfall on a particular underlying Loan Part which forms part of a Secured Portfolio. If any proceeds on such recovery are insufficient to discharge all amounts then due and payable by the Borrower under the relevant underlying Loan Part, then payments will be applied by Relendex in accordance with Section 10.1. In the event that funds are recovered after the expiry of the date falling 30 days after the end date, then that proportion of any recovered funds that is due to you will be repaid to you within 7 days of receipt, up to an amount equal to, but never more than, your projected total return.

8.9 For the purposes of this section 8:

“**actual total return**” means, in relation to a Secured Portfolio Part, the sum of (i) the amount of such Secured Portfolio Part repaid out of the proceeds of Loan Parts by the date falling 30 days after the end date, and (ii) the aggregate amount of interest received by a Lender;

**“end date”** means the date a Secured Portfolio was stated to end in the relevant Auction;

**“projected total return”** means, in relation to a Secured Portfolio Part, the sum of (i) the amount of the Bid relating to the Secured Portfolio Part and (ii) the aggregate projected interest, based on the target rate;

**“relevant period”** means the period commencing on the date interest begins to accrue on the Secured Portfolio Part and ending on the end date; and

**“House Price Index”** means the UK House Price Index (HPI) based on data for completed sales provided by the Land Registry for England & Wales, the Registers for Scotland and the Land and Property Services Northern Ireland.

## 9. The role of Relendex

9.1 Relendex shall perform an administrative role in matching prospective Borrowers and prospective Lenders and in facilitating payments, collection of sums due and onward distribution of funds. We are a party to each Loan Facility Agreement in the capacity of Agent. Prior to signing of a Loan Facility Agreement we will negotiate the Term Sheet and facilitate the preparation and negotiation of the Loan Facility Agreement and the other Finance Documents on behalf of the Lenders. Relendex will also determine whether any Loan is to be segmented into Tranches and, if so, the respective amount of the Secured Senior Ranking Tranche and the Secured Junior Ranking Tranche and the respective Tranche Interest Rates and the Tranche Service Fee rates which will apply to each. Relendex shall pass on available information on Borrowers to assist each prospective Lender's analysis of the relevant Loan Request. The provision of such information by Relendex does not constitute advice or any recommendation of any kind.

9.2 Relendex shall be responsible for administering and managing each Facility and shall, where applicable, allocate interest and Facility Service Fees among the different Tranches on the basis of the relevant Tranche Interest Rates and Tranche Service Fee rates. Relendex (or the Security Trustee under Relendex's instruction) shall be entitled, at its absolute discretion, to appoint a Property Adviser to provide advice in respect of the monitoring, administration and management of the relevant Loan Facility or in connection with any asset over which security is taken by the Security Trustee or to administer or to manage the Facility on its behalf or any such asset on its behalf.

## 10. Ranking of Tranches and Insufficient Payment

10.1. Where any Loan has been segmented into Tranches the following priority will apply respectively to the Secured Senior Ranking Tranche and the Secured Junior Ranking Tranche in any Loan and to the Loan Parts which together

form the Secured Senior Ranking Tranche or, as the case may be, the Secured Junior Ranking Tranche:

- (a) Loan Parts forming the Secured Senior Ranking Tranche (and the monies owed to the relevant Secured Senior Ranking Tranche Lenders), shall rank in priority to the Loan Parts forming the Secured Junior Ranking Tranche in the relevant Loan and monies owed to the relevant Secured Junior Ranking Tranche Lenders; and
- (b) Loan Parts forming the Secured Junior Ranking Tranche in relation to any relevant Loan are and shall be postponed to and rank behind Loan Parts forming the Secured Senior Ranking Tranche of such Loan.

The priority referred to in this section shall apply regardless of the order of entry into or formation or any other matter applicable to any Loan Part in relation to any relevant Loan.

10.2.If, in relation to a Loan which has not been segmented into a Secured Senior Ranking Tranche and a Secured Junior Ranking Tranche respectively, Relendex receives payment from a Borrower (or any person on its behalf including the proceeds of the enforcement of any Loan or the realisation of any security provided by the Borrower in relation to any Loan) insufficient to discharge all amounts then due and payable by the Borrower under the relevant Loan Facility Agreement and other relevant Finance Documents (such amounts being referred to below as the "**aggregate liability**" and the remaining balance of such amounts following receipt of such payment being referred to below as the "**shortfall**"), that payment will be applied by Relendex in the following order:

- (a) **first**, in or towards payment of any unpaid fees, costs and expenses and any other liability of Relendex, the Security Trustee, any Recoveries Agent, of any Property Adviser or of any company which is a member of the same Group as any of them (including any agent, delegate or appointee of any of them); and
- (b) **second**, in or towards payment to each Lender of interest accrued (including Default Additional Rate Interest) due but unpaid under (a) above PROVIDED THAT if the sum remaining after payment of all sums referred to in (a) above (the "**Remaining Sum**") is less than the aggregate interest (including the Service Fee payable to Relendex) and Default Rate Interest (including Default Service Fee) then due to all of the Lenders under the relevant Loan Facility Agreement; the interest payable to each Lender will be such sum as bears the same proportion to the amount due to have been paid to the Lender as the Remaining Sum bears to the sum of the overall Interest due to the Lender and the sum payable to Relendex by way of Facility Service Fee (including any Default Service Fee) pursuant to the relevant Loan Facility Agreement.

**Example**

Assuming:

- Facility Interest Rate = 6.00%
- Facility Service Fee Rate = 0.68%
- Default Additional Rate (interest including Default Service Fee) = 3.34%
- Relevant Loan = £3,000,000
- Lender's Loan Part = £500,000
- Facility Interest and Facility Service Fee Due for one quarter = £50,100
- Default Additional Rate Interest (including Default Service Fee) Due (for one quarter) = £25,050
- Amount paid by the Borrower = £2,500,000

Facility Interest and Facility Service Fee payable to the Lender and to Relendex respectively will be calculated as follows:

$$(i) \quad \text{Facility Interest and Service Fee } £500,000 \times 6.68\% = £33,400 \text{ per annum}$$

$$= £8,350 \text{ for the quarter}$$

$$(ii) \quad \text{Default Additional Interest (including Default Service Fee) } £500,000 \times 3.34\% =$$

$$£16,700 \text{ per annum (of which } £8,350 \text{ represents Default Service Fee)}$$

$$= £4,175 \text{ for the quarter of which } £2,087.50 \text{ is Default}$$

Service Fee payable to Relendex

---

In the event that there is any disagreement as to the calculation of the interest payable to any Lender under this provision, the correct construction shall be deduced from the principles applied in the above example; and

(c) **third**, in or towards repayment to each Lender a proportion of its Loan Part, being the same proportion as the amount recovered from the Borrower as referred to in this section 10.1, bears to the aggregate liability.

**Example**

Assuming:

- *Loan Part = £500,000*
- *Relevant Borrower Loan = £3,000,000*
- *Amount repaid or prepaid (as appropriate) by the Borrower to Relendex or recovered from the Borrower = £2,500,000 (net of costs)*

The sum payable to any Lender shall be £404,141.67 calculated as follows:

Amount repaid –net of costs		<u>£2,500,000.00</u>
<b>Share of Proceeds</b> attributable to this Loan Part £2,500,000 x [500,000/3,000,000] =		£416,666.67
<b>Less:</b> Facility Interest and Service Fee	(£8,350.00)	
<b>Less:</b> Default Additional Rate Interest (including Default Service Fee)	(£4,175)	(£12,525.00)
<b>Net Proceeds attributable to this Loan Part</b>		<b>£404,141.67</b>

In the event that there is any disagreement as to the calculation of the sum payable to any Lender under this provision, the correct construction shall be deduced from the principles applied in the above example.

10.3.If, in relation to a Loan which has been segmented into a Secured Senior Ranking Tranche and a Secured Junior Ranking Tranche, Relendex receives payment from a Borrower (or any person on its behalf including the proceeds of the enforcement of any Loan or the realisation of any security provided by the Borrower in relation to any Loan) which is insufficient to discharge all amounts then due and payable by the Borrower under the relevant Loan Facility Agreement and other relevant Finance Documents (such amounts being referred to below as the "**aggregate liability**" and the remaining balance of such amounts following receipt of such payment being referred to below as the "**shortfall**"), that payment will be applied by Relendex in the following order:

(a) **first**, in or towards payment of any unpaid fees, costs and expenses and any other liability of Relendex, the Security Trustee, any Recoveries Agent, of any Property Adviser or of any company which is a member of the same Group as any of them

(including any agent, delegate or appointee of any of them); and

(b) **second**, in or towards payment to each Secured Senior Ranking Tranche Lender of Tranche Interest accrued at the Tranche Interest Rate applicable to the Secured Senior Ranking Tranche including Secured Senior Ranking Service Fee (but excluding any Default Additional Rate Interest) due but unpaid PROVIDED THAT if the sum remaining after payment of all sums referred to in the paragraph above (the "**Remaining Sum**") is less than the aggregate of the aggregate Tranche Interest then due to all of the Secured Senior Ranking Tranche Lenders under the relevant Loan Facility Agreement (including the Secured Senior Ranking Tranche Service Fee payable to Relendex), the interest payable to each Secured Senior Ranking Tranche Lender will be such sum as bears the same proportion to the amount due to have been paid to the Lender as the Remaining Sum bears to the sum of the overall Tranche Interest due to the Secured Senior Ranking Tranche Lenders (including the Secured Senior Ranking Tranche Service Fee payable to Relendex) as set out in the Auction Particulars.

**Example**

Assuming:

- Secured Senior Ranking Tranche Interest Rate = 6.00%
- Secured Senior Ranking Tranche Service Fee Rate = 0.68 %
- Secured Senior Ranking Tranche Default Additional Rate = 3.34%
- Secured Senior Ranking Tranche Default Service Fee Rate = 1.67%
- Relevant Secured Senior Ranking Tranche = £3,000,000
- Relevant Secured Senior Ranking Tranche Lender's Loan Part = £500,000
- Secured Senior Ranking Tranche Interest (including Tranche Service Fee Due (assumed to be quarterly for the purposes of this example)) = £50,100
- Amount paid or prepaid (as appropriate) by the Borrower to Relendex or recovered in relation to the Borrower (after payment of the above- mentioned priority payments) = £37,575

Tranche Interest (including Tranche Service Fee) payable to the relevant Secured Senior Ranking Tranche Lender will be £[5,625] calculated as follows:

$$(i) \quad \begin{aligned} \pounds 500,000 \times 6.68\% &= \pounds 33,400 \text{ per annum} \\ &= \pounds 8,350 \text{ per quarter} \end{aligned}$$

$$(ii) \quad \pounds 37,575 \text{ (Remaining Sum)} \times 100 = 75\%$$

Of which £3,825 is payable to Relendex by way of Tranche Service Fee.

In the event that there is any disagreement as to the calculation of the interest payable to any Lender under this provision, the correct construction shall be deduced from the principles applied in the above example; and

(c) **third**, in or towards repayment to each Secured Senior Ranking Tranche Lender of a proportion of its Loan Part, being the same proportion as the amount recovered from the Borrower as referred to in this section 10.3, bears to the amount of these Secured Senior Ranking Tranche as a whole.

**Example**

*Assuming:*

- *Relevant Secured Senior Ranking Tranche Lender's Loan Part = £500,000*
- *Secured Senior Ranking Tranche = £3,000,000*
- *Amount repaid or prepaid (as appropriate) by the Borrower to Relendex or recovered in relation to the Borrower (after payment of above mentioned priority payments) = £2,850,000*

*The sum payable to the relevant Secured Senior Ranking Tranche Lender shall be £475,000 calculated as follows:*

(a)  $£2,850,000 \times 100 = 95\%$

\_\_\_\_\_

£3,000,000

(b)  $£500,000 \times 95\% = £475,000$

In the event that there is any disagreement as to the calculation of the sum payable to any Secured Senior Ranking Tranche Lender under this provision, the correct construction shall be deduced from the principles applied in the above example; and

(d) **fourth**, in or towards payment to each Secured Junior Ranking Tranche Lender of Tranche Interest accrued at the Tranche Rate applicable to the Secured Junior Ranking Tranche including Secured Junior Ranking Service Fee (but excluding any Default Additional Rate Interest) due but unpaid PROVIDED THAT if the sum remaining after payment of all sums referred to in the paragraphs above (the "**Remaining Sum**") is less than the aggregate Tranche Interest then due to all of the Secured Junior Ranking Tranche Lenders (including the Secured Junior Ranking Tranche Service Fee) under the relevant Loan Facility Agreement, the Tranche Interest payable to each Secured Junior Ranking Tranche Lender will be such sum as bears the same proportion to the amount due to have been paid to the Lender as the Remaining Sum bears to the sum of the overall Tranche Interest due to the Secured Junior Ranking Tranche Lenders (including the Secured Junior Ranking Tranche Service Fee payable to Relendex as set out in the Auction Particulars.

**Example**

*Assuming:*

- Secured Junior Ranking Tranche Interest Rate = 10.00%
- Secured Junior Ranking Tranche Service Fee Rate = 1.00 %
- Secured Junior Ranking Tranche Default Additional Rate = 5.50%
- Secured Junior Ranking Tranche Default Service Fee Rate = 2.75%
- Secured Junior Ranking Tranche = £1,000,000
- Relevant Secured Junior Ranking Tranche Lender's Loan Part = £250,000
- Secured Junior Ranking Tranche Interest and Secured Junior Ranking Tranche Service Fee Due (assumed to be quarterly for the purposes of this example) = £ 27,500
- Amount paid or prepaid (as appropriate) by the Borrower to Relendex or recovered in relation to the Borrower (after payment of above mentioned priority payments) = £20,625

Tranche Interest (including Tranche Service Fee) payable to the relevant Secured Junior Ranking Tranche Lender will be £[4,687.50] calculated as follows:

$$(i) \quad \begin{aligned} \pounds 250,000 \times 11.0\% &= \pounds 27,500 \text{ per annum} \\ &= \pounds 6,875 \text{ per quarter} \end{aligned}$$

$$(ii) \quad \pounds 20,625 \text{ (Remaining Sum)} \times 100 = 75\%,$$

of which £1,875 is payable to Relendex by way of Secured Junior ranking Tranche Service Fee.

---

In the event that there is any disagreement as to the calculation of the interest payable to any Secured Junior Ranking Tranche Lender under this provision, the correct construction shall be deduced from the principles applied in the above example; and

(e) **fifth**, in or towards repayment to each Secured Junior Ranking Tranche Lender a proportion of its Loan Part, being the same proportion as the amount recovered from the Borrower as referred to in this section 10.3, bears to the amount of the Secured Junior Ranking Tranche as a whole.

### **Example**

Assuming:

- Relevant Secured Junior Ranking Tranche Lender's Loan Part = £250,000
- Secured Junior Ranking Tranche = £1,000,000
- Amount repaid or prepaid (as appropriate) by the Borrower to Relendex or recovered in relation to the Borrower (after payment of above mentioned priority payments) = £ 950,000

The sum payable to the relevant Secured Junior Ranking Tranche Lender shall be £237,500 calculated as follows:

$$(a) \quad \text{£ } 950,000 \times 100 = 95\%$$

---

£1,000,000

$$(b) \quad \text{£ } 250,000 \times 95\% = \text{£ } 237,500$$

In the event that there is any disagreement as to the calculation of the sum payable to any Secured Junior Ranking Tranche Lender under this provision, the correct construction shall be deduced from the principles applied in the above example.

(f) **sixth**, in or towards payment to each Secured Senior Ranking Tranche Lender any Default Additional Rate Interest (including Default Service Fee) payable to Relendex) accrued due but unpaid under any paragraph above in the proportion its Loan Part bears to the amount of the Secured Senior Ranking Tranche as a whole.

(g) **seventh**, in or towards payment to each Secured Junior Ranking Tranche Lender any Default Additional Rate Interest (including Default Service Fee payable to Relendex) accrued due to it but unpaid but unpaid under any paragraph above in the proportion its Loan Part bears to the amount of the Secured Junior Ranking Tranche itself.

10.4. It is agreed that the appropriation in sections 10.2 and 10.3 will override any appropriation made by the Borrower.

## 11. Security and the role of Recoveries Agents

11.1 Where the Key Contract Terms indicate that a Loan is to be secured, the Borrower's payment obligations to the Lenders will be secured by such security as is specified within the Auction Particulars. In the event that a Borrower fails to make a payment when due or defaults in meeting any material obligations under the Loan Facility Agreement or other Finance Documents Relendex or the Security Trustee under Relendex's instructions (subject to the provisions of this section 11 (and in particular 11.6 and 11.9)) will, and is authorised by you to, instruct a Recoveries Agent to enforce that security.

11.2 Where Relendex has been provided by a Borrower with information concerning the assets of that Borrower together with estimated forced re-sale value of such assets on enforcement, we will provide you with such information (via the Borrower Requirement Pages). We take no responsibility for the accuracy of such information. Further, any asset valuation provided should be taken as indicative only of the value of the asset. The amount realised from the sale of any such asset in connection with the enforcement of a security may be lower (or higher) than the value attributed to such asset by the Borrower or by an asset valuation.

11.3 Where security is provided by a Borrower in respect of a Loan, the security will be

held by the Security Trustee as security trustee on behalf of itself, Relendex and for all Lenders which have Loan Parts in relation to the Loan. Relendex or the Security Trustee under Relendex's instruction may perform or instruct a Recoveries Agent to perform (before or after any enforcement under the terms of the security) all obligations, rights and benefits given to it by any security agreement entered into or any document entered into pursuant to a security agreement.

11.4 The Security Trustee (or a Recoveries Agent on its behalf) as security trustee shall have certain powers and discretions conferred upon trustees and may also rely on any representation, notice or document believed by it to be genuine correct and appropriately authorised and any statement made by any director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify. In exercising its powers and discretions the Security Trustee will at all times act on the instructions of Relendex.

11.5 You agree that Relendex and the Security Trustee (and where applicable a Recoveries Agent) shall be entitled to be paid and reimbursed out of the proceeds of any recovery under any security agreement and that all reasonable costs and expenses incurred (directly or indirectly) by Relendex and/or the Security Trustee in enforcing the security will be payable out of the proceeds of any recovery (including from rents collected from tenants of any property charged by any such security) in priority to any payment to you of either interest or principal. Such costs and expenses will only be paid out from the proceeds of any recovery to the extent that such costs and expenses cannot be recovered by Relendex and/or the Security Trustee (or any Recoveries Agent or person acting on their behalf) from the relevant Borrower or where applicable any guarantor of the Borrower's obligations.

11.6 Subject to its general duty under this section (and in particular 11.9) to procure the recovery of several debts and monies owing pursuant to the Finance Documents, if there is an Event of Default or Potential Event of Default (in each case as defined in the relevant Loan Facility Agreement) in relation to a Borrower, or if there is otherwise any breach of the terms of any of the Finance Documents relating to such Borrower, Relendex (or the Security Trustee under Relendex's instruction) shall be entitled, at its absolute discretion, to appoint a Recoveries Agent as its adviser and agent to advise on what steps to take in the relevant circumstances. Relendex may appoint any such Recoveries Agent to advise and act on its behalf in respect of the relevant Facility and any asset over which security is taken by the Security Trustee pursuant to the relevant Finance Documents including, without limitation, to advise and act in relation to the enforcement of such agreement against the relevant Borrower and realisation of the relevant Property. It is agreed that such Recoveries Agent shall be entitled, without limitation and at its absolute discretion, to appoint a Property Adviser as its adviser to advise as to the steps which it may take to enforce the terms of the relevant Facility Agreement and any other relevant Finance Document.

11.7 The costs, charges, fees and expenses (including without limitation any costs, charges, fees and expenses incurred in relation to the Property in making and effecting any repairs and/or reinstatement or doing any other things permitted under any Finance Documents and including without limitation the costs, charges, fees and expenses incurred by it in connection with the investigation or the enforcement of, or the preservation of any rights under, any Finance Document) of:

- (a) Relendex or, as the case may be, the Security Trustee;
- (b) where an agent is appointed as Property Adviser, the Property Adviser; and
- (c) where a Recoveries Agent is appointed, the Recoveries Agent,

are first recovered from any monies recovered by Relendex (or the Security Trustee on its behalf) from the relevant Borrower in priority to the payment of any sums payable to any relevant Lender.

11.8 In no circumstances shall any Property Adviser be liable to account to a Lender in respect of the relevant Facility or in respect of all or any of the relevant Property nor shall it be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the relevant Property nor shall any of them be liable to any Lender for any monies not actually received from any Borrower unconditionally and irrevocably by Relendex (or the Security Trustee on its behalf).

11.9 Relendex (or the Security Trustee under its instruction) will (and is authorised by you to) take steps or institute proceedings for the recovery of several debts and monies owed under the Finance Documents. Such steps will be determined by Relendex in its absolute discretion following any advice that Relendex may have taken from a Recoveries Agent pursuant to 11.6 above. In no circumstances shall Relendex (or, as the case may be, the Security Trustee) be liable to a Lender or any other person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any realisation of the relevant Property or any other assets of the relevant Borrower or from any act, default, omission or misconduct of Relendex, the Security Trustee, any Property Adviser, Recoveries Agent or officers, employees or agents of any or all of them in relation to the relevant Property or in connection with the relevant Finance Documents.

11.10 In relation to Loans which have been segmented into a Secured Senior Ranking Tranche and a Secured Junior Ranking Tranche respectively Relendex (or the Security Trustee under its instruction) will when exercising its absolute discretion take steps to recover monies owing under the Finance Document (including giving instructions in relation to the realisation of property and other assets given by Borrowers by way of security) take such advice (including seeking relevant valuations) as it deems appropriate and act subject to such advice to maximise the potential recoveries

available to all Lenders with Loan Parts in either Tranche but to the extent that in any circumstances there is any actual or potential conflict between the interests of the Secured Senior Ranking Tranche Lenders and the interests of the Secured Junior Ranking Tranche Lenders Relendex (or the Security Trustee under its instruction) will give the interests of the relevant Secured Senior Ranking Tranche Lenders priority to the interests of the Secured Junior Ranking Tranche Lenders.

## **12. Missed payments**

Relendex will keep you up to date with the progress of any efforts to collect missed payments, or collect on defaulted debt, in relation to any Loan Part which belongs to you. Such information will be available to view in the Lender Dashboard section of the Relendex Website.

## **13. Terminating your membership of the Relendex Platform**

13.1 If you wish to cease to be a member of the Relendex Platform and provided you have no outstanding Loan Parts and no Active Bids, you can give us notice to that effect and we will end your membership.

13.2 We may end your membership of the Relendex Platform at any time and for any reason, including but not limited to if:

- (a) you breach these Terms and Conditions;
- (b) you breach the terms governing any Loan Part;
- (c) we suspect that you have committed fraud, been involved in money laundering or other criminal activities;
- (d) you use the Relendex Website in any of the following ways:
  - (i) in any way that causes, or is likely to cause, the Relendex Website or access to it to be interrupted or damaged in any way;
  - (ii) for fraudulent purposes, or in connection with a criminal offence;
  - (iii) to send, use or reuse any material that is illegal, offensive, abusive, indecent, defamatory, obscene or menacing; or in breach of copyright, trademark, confidence, privacy or any other right; or is otherwise injurious to third parties; or objectionable; or which consists of or contains software viruses, political campaigning, commercial solicitation, chain letters, mass mailings or any 'spam';
  - (iv) to cause annoyance, inconvenience or needless anxiety; or
- (e) there is no activity in your Relendex Lender Account within a 12 month period.

13.3 On termination we will credit your bank or building society account with any funds left in your Relendex Lender Account (after deduction of any fees payable to you by us).

#### **14. Lender's confirmations to Relendex and the Security Trustee**

14.1 You acknowledge and agree that Relendex makes no warranty or representation as to either the ability of any Borrower to meet its obligations in relation to a Facility or any Borrower's credit risk and that neither Relendex nor the Security Trustee is any way liable for any default by Borrowers.

14.2 You acknowledge that any Bid you may make, and any Loan Part you may acquire pursuant to an Accepted Bid, is made entirely at your own risk.

14.3 Calculations we may provide on the Relendex Website of the likely rate of return on Loans are for guidance purposes only and are not warranted or guaranteed.

14.4 The information on the Relendex Website does not constitute advice, recommendation or an endorsement of Loan Requests or Borrowers. The information is not intended to be relied upon as the basis for deciding whether or not to participate in Loan Parts in relation to any particular Borrower.

14.5 We make no representation or warranty as to the accuracy of the information and documentation displayed on or via Borrower Requirement Pages, nor whether such information and/or documentation is up to date or error free.

14.6 We do not warrant or represent that there will be sufficient bids for any particular Loan to be Fully Funded, that there will be sufficient prospective Loans for you to participate in or that there will be sufficient other prospective Lenders to buy your Loan Parts (or any of them) from you should you wish to sell them.

14.7 We do not warrant or represent that Loan Parts listed for sale by you will be bought by other Lenders, whether within any particular timeframe or at all.

14.8 Where there is any form of personal guarantee in support of a Loan Part in which you have participated, you accept that the enforceability of such personal guarantee shall be subject to normal legal risks and limitations and that neither Relendex nor the Security Trustee will have ensured that any individual providing such a guarantee has been independently advised on the impact of such a personal guarantee. You acknowledge that such guarantees can be open to challenge, including in circumstances where the individual granting the guarantee has been subject to undue pressure or influence from a third party.

14.9 Where any Loan has been segmented into a Secured Senior Ranking Tranche and a Secured Junior Ranking Tranche the relevant Secured Junior Ranking Tranche Lenders acknowledge that they are aware that the Secured Junior Ranking Tranche by its nature ranks behind the Secured Senior Ranking Tranche in the case of any recovery shortfall and therefore they are at greater risk of loss if there is a deterioration

in the market value of property provided to secure the relevant Loan and the proceeds of realisation of any security over the relevant property are ultimately less than initial market value as determined by the valuation obtained by Relendex prior to the making of the Loan.

14.10 If Relendex or the Security Trustee (or any Recoveries Agent) issues any certificate, determination or notification of a rate or any amount payable under these Terms and Conditions or any amount recovered from (or in relation to) any Borrower, it shall be conclusive evidence (in the absence of manifest error) of the matter to which it relates and shall contain reasonable details of the basis of the determination.

## **15. Back-up Servicer arrangements**

If the Relendex Platform was to fail or we became insolvent, we would transfer our loan servicing obligations to a Back-up Servicer with whom we have entered into a back-up servicing arrangement. We also reserve the right to use a Back-up Servicer prior to insolvency where such action is in the best interests of all of the Lenders. If this happens:

- (a) you may not be able to sell any Loan Parts;
- (b) you would receive distributions of funds to your specified bank or building society account on a quarterly basis;
- (c) the Lender Dashboard page on the Relendex Website and the rest of the Relendex Website may not be available for access by you; and
- (d) you would receive quarterly statements of repayments and continue to receive annual statements for tax purposes.

The Back-up Servicer would continue to collect the Service Fee on behalf of Relendex. The Back-up Servicer may charge each Lender an additional special situation fee. However, the total annual fees would not exceed the amounts agreed in any Loan Facility Agreement.

## **16. General terms**

16.1 The information provided on the Relendex Website is directed solely at and is for use solely by persons and organisations that meet the criteria set out in section 1 above and the equivalent criteria set out in the terms and conditions applying to prospective borrowers. This website is not intended for distribution to, or use by, any person or entity in any jurisdiction where such distribution or use would be contrary to applicable law or regulation.

16.2 You are permitted to download and print content from the Relendex Website solely for your own personal use or in the course of your business to the extent required to use

the services provided on this website. Website content must not be copied or reproduced, modified, redistributed, used or otherwise dealt with for any other reason without our express written consent.

16.3 We are not responsible for content downloaded or posted by lenders or borrowers on the Relendex Website. We do not accept any responsibility for editing any content downloaded or posted on the Relendex Website by any person other than us and our servants or our agents.

16.4 We will endeavour to facilitate uninterrupted access to the Relendex Website, but such access may be suspended, restricted or terminated from time to time and at any time.

16.5 You agree to use the Relendex Website only for lawful purposes and in a way which does not infringe the rights of anyone else or restrict or inhibit anyone else's use and enjoyment of the Relendex Website.

16.6 You agree not to use the Relendex Website or any information accessible on or obtained from it for the purpose of you (or any other person) canvassing or soliciting any person or enticing any person, including without limitation any Borrower or prospective Borrower or any Lender or prospective Lender (or the business of any such person) away from Relendex.

16.7 You warrant that you have taken all reasonable precautions to ensure that any data you upload or otherwise submit to the Relendex Website is free from viruses and anything else which may have a contaminating or destructive effect on any part of the website or any other technology.

16.8 The content and material available on the Relendex Website is for informational purposes only and should not be regarded as an offer, solicitation, invitation, advice or recommendation to buy or sell investments, securities or any other financial services or banking product. If you are unsure about whether a product is suitable you should contact an independent financial adviser.

16.9 You are responsible for all costs incurred by you in accessing and making any use of the Relendex Website and its contents.

16.10 We accept no responsibility or liability for your use of content on the Relendex Website and such use is entirely at your own risk. While we take reasonable precautions to prevent the existence of computer viruses or other malicious programs on the Relendex Website, we accept no liability for them if they do exist. It is your responsibility to use, update and maintain appropriate anti-virus software on your computer.

16.11 Information transmitted via the Relendex Website will pass over public telecommunications networks. We accept no liability if communications sent via the Relendex Website are intercepted by third parties or incorrectly delivered or not delivered.

## **17. Privacy**

You agree that any and all personal information you provide to us via the Relendex Website may be collected, stored, processed and used in accordance with our current privacy notice.

## **18. Intellectual property rights**

18.1 Subject to section 18.3 below, as between you and us, we own all present and future copyright, registered and unregistered trademarks, design rights, unregistered designs, database rights and all other present and future intellectual property rights and rights in the nature of intellectual property rights existing in or in relation to the Relendex Website.

18.2 If and to the extent that any such intellectual property rights vest in you by operation of law or otherwise, you agree to do any and all such acts and execute any and all such documents as we may reasonably request in order to assign such intellectual property rights back to us.

18.3 You shall retain ownership of all copyright in data you upload or submit to the Relendex Website. You grant us an irrevocable, world-wide non-exclusive, royalty-free licence to use, copy, distribute, publish and transmit such data in any manner.

18.4 We do not warrant or represent that the content, design or architecture of the Relendex Website does not infringe the rights of any third party.

## **19. Linking to the Relendex Website**

19.1 You may link to any page of the Relendex Website, for non-commercial purposes provided that you do so in a way that is fair and legal and which does not damage our reputation or take unfair advantage of it. For the avoidance of doubt, the linking site must not contain any adult or illegal material or any material that is offensive, harassing or otherwise objectionable.

19.2 You must not link to the Relendex Website in such a way as to suggest any form of association, approval or endorsement on our part where none exists. You must not remove or obscure by framing or otherwise, advertisements, any copyright notice, or other information published on the Relendex Website. The Relendex Website must not

be framed on any other site.

19.3 Please contact us if you would like to link to our site for commercial purposes or any purpose not included above (see section 23 below). We reserve the right to withdraw linking permission at any time and without notice.

## **20. Third Party Content**

20.1 The Relendex Website may contain links to third party websites. If you decide to visit any third party site, you do so at your own risk. We are not responsible or liable directly or indirectly for the content, accuracy or opinions expressed in such websites or the standard of goods or services available through or on such websites. Unless expressly stated otherwise, links do not imply that we are, or the Relendex Website is, affiliated to or associated with such sites.

20.2 Our communications with you may contain information sourced from third party websites. Material from a third party site will be clearly marked and a link to the source website will be provided. We accept no responsibility or liability for any material supplied by or contained on any third party website which is linked from our communications with you, or any use of personal data by such a third party.

20.3 The inclusion of any link in our communications with you does not imply endorsement by us of the linked site. If you decide to access linked third party websites, you do so at your own risk.

20.4 Please remember that when you use a link to go from the Relendex Website to another website, these Terms and Conditions are no longer in effect. Your browsing and interaction on any other website, including websites which are linked to ours is subject to that website's own rules and policies. Please read those rules and policies before proceeding.

## **21. Your liability to us**

You shall be liable to us for any loss or damage suffered by us as a result of any breach of either these terms and conditions or the terms and conditions relating to any Loan Part by you, or any fraudulent use by you or any person on your behalf of the Relendex Platform or the Relendex Website. You may also be liable to us in the circumstances specified in section 11.5 above.

## **22. Our liability to you**

22.1 We shall not be liable to you for any loss or damage which you may suffer as a result of being a member of Relendex or using the services provided via the Relendex Website, except where such loss or damage arises from our breach of these terms and

conditions or was caused by negligence, wilful default or fraud by us or our employees. We are not responsible for any breach of these Terms and Conditions arising from circumstances outside our reasonable control. Our total liability to you in connection with these terms and conditions, your membership of Relendex and your use of the services provided via the Relendex Website shall not exceed the aggregate amount of all of your outstanding Loan Parts at any time.

22.2 Nothing in these Terms and Conditions shall limit or exclude our liability for personal injury or death, fraud, or for any other liability the exclusion or limitation of which is not permitted by applicable law.

## 23. Complaints

23.1 We treat a complaint made against the Relendex Platform or a service provided by Relendex very seriously. If you want to make a complaint about the Relendex Platform or its services, you can email [lender-support@relendex.com](mailto:lender-support@relendex.com) with brief details of your complaint and your account reference. Relendex will ordinarily acknowledge your complaint within one business day.

23.2 Relendex will then investigate and send you an initial response. This should ordinarily take no longer than five business days. If you are not satisfied then you can respond to their email requesting that the matter is escalated to the Chief Executive Officer who will respond within five business days. Within four weeks after receiving a complaint we will send you either a final response which explains why we are not in a position to resolve the complaint and/or indicates when we will make further contact. Complaints that cannot be settled within eight weeks of the date of the complaint may be referred to the Financial Ombudsman Service. If you meet the definition of eligible complainant, you have the right to make a complaint directly to the Financial Ombudsman Service. Information on how to complain can be found at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

## 24. Contacting us

Should you have any questions about these Terms and Conditions, or wish to contact us for any reason whatsoever, please contact us using the contact details on the Relendex Website.

## 25. Amendments to these Terms and Conditions

25.1 We may make amendments to these Terms and Conditions from time to time to:

- (a) reflect changes in relevant laws, regulatory requirements industry guidance or a decision of a court or by a regulator or ombudsman;
- (b) make them clearer or easier to understand; or
- (c) make changes which benefit you or do not disadvantage you;
- (d) make changes to our services, introduce new services or withdraw services we no longer offer; and
- (e) amend our existing services because of changes to technology, systems, processes or our business policies or procedures.

Such amendments will take effect 30 days from the date we notify you of such amendments via the Relendex Platform, unless the circumstances demand a shorter notice period.

25.2 You will be deemed to have agreed to any amendments to these Terms and Conditions not referred to in section 24 either through continued use of the Relendex Platform or by bidding for a new Loan or Loan Part, in each case once the amended Terms and Conditions take effect.

25.3 If you do not agree with any changes that we make to these Terms and Conditions, you can close your Relendex Lender Account by contacting us by email or by telephone, details of which can be found on the Relendex Website. By continuing to use the Relendex Platform after any changes to these Terms and Conditions, you accept to be bound by the updated Terms and Conditions.

25.4 If you notify us that you wish to close your Relendex Lender Account but have a Loan or Loan Parts outstanding, you authorise us to immediately transfer these to other Lenders by selling them as described in section 5. On the sale of your last Loan or Loan Part, we will remit the funds in your Relendex Lender Account, less any fees which may be owed to us as Agent or the Security Trustee, to your nominated bank account and then close your Relendex Lender Account. If there are no Lenders willing to purchase your Loan or Loan Part at such time, you will need to wait until the agreement in respect of such Loan or Loan Part is no longer in force.

## 26. Other important terms

26.1 Where Relendex or the Security Trustee (as applicable) instructs a valuer (a “**Valuer**”) to prepare a valuation report, whether under sections 3.1, 11.10, 14.9 or otherwise in respect of any provision of these Terms and Conditions (such valuation being a “**Valuation**”), each Lender irrevocably assigns all of its legal rights

in relation to such Valuation (including any claim against the Valuer in respect of such Valuation (a “**Claim**”)) to Relendex as Agent. Should grounds for a Claim arise, Relendex, as Agent, may bring such a Claim where, in its sole discretion (acting reasonably), it determines that it would be in the best interests of the Lenders as a whole to do so. For the avoidance of doubt, each Lender shall retain all beneficial rights in respect of such Valuation, including any monies recovered by the Agent or the Security Trustee (as applicable) arising out of or in connection with such Valuation, and any such monies shall be held by the Agent or the Security Trustee (as applicable) for the account of each relevant Lender in accordance with these Terms and Conditions and/or the Security Trust Deed (as applicable).

26.2 If any of these Terms and Conditions is found to be illegal, invalid or unenforceable by any court of competent jurisdiction, the remainder shall continue in full force and effect.

26.3 All disclaimers, indemnities and exclusions in these Terms and Conditions shall survive termination of the agreement between us for any reason.

26.4 We may, in whole or in part, release, compound, compromise, waive or postpone, in our absolute discretion, any liability owed to us or right granted to us in these Terms and Conditions without in any way prejudicing or affecting our rights in respect of that or any other liability or right not so released, compounded, compromised, waived or postponed.

26.5 No single or partial exercise, or failure or delay in exercising any right, power or remedy by us shall constitute a waiver by us of, or impair or preclude any further exercise of, that or any right, power or remedy arising under these Terms and Conditions or otherwise.

26.6 These Terms and Conditions set out the entire agreement between you and us with respect to your use of the Relendex Website and the services provided via the website and supersede any and all representations, communications and prior agreements (written or oral) made by you or us.

26.7 Relendex may exercise any of its rights under these Terms and Conditions by itself or through a Recoveries Agent or any company or other legal entity which may be under the control or ownership of Relendex or not (including, without limitation, the Security Trustee).

26.8 These Terms and Conditions are governed by English law. In the event of any matter or dispute arising out of or in connection with these Terms and Conditions, you and we irrevocably and unconditionally submit to the non-exclusive jurisdiction of the English courts.

## 27. Definitions and interpretation

The definitions and rules of interpretation in this section 26 apply in these Terms and Conditions unless the context otherwise requires

### 27.1 Definitions

**“Accepted Bid”** means a Bid which has been accepted by us in writing (and the terms **“Accepted”** and **“Acceptance”** shall be construed accordingly);

**“Active Bid”** means a Bid which has been made and which has not (a) expired (b) been withdrawn in accordance with these Terms and Conditions, or (c) been rejected by us in writing or (d) become an Accepted Bid;

**“Agent”** means Relendex Limited in its capacity as operator of the Relendex Platform and as the facility agent;

**“Auction”** means the process described in section 4 by which Relendex will seek to find Lenders willing to fund Loans to Borrowers;

**“Auction Particulars”** means the information and documents in relation to the Borrower, the property and any other assets to be provided as security by the Borrower and the proposed Loan which are available for review on the Borrower Requirement Pages of the Relendex Website or for live Auctions via the Relendex Resale Marketplace as referred to in section 4.1;

**“Auction Period”** means the period, specified in the Auction Particulars, during which Bids may be made (as such period may be extended or curtailed by Relendex in accordance with section 4.7);

**“Back-up Servicer”** means any person which may be appointed to service the administration of outstanding Loans in the event of either the failure of the Relendex Website, the Relendex Platform or the insolvency of Relendex.

**“Bid”** means an offer by you to participate in a Facility by way of a Loan Part;

**“Bid Reserve Account”** means an account which will be credited with the amount of a Bid at the time a Lender makes any such Bid pending the outcome of the relevant Auction with such balance being re-credited to the Lender's Relendex Lender Account if the Bid is unsuccessful or for any other reason the relevant Loan is not made;

**“Borrower”** means the person to whom Lenders may lend or has loaned money under a Loan Facility Agreement and which is the subject of any particular Auction Particulars;

**“Borrower's Interest Rate”** means the interest rate payable by the Borrower pursuant to the relevant Loan Facility Agreement;

**“Borrower Requirement”** means the maximum amount which a Borrower wishes to borrow under a Facility, as specified in the corresponding Auction Particulars;

**“Business Day”** means a day (other than a Saturday or a Sunday) on which

commercial banks are generally open for normal banking business in London and on which deposits are dealt with on the London Interbank Market;

**“Client Bank Account”** means a separately-designated bank account maintained by Relendex with NatWest Bank plc in the UK;

**“Deed of Novation”** means a deed of novation entered into or to be entered into between a prospective Lender (acting by its agent, Relendex), the purchasing Lender (acting by its agent, Relendex) and the relevant Borrower in the form set out in the relevant Loan Facility Agreement whereby the Lender becomes a party to the relevant Loan Facility Agreement in the capacity of a Lender;

**"Default Additional Rate"** means in relation to any Loan or, as the case may be Tranche, the difference between the relevant Default Rate and the rate of interest which applied to such Loan or, as the case maybe Tranche, in the absence of any default;

**"Default Additional Rate Interest"** means in relation to any Loan or, as the case may be Tranche, interest which has accrued at the Default Additional Rate;

**"Default Rate"** means the rate of interest payable by the Borrower on overdue sums or where the Borrower is otherwise in default pursuant to the Loan Facility Agreement;

**"Default Service Fee Rate"** means the rate at which the Service Fee will be charged in relation to (and deducted from) Default Rate Interest being the rate which is 50% of the Default Additional Rate;

**"Default Service Fee"** means in relation to any Loan or, as the case may be, Tranche, that part of the Default Interest to be treated as Service Fee and which has accrued at Default Service Fee Rate;

**“Discharged Rights and Obligations”** has the meaning given in section 5.9.1;

**“Existing Lender”** has the meaning given in section 5.4;

**“Facility”** means a loan facility made or to be made available by a Lender or Lenders to a Borrower in accordance with the relevant Loan Facility Agreement;

**"Facility Interest"** means interest payable by the Borrower at the relevant Facility Interest Rate pursuant to the relevant Loan Facility Agreement;

**“Facility's Interest Rate”** means the interest rate payable by the Borrower pursuant to the relevant Loan Facility Agreement;

**"Facility Service Fee"** means the "Service Fee" payable by the Borrower pursuant to and at the rate set out in the Loan Facility Agreement;

**“Finance Documents”** means the documents referred to and defined as “Finance Documents” in a Loan Facility Agreement and **“Finance Document”** means any of them;

**“Fully Funded”** means, in relation to any Loan Request, that relevant Borrower has received and accepted bids which in aggregate fund in full the relevant Borrower's Borrower Requirement (and the expression **“Fully Fund”** shall be construed

accordingly);

**“Group”** means, in relation to any person which is a body corporate, that person together with any person which is associated with it in accordance with section 1261 of the Companies Act 2006;

**“Key Contract Terms”** means, in relation to any Facility, any terms in relation to that facility (other than the interest rate payable by the Borrower) which are not set out in the Finance Documents but which are specified in the Auction Particulars in respect of the relevant Ultimate Borrower;

**“Lender”** means persons which agree to lend via the Relendex Website;

**“Lender's Proportion”** means, in relation to any Loan Facility Agreement, the proportion which any Lender's Loan Part bears to the amount of the Loan (or if the Loan has been segmented into Tranches, to the amount of the relevant Tranches);

**“Loan”** means the principal amount of the loan made or to be made by Lenders to the Borrower under the Loan Facility Agreement or (as the context requires) the principal amount outstanding for the time being of that loan;

**“Loan Facility Agreement”** means the facility agreement relating to the provision of a loan facility to the Borrower in the form included within the Auction Particulars (which may be included in draft form only and subject to further negotiation) which has been or is to be entered into by certain Lenders (acting by their agent, Relendex), Relendex as Agent and the Security Trustee;

**“Loan Part”** means, in relation to an agreed portion of the Facility (or, once drawn, the Loan), a Lender's rights, benefits and obligations under and in relation to the Loan Facility Agreement and the Facility (or, once drawn, the Loan) relating to the such portion of the Facility (or, once drawn, the Loan) the amount of such portion to be set out in the relevant Loan Facility Agreement;

**“Loan Request”** means a request by a Borrower to borrow monies from Lenders, on terms set out in the Auction Particulars;

**“New Lender”** has the meaning given in section 5.4;

**“Notice of Drawing”** means a notice issued by the relevant Borrower under the Loan Facility Agreement requesting the Facility to be made available to it;

**“Novation”** means the transfer by novation of a Loan or Loan Part from an Existing Lender to a New Lender pursuant to the provisions of section 5.10;

**“Obligor”** means the Borrower or any other person providing security or a guarantee pursuant to a Finance Document;

**“Parallel Lender”** means each of the lenders, other than the Lender, who participates in any Facility alongside the Lender by lending money to a Borrower as part of the Facility;

**“Post-Auction Period”** means the period of time, which unless otherwise specified in

the Auction Particulars shall be 48 hours after the relevant Borrower is notified that the proposed Loan has become Fully Funded by Active Bids, during which the relevant Borrower may by notice to Relendex elect not to accept the Facility to which the relevant Auction relates;

**“Prepayment Fee”** means the prepayment fee as defined in any Loan Facility Agreement;

**“Property Adviser”** means such reputable agent as Relendex or the Security Trustee under Relendex's instructions may in its absolute discretion appoint to provide advice in relation to the property provided by a Borrower (or offered by a prospective Borrower) as security for any Loan;

**“Recoveries Agent”** means such person as Relendex in its absolute discretion or the Security Trustee at Relendex's instruction may appoint to advise in respect of any Facility, the relevant Finance Documents and any asset over which security is taken pursuant to the Finance Documents in accordance with the Loan Facility Agreement;

**“Relendex AutoLending Account”** means a sub-account of a Relendex Lender Account in which funds are held to enable AutoLending activity by a lender on the Relendex Website;

**“Relendex Lender Account”** means an approved numbered account operated by a Lender on the Relendex Website containing details of cash balances, bids and Loan Parts;

**“Relendex Resale Marketplace”** means the Relendex Resale Marketplace at [www.relendex.com/marketplace](http://www.relendex.com/marketplace);

**“Relendex Website”** means the website operated by Relendex at [www.relendex.com](http://www.relendex.com) and includes the sub-domain <https://trading.relendex.com>;

**“Secured Junior Ranking Tranche”** has the meaning given to it in Section 3.1;

**“Secured Junior Ranking Tranche Lender”** means the Lender under a Loan Part which forms part of the Secured Junior Ranking Tranche in any Loan;

**“Secured Portfolio”** has the meaning given in section 3.2(d);

**“Secured Portfolio Part”** has the meaning given in section 4.8;

**“Secured Senior Ranking Tranche”** has the meaning given to it in section 3.1;

**“Secured Senior Ranking Tranche Lender”** means the Lender under a Loan Part which forms part of the Secured Senior Ranking Tranche in any Loan;

**“Security Trustee”** means Relendex Security Trustees Limited (company number 09743657) or such other entity (related to Relendex or an external professional security trustee) which is appointed to act in the capacity of security trustee in relation to security provided by Borrowers to support Loans from time to time;

**“Security Trust Deed”** means a trust deed entered into or to be entered into by the Security Trustee declaring itself trustee of security held by it for and on behalf of itself,

Relendex and relevant Lenders from time to time;

"**Service Fee**" means that part of the interest payable by the Borrower which is payable to Relendex (for its own account) at the rate set out in the Loan Facility Agreement and which may be allocated different rates as part of any segmentation of the Loan into Tranches;

"**Sterling and £**" means the lawful currency for the time being of the UK;

"**Tax**" includes all present and future taxes, levies, imposts, duties, fees, charges or withholdings of whatever nature and wherever levied, charged or assessed, together with any interest thereon and any fines, surcharge or penalties in respect thereof;

"**Tranche**" has the meaning given to it in section 3.1;

"**Tranche Interest**" means interest allocated and applied by Relendex in relation to a particular Tranche on the basis of the relevant Tranche Rate;

"**Tranche Interest Rate**" means the interest rate attributed to any Tranche by Relendex and set out in the Auction Particulars for the relevant Loan; and

"**Tranche Service Fee**" means the rate of the "Service Fee" attributed to any Tranche by Relendex and set out in the Auction Particulars for the relevant Loan Part.

## 27.2 Interpretation

In these Terms and Conditions:

27.2.1 neither the section headings nor the relative order of the sections shall affect the interpretation of these terms and conditions;

27.2.2 reference to a person shall include a reference to an individual, firm, company, corporation, unincorporated body of persons, or any state or any agency of any person;

27.2.3 reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts;

27.2.4 reference to writing or written includes faxes but (save where otherwise expressly provided) or e-mail

27.2.5 reference to these Terms and Conditions (or any provision of them) or any other document shall be construed as a reference to these Terms and Conditions, that provision or that document as it is in force for the time being and as amended, varied, supplemented or replaced in accordance with its terms or the agreement of the relevant parties;

27.2.6 reference to an amendment includes a novation, re-enactment, supplement or

variation (and amended shall be construed accordingly);

27.2.7 reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;

27.2.8 references to sections are to the sections of these Terms and Conditions; and

27.2.9 the words “**including**” and “**include**” shall be deemed followed by the words “without limitation”.