



Standard Business Terms

Last updated on July 18th 2014

TERMS

Please read these terms and conditions carefully and print a copy for your records and future reference. Your use of the Ablrate Platform and services are governed by these terms and conditions and our privacy policy (as amended). You agree to abide by these terms and conditions and where you are acting for an entity or group, you agree that entity or group abides by these terms and conditions and you have the legal authority to act on behalf of that entity or group. If you do not agree with these terms and conditions you are not authorised to use the Platform and must stop using it immediately.

References to "we", "us" and "our" means Ablrate Limited. References to "systems" or "platform" means the website and any other online services provided by us and any data managed by, displayed on or transmitted from such services. References to "you" and "your" mean a user of the platform and the services provided via our systems, whether as an individual or on behalf of an entity which meets the borrower criteria set out below.

Each agreement between a Borrower and Lender is governed by the Loan Contract and Loan Contract Terms, Standard Loan Agreement, Supplemental Loan Terms and specific documents signed by the Borrower (as the same may be amended and in accordance with these terms and conditions) (together the "Loan Contract"). The Loan Contract is separate to these terms and conditions and where any conflict between the Loan Contract and these terms and conditions occurs the Loan Contract shall prevail.

Ablrate may allow registered agents to make a loan application on a borrower's behalf. If such an agent does make an application on behalf of the Borrower Ablrate will be entitled to treat the Loan Request as having been made with the full authority of the Borrower. These terms and conditions, and the privacy policy, still apply to borrowers who make loan requests through agents or brokers. If you use an agent or broker you will not become a member of Ablrate and your application and account will be made and managed through the agent or brokers account.

If a registered agent makes a loan application on your behalf, Ablrate will be entitled to treat the loan application as having been made with your full authority. The terms of our privacy policy still apply to borrowers who choose to make applications through brokers. If you use an agent to make a loan application on your behalf, you will not become a member of Ablrate and your application will instead be made and managed through the agent's account.

1. How to become a borrower

1.1 To be a borrower on Ablrate you must meet the following criteria:

- (a) you must be actively trading as a business for at least two years;
- (b) you must have a valid UK bank or building society account to facilitate repayments to lenders unless otherwise agreed by Ablrate (for overseas Borrowers);
- (c) if you trade through an LLP or a limited company, it must be registered with Companies House or the equivalent in your jurisdiction. You must have filed accounts for the previous two consecutive financial years.
- (d) if you are a sole trader you must be a permanent resident of the UK (excluding the Channel Islands and Isle of Man);
- (e) your business, its directors, members, partners or proprietors must meet minimum credit and fraud risk criteria which may include obtaining a minimum score from credit reference agencies;
- (f) your business must not have any outstanding county court judgments;
- (g) you must register and submit details of your business for publication on the website (<https://www.ablrate.com>). Please note that some (but not all) of those details will be disclosed by us to lenders in accordance with clause 3.1 below.

1.2 Borrowers must be in a business for profit and may not be public bodies, charities or trusts.

1.3 As part of the registration process there will be a need to perform additional checks and authentication of information provided to us. We will do this using credit reference agencies, we may contact supplied references, speak with your accountants and anything else that we deem appropriate to be able to authenticate and verify the information provided to us. If appropriate information is not provided to us, or we cannot authenticate information to our complete satisfaction, you will not be able to borrow on the Platform.

1.4 You warrant that all information provided to Ablrate in the course of your registration process, or any subsequent enquiries made by us, is true and accurate in all respects. You will also update us if any of the information provided to us changes.

1.5 You warrant that you have disclosed to us any and all circumstances that you are aware of that could materially change the financial condition of the business or asset. This includes, but is not

limited to; undisclosed liabilities, threatened legal action, and investigation current, pending or threatened by any third party.

- 1.6 You agree that you will promptly provide full details to Ablrate upon you becoming aware of or suspecting that any of the circumstances in clause 1.5 have occurred or are likely to occur.

2. Username and password

- 2.1 On registration to the Ablrate system you must provide a username and email address, enter a password and provide answers to security questions. The information you provide in this process is very important and the privacy of such information is solely yours. You are solely responsible for the activity on your account including anyone using your password and username. If you authorise anyone else to use your username and password you are responsible for their activity on your account. Any loss or breach of security of your password and username should be reported to us immediately using the contact details here or the phone numbers supplied on the platform and on correspondence with you.

- 2.2 You agreed to not to circumvent the systems in place within the platform, our servers or anything connected with our system, nor access our system by any other means than the username and password assigned by you to your account.

- 2.3 In all circumstances where we suspect that the person logged onto your account is not you are we suspect illegal activity or fraudulent activity or unauthorised use, we reserve the right not to act on your instructions and to be able to suspend your account until we are satisfied that the instructions made are correct. We disclaim any liability arising for not acting on instructions under these circumstances.

3.0 The borrowing process

- 3.1 Where you are a limited company, other incorporated entity or partnership we may require directors and/or shareholders to provide personal guarantees before any funds are released by us to you.

- 3.2 Once we have agreed to allow your application onto the Ablrate Platform a loan request page will be displayed that encompasses the information you have entered into the system. The Loan Contract generated by the system will detail all of the loan contract terms for that particular transaction. Please see our privacy policy for what information we provided to Lenders, but please be aware that you should expect that everything we believe is material to the loan transaction, that has been supplied to us by yourself, will be displayed or communicated to Lending Members in our sole discretion.

- 3.3 Once the loan request page is posted and has been made active by Ablrate, the auction process will start and prospective Lending Members will start bidding to lend money to your business for the transaction discussed on your loan request page. You will have the option to select a auction process where Lending Members bid for Units of your loan at a rate they believe is right for them or you will have the option to have a fixed interest rate.
- 3.4 The information on the loan request page can be edited at any time before the auction begins. After the auction has started you cannot amend the loan request page until the auction period expires, or if you accept a loan you will not be able to amend the loan request page until such time as the entire loan has been repaid in full.
- 3.5 Ablrate gives each borrower/transaction or lessee a risk classification at the time the loan request is processed, which is based on the information provided to us and other checks made by Ablrate with third party credit agencies and others.
- 3.6 Our role is to provide an administrative role and introductory service between Borrower and Lending Members. We are not a party to loan contracts unless we are acting as Lender in our own capacity. We do have third party rights, such as Borrower fees under the Loan contracts but we do not have an economic risk directly in any contracts related to transactions on our system. If we cease trading we have arrangements in place with a company that would provide services to continue the administration of loans until their conclusions.
- 3.7 While Ablrate adds value to analysing the credit risk of any transaction on the Platform, the provision of a risk classification is intended to be informative only and a lender must form its own opinion regarding the creditworthiness of a borrower and undertake its own research, analysis and assessment of each borrower for each loan and, where appropriate, seek its own independent financial advice.
- 3.8 Ablrate disclaims any liability or responsibility for any information about a Borrower made available to prospective Lending Members through the Ablrate Platform or for any risk classification we may place on a transaction or a Borrower. Ablrate may update or amend Borrowers information (but accepts no obligation to do so) including during the loan request process, during the auction process or during the loan term.
- 3.9 In an auction process, once fully funded, the loan will be offered to you on a a top down basis, where the lowest interest rate that can fill the loan with the all bids from Lenders becomes the rate that all Lenders get and is charged on the loan. The offer will remain open for 5 days, should you not accept the offer within that period, the offer will be withdrawn and the auction cancelled and funds released back to Lending Members. Interest will begin to accrue from the date you accept the offer.

- 3.10 Once you have accepted an offer you will automatically enter into a separate agreement that governs that Loan. This agreement is legally binding upon you and is legal enforceable by Ablrate and certain other third parties we may nominate. The Loan Contract will be generated to include the specific Loan Contract Terms. Before you are able to draw down any funds from your account to fund the loan you must agree to these terms. The Money is then transferred to your Ablrate Borrower account where it can be transferred to your bank. Once you accept a loan it cannot be cancelled for any reason. You may pay your loan back early in accordance with these terms.
- 3.11 If your loan request is not fully funded within the stated auction period we will remove it from the platform within two months from the start of the auction process. We reserve the right to remove the auction before this timeline.
- 3.12 Each loan will be for the period specified in the Loan Contract applying to it.
- 3.13 In all Loan contracts and legal correspondence with the Borrower in the documentation we will quote the Lending Member's address as "c/o Aviation and Tech Capital Limited" and state our postal address or registered address. All Members agree that all notices and communications given to it by the Borrower may be sent to our postal address.
- 3.14 Notwithstanding any other clause in these terms, in exceptional circumstances and in its absolute discretion, Ablrate (acting as agent on behalf of the lenders) may agree with the borrower to restructure the loan and amend the Loan Contract in any of the following (limited) ways:
- (a) to increase the term by one year, with a corresponding increase in interest rate, in respect of each lender, to the higher of 13.5% or 4% above such lenders' interest rate;
 - (b) to increase the term by two years, with a corresponding increase in interest rate, in respect of each lender, to the higher of 15.5% or 5.5% above such lenders' interest rate; or
 - (c) to increase the term by three years or more, with a corresponding increase in interest rate, in respect of each lender, to the higher of 17.5% or 7% above such lenders' interest rate, and, for the avoidance of doubt, you acknowledge and agree that Ablrate may require additional and/or restated security documentation to be executed by you (and any guarantor as the case may be) as a condition of agreeing to any restructuring.
- 3.15 If and to the extent that Ablrate agrees to restructure the loan in accordance with clause 3.14, Ablrate will charge you a fee of 1% of the value of the loan which shall be payable within 5 business days of presentation of the invoice.

- 3.16 You agree that each Loan shall be used solely for the purpose stated in its applicable loan request.
- 4.0 Borrower fees
- 4.1 If you accept a loan, we will charge:
- (a) an Arrangement Fee of 5% of the amount borrowed for any loan;
 - (b) We will deduct the Arrangement Fee from the amount borrowed before it is transferred to you so you will receive the amount borrowed less the Arrangement Fee. A higher Arrangement Fee may be charged for applications made by registered agents on your behalf.
- 4.2 Where the loan is a leasing finance loan, the completion fee above shall include the finance arrangement charge of £100 payable to Ablrate under the relevant terms. There will also be an additional Trailing Charge of 1% of the value of the loan per annum.
- 4.3 We may choose to waive or reduce the above stated fees from time to time.
- 4.4 The above fees cover our role in providing intermediary services in relation to the introduction between you and the Lending Members. This fee does not cover the costs of administering and facilitating the loan, nor our related credit analysis which we carry out as part of our underwriting exercise, which are a no-cost added value arrangement only.
- 5.0 Repaying the loan
- 5.1 The monthly or other scheduled repayments payable to each lender on each loan unit in respect of the loans you borrow will be set out in the Loan Contract or Loan Contracts.
- 5.2 We will collect the repayment amounts each month or other such schedule set out in the loan contract using direct debit, via your debit card or other method agreed in the Loan Contract. We may collect the funds due, or have them requested to be sent, up to 5 days prior to the due date in order to be able to distribute the payments to the Lending Members.
- 5.3 The scheduled instalments payable by you can be viewed in your account section of the Platform. You can repay the loan early subject to the fees associated with doing so.
- 5.4 In certain circumstances, Ablrate may (but is not obliged to) amend certain terms of the Loan Contract by entering into an amendment to the Loan Contract terms with you. Ablrate is authorised by the Lending Members to be their agent and, as such, gives Ablrate the authority to amend contract terms with Borrowers.

6.0 Security

6.1 Where the Supplemental Terms indicate that a loan is to be secured, the following security provisions will apply:

- (a) Where the Loan Contract terms call for the loan to be secured, each loan and your obligations under the Loan Contract will be secured by an asset security agreement between yourself and Ablrate. If you are unable to pay the obligations on your loan, Ablrate may enforce the security constituted by all the assets detailed in the security agreement.

6.2 Where Ablrate holds an asset security agreement in respect of a particular loan that security agreement will generally operate to secure all monies due from you to all lenders on the Ablrate platform from time to time.

6.3 You agree that Ablrate shall be entitled to be repaid and indemnified against all costs incurred by Ablrate in connection with registering the security attached the Loan.

7.0 Leasing Finance Loans

7.1 Where the Loan Contract Terms indicate that the loan is to be a leasing finance loan and there is no lessor in place, the loan shall be used by you in procuring the use of a specific business asset or assets. It must be paid by you to Ablrate Assets Limited ("AAL"), a separate wholly owned subsidiary of Ablrate Limited, to satisfy the payment of the asset procurement charge and the finance arrangement charge under the applicable conditional sale or lease agreement. In such circumstances, you agree that the principal amount of the loan may be remitted directly to AAL to satisfy the Borrower's obligations.

7.2 If you miss any payments, default in meeting any material obligations on the loan, or put the asset at risk (in the sole opinion of Ablrate) you will lose the use of the business asset or assets funded by the loan.

7.3 Where AAL have taken the steps outlined at clause 8.6 below, you agree that AAL shall be entitled to be repaid and indemnified for all costs incurred by AAL in recovering the business asset or assets and that you will, on demand, pay to AAL all such costs.

8.0 Missing payments

8.1 If you believe that you may not be able to meet your obligations under the Loan Contract, please contact us immediately. If any payment is missed, or partial payments made you will be contacted by Ablrate (or a third party acting on our behalf) who will discuss with you the reasons for your default. We will also attempt to recollect the payment within 24 hours after the

first failed or partial payment. If recollection is unsuccessful the loan will be in default if outstanding payments have not been settled within three working days. If the loan is in default we may appoint a third party to collect the loan on behalf of our Lending Members.

- 8.2 If payment has not been received 10 days from the initial payment due date a fee of up to 15% of the missed payments may be charged for the work involved of collecting these payments. There may be other fees involved with collection of outstanding monies on your account.
- 8.3 Other than in exceptional circumstances, which is solely at the absolute discretion of Ablrate, if you miss, fail to pay or partially pay three or more consecutive payments (or in the case of quarterly payments, one payments), or if you fail to comply with any terms of the Loan Contract or Asset Security Agreement, the loan will be placed in default. You will receive a default notice and a termination notice and we will begin proceedings to recover all monies owed.
- 8.4 If we, or a third party, are unable to collect your debt, Lending Members will novate their debt to Ablrate which may take the steps it considers necessary to recover the amounts owed, including but limited to; selling the debt to third parties, to pursue you through debt collections agencies and/or the courts. If such action is taken it is likely that you will be liable for significant extra costs.
- 8.5 The timing of payment of instalments is crucial to your good standing on the Platform and for the continued compliance with your Loan Contract. As such if any late payment is not remedied within 10 days of it becoming due, Ablrate reserve the right to terminate the loan contract and demand full payment of all outstanding capital and interest on the loan.
- 8.6 In circumstances where the relevant loan or loans are leasing asset finance loans, AAF may (or its authorised representatives may), without notice and at your expense, retake possession of the business asset or assets and for this purpose may enter any property, site or premises at which the assets are located as detailed under the underlying conditional sale or lease agreement.
- 9.0 Terminating your membership of Ablrate
- 9.1 If you no longer want to be a member of Ablrate and provided you have no Loan Contracts currently in force, please contact support and we will end your membership.
- 9.2 We may end your membership of Ablrate at any time and for any reason, including but not limited to if:
 - (a) you breach these terms and conditions;
 - (b) you breach any Loan Contract or ant Asset Security Agreement

- (c) we suspect that you have committed fraud, been involved in money laundering or other criminal activities;
- (d) you use the Ablrate platform or any information accessible on or obtained from it for the purpose of canvassing or soliciting any person or enticing any person away from Ablrate;
- (e) you use the Ablrate platform in any of the following ways:
 - I. in any way that causes, or is likely to cause, the platform 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
- (f) there is no activity in your Ablrate Lending Members account within a 12 month period.
- (g) you enter into any other new unsecured borrowing arrangement (or any arrangement having the effect of a borrowing) with any third party where the total amount of external finance raised from third parties would as a result exceed 30% of the total amount lent to you through the Ablrate lending platform, without the prior written consent of Ablrate (such consent shall not be unreasonably withheld and this clause shall not restrict you from entering into asset-specific financing or invoice purchasing arrangements);
- (h) you give any fixed or floating charge security to any third party after the date that the Loan Contract is entered into without our prior written consent;
- (i) you breach the terms of any conditional sale or lease agreement entered into for the use of an asset that is the subject of a leasing asset finance loan;

- 9.3 Termination of your membership of Ablrate will not necessarily result in a termination of any Loan Contract to which you are a party at that time.
- 9.4 On termination, we will credit your bank or building society account with any funds left in your Ablrate borrower account or send a cheque to the address last provided by you.
- 10.0 Borrower's agreements with Ablrate
- 10.1 Membership of Ablrate does not obligate us to provide introductions to Lending members for the purpose of making loans to you and we do not warrant that funding will be made available to you.
- 10.2 Interest rates advertised on the Platform, or achieved by other Borrowers are not guaranteed and those rates are to be seen as indicative.
- 10.3 If any personal guarantee is provided for the Borrowers obligation, the Borrower, directors, shareholders and members represent and warrant that there has been no undue influence or inducement of the guarantor and that the obligation for a personal guarantee have not be negated by any side letters or other agreement that would seek to nullify the personal guarantee.
- 10.4 If you are a borrower through the Ablrate platform, you generally cannot also be a lender while you have loans outstanding. An exception would be where you are lending in your own individual capacity but you happen to be a director or owner of a business borrowing money. We also retain the discretion to grant specific exceptions to this rule.
- 11.0 General terms
- 11.1 The information provided on our Platform is directed solely at and is for use solely by persons and entities that meet the criteria laid out in these terms and the terms applying to Lending Members. The content on the platform is not intended to be distributed to any person or entity in any jurisdiction where to do so would be illegal or contrary to any applicable regulation.
- 11.2 You are permitted to download and print content from this platform for your own personal use or in the course of your business to the extent required to use the services provided on this platform. Ablrate supplied content must not be copied or reproduced, modified, redistributed, used or otherwise dealt with for any other reason without our express written consent.
- 11.3 We are not responsible for content that is posted by Lending Members or Borrowers on the platform. We do not edit content on the site once posted.

- 11.4 We have gone to great lengths to ensure the Platform is available at all times; however, we disclaim any liability for losses incurred if you cannot access our system.
- 11.5 You agree to use the platform for lawful purposes and not to use the Platform for anything other than its intended purpose. You agree not to use the Platform that will negatively affect any other users experience on the Platform.
- 11.6 You agree not to use the Ablrate platform or any information accessible on or obtained from it for the purpose of canvassing or soliciting any person or enticing any person away from Ablrate.
- 11.7 You warrant that you have taken all reasonable precautions to ensure that any data you upload or otherwise submit to the platform is free from viruses and anything else which may have a contaminating or destructive effect on any part of the platform or any other technology.
- 11.8 Nothing on the Platform should 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.
- 11.9 You are responsible for all costs incurred by you in accessing the platform.
- 11.10 We accept no responsibility or liability for your use of our Platform and making loans on the Platform. The use of the Platform is entirely at your own risk and you warrant you are aware of the risk of using the Platform. We take reasonable steps to ensure the site remains virus free but cannot guarantee the existence of computer viruses. You must ensure all your virus protection programs are up to date.
- 11.11 Emails, content and services will be transmitted over public networks. We cannot guarantee that such communications will not be intercepted or delivered correctly.
- 11.12 The Platform may contain links to third party website, we are not responsible for content on these websites and disclaim any liability for your use of these third party websites or the information placed on those sites.
- 12.0 Privacy
- You agree that all private information you supply to us maybe stored by us and used for internal data mining of our platforms users. You can read the full privacy policy on our site. (accessible online at <https://www.ablrate.com/privacy>).
- 13.0 Intellectual property rights

- 13.1 Subject to clause 13.3 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 platform.
- 13.2 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.
- 13.3 You shall retain ownership of all copyright in data you upload or submit to the platform. You grant us a world-wide exclusive, royalty-free, non-terminable license to use, copy, distribute, publish and transmit such data in any manner.
- 13.4 We do not warrant or represent that the content of the platform does not infringe the rights of any third party.
- 14.0 Your liability to us
- You shall be liable to us for any loss or damage suffered by us as a result of breaching any of the terms of use of the site, or loan contract entered into by yourself, or fraudulent use of our Platform. You shall also be liable to us for liabilities described in these terms relating to expenses incurred when recovering unpaid debts of borrowers.
- 15.0 Our liability to you
- 15.1 We shall not be liable to you for any loss or damage which you may suffer as a result of being a member of Ablrate or using the services provided via the platform, 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 Ablrate and your use of the services provided via the platform shall not exceed the amount of £10,000.
- 15.2 Nothing in these terms and conditions shall limit our liability for personal injury or death, fraud, nor for any other liability the exclusion or limitation of which is not permitted by applicable law or regulation.
- 16.0 About us
- 16.1 Aviation and Tech Capital Limited is a company incorporated in England and Wales, whose registered number is 07940046 and whose registered office and principal place of business is at Scotts Sufferance Wharf, 5 Mill St, City of London, Greater London SE1 2DE.

16.2 Ablrate Limited is registered with the Information Commissioner (ZA033501).

16.3 Ablrate Limited is Authorised and Regulated by the FCA (No. 663280)

17.0 Contacting us

Should you have any questions about these terms and conditions, or wish to contact us for any reason whatsoever, please contact us on the Ablrate website <https://www.ablrate.com>)

18.0 Amendments to these terms and conditions

18.1 We expect to need to update or amend these terms and conditions from time to time to comply with law or to meet our changing business requirements. We may make such changes without your specific agreement where those updates are, in our reasonable opinion, of an immaterial and routine nature and may not always be able to give you advanced notice of such updates or amendments but we will always post them on the platform so you can view them when you next log in. By continuing to use the Platform or our services in allocating funds you have deposited, you agree to be bound by the terms of any updates and amendments implemented in accordance with this clause 18.

18.2 These terms and conditions were last updated on 30th June 2014.

19.0 Other important terms

19.1 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.

19.2 All disclaimers, indemnities and exclusions in these terms and conditions shall survive termination of the agreement between us for any reason.

19.3 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.

19.4 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.

19.5 These terms and conditions and the Loan Contracts set out the entire agreement between you and us with respect to your use of the platform and the services provided via the platform supersede any and all representations, communications and prior agreements (written or oral)

made by you or us and where these terms contradict any terms in the Loan Contract Documents, the Loan Contract Documents will prevail.

- 19.6 Ablrate may exercise any of its rights under these terms and conditions by itself or through any company or other legal entity which is under the control or ownership of Ablrate (including without limitation to the leasing agents).
- 19.7 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 condition, you and we shall submit to the non-exclusive jurisdiction of the English courts.

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