



**Registration of a Charge**

Company Name: **COMPASS BUSINESS FINANCE LIMITED**

Company Number: **05649414**



Received for filing in Electronic Format on the: **10/11/2021**

XAGYA3CH

**Details of Charge**

Date of creation: **08/11/2021**

Charge code: **0564 9414 0046**

Persons entitled: **CONISTER BANK LIMITED**

Brief description: **N/A**

**Contains fixed charge(s).**

**Contains floating charge(s) (floating charge covers all the property or undertaking of the company).**

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **ADDLESHAW GODDARD LLP**



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

Company number: 5649414

Charge code: 0564 9414 0046

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th November 2021 and created by COMPASS BUSINESS FINANCE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th November 2021 .

Given at Companies House, Cardiff on 11th November 2021

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



**Companies House**



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

## BLOCK DISCOUNTING MASTER AGREEMENT

THIS BLOCK DISCOUNTING MASTER AGREEMENT is made the 08 day of Nov 2021

BETWEEN:

- (1) **Conister Bank Limited** a company registered in the Isle of Man with company number 000738C whose registered office is at Clarendon House, Victoria Street, Douglas, Isle of Man IM1 2LN ("CBL"); and
- (2) **Compass Business Finance Limited** a company registered in England and Wales with company number 05649414, whose registered office is at Compass House, Medway Wharf Road, Tonbridge, Kent, TN9 1GH ("Seller").

IT IS HEREBY AGREED as follows:

### 1 INTERPRETATION

#### 1.1 In this Master Agreement:

**Agreement** means any agreement entered into (whether before or after the date hereof) between the Seller as owner, vendor or creditor as the case may be and a Customer which is a Hire Purchase Agreement, Conditional Sale Agreement, Rental Agreement or Credit Agreement and specified in a Listing Schedule;

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

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

**Conditional Sale Agreement** has the same meaning as the Consumer Credit Act 1974 and Article 60L of the Regulated Activities Order;

**Confidential Information** means any and all written, oral or other tangible or intangible information (whether marked "confidential" or not) disclosed to a Party by the other Party relating to the disclosing Party or its affiliates which might fairly be considered to be of a confidential nature and including but not limited to information relating to research, products, software, services, development, inventions, processes, marketing, techniques, customers, pricing, internal procedures, business and marketing plans or strategies, finances, and employment;

**Credit Agreement** means an agreement whereby one person provides another with credit of any amount and for the purpose of this definition "credit" includes a cash loan and any other form of financial accommodation;

**Customer** means any hirer, purchaser, borrower and/or debtor as the case may be named in any Agreement;

**Data Breach** means: (i) any unauthorised loss, corruption, damage, destruction, alteration, disclosure or access to any Personal Information; (ii) any unauthorised or unlawful Processing of Personal Information; or (iii) any breach of Data Protection Requirements;

**Data Controller** has the meaning given to it in the GDPR and/or DPA;

**Data Protection Requirements** means all laws and regulations in any relevant jurisdiction that relate to data protection, privacy, the use of information relating to individuals, and/or the information rights of individuals including, but not limited to, the GDPR and/or DPA and the equivalent in any other relevant jurisdictions as amended or replaced from time to time;

**Data Subject** has the meaning given to it in the GDPR and DPA;

**DPA** means the Data Protection Act 2018;

**Equipment** means, at any time, goods which are the subject of any Agreement, the Receivable in respect of which is, at such time, a Purchased Receivable;

**FCA** means the Financial Conduct Authority;

**GDPR** means the General Data Protection Regulation (EU 2016/679);

**Hire Purchase Agreement** has the same meaning as in the Consumer Credit Act 1974 and Article 60L of the Regulated Activities Order;

**ICO** means the Information Commissioner's Office;

**Letter** means a facility letter as amended from time to time from CBL to the Seller countersigned by the Seller;

**Listing Schedule** means CBL's standard form for the listing of Agreements in accordance with Schedule 1;

**Loss Notice** has the meaning given to it in clause 7.1

**New Receivable** has the meaning given to it in clause 7.1.2

**Party** means a party to this Master Agreement

**Personal Information** means any information which: (i) falls within the definition of "Personal Data" under the GDPR and/or DPA; and (ii) in relation to which either Party is required to Process (subject to the Data Protection Requirements) in connection with this Master Agreement

**Processing** has the meaning given to it in the GDPR and/or DPA (and **Process**, **Processed** and **Processes** shall be construed accordingly)

**Purchased Amount** means, in respect of any Receivable purchased or to be purchased pursuant hereto, (a) the total amount payable (but unpaid) by a Customer to the Seller (as agent for CBL or otherwise) pursuant to the Agreement to which such Receivable relates at the time such Receivable is purchased by CBL or (b) such other amount as may be agreed in writing by the parties hereto;

**Purchased Receivable** means a Receivable purchased or purported to be purchased by CBL pursuant hereto, including without limitation any Receivable which replaces a Purchased Receivable pursuant to clause 7.1.2;

**Purchase Price** means, in relation to a Receivable, the sum specified as such in, and calculated in accordance with, the Letter;

**Receivable** means (unless otherwise agreed in writing by the parties hereto), at any given time, all the right, title and interest of the Seller in and to any Agreement, including, but not limited to, the right to receive the rentals or repayments and all other monies whatsoever payable by the Customer under the relevant Agreement (excluding any VAT thereon); and all rights of the Seller under any Security Agreement and all liens, reservations of title, right of tracing and other rights enabling the Seller to enforce any such debts or claims;

**Regulated Activities Order** means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;

**Rental Agreement** means an agreement for the bailment or (in Scotland) the hiring of goods which is not a Hire Purchase Agreement;

**Satisfaction Amount** means, in relation to a Receivable, the sum calculated in accordance with the Block Discounting Agreement and specified by CBL from time to time;

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

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

**Security Provider** means any party providing the security under a Security Agreement;

**Seller's Group of Companies** means from time to time any holding company of the Seller and any subsidiary of that Company or the Seller. "holding company" and "subsidiary" shall have the same meanings given in section 1159 of the Companies Act 2006;

**Termination Event** means any of the events referred to in clause 11.1;

**Unassigned Debts** means, at any time, all Receivables purchased or purported to be purchased under the Block Discounting Agreement which are not validly and effectively assigned to CBL by way of sale including the full benefit of all Security Agreements relating thereto and all liens, reservations of title, right of tracing and other rights enabling the Seller to enforce any such debts or claims in respect of the Receivables purchased or purported to be purchased under the Block Discounting Agreement;

**Value** means in relation to the Receivables arising under any Agreement the aggregate amount which remains to be paid by the Customer (whether of principal or interest or otherwise, but excluding any value added tax or any service or maintenance payments payable by the Customer) under the relevant Agreement at the time of purchase of those Receivables, assuming that the Agreement runs its full course; and

**VAT** means value added tax or any similar or equivalent tax replacing or supplementing it.

1.2 Any reference in this Master Agreement to:

a **financial obligation** shall be construed so as to include any obligation for the payment or repayment of money, whether present or future, actual or contingent;

a **person** shall be construed as a reference to any person, firm, company or corporation or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing; and

a **security interest** shall be construed as a reference to a mortgage, charge, pledge, lien, retention of title clause, right of tracing or other security interest securing any obligation of any person.

- 1.3 In this Master Agreement, clause headings are for convenience only and shall not affect the interpretation of the terms contained in the clause concerned; the singular shall include the plural and vice versa; the masculine shall include the feminine and the neuter; and a statutory provision shall include a reference to any modification or re-enactment of that provision for the time being in force.
- 1.4 If by the terms of this Master Agreement any act would be required to be performed on or within a period ending on a day which is not a Business Day the act shall be deemed to have been duly performed on or by the next Business Day after that day.

## **2 BLOCK DISCOUNTING AGREEMENT**

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

## **3 OFFER AND PURCHASE OF RECEIVABLES**

At the request of the Seller, CBL will consider and, if in its sole discretion it thinks fit, purchase from the Seller all or any of the Receivables offered to it by the Seller from time to time upon the terms and subject to the conditions hereinafter contained.

## **4 PROCEDURE FOR PURCHASE OF RECEIVABLES**

- 4.1 The Seller may from time to time offer to sell to CBL any Receivables by sending to CBL:
- 4.1.1 a Listing Schedule which shall include references to any Security Agreement and details of any Receivables the Seller wishes to sell to CBL;
  - 4.1.2 scanned copies of such Agreements and any Security Agreement listed in such Listing Schedule and, unless otherwise notified to the Seller from time to time, copies of invoices delivered to Customers pursuant to such Agreements; and
  - 4.1.3 unless otherwise notified to the Seller, a note signed by the Customer under each Agreement set out in the Listing Schedule recording the acknowledgement of the Customer that it has received the Equipment and/or services to which such Agreement relates and that such Equipment are of satisfactory quality, fit for purpose and acceptable to the Customer in every respect.
- 4.2 The delivery of the documents referred in clause 4.1 to CBL by the Seller shall constitute an offer for sale of the relevant Receivables. Such offer shall be irrevocable for a period of 30 days from the date on which CBL received such documents.
- 4.3 If CBL so decides, it will purchase such Receivables or any of them on the terms of the Block Discounting Agreement. CBL shall not, and shall not be required to, accept such offer other than by making payment of the Purchase Price as calculated pursuant to the terms of the Block Discounting Agreement. CBL shall be entitled to pay the Purchase Price to the Seller in

such manner as it sees fit. Upon payment of the Purchase Price to the Seller, title to the Receivables and any related Security Agreements shall vest absolutely in CBL with full title guarantee.

- 4.4 Upon CBL's request, the Seller agrees to send to CBL the original versions of any Agreements and Security Agreements detailed in a Listing Schedule and CBL shall be entitled to retain possession of any such original documents delivered to CBL until all sums due and to become due to CBL under the relevant Agreements and any related Security Agreements have been paid in cleared funds.

## **5 AGENCY**

- 5.1 CBL appoints the Seller as its sole agent and trustee (which appointment the Seller irrevocably accepts) for the collection of all sums due in respect of any Purchased Receivables.
- 5.2 The Seller shall at its own expense diligently collect all sums due in respect of the Purchased Receivables (to the extent that such sums constitute all or part of the Satisfaction Amount in respect of such Purchased Receivables) and on receipt shall pay them to CBL in accordance with the terms of the Block Discounting Agreement and pending payment shall hold such sums in a separate account on trust for CBL.
- 5.3 The Seller shall inform CBL from time to time upon its request of the amounts received or recovered by the Seller in respect of each Purchased Receivable.
- 5.4 CBL may at any time following the occurrence of a Termination Event or if any payments or other sums due under an Agreement are not paid when due by notice in writing immediately terminate the agency of the Seller and by itself or any other agent collect the amounts due in respect of the Purchased Receivables from the relevant Customers or Security Providers.
- 5.5 Notwithstanding anything contained in the Block Discounting Agreement or elsewhere CBL shall be entitled at its absolute discretion at any time following the occurrence of a Termination Event or if any payments or other sums due under an Agreement are not paid when due to give notice to any Customer or Security Provider of the assignment or purchase of the Purchased Receivables but so that the giving of notice shall not in any way release the Seller from its obligations under the Block Discounting Agreement.
- 5.6 At any time following the occurrence of a Termination Event CBL may direct the Seller to pay any amount the Seller actually receives from its Customers in respect of Purchased Receivables into an account in the Vendor's name.
- 5.7 The Seller hereby covenants and undertakes that, should CBL exercise any right conferred in the Block Discounting Agreement upon CBL to terminate the agency of the Seller, it will not in any way interfere or attempt to interfere with the collection of sums due from Customers or any Security Providers in respect of the Purchased Receivables and that, upon the termination of such appointment for any reason the Seller shall not collect or attempt to collect or hold themselves out as having authority to collect any such sums. The Seller shall provide CBL with all assistance reasonably required by CBL to enforce payment by any Customer or Security Provider.

## **6 SATISFACTION**

- 6.1 The Seller shall pay to CBL in respect of each Purchased Receivable an amount equal to the Satisfaction Amount in such instalments and at such times as may be specified by CBL

(irrespective of whether or not the Seller has received an amount equal thereto from the Customer).

- 6.2 CBL may, upon receipt of the Satisfaction Amount, offer to transfer to the Seller without payment to CBL its right, title and interest in the relevant Purchased Receivable. Any such transfer shall be on the basis that all representations, warranties and other contractual terms (whether express or implied) in relation to such Purchased Receivables (save that CBL has such title to the Purchased Receivable as it acquired from the Seller) shall be excluded to the full extent permitted by law).

## **7 REPURCHASE, REPLACEMENT AND SALE**

- 7.1 If any of the events specified in clause 11 occurs or it appears to CBL that CBL is likely to sustain loss or damage in consequence of a purchase made of a Receivable pursuant to the provisions of the Block Discounting Agreement then CBL may by issuing a notice to the Seller ("**Loss Notice**"):

7.1.1 require the Seller to repurchase the Purchased Receivables on such date as CBL shall specify in such Loss Notice at such price as may be reasonably determined by CBL whereupon the Seller shall do so by payment of such price and all rights of CBL to such Receivables shall re-vest in the Seller and the obligations of CBL in respect thereof shall thereafter cease. Any such sale of the Purchased Receivables by CBL shall be on the basis that all representations, warranties and other contractual terms (whether express or implied) in relation to such Purchased Receivables (save that CBL has such title to the Purchased Receivable as it acquired from the Seller) shall be excluded to the full extent permitted by law; or

7.1.2 require the Seller, in replacement of the Purchased Receivables to which CBL refers to in the Loss Notice, to transfer to CBL such other Receivables ("**New Receivables**") in accordance with the following:

7.1.2.1 upon receipt of the Loss Notice, the Seller shall issue a Listing Schedule detailing the New Receivables it proposes to replace the Purchased Receivables detailed in the Loss Notice; and

7.1.2.2 providing that CBL, in its absolute discretion, is of the opinion that such New Receivables are at least equal in Value to the Purchased Receivables detailed by CBL in the Loss Notice, then CBL shall issue written confirmation to the Seller and, upon CBL issuing such written confirmation to the Seller, title to such New Receivables shall automatically be deemed to be assigned by the Seller to CBL without further notice; and

7.1.2.3 in consideration of the Seller assigning title to such New Receivables to CBL, CBL shall, within 3 Business Days of its receipt of the Listing Schedule, transfer title to those Purchased Receivables detailed in the Loss Notice to the Seller on the basis that all representations, warranties and other contractual terms (whether express or implied) in relation to those Purchased Receivables (save that CBL has such title to the Purchased Receivable as it acquired from the Seller) shall be excluded to the full extent permitted by law.

## 8 REPRESENTATIONS

8.1 The Seller represents and warrants and shall be deemed, both on the making of an offer by the Seller and on the acceptance of such offer by CBL pursuant to clause 4, to represent and warrant to CBL that:

8.1.1 the Seller has power to enter into the Block Discounting Agreement and to exercise its rights and perform its obligations hereunder and all corporate or other action required to authorize and execution of the Block Discounting Agreement by the Seller and the performance by the Seller of its obligations hereunder has been duly taken;

8.1.2 the execution of the Block Discounting Agreement and the Seller's exercise of its rights and performance of its obligations hereunder (a) will not result in the existence of, nor oblige the Seller to create any, security interest over all or any of its present or future revenues or assets (other than the charges granted pursuant to the Block Discounting Agreement) and (b) will not result in any breach by it of any provision of its memorandum of association or its articles of association, any provisions of law or any agreement or other instrument binding on it; and

8.1.3 the Seller has not taken any corporate action nor have any other steps been taken or legal proceedings been started or, to the best of the Seller's knowledge and belief threatened against the Seller for its winding-up, dissolution or reorganization or for the appointment of an administrator, administrative receiver, receiver, trustee or similar officer of it or of any or all of its assets.

8.2 The Seller shall, both on the making of an offer by the Seller and on the acceptance of such offer by CBL pursuant to clause 4 be deemed to represent and warrant to CBL that no Termination Event has occurred and is continuing and, in respect of each Receivable so offered or so purchased and each Agreement to which such Receivable relates, that:

8.2.1 the Seller currently holds and will at all times hold the relevant authorisation with the FCA together with the appropriate categories of permission required under the Financial Services and Markets Act 2000 and any subordinate legislation for conducting any credit-related regulated activities in relation to the Agreement and/or incidental to the performance of its obligations under the Block Discounting Agreement;

8.2.2 either (a) the Agreement complies with the current form of documents produced by the Consumer Credit Trade Association, or is otherwise in a form previously approved in writing by CBL, or (b) the Seller has obtained independent legal advice that the form of Agreement complies with the applicable provisions of the Consumer Credit Act 1974 and any subordinate legislation, together with any rules or guidance set out in the Consumer Credit Sourcebook chapter of the FCA's Handbook and will provide CBL with suitable protection from a funding perspective;

8.2.3 the Agreement and any related Security Agreement is governed by the laws of England, constitute the legal, valid and binding obligations of the relevant Customer and Security Provider, without prejudice to the generality of the foregoing, the Seller and any third party who entered into an Agreement with the relevant Customer has complied fully with the applicable provisions of the Consumer Credit Act 1974 and regulations made thereunder together with the provisions of all other relevant statutes and regulations, including the Financial Services and Markets Act 2000, the Regulated Activities Order and any applicable rules and guidance set out in the FCA's Handbook (including the Consumer Credit Sourcebook) and will continue to

comply with all the provisions of such statutes and regulations to ensure that the Agreement and any related Security Agreement remain at all times fully enforceable, including giving the Customer any notices or statements required under the Consumer Credit Act 1974 and subordinate legislation in relation to an Agreement and any Security Agreement and the Seller has complied in full with all laws and regulations relating to data protection, money laundering and countering terrorist finance and sanctions and will continue to comply with all the provisions of such laws and regulations;

- 8.2.4 in the case of an Agreement which is cancellable or has a right of withdrawal under the terms of the Consumer Credit Act 1974, Consumer Credit Sourcebook chapter of the FCA Handbook or the Consumer Contracts (Information Cancellation and Additional Charges) Regulations 2013 as applicable, the relevant cancellation or withdrawal period has expired;
- 8.2.5 the Agreement (unless a Credit Agreement) is a bona fide contract of the Seller for the sale or supply of goods (other than the capital assets of the Seller) and/or services;
- 8.2.6 the Customer and any Security Provider is not an employee, officer, director of the Seller or an associate of the Seller as defined in Section 184 of the Consumer Credit Act 1974 and/or Article 60L of the Regulated Activities Order;
- 8.2.7 the Agreement is not a bill of exchange or letter of credit;
- 8.2.8 any deposit or initial payment shown in the Agreement as paid has been paid in the manner stated and any allowance given to the Customer for goods taken in part exchange is reasonable in relation to the value of such goods or services;
- 8.2.9 the Seller is the legal and beneficial owner of any Equipment specified in any Agreement as a Hire Purchase Agreement, Conditional Sale Agreement or Rental Agreement and such Equipment is not subject to any security interests;
- 8.2.10 the details of the Customer and the particulars of the Equipment and other information set out in the Agreement are correct in every respect;
- 8.2.11 any Equipment the subject of the Agreement is in good order, repair and condition, is of satisfactory quality and is fit for the Customer's purposes and complies in all respects with the requirements of the law and with all the provisions of the Agreement express or implied;
- 8.2.12 the Equipment the subject of the Agreement has been duly delivered to and accepted by the relevant Customer under the terms of the relevant Agreement;
- 8.2.13 any insurance required under the Agreement has been effected;
- 8.2.14 the particulars contained in the Listing Schedule relating to such Receivable are true and accurate in all respects and the Seller has no information which might prejudice or affect any of the rights, power or ability of CBL to enforce any provision of the Agreement or any Security Agreement relating thereto;
- 8.2.15 none of the Agreements or Security Agreements specified in the Listing Schedule have been varied by the Seller and no side letters or side agreements have been entered into by the Seller in relation to such Agreements or Security Agreements and

all such Agreements and Security Agreement are in form of the Agreement and Security Agreements delivered by the Seller to CBL with the relevant other pursuant to clause 4.1;

- 8.2.16 such Receivable is not subject to any security interest and the Seller is the legal and beneficial owner of the Receivable and is absolutely entitled to assign such Receivable to CBL and such assignment will not constitute and will not result in any breach of any provision of law or any agreement (including, without limitation, the Agreement) or other instrument binding on it and will not result in and will not oblige the Seller to create any such security interest over such Receivable, over any other Receivable then offered to CBL, over any Purchased Receivable or over any Equipment;
- 8.2.17 the Purchased Amount payable under the Agreement is payable by each Customer on or before the date shown in the particulars contained in the Listing Schedule relating thereto (or otherwise in the Agreement) and the Seller is not aware of and has no reason to suspect that there may arise any dispute or claim of any kind in respect of any goods or services the subject thereof;
- 8.2.18 the details of the parties and the particulars of the Equipment and other information set out in any relevant Security Agreement are, to the best of the Seller's knowledge, correct in all respects;
- 8.2.19 the Seller has not sold or assigned or offered to sell or assign such Receivable to any person other than CBL, and there will be no set off, counterclaim, deduction or extension of time applicable to such Receivable and no justification for non-payment of the full amount due in respect of such Receivable by the Customer; and
- 8.2.20 each relevant Customer Agreement is fully valid and enforceable and is not disputed or subject to cancellation or rescission by the relevant Customer and each relevant Customer Agreement has not been breached by the relevant Customer.

## **9 UNDERTAKINGS**

The Seller covenants and undertakes with CBL:-

- 9.1 to perform and observe every covenant and obligation which the Seller has undertaken to perform and observe in each of the Agreements and to indemnify CBL on demand against all claims, losses, damages or expenses which may result from failure to do so and in particular but without prejudice to the generality of the foregoing in the event of all or any of the Agreements giving rise to a repayment of any sum by the Seller to a Customer whether upon a breach or whether in performance of the Agreements, to pay to CBL a sum equal to the sum or sums repayable to the Customer without demand and to indemnify CBL against all claims made by such Customer for the return or replacement of any such sum;
- 9.2 to hold all sums received and/or recovered by it in respect of a Purchased Receivable on trust for CBL;
- 9.3 to hold all rights, remedies and interest in each Purchased Receivable and in the sums due and to become due thereunder on trust for and on behalf of CBL until a legal assignment of such Purchased Receivable is executed;
- 9.4 to pay CBL the amount of all legal charges and all stamp duties paid or incurred by CBL on any assignment or re-assignment of a Purchased Receivable;

- 9.5 to maintain such accounts as are sufficient to show the amounts paid by and due from the Customers to the Seller;
- 9.6 when required by CBL, to permit at all reasonable times full inspection and audit of such accounts by CBL and/or its authorised representative;
- 9.7 to render to CBL if so requested by CBL, such particulars relating to the Purchased Receivables as CBL may from time to time reasonably require;
- 9.8 to endorse in favour of CBL such bills of exchange as may from time to time be issued or endorsed to the Seller in respect of all or any part of a Purchased Receivable;
- 9.9 to request CBL's permission to repossess any Equipment or enforce any rights under any Agreement and/or Security Agreement relating to a Purchased Receivable, and to not repossess any Equipment or enforce any rights under any Agreement and/or Security Agreement relating to a Purchased Receivable until it has received written permission from CBL to do so (save that, upon the Seller making any such request to CBL, if CBL does not respond to the Seller's request by 5.00pm on the Business Day following the date upon which CBL receives the relevant request, the Seller may, without CBL's permission, repossess the Equipment or enforce any rights under any Agreement and/or Security Agreement relating to a Purchased Receivable in relation to the relevant request), provided always that the Seller shall not repossess any Equipment or enforce any rights under any Agreement and/or Security Agreement relating to a Purchased Receivable contrary to law or in an illegal manner and shall indemnify CBL against all claims arising from repossession and enforcement and shall hold all repossessed Equipment and the proceeds of such enforcement on trust for CBL and deal with the same as CBL shall direct;
- 9.10 to provide to CBL forthwith on demand all books, records and all other documents relating to the Agreements;
- 9.11 to give at its own cost to CBL any assistance required by CBL in enforcing any rights of CBL relating to any of the Purchased Receivables or any of the Equipment;
- 9.12 not to sell, assign or transfer, or purport to do so, any Purchased Receivable or create or permit to subsist, or purport to do so, any security interest over any Purchased Receivable or do any act likely to affect adversely CBL's rights relating to any Purchased Receivable;
- 9.13 to notify CBL of any return, repossession, loss of, or damage to, any of the Equipment or of any request for extended credit or adjustment, dispute or claim relating to a Purchased Receivable or to any of the Equipment and generally of all material happenings and events affecting Purchased Receivables and/or Equipment or the value or amount thereof;
- 9.14 to collect and pay or cause to be paid to the appropriate authority any tax or duty payable in respect of each Purchased Receivable and/or any of the Equipment;
- 9.15 to perform and observe every covenant and obligation which the Seller has undertaken to perform and observe in any Security Agreement relating to any Purchased Receivable and not to do any act which could have the effect of discharging, waiving or adversely affecting the rights of the Seller under such document;
- 9.16 to indemnify and keep fully indemnified CBL against (i) failure by the Seller to perform its obligations hereunder; (ii) any VAT payable by CBL in respect of any transaction or matter contemplated by this Master Agreement and/or any Block Discounting Agreement; and (iii) all claims, losses, damages and expenses (including, without limitation, any costs, charges,

expenses, management or staff time and stamp duties incurred by CBL in connection herewith) which may be made against or incurred by CBL in connection with any breach or non-fulfilment by the Seller of any of its obligations or warranties under this Master Agreement and/or any Block Discounting Agreement and any claim, whether or not made by a Customer, in relation to any Equipment or services to which any Purchased Receivable relates whether directly or indirectly, or to the quality of any such Equipment or services, or to the failure of the Seller to meet contract specifications in whatever form under any Agreement to which any Purchased Receivable relates, or in connection with any failure of the Seller strictly to comply with the provisions of the Consumer Credit Act 1974, including, without limitation, any such failure which results in any provision of any Agreement being or becoming void or unenforceable;

- 9.17 forthwith upon execution of this Master Agreement by the parties hereto to notify its bankers and to use its reasonable endeavours to obtain the agreement of such bankers that the charges created pursuant to this Master Agreement shall stand in priority to any charges granted by the Seller to such bankers;
- 9.18 not to create or permit to subsist any charge or other security interest over the Unassigned Debts and/or the Equipment without the prior written consent of CBL;
- 9.19 as soon as the same become available, but in any event within 270 days after the end of each of its financial years, deliver to CBL a copy of its published audited financial statements for such financial year;
- 9.20 from time to time on the request of CBL, furnish CBL with such information as is available to the Seller about the business and financial condition of the Seller as CBL may reasonably require.

## **10 CHARGE**

- 10.1 The Seller with full title guarantee (as defined in the Law of Property (Miscellaneous Provisions) Act 1994) hereby (and to the intent that the security so constituted shall be a continuing security in favour of CBL) charges by way of first fixed charge for the payment and discharge of the Secured Liabilities all its right, title and interest, present and future, in and to (a) the Unassigned Debts and (b) the Equipment.
- 10.2 As further continuing security for the payment and discharge of the Secured Liabilities the Seller hereby charges with full title guarantee in favour of CBL by way of first floating charge all right, title and interest, present and future, in and to (a) the Unassigned Debts and (b) the Equipment not effectively charged by way of first fixed charge pursuant to the provisions of clause 10.1.
- 10.3 The security constituted by this Master Agreement and under this clause 10 shall be in addition to any other security CBL may at any time hold for any of the Secured Liabilities, and shall remain in full force and effect until discharged by CBL.
- 10.4 The Seller shall whenever requested by CBL execute such further security as CBL may direct over the Unassigned Debts and/or the Equipment or take any other steps as CBL may require for perfecting the security hereby constituted.
- 10.5 On the occurrence of any event which is or which may with the passage of time become one of those events mentioned in clause 11 CBL may:

- (a) by notice in writing to the Seller convert the floating charge hereby created into a fixed charge over the Unassigned Debts and/or the Equipment, and the Seller's ability to deal in any manner with the Unassigned Debts and/or the Equipment, shall thereby cease except to the extent otherwise agreed by CBL; and/or
  - (b) appoint one or more persons to be a receiver (which expression includes an administrator, administrative receiver and a receiver and manager) or receivers of the whole of any part of the Unassigned Debts and/or the Equipment, and every receiver so appointed shall be deemed at all times and for all purposes to be the agent of the Seller which shall be solely responsible for his acts and defaults and for the payment of his remuneration.
- 10.6 The foregoing power of appointment of a receiver shall be in addition to all statutory and other powers of CBL under the Law of Property Act 1925 and the statutory powers of sale and of appointing a receiver shall be exercisable without the restrictions contained in sections 103 and 109 of that Act or otherwise and the foregoing power to appoint a receiver hereinbefore or by statute conferred shall be and remain exercisable by CBL notwithstanding any prior appointment in respect of all or any part of the Unassigned Debts and/or the Equipment.
- 10.7 On the occurrence of any event mentioned within clause 11 the charge created by clause 10.2 shall automatically, without notice, be converted into a fixed charge and thereafter the provisions of clauses 10.5 and 10.6 shall apply.
- 10.8 The Seller shall not create or permit to subsist any charge or other encumbrance over the Unassigned Debts and/or the Equipment without the prior written consent of CBL.
- 10.9 Section 93 of the Law of Property Act 1925 (relating to the consolidation of mortgages) shall not apply to this Master Agreement.
- 10.10 This Master Agreement contains a qualifying floating charge, and paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to clause 10.2.

## **11 DEFAULT AND TERMINATION**

- 11.1 The following events are Termination Events, if: -
- 11.1.1 the Seller fails to pay any sum due from it hereunder and/or any Listing Schedule or under any other agreement with CBL at the time and in the manner specified in the relevant agreement; or
  - 11.1.2 the Seller fails duly to perform any of its other obligations hereunder, the Letter and/or any Listing Schedule or under any other agreement with CBL and, if such default is capable of remedy, the same is not remedied within fourteen days of the date of such default; or
  - 11.1.3 any representation or warranty made by the Seller herein, the Letter or in any notice, or other document, certificate or statement delivered pursuant hereto or in connection herewith proves to have been incorrect or misleading in any respect when made, or
  - 11.1.4 the Seller is unable to pay its debts as they fall due, commences negotiations with any one or more of its creditors with a view to a general extension of the time within which it must liquidate its financial obligations or makes a general assignment for the benefit of or a composition with its creditors; or

- 11.1.5 the Seller takes any corporate action or other steps are taken or proceedings are started for the Seller's winding-up or dissolution (otherwise than for the purposes of reconstruction or amalgamation without insolvency on terms which have been approved by CBL in writing) or for the appointment of any administrator, a receiver or an administrative receiver of the Seller or of any or all of its revenues and assets; or
  - 11.1.6 any financial obligation of the Seller is not paid when due, any financial obligation of the Seller becomes due and payable prior to its specified maturity or any creditor of the Seller becomes entitled to declare any financial obligation of the Seller due and payable prior to its specified maturity; or
  - 11.1.7 the Seller is an individual or a partnership, the Seller (or any of its partners, as appropriate) dies, is made or becomes bankrupt or has a trustee in bankruptcy appointed over it or the partnership is dissolved; or
  - 11.1.8 the Seller is subject to a change of control from that existing at the date of this Master Agreement; or
  - 11.1.9 any circumstances arise which give reasonable grounds in the opinion of CBL for belief that the Seller may not (or may be unable to) perform its obligations hereunder; or
  - 11.1.10 there is, in the opinion of CBL, a material adverse change in the financial position or business of the Seller; or
  - 11.1.11 in Scotland (in addition to the other events specified in clause 11.1 so far as applicable) if the Seller becomes bankrupt or suffers sequestration to be awarded to the Seller's estate or effects or a receiver or judicial factor or trustee to be appointed for any portion of the Seller's estate or effects or suffers any arrestment, charge, pointing or other diligence to be issued or if there is any exercise or threatened exercise by any landlord's hypothec.
- 11.2 At any time after the occurrence of an event which is (or may, with the giving of notice or the passing of time or both, become) a Termination Event, then: -
- 11.2.1 notwithstanding anything contained in clause 5, CBL may by written notice to the Seller elect that the agency of the Seller hereunder shall be terminated (and on the service of any such notice, such agency shall be terminated);
  - 11.2.2 if CBL by notice to the Seller so requires, the Seller shall (a) open and maintain with a bank approved by CBL an account designated in such manner as CBL may require, (b) pay all amounts received from Customers in respect of Purchased Receivables into such account without delay and (c) not pay into such account any monies other than those received from Customers in respect of Purchased Receivables;
  - 11.2.3 CBL may appoint one or more persons to be a receiver (which expression includes an administrative receiver and a receiver and manager) or receivers of the whole or any part of the Unassigned Debts and/or the Equipment, and every receiver so appointed shall be deemed at all times and for all purposes to be the agent of the Seller which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

The foregoing power of appointment of a receiver shall be in addition to all statutory and other powers of CBL under the Law of Property Act 1925 and the statutory

powers of sale and of appointing a receiver shall be exercisable without the restrictions contained in sections 103 and 109 of that Act or otherwise and the foregoing power to appoint a receiver hereinbefore or by statute conferred shall be and remain exercisable by CBL notwithstanding any prior appointment in respect of all or any part of the Unassigned Debts and/or the Equipment.

- 11.2.4 CBL may by written notice require the Seller to repurchase all or part of the outstanding Purchased Receivables at such price as may be reasonably determined by CBL whereupon the Seller shall do so by payment of such price and all rights of CBL to such Receivables shall revert in the Seller and the obligations of CBL in respect thereof shall thereafter cease.

## **12 PERFECTION**

The Seller shall, immediately upon the request of CBL execute a legal assignment or transfer of a Purchased Receivable or any Equipment in such form as CBL may require.

## **13 POWER OF ATTORNEY**

- 13.1 The Seller hereby irrevocably and by way of security appoints CBL and separately any receiver appointed hereunder as the attorney of the Seller: -

13.1.1 to execute a legal assignment or transfer of any Purchased Receivable or Equipment in such form and at such time as CBL in its absolute discretion deems appropriate;

13.1.2 to demand, sue for or receive and give effective discharge for all sums payable by any person in respect of any Purchased Receivable or Equipment;

13.1.3 to repossess, sell, lease, hire or otherwise dispose of or use any of the Equipment and to apply any consideration therefore in or towards the discharge of any Secured Liabilities;

13.1.4 otherwise to perform any act which the Seller is obliged or could be required to do hereunder;

13.1.5 institute legal proceedings or otherwise; and

13.1.6 do all such further things as CBL may in its absolute discretion consider to be necessary or expedient for perfecting CBL's title to such Purchased Receivables and for their recovery.

- 13.2 CBL shall not make any request under clause 12 nor exercise the power of attorney granted in its favour under this clause 13 in respect of any Purchased Receivable and/or Equipment unless a Termination Event has occurred provided that, without prejudice to any rights of the Seller in damages for breach of this sub-clause, any exercise of such power of attorney shall be valid in favour of third parties whether or not any Termination Event has occurred.

- 13.3 Any documents to be executed under this power of attorney may be executed by any officer of CBL.

## **14 PAYMENTS**

- 14.1 All payments made by the Seller hereunder shall be made by payment in pounds sterling and in immediately available cleared funds, free and clear of and without deduction for or on account of any set-off or counterclaim or, except to the extent required by law, any tax or

other matter, to CBL at such bank as is referred to in the Letter (or in such other manner as CBL may have specified for this purpose in the Letter) by no later than 11.00 a.m. on the due date for each such payment.

14.2 Each amount stated as payable (or other consideration to be given) to CBL hereunder is exclusive of VAT if any.

14.3 In the event of the failure by the Seller to pay any sum due hereunder on the due date therefore, the Seller shall, without prejudice to any other rights of CBL hereunder, pay to CBL from time to time on demand interest on such sum from the date of such failure to the date of actual payment (as well after as before judgment) at the rate which is the aggregate of four per cent (4%) and the Sterling Base Rate from time to time of Barclays Bank plc. Interest payable under this sub-clause shall accrue from day to day and shall be calculated on the basis of a 365-day year.

## **15 COSTS AND EXPENSES**

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

## **16 CONFIDENTIALITY**

16.1 During the term of this Master Agreement, the Parties will obtain knowledge of trade secrets and other Confidential Information with regard to the business and financial affairs of each other and their respective customers and suppliers' details which are not in the public domain and accordingly the Parties undertakes to:

16.2 Keep separate all Confidential Information and all information generated by the other Party from all other documents and records belonging to or in possession of the receiving Party;

16.3 Keep all documents and any other materials bearing or incorporating any of the Confidential Information of the disclosing Party the place of business of the receiving Party;

16.4 Not use, reproduce, transform, or store any of the Confidential Information in an externally accessible computer or electronic information retrieval system or transmit it in any form or by any means whatsoever outside of its place of business without explicit written consent from the disclosing Party;

16.5 Make copies of the Confidential Information only to the extent that the same is strictly required for the purposes of this Master Agreement; and

16.6 Subject to the requirements and obligations under the Master Agreement, upon request of the disclosing Party; deliver up all documents and other material in the receiving Party's possession, custody or control that contains or incorporates any part of the Confidential Information.

16.7 The receiving Party must immediately notify the disclosing Party as soon as they become aware that any Confidential Information has been disclosed to an unauthorised third party.

## **17 DATA PROTECTION**

17.1 The Parties anticipate that they shall each separately determine the purposes for which, and the manner in which, any Personal Information of Customers will be Processed by them and

that the Parties are therefore, for the purposes of this Master Agreement, each a Data Controller of such Personal Information.

17.2 The Parties shall comply with all applicable obligations imposed by or made under the requirements of any Data Protection Requirements that apply in connection with this Master Agreement. Neither Party shall do or omit to do any act which puts the other Party in breach of the Data Protection Requirements.

17.3 The Seller warrants and represents that:

- (a) it has the right to transfer Personal Information of Customers to CBL in connection with this Master Agreement;
- (b) it has obtained any necessary consents from Customers in respect of any such transfer or otherwise ensure that there is a lawful basis for conducting such transfer, so that the Personal Information of Customers can be lawfully used by CBL for the purposes of this Master Agreement; and
- (c) it has provided to the Customers adequate fair processing information about the transfer of their Personal Information to CBL as required under Data Protection Requirements.

17.4 The Parties agree to co-operate with one another in responding to:

- (a) any requests made by Data Subjects exercising their rights under Data Protection Requirements; and
- (b) any correspondence from the ICO,

in each case where any such requests or correspondence relate to or impact the Processing of their Personal Information by either Party in connection with this Master Agreement.

17.5 Each Party shall notify the other Party promptly upon becoming aware of any actual, suspected or threatened Data Breach and, together with such notice, shall provide a written description of the Data Breach particulars.

17.6 The Seller covenants that upon the occurrence of any actual, suspected or threatened Data Breach the Seller shall fully co-operate with CBL and, subject to clause 17.2, shall act in accordance with any instructions provided by CBL to the Seller including, but not limited to, providing CBL with any information requested from it by CBL on demand.

17.7 The Seller shall, during the term of this Master Agreement permit without charge, access by CBL to all records, systems, or any other information howsoever held by the Seller, for the purposes of reviewing the Seller's compliance with the Data Protection Requirements. The Seller agrees that CBL may appoint a third party independent auditor to audit the Seller's compliance with this clause 17 and the Data Protection Requirements.

## **18 MISCELLANEOUS**

18.1 If the Seller is more than one entity or a partnership, the obligations and liability of such parties shall be joint and several.

18.2 If any clause or part of a clause contained in this Master Agreement and each Block Discounting Agreement is declared by any court of competent jurisdiction to be invalid or

unenforceable, such invalidity or unenforceability shall in no way impair or affect any other clause or part of a clause all of which shall remain in full force and effect.

- 18.3 Any waiver by CBL of any of its rights under this agreement or any other indulgence allowed by it to the Seller will not prejudice or affect the exercise of those rights.
- 18.4 Without prejudice to any of its other rights and remedies CBL shall be entitled to set-off all or any of its liabilities to the Seller against all or any of the Seller's liabilities to CBL under this or any other agreement or account.
- 18.5 This Master Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Master Agreement.
- 18.6 Each party irrevocably submits to the non-exclusive jurisdiction of the English Courts in relation to all matters (including non-contractual matters) arising out of or in connection with this Master Agreement and each Block Discounting Agreement.
- 18.7 Each communication to be made hereunder shall be in writing and shall be addressed to the recipient at the address identified with its signature herein or such other address in England as it may for this purpose notify to the other and shall be deemed to have been given upon delivery, or when sent (if by facsimile) or three days after posting (if by mail).
- 18.8 References in this Master Agreement to any statutory provision are to such provision as amended, replaced or re-enacted from time to time.
- 18.9 This Master Agreement and each Block Discounting Agreement is personal to the Seller and it shall not assign any of its rights hereunder without the written consent of CBL.
- 18.10 This Master Agreement and each Block Discounting Agreement shall be governed by and construed in all respects in accordance with English Law and all claims and disputes (including non-constituted claims and disputes) arising out of or in connection with this Master Agreement and each Block Discounting Agreement, will be determined in accordance with English Law.
- 18.11 CBL shall be entitled to assign or transfer all or any of its rights under this Master Agreement and each Block Discounting Agreement without the consent of the Seller. The Seller shall not assign, transfer, hold on trust or otherwise dispose of any of its rights and/or obligations under this Master Agreement and each Block Discounting Agreement.

**SCHEDULE 1 – Form of Listing Schedule**[illegible]

## SCHEDULE 2 – Form of Offer to Purchase Letter

The Directors  
Conister Bank Limited  
Clarendon House  
Douglas  
Isle of Man IM1 2LN

[                      ]

Dear Sirs,

**Offer pursuant to the Block Discounting Master Agreement dated [                      ] and made between Conister Bank Limited and Compass Business Finance Limited.**

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

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

We represent and warrant the facts and matters in Clause 8 of the BDA and we agree that this Offer and any purchase by you pursuant to this Offer shall be governed by the terms and conditions of the BDA.

If you wish to accept this Offer please:

- 1        execute the attached Certificate of Assignment and deliver a copy of such executed Certificate of Assignment to us; and
- 2        pay the Purchase Price in respect of the Receivables the subject of this Offer to (Insert bank address), (insert sort code), (insert account number) in favour of [                      ].

This Offer is governed by English law.

Yours faithfully,

\_\_\_\_\_  
For and on behalf of  
Compass Business Finance Limited

### SCHEDULE 3 – Form of Certificate of Assignment

The Directors  
Conister Bank Limited  
Clarendon House  
Douglas  
Isle of Man IM1 2LN

[ 1 ]

Dear Sirs,

**Block Discounting Master Agreement dated [ ] and made between Conister Bank Limited and Compass Business Finance Limited (BDA)**

We refer to the BDA and to the Offer dated [ ] from us to you (the "Offer"). Terms used in this Certificate of Assignment shall have the meanings given to such terms in the BDA.

As absolute owner and with full title guarantee, we hereby assign irrevocably and absolutely to you, all of the Receivables with respect to the Agreements set out in the Listing Schedule (other than the Receivables with respect to those Agreements which you reject pursuant to clause 4.3 of the BDA).

We confirm that the foregoing assignment is made pursuant to the BDA and that all the provisions of the BDA shall apply in relation to this Certificate of Assignment.

This Certificate of Assignment is governed by English law.

The Purchase Price with respect to the Receivables, the subject of the Offer and which are accepted by Conister Bank Limited is £[ ].

Executed as a deed by )  
**Compass Business Finance Limited** ) .....  
 acting by a director in the presence of a ) Director  
 witness: )  
 )

.....  
Signature of witness

Name .....

Address .....

\*\*\*\*\*

**SIGNED** )  
for and on behalf of )  
**Conister Bank Limited** )  
 )  
 ) .....  
 ) **Authorised Signatory**

**IN WITNESS** whereof the parties have caused this Block Discounting Agreement to be executed as a deed and delivered the day and year first above written.

Executed as a deed by )  
**Conister Bank Limited** ) .....  
acting by 2 directors or 1 director in the ) Director  
presence of a witness: ) .....  
 ) .....  
 ) Director

.....  
Signature of witness

Name .....

Address .....

.....

Executed as a deed by )  
**Compass Business Finance Limited** ) .....  
acting by a director in the presence of a ) Director  
witness: ) .....  
 )

.....  
Signature of witness

Name JULIETTE SWANEPOEL .....

Address .....  
.....

**IN WITNESS** whereof the parties have caused this Block Discounting Agreement to be executed as a deed and delivered the day and year first above written.

Executed as a deed by )  
**Conister Bank Limited** )  
acting by 2 directors or 1 director in the )  
presence of a witness: )

Director

Director

Signature of witness

Name .....

Address .....

Executed as a deed by )  
**Compass Business Finance Limited** )  
acting by a director in the presence of a )  
witness: )

Director

Signature of witness

Name .....

Address .....