

Claim Ref: CR-2023-002065



CR-2023-002065

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INSOLVENCY AND COMPANIES LIST (ChD)

Before: Michael Green J

Date: 22 June 2023

IN THE MATTER OF EVERYDAY LENDING LIMITED
AND IN THE MATTER OF THE COMPANIES ACT 2006

THURSDAY



ORDER

UPON THE APPLICATION by Part 8 Claim Form dated 21 April 2023 (the *Claim Form*) of Everyday Lending Limited, a company incorporated in England and Wales with registered number 05850869, whose registered office is at 1st Floor North, 2 Dukes Meadow, Bourne End, Buckinghamshire, United Kingdom SL8 5XF (the *Company*), to sanction the scheme of arrangement (the *Scheme*) between the Company and its creditors as set out in the Schedule hereto

AND UPON HEARING Tom Smith KC and Peter Burgess, Counsel for the Company and Emma Hughes, Counsel for the Customer Advocate

AND UPON READING the Claim Form and the evidence filed in these proceedings

THIS COURT HEREBY SANCTIONS the Scheme as set out in the Schedule hereto

AND IT IS ORDERED that the Company or its solicitors do deliver, as soon as reasonably practicable, a copy of this Order to the Registrar of Companies for England and Wales.

Service of the Order

The Court has provided a sealed copy of this Order to the serving party:

Slaughter and May (solicitors for the Company)

One Bunhill Row, London EC1Y 8YY

Reference: TAV/EQF

Telephone: 020 7090 5311



CR-2023-002065

SCHEME OF ARRANGEMENT

under Part 26 of the Companies Act 2006

between

EVERYDAY LENDING LIMITED

and

the "Scheme Creditors"

(as defined in this scheme of arrangement)

1. PRELIMINARY

1.1 Definitions

In this scheme of arrangement, the following expressions shall have the following meaning:

Ascertained FOS Fee Scheme Claim	means a Scheme Claim relating to a FOS Fee Liability after the Scheme Claim has been determined by ELL in accordance with Clause 4.4 or adjudicated by the Scheme Adjudicator in accordance with Clause 4.5.
Ascertained Redress Scheme Claim	means a Scheme Claim relating to any Redress Liability: (a) less any Cross-Claim; (b) plus any Redress Interest, after the Scheme Claim and Cross-Claim have been determined by ELL in accordance with Clause 4.4 or adjudicated by the Scheme Adjudicator in accordance with Clause 4.5.
Ascertained Scheme Claim	means an Ascertained Redress Scheme Claim or an Ascertained FOS Fee Scheme Claim.
Ascertained Scheme Creditor	means a Scheme Creditor who has an Ascertained Scheme Claim.
Board	means the board of directors of ELL from time to time or any duly constituted committee thereof.
Business Day	means a day, other than a Saturday or a Sunday, on which banks are open for general business in London.
Claims Submission Deadline	means the later of (i) 31 December 2023, and (ii) six months after the Scheme Effective Date.
Court	means the High Court of Justice of England and Wales.
Creditors' Meeting	means the meeting of Scheme Creditors convened under Section 896 of the Companies Act 2006 to consider the Scheme.
Cross-Claim	means any outstanding balance on a Loan owed to ELL by a Scheme Creditor on the Scheme Effective Date.

Debt Purchaser	means a purchaser of the rights, interests and obligations under a Loan from ELL.
Disputed Scheme Claim	means a Scheme Claim in respect of which a Scheme Claimant has indicated disagreement in accordance with Clause 4.4(H).
ELL	means Everyday Lending Limited, a company incorporated in England and Wales with company number 05850869, having its registered office at 1st Floor North, 2 Dukes Meadow, Bourne End, Buckinghamshire, England, SL8 5XF
Everyday Loans	means Everyday Loans Limited, a company incorporated in England and Wales with company number 05536115, having its registered office at 1st Floor North, 2 Dukes Meadow, Bourne End, Buckinghamshire, England, SL8 5XF.
Excluded Liability	<p>means any Liability arising out of or relating to any activity which occurred on or before 31 March 2021 in relation to a Loan in respect of which a complaint has been made and, before 17 March 2023:</p> <ul style="list-style-type: none"> (a) the complaint has been upheld by ELL or the person has accepted a settlement offer from ELL in respect of the complaint; (b) the person received a settlement offer from ELL in respect of the complaint dated on or after 17 September 2022, which the person either (i) accepts between 17 March 2023 and the Scheme Effective Date or (ii) neither accepts nor rejects by the Scheme Effective Date; or (c) the person has referred the complaint to the FOS, which the FOS upholds and determines that ELL shall pay the person any amount in respect of the complaint.
FOS	means the Financial Ombudsman Service including, as the context requires, Financial Ombudsman Service Limited as the operator of that service.
FOS Fee Claim	means the claim submitted to ELL by the FOS in relation to the FOS Fee Liability in accordance with Clause 4.2.
FOS Fee Liability	means any liability owed by ELL to the FOS in respect of case fees arising from complaints referred to the FOS on

or after 17 March 2023 in relation to any activity which occurred on or before 31 March 2021 in connection with a Loan.

GBL	means George Banco.com Limited, a company incorporated in England and Wales with company number 08804623, having its registered office at Epsom Court 1st Floor, Epsom Road, White Horse Business Park, Trowbridge, England, BA14 0XF.
George Banco	means George Banco Limited, a company incorporated in England and Wales with company number 08605069, having its registered office at Epsom Court 1st Floor, Epsom Road, White Horse Business Park, Trowbridge, England, BA14 0XF.
Group Adjudication	means adjudication by the Scheme Adjudicator of multiple Disputed Scheme Claims in accordance with ELL's discretion under Clause 4.4(l)(v).
Group Adjudication Claims	means a group of Disputed Scheme Claims referred to the Scheme Adjudicator for adjudication in accordance with Clause 4.4(l)(v).
Individual Adjudication	means adjudication by the Scheme Adjudicator of a single Disputed Scheme Claim in accordance with ELL's discretion under Clause 4.4(l)(v).
Insolvency Event	means, in respect of a company, any of the following events: <ul style="list-style-type: none">(a) the making of an order by the court to wind up the company pursuant to the Insolvency Act 1986;(b) the passing of a resolution under s.84 of the Insolvency Act 1986 to wind up the company;(c) the appointment of an administrator of the company pursuant to the Insolvency Act 1986;(d) the appointment of a provisional liquidator of the company pursuant to the Insolvency Act 1986;(e) the appointment of a receiver or an administrative receiver over the whole or substantially all of the company's business or assets; or

- (f) the equivalent or an analogous event in any jurisdiction.

Liability	means any liability of a person, whether it is present, future, prospective or contingent, whether its amount is fixed or undetermined, whether or not it involves the payment of money and whether it arises at common law, in equity or by statute, in England and Wales, Scotland or Northern Ireland or in any other jurisdiction, or in any other manner whatsoever.
Loan	means a loan made by ELL or GBL to any person on or prior to 31 March 2021.
Net Ascertained Scheme Claim	means, in relation to a Scheme Creditor, that Scheme Creditor's Ascertained Scheme Claim less (if applicable) that Scheme Creditor's Ring-Fenced Account Payments.
Order	means the order of the Court sanctioning the Scheme.
Outstanding Balance	means any Liability owed by a Redress Creditor: (a) to ELL or GBL; and/or (b) in respect of a Sold Loan.
Outstanding Redress Claim	means a complaint made to ELL in respect of a potential Redress Liability (excluding any Excluded Liability), where: (a) the complaint was made before 17 March 2023 (and ELL has acknowledged receipt of that complaint); or (b) the complaint was made on or after 17 March 2023, and ELL has acknowledged receipt of that complaint and confirmed that the complaint does not need to be resubmitted.
Potential Redress Creditor	means any person who borrowed or guaranteed a Loan.
Proceedings	means any process, action, step, or other legal proceeding including, without limitation, any demand, arbitration, alternative dispute resolution, judicial review, adjudication, execution, diligence, seizure, distraint, forfeiture, re-entry, lien, enforcement of judgment or

	enforcement of any security interest, but excluding any referral to the FOS.
Redress Creditor	means a person who is owed a Redress Liability.
Redress Interest	means interest calculated at the Redress Interest Rate from the date of each relevant payment made by the Redress Creditor to the Scheme Effective Date.
Redress Interest Rate	means a simple rate of 8% per year.
Redress Liability	<p>means a Liability owed by ELL to a person whether resident in the United Kingdom or elsewhere (including borrowers, former borrowers, guarantors and former guarantors) arising out of or relating to any activity which occurred on or before 31 March 2021 in relation to a Loan, but excluding:</p> <p>(a) any amounts owed between any of GBL, George Banco, Everyday Loans and/or ELL; and</p> <p>(b) the Excluded Liabilities.</p>
Redress Scheme Claim	means (i) the claim submitted through the Scheme Portal or by telephone to ELL by a Potential Redress Creditor indicating that they believe they are owed a Redress Liability in accordance with Clause 4.2, or (ii) an Outstanding Redress Claim.
Redress Scheme Claimant	means a Potential Redress Creditor who has submitted a Redress Scheme Claim.
Release Agreement	means the agreement to be entered into substantially in the form set out in the Schedule.
Representative	<p>means a person whom a Scheme Creditor has authorised to act on the Scheme Creditor's behalf and:</p> <p>(a) the Scheme Creditor has notified ELL in writing of that authorisation; or</p> <p>(b) the person so authorised has notified ELL in writing of their authority to act on the Scheme Creditor's behalf and provided evidence of that authority to ELL's reasonable satisfaction.</p>
Repurchased Loan	means a Loan, where (i) ELL has sold and transferred its rights, interests and obligations under such Loan to a

	Debt Purchaser, and (ii) ELL has repurchased such Loan from such Debt Purchaser.
Restructuring	means the restructuring of the financial obligations of the Non-Standard Finance plc group.
Restructuring Effective Date	means the date the Scheme Fund is credited to the Trust Account.
Ring-Fenced Account Payments	has the meaning given to that term in Clause 5.1.
Ring-Fenced Account Repayment	has the meaning given to that term in Clause 5.1(B).
Scheme	means this scheme of arrangement, made in accordance with Part 26 of the Companies Act 2006, in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by ELL in accordance with Clause 11.1.
Scheme Adjudicator	means the person to be appointed under Clause 8 and any person who is employed by that person and to whom functions under the Scheme are delegated.
Scheme Claim	means a Redress Scheme Claim or a FOS Fee Claim.
Scheme Claimant	means a Redress Scheme Claimant or the FOS in relation to a FOS Fee Claim.
Scheme Costs	means those costs which, in ELL's reasonable view, represent the costs of designing, implementing and administering the Scheme.
Scheme Costs Balance	means the amount (if any) by which the actual Scheme Costs are less than the amount of Scheme Costs estimated by ELL, as assessed by the Scheme Supervisor as at the Scheme Effective Date.
Scheme Creditor	means a person who is a creditor of ELL in respect of a Scheme Liability.
Scheme Effective Date	means the date on which the Order is delivered to the Registrar of Companies in England and Wales for registration.
Scheme Fund	means £14 million plus any Scheme Costs Balance.

Scheme Liability	means a Redress Liability or a FOS Fee Liability.
Scheme Payment	means a payment made by ELL to a Scheme Creditor pursuant to Clause 5.
Scheme Payment Percentage	means the percentage of each Net Ascertained Scheme Claim payable by ELL to each Ascertained Scheme Creditor, as determined in accordance with Clause 5.2.
Scheme Portal	the portal on the Website, through which Scheme Creditors may submit a Scheme Claim and ELL will send <i>information relating to the Scheme to Scheme Creditors.</i>
Scheme Supervisors	means the persons to be appointed under Clause 9 and any person who is employed by those persons and to whom functions under the Scheme are delegated.
Sold Loan	means a Loan, where the rights, interests and obligations under such Loan have been sold to a third party.
Trust Account	means an account in the name of ELL, the balance of which is held on trust by ELL for the Scheme Creditors.
Website	means the website at www.nsfclaims.co.uk .

1.2 Interpretation

- (A) Clause and schedule headings in this document are included for convenience only and shall be ignored in its interpretation.
- (B) In this document, unless the context otherwise requires or otherwise expressly provides:
 - (i) references to parts and clauses are references to the parts and clauses *respectively of the Scheme*;
 - (ii) references to a 'person' include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;
 - (iii) references to a statute or a statutory provision include the same as subsequently modified, amended or re-enacted from time to time;
 - (iv) the singular includes the plural and vice versa and words importing one gender shall include all genders;

- (v) the word 'including' shall be deemed to mean 'including, without limitation';
- (vi) '£', 'GBP' and 'sterling' denote the lawful currency of the United Kingdom;
- (vii) references to a period of days shall include Saturdays, Sundays and public holidays and where the final day falls on a Saturday, Sunday or public holiday, the next Business Day after such date; and
- (viii) references to time shall be to London time (GMT/BST, as appropriate).

1.3 Other parties

- (A) GBL, George Banco and Everyday Loans are not a party to the Scheme nor are they deemed to have entered into the Scheme. Each of GBL, George Banco and Everyday Loans has given an undertaking to the Court to be bound by the terms of this Scheme as they apply to them.
- (B) The Scheme Supervisors: (i) have given an undertaking to the Court to be bound by the terms of this Scheme as they apply to the Scheme Supervisors; (ii) shall enter into an agreement with ELL with respect to their appointment; and (iii) shall have the powers, rights, duties and responsibilities conferred and imposed upon them by the Scheme.
- (C) The Scheme Adjudicator: (i) has given an undertaking to the Court to be bound by the terms of this Scheme as they apply to the Scheme Adjudicator; (ii) shall enter into an agreement with ELL with respect to their appointment; and (iii) shall have the powers, rights, duties and responsibilities conferred and imposed upon them by the Scheme.

1.4 Scheme Effective Date

The Scheme shall become effective, and bind ELL and the Scheme Creditors, from the Scheme Effective Date.

2. GENERAL APPLICATION AND BALANCE ADJUSTMENT

2.1 Scope of the Scheme

- (A) The Scheme shall apply to all Scheme Liabilities.
- (B) The Scheme shall not affect the rights of any person in relation to any Excluded Liabilities.

2.2 Proceedings relating to Scheme Liabilities

- (A) Scheme Creditors must not commence or continue any Proceedings against ELL, in any jurisdiction, to establish the existence or amount of a Scheme Liability.

- (B) Any order, judgment, decision or award obtained by a Scheme Creditor in breach of Clause 2.2(A) shall be deemed not to give rise to an Ascertained Scheme Claim. No Scheme Creditor shall be entitled to rely on such an order, judgment, decision or award to prove a Scheme Claim and no Scheme Creditor shall have any right to enforce any such order, judgment, decision or award.

2.3 Prohibition on enforcing Scheme Claims

Scheme Creditors must not commence or continue any Proceedings against ELL, the Scheme Adjudicator, the Scheme Supervisors or any directors of ELL, in any jurisdiction, to enforce payment of a Scheme Payment or other Scheme Liability or any part of it, except that a Scheme Creditor may commence and continue Proceedings against ELL if ELL has failed to make a Scheme Payment in breach of Clause 5 or otherwise to enforce compliance with the terms of the Scheme.

2.4 Balance adjustment

- (A) Where ELL has a Cross-Claim, the Cross-Claim shall be set off against the relevant Scheme Creditor's Scheme Claim where such Scheme Claim is determined and/or adjudicated to be valid in whole or in part pursuant to Clause 4, in determining that Scheme Creditor's Ascertained Scheme Claim.
- (B) Only the balance (if any) due from ELL to a Scheme Creditor following the set-off of any Cross-Claim shall be taken into account when determining that Scheme Creditor's Ascertained Scheme Claim. Subject to Clause 2.4(D), any balance of the Cross-Claim owed by the Scheme Creditor to ELL shall remain due and payable on its terms.
- (C) Where a Scheme Creditor has a Scheme Claim in relation to a Repurchased Loan which is determined and/or adjudicated to be valid in whole or in part pursuant to Clause 4 and there is a balance outstanding under the Repurchased Loan owed by the Scheme Creditor to the Debt Purchaser as at the Scheme Effective Date, such balance will be treated, for the purposes of this Clause 2.4 and Clause 6, as if the balance were owed to ELL.
- (D) Where, prior to the Scheme Effective Date, a potential Scheme Creditor makes a complaint in relation to a potential Redress Liability, ELL shall provisionally assess that complaint under the proposed Scheme claims methodology. If, based on the proposed Scheme claims methodology, ELL believes that such potential Scheme Creditor may be owed a Redress Liability and, as a result of the application of this Clause 2.4, would no longer have an outstanding balance with ELL, ELL will inform such potential Scheme Creditor to stop making payments towards its Loan(s).
- (E) When a Scheme Creditor is notified by ELL of the outcome of the determination of its Scheme Claim pursuant to Clause 4.4(F), such Scheme Creditor will be informed (if applicable) if it should cease making payments towards its Loan(s) (as a result of the application of this Clause 2.4). In addition, when a Scheme Creditor is notified of the outcome of the assessment or adjudication of its

Scheme Claim pursuant to Clause 4.4(l)(ii) or Clause 4.5 (as applicable), such Scheme Creditor will be informed (if applicable) if it should cease making payments towards its Loan(s) (as a result of the application of this Clause 2.4).

- (F) Where a Scheme Creditor's Scheme Claim relates to unaffordable lending and is determined and/or adjudicated to be valid in whole or in part pursuant to Clause 4, the Scheme Creditor's obligations in respect of future interest payments and the payment of other costs (but not in respect of principal) shall be released and discharged in relation to the relevant Loan.

2.5 Sold Loans

Where a Scheme Claim relates to a Sold Loan and has been determined and/or adjudicated to be valid in whole or in part pursuant to Clause 4, ELL will use reasonable endeavours to repurchase such Sold Loan from the relevant Debt Purchaser.

2.6 Representatives

- (A) ELL will recognise the Representatives' authority to represent relevant Scheme Creditors for all purposes in connection with the Scheme.
- (B) Where a Representative submits on a Scheme Creditor's behalf any information required to be submitted to the Scheme Portal, the Representative shall do so through that Scheme Creditor's Scheme Portal account.
- (C) Where a Scheme Creditor has a Representative, ELL shall address any notifications or other communications under the Scheme to the Representative. ELL shall not have any liability to a Scheme Creditor or Representative arising from the operation of this Clause 2.6.

2.7 The Board

Save that the Scheme Supervisors and the Scheme Adjudicator shall have the powers, rights and duties conferred upon them by the Scheme, the powers of the Board shall remain as before the Scheme Effective Date and the Board shall be entitled to exercise all their statutory and managerial powers and rights in relation to ELL in accordance with their duties and functions.

3. SCHEME FUND

- (A) Within five Business Days following completion of the Restructuring, ELL shall pay the Scheme Fund into the Trust Account.
- (B) The Scheme Fund shall:
 - (i) be held on trust by ELL for the benefit of Scheme Creditors;
 - (ii) be ring-fenced and kept separate from other monies of ELL;

- (iii) be used only for the purposes set out in the Scheme in accordance with Clause 3(C); and
 - (iv) not be subject to any set-off, netting arrangements or security rights with any party.
- (C) The Scheme Fund shall be applied only to pay Net Ascertained Scheme Claims in accordance with Clause 5.

4. DETERMINATION OF SCHEME CLAIMS

4.1 Notice of Scheme Effective Date and invitation to submit details of Scheme Claim

- (A) Within 10 Business Days after the Scheme Effective Date, ELL shall give notice (including an invitation to Scheme Creditors to consult the Scheme Portal and, if appropriate, to submit details of their Scheme Claim there or, if they are unable to access the Scheme Portal, submit details of their Scheme Claim by telephone to ELL) in the following ways that the Scheme has become effective and of the Claims Submission Deadline:
- (i) by email, letters and/or SMS text messages to each person who ELL believes may be a Scheme Creditor and for whom ELL has the relevant details;
 - (ii) by notice on the Website; and
 - (iii) by advertisements in appropriate newspapers.
- (B) Both on or around three months before the Claims Submission Deadline and on or around one month before the Claims Submission Deadline, ELL shall by: (a) email, letter and/or SMS text messages to each person who ELL believes may be a Scheme Creditor and for whom ELL has the relevant details; (b) posting a notice on the Website; and (c) advertisement in appropriate newspapers, invite Potential Redress Creditors who have not yet done so to submit details of their Redress Scheme Claim through the Scheme Portal or, if they are unable to access the Scheme Portal, by telephone to ELL.

4.2 Submission of Scheme Claims

- (A) Subject to Clause 4.2(B) and Clause 4.3, Redress Creditors shall not be entitled to any payment in respect of a Redress Liability unless, on or before the Claims Submission Deadline, they indicate that they believe they are owed a Redress Liability by either (i) submitting a Redress Scheme Claim and provide details of their bank account through the Scheme Portal, in accordance with the instructions on the Website; or (ii) in the event they cannot use the Scheme Portal, submitting a Redress Scheme Claim by telephone to ELL.
- (B) Subject to Clause 4.3 and without prejudice to the powers of ELL or the Scheme Adjudicator to request further information, Potential Redress Creditors will not be

entitled to any payment in respect of a Redress Liability unless they have submitted the required details in relation to their Redress Scheme Claim through the Scheme Portal or by telephone to ELL on or before the Claims Submission Deadline.

- (C) FOS shall not be entitled to any payment in respect of a FOS Fee Liability unless it submits its FOS Fee Claims, including:
 - (i) details of such FOS Fee Claims; and
 - (ii) supporting evidence,by email to ELL on or before the Claims Submission Deadline.
- (D) Subject to Clause 4.3, a Scheme Claim which has not been submitted to ELL through the Scheme Portal in accordance with the relevant instructions or by telephone to ELL (or, in the case of the FOS, by email) on or before the Claims Submission Deadline shall be deemed, from and as of the day immediately after the Claims Submission Deadline, to have been satisfied in full and released and the Scheme Creditor shall have no further rights in respect of the same.
- (E) After the Claims Submission Deadline, Scheme Creditors may not:
 - (i) make new Scheme Claims, even if they were not aware that they had a Scheme Claim before the Claims Submission Deadline;
 - (ii) revise Scheme Claims that they have already made, even to reflect information they were not aware of before the Claims Submission Deadline; or
 - (iii) provide additional information about Scheme Claims that they have already made unless requested or required to do so by ELL, the Scheme Supervisors or the Scheme Adjudicator.
- (F) Subject to Clause 4.3, no payments will be made in relation to Scheme Liabilities that are not submitted as Scheme Claims on or before the Claims Submission Deadline, and Scheme Creditors shall have no recourse against ELL except in accordance with the Scheme.
- (G) The following items have no effect for any purpose other than for the purposes of voting at the Creditors' Meeting, and shall not entitle any Scheme Creditor to any payment:
 - (i) details of Scheme Liabilities provided to ELL for the purposes of the Creditors' Meeting;
 - (ii) the amount in respect of which any Scheme Creditor votes at the Creditors' Meeting; and

- (iii) any adjudication, notification or decision relating to the value of any Scheme Creditor's claim for the purposes of the Creditor's Meeting.

4.3 Outstanding Redress Claims

Nothing in Clause 4.2 shall require Potential Redress Creditors who have an Outstanding Redress Claim to submit details of that Outstanding Redress Claim through the Scheme Portal. Outstanding Redress Claims shall automatically be deemed to have been submitted prior to the Claims Submission Deadline and shall be determined in accordance with Clause 4.4.

4.4 Determination of Scheme Claims

Notification of receipt of Scheme Claim

- (A) Within one week after a Scheme Claimant submits a Scheme Claim through the Scheme Portal or by telephone to ELL, and unless the Scheme Claimant has already been sent a notice under Clause 4.4(F), ELL shall contact that Scheme Claimant notifying them of receipt of their Scheme Claim.

Determination of Scheme Claim

- (B) ELL shall examine each Scheme Claim submitted in accordance with Clause 4.2 and shall consider and determine, as soon as practicable and acting fairly and reasonably, whether:
 - (i) each Scheme Claim is valid in whole or in part; or
 - (ii) it does not agree that the Scheme Claim is valid.
- (C) The examination referred to in Clause 4.4(B) shall include (without limitation) considering:
 - (i) any documentation submitted through the Scheme Portal;
 - (ii) in the case of FOS Fee Claims, details of the FOS Fee Claims; and
 - (iii) any relevant Cross-Claim.
- (D) ELL may inform any Scheme Claimant of further information or evidence it reasonably requires in order to determine their Scheme Claim.
- (E) Scheme Claimants shall provide information or evidence required under Clause 4.4(D) within 20 days of receiving the request, failing which ELL shall determine the Scheme Claim based on the information available to it. Redress Scheme Claimants shall submit any such information or evidence in accordance with instructions given by ELL.

Notification of determination of Scheme Claim

- (F) ELL shall notify Redress Scheme Claimants through the Scheme Portal (unless the Redress Scheme Claimant submitted its claim by telephone to ELL, in which case notification shall be by letter or other agreed form of communication), and the FOS by email of the outcome of ELL's determination of their Scheme Claim under this Clause 4.4, including the amounts (if any) due to them in respect of their Scheme Claims, as soon as practicable following such determination.

Non-Disputed Scheme Claim

- (G) If ELL determines that a Scheme Claim is valid in whole or in part, the Scheme Claim will become an Ascertained Scheme Claim 20 days after ELL has given the notice required under Clause 4.4(F), unless before that time the relevant Scheme Claimant indicates disagreement with ELL's assessment in accordance with Clause 4.4(H).

Disputed Scheme Claim

- (H) A Scheme Claim shall not become an Ascertained Scheme Claim under Clause 4.4(G) and instead shall become a Disputed Scheme Claim if, within 20 days after ELL gives the notice required under Clause 4.4(F), a Scheme Claimant indicates that it does not agree with ELL's assessment of its Scheme Claim and explains the reasons for that disagreement. Redress Scheme Claimants shall indicate any such disagreement in accordance with the instructions provided by ELL, and the FOS shall indicate any such disagreement by email.
- (I) After a Scheme Claim becomes a Disputed Scheme Claim under Clause 4.4(H):
- (i) the Scheme Claimant shall have 15 days from the date on which the Scheme Claim became a Disputed Scheme Claim under Clause 4.4(H) to make representations to ELL in respect of whether:
 - (a) the Scheme Claim is valid in whole or in part; and/or
 - (b) the amount (if any) that they have been notified is due to them in respect of their Scheme Claim by ELL in accordance with Clause 4.4(F), is correct;
 - (ii) if an agreement as to the amount of the Scheme Claim is reached following the representations made under paragraph (i) above, and the agreed amount is greater than zero, the Disputed Scheme Claim will become an Ascertained Scheme Claim;
 - (iii) if an agreement as to the amount of the Scheme Claim is not reached following the representations made under paragraph (i) above, ELL or the Scheme Claimant shall have a further 15 days within which either of them may refer the Disputed Scheme Claim to the Scheme Adjudicator. Receipt of written confirmation by ELL from a Scheme Claimant confirming that they wish to refer the Disputed Scheme Claim to the Scheme Adjudicator shall be sufficient for the purpose of a Scheme

Claimant having been deemed to have referred the Disputed Scheme Claim to the Scheme Adjudicator within the 15 day period set out in this paragraph (iii), following which ELL shall refer the Disputed Scheme Claim to the Scheme Adjudicator in accordance with this Clause 4;

(iv) if a referral to the Scheme Adjudicator under paragraph (iii) above is not made within 30 days after the date on which the Scheme Claim became a Disputed Scheme Claim:

(a) the Disputed Scheme Claim shall become an Ascertained Scheme Claim if it would have become an Ascertained Scheme Claim in accordance with Clause 4.4(G) were it not for the receipt of notice of the Scheme Claimant's disagreement of ELL's assessment of its Scheme Claim in accordance with Clause 4.4(H); or

(b) for all other Disputed Scheme Claims which ELL had determined were not valid Scheme Claims, such determination previously communicated pursuant to Clause 4.4(F) by ELL shall be final and binding, and the Disputed Scheme Claim shall be deemed, from and as of the day which is 30 days after the date on which the Scheme Claim became a Disputed Scheme Claim, to have been satisfied in full and released pursuant to Clause 7 and the Scheme Claimant shall have no further rights in respect of the same; and

(v) subject to Clause 4.4(K), ELL may, in its sole discretion:

(a) refer any Disputed Scheme Claim to the Scheme Adjudicator on its own for Individual Adjudication, following which it shall notify the Scheme Claimant of the referral by email; or

(b) refer multiple Disputed Scheme Claims together to the Scheme Adjudicator for Group Adjudication, following which it shall notify the relevant Scheme Claimants of the referral by email.

(J) If a Disputed Scheme Claim is referred to the Scheme Adjudicator in accordance with this Clause 4, the dispute between ELL and the Scheme Claimant will be determined by the Scheme Adjudicator in accordance with Clause 4.5.

(K) ELL may refer a Disputed Scheme Claim for Group Adjudication only if the Scheme Claimant has not provided sufficient explanation or evidence for its disagreement with ELL's assessment of its Scheme Claim for the Scheme Adjudicator to be reasonably able to determine the Disputed Scheme Claim without additional information and/or evidence.

4.5 Adjudication of Disputed Scheme Claims

- (A) When referring any Disputed Scheme Claim to the Scheme Adjudicator, ELL shall provide:
- (i) a copy of all communications sent and received by ELL in connection with the Scheme Claim under this Clause 4;
 - (ii) a copy of all information and documents provided by the Scheme Claimant through the Scheme Portal or by email (as applicable); and
 - (iii) details of any Cross-Claim.
- (B) The Scheme Adjudicator shall have access to all of ELL's relevant records and information in the possession or under the control of ELL that the Scheme Adjudicator reasonably considers it needs to determine the Disputed Scheme Claim.
- (C) When a Disputed Scheme Claim is referred to the Scheme Adjudicator for Individual Adjudication:
- (i) the Scheme Adjudicator shall consider the documents and information provided to it under Clause 4.5(A) and (if applicable) Clause 4.5(B), within four weeks of receipt of the information provided under Clause 4.5(A);
 - (ii) if practicable, the Scheme Adjudicator shall determine the Disputed Scheme Claim within four weeks of receipt of the information provided under Clause 4.5(A). However, the Scheme Adjudicator may extend this period on one or more occasions by giving notices to each of ELL and the Scheme Claimant if the Scheme Adjudicator determines (acting reasonably) that a longer period is required. Any such notices shall state the revised date by which the Scheme Adjudicator will determine the Disputed Scheme Claim;
 - (iii) if necessary, the Scheme Adjudicator shall, before expiry of the period set out in Clause 4.5(C)(ii), notify the person concerned that they require:
 - (a) further documents, data or information from the Scheme Claimant or ELL, in which case, the recipient shall comply within 20 days of receipt of the notice or other such reasonable period as specified in the notice; and/or
 - (b) ELL and/or the Scheme Claimant (or its Representatives) to address them on particular matters, in which case, the Scheme Adjudicator may prescribe such procedures or provisions as they consider appropriate in respect of such address;
 - (iv) if the Scheme Adjudicator has sent a notice under Clause 4.5(C)(iii), they shall, if possible, determine the Disputed Scheme Claim within three weeks of: (i) receiving any further information pursuant to Clause 4.5(C)(iii)(a); or (ii) having been addressed on particular matters pursuant

to Clause 4.5(C)(iii)(b). The Scheme Adjudicator may extend this period on one or more occasions by giving notices to each of ELL and the Scheme Claimant if they determine (acting reasonably) that a longer period is required;

- (v) if ELL or the Scheme Claimant fails to comply with a notice under Clause 4.5(C)(iii)(a) or Clause 4.5(C)(iii)(b) within 20 days or such other period as specified in the notice, the Scheme Adjudicator shall make their determination on the basis of the information available to them;
- (vi) the Scheme Adjudicator shall act as an expert and not as an arbitrator; and
- (vii) the Scheme Adjudicator shall be entitled to adjudicate the Disputed Scheme Claim by way of Group Adjudication in accordance with Clause 4.5(D) where, in the Scheme Adjudicator's reasonable opinion, Group Adjudication would be a fair, appropriate and efficient way of determining the Disputed Scheme Claim.

(D) When ELL refers any Disputed Scheme Claims for Group Adjudication:

- (i) ELL shall provide the information referred to in Clause 4.5(A) and (if applicable) Clause 4.5(B) for each Group Adjudication Claim, and shall give the Scheme Adjudicator and the relevant Scheme Claimants notice that such Disputed Scheme Claims are to be determined by way of Group Adjudication;
- (ii) the Scheme Adjudicator shall, if practicable, consider an appropriate (in its reasonable determination) sample of the papers and documents provided to it within four weeks of receipt of the notice referred to in Clause 4.5(D)(i). However, the Scheme Adjudicator may extend this period on one or more occasions by giving notices to ELL and each relevant Scheme Claimant if the Scheme Adjudicator determines (acting reasonably) that a longer period is required. Any such notices shall state the revised date by which the Scheme Adjudicator will determine the relevant Group Adjudication Claims;
- (iii) the Scheme Adjudicator shall make a final and binding determination of all of the Group Adjudication Claims on the basis of the sample of papers and documents considered in accordance with this Clause 4.5(D);
- (iv) if necessary, the Scheme Adjudicator shall, before the expiry of the period set out in Clause 4.5(D)(ii), send a notice to the person concerned stating that they require:
 - (a) further documents, data or information from any Scheme Claimant or ELL, in which case the recipient shall comply within 20 days of receipt of the notice or other such reasonable period as specified in the notice; and/or

- (b) ELL and/or any Scheme Claimant (or its Representatives) to address them on particular matters, in which case the Scheme Adjudicator may prescribe such procedures or provisions as they consider appropriate in respect of such address;
 - (v) if the Scheme Adjudicator has sent a notice under Clause 4.5(D)(iv) they shall, if possible, determine the Disputed Scheme Claim within three weeks of: (i) receiving any further information pursuant to Clause 4.5(D)(iv)(a); or (ii) having been addressed on particular matters pursuant to Clause 4.5(D)(iv)(b). The Scheme Adjudicator may extend this period on one or more occasions by giving notices to ELL and each relevant Scheme Claimant if it determines (acting reasonably) that a longer period is required;
 - (vi) if ELL or the relevant Scheme Claimant fails to comply with a notice under Clause 4.5(D)(iv)(a) or Clause 4.5(D)(iv)(b) above within 20 days or such other period as specified in the notice, the Scheme Adjudicator shall make their determination on the basis of the other information available to them;
 - (vii) the Scheme Adjudicator shall act as an expert and not as an arbitrator; and
 - (viii) the Scheme Adjudicator shall be entitled to adjudicate any Group Adjudication Claim by way of Individual Adjudication in accordance with Clause 4.5(C) where, in the Scheme Adjudicator's reasonable opinion, Individual Adjudication would be a fair, appropriate and efficient way of determining the Group Adjudication Claim.
- (E) The Scheme Adjudicator shall notify ELL and each relevant Scheme Claimant of their determination of the Disputed Scheme Claim through the Scheme Portal (for Redress Scheme Claimants who submitted their Scheme Claim through the Scheme Portal), by letter or other agreed form of communication (for Redress Scheme Claimants who submitted their Scheme Claim by telephone to ELL) or by email (for the FOS). If the amount of the Disputed Scheme Claim is greater than zero, this determination will become an Ascertained Scheme Claim on the date the notice is sent.
- (F) Any notice given under Clause 4.5(E) shall be a final and binding determination of the Disputed Scheme Claim, to the extent the law permits, and the Scheme Claimant and ELL shall have no right of appeal or review, or any right to commence any Proceedings, in respect of either the Scheme Adjudicator's determination or the procedure they employed.

4.6 Variation of time limits

- (A) Where ELL determines that it is in the interests of Scheme Creditors or the efficient operation of the Scheme, ELL may, by publishing a notice on the Website or giving individual notice to the relevant party, extend any of the time limits in this

Clause 4 except for the Claims Submission Deadline. Any exercise by ELL of the power in this Clause 4.6(A) shall be accompanied by a certification from the Scheme Supervisors that it considers any such extension to be in the interests of Scheme Creditors or the efficient operation of the Scheme (as applicable).

- (B) Other than the Claims Submission Deadline, where ELL or the Scheme Adjudicator is satisfied that a Scheme Creditor has failed to comply with any time limit, because of exceptional circumstances outside the Scheme Creditor's control, ELL or the Scheme Adjudicator (as applicable) may, in their absolute discretion, extend that time limit for that Scheme Creditor, without notice.

4.7 Mutual assistance

- (A) From the Scheme Effective Date until the date on which the Scheme ends in accordance with Clause 10, Scheme Creditors shall provide to ELL, the Scheme Supervisors and the Scheme Adjudicator all assistance it or they reasonably require in connection with the Scheme.
- (B) In particular, ELL may require the following information from a Scheme Claimant:
 - (i) full details of how and when a Scheme Claim arose;
 - (ii) legible copies of all contracts, orders, judgments, decisions and awards which are relevant to the Scheme Claim; and
 - (iii) any other supporting information and documentation ELL reasonably requires.
- (C) Scheme Creditors shall provide through the Scheme Portal or by telephone updated bank account information if the bank account information provided by the Scheme Creditor pursuant to Clause 4.2(A) ceases to be correct or current.
- (D) From the Scheme Effective Date until the date on which the Scheme ends in accordance with Clause 10, ELL shall provide Scheme Claimants with such assistance as is reasonably practicable in connection with the processing of Scheme Claims and use their reasonable efforts to answer reasonable questions from Scheme Claimants relating to the Scheme process and that Scheme Creditor's Scheme Claim.
- (E) The assistance described at Clause 4.7(D) shall include the provision of a "questions and answers" page on the Website, as well as access to ELL's customer service telephone helpline, until ELL publishes a notice of completion on the Website in accordance with Clause 10.1.

5. PAYMENT TO SCHEME CREDITORS

5.1 Ring-Fenced Account Payments

- (A) Where a Scheme Creditor has made payments in relation to a Loan between:

(i) the later of (i) 17 March 2023; or (ii) the date that the Scheme Creditor made a complaint in relation to a potential Redress Liability (for these purposes, a Scheme Creditor's vote on the Scheme is deemed to be a complaint in relation to a potential Redress Liability); and

(ii) the Scheme Effective Date,

the amount of such payments (or, if smaller, the amount of the Ascertained Scheme Claim) shall be that Scheme Creditor's "**Ring-Fenced Account Payments**".

(B) As soon as practicable, and in any event within 10 Business Days, after the date on which the relevant Scheme Creditor's Redress Scheme Claim is determined to be an Ascertained Scheme Claim, ELL shall pay that Scheme Creditor its Ring-Fenced Account Payments (such payment by ELL being a "**Ring-Fenced Account Repayment**").

5.2 Scheme Payment Percentage

Promptly, and in any event within 10 Business Days, after all Scheme Claims have been determined and, if necessary, adjudicated, in accordance with Clause 4, the Scheme Supervisors shall set the Scheme Payment Percentage, which shall be calculated by:

(A) dividing (i) the amount of the Scheme Fund by (ii) the aggregate amount of all Net Ascertained Scheme Claims; and

(B) multiplying the product of the calculation in (A) by 100.

5.3 Scheme Payments

Promptly, and in any event within 15 Business Days, following the determination of the Scheme Payment Percentage in accordance with Clause 5.2, ELL shall make Scheme Payments to Scheme Creditors. A Scheme Creditor's Scheme Payment shall be equal to the amount of its Net Ascertained Scheme Claim multiplied by the Scheme Payment Percentage.

5.4 Scheme Payments to Scheme Creditors

(A) All Scheme Payments shall be made by electronic transfer to the relevant Scheme Creditor's bank account, details of which were provided by the Scheme Creditor in accordance with Clause 4.2(A) or, if applicable, Clause 4.7(C).

(B) The Scheme Creditor shall bear all risk of payment under Clause 5.1(A) and, at the discretion of ELL, may be required to bear any costs incurred in relation to the payment as a deduction from the Scheme Payment.

(C) A Ring-Fenced Account Repayment or a Net Ascertained Scheme Claim shall be deemed paid on the date that the electronic transfer instruction is given for, or payment is made by another appropriate method of, the Scheme Payment. The

credit of the amount of the electronic transfer into the designated bank account shall satisfy the *Ring-Fenced Account Repayment or Net Ascertained Scheme Claim* in full and ELL shall have no further Liability for such *Ring-Fenced Account Repayment or Net Ascertained Scheme Claim*.

- (D) Subject to Clause 5.4(E), any payments received by any Redress Creditor from ELL pursuant to Clause 5 will be applied first towards:
 - (i) for a Redress Scheme Claimant who is a borrower in respect of the relevant Redress Scheme Claim, interest and costs paid by the borrower under the original Loan (after the application of set-off under Clause 2.4), before being applied towards Redress Interest on those amounts; and
 - (ii) for a Redress Scheme Claimant who is a guarantor in respect of the relevant Redress Scheme Claim, all principal and interest paid by the guarantor under the original Loan, before being applied towards Redress Interest on those amounts.
- (E) Any Redress Interest paid to Redress Creditors under this Clause 5.4 shall:
 - (i) be calculated up to the Scheme Effective Date only; and
 - (ii) where the Redress Creditor is a borrower in respect of the relevant Redress Scheme Claim, shall be applied only to the extent that the repayments made by the borrower under the original Loan exceed the amount of the principal.

5.5 Unsuccessful payments

- (A) If an electronic transfer made under Clause 5.4(A) is unsuccessful through no fault of ELL or ELL's bank, ELL will re-attempt the electronic transfer or payment within 14 days.
- (B) If, on a second attempt, the electronic transfer or payment is again unsuccessful through no fault of ELL or ELL's bank, ELL shall (i) notify the relevant Scheme Creditor of the unsuccessful payment and request confirmation of bank account information, and (ii) re-attempt the electronic transfer or payment within a further 14 days.
- (C) If, on the third attempt, the electronic transfer or payment is unsuccessful through no fault of ELL or ELL's bank, ELL will be deemed to have discharged the obligations to the Scheme Creditor in respect of that payment.

5.6 Variation of time limits

Where the Scheme Supervisors certify that it is in the interests of Scheme Creditors or the efficient operation of the Scheme, ELL may, by publishing a notice on the Website, extend any of the time limits in this Clause 5.

6. PAYMENTS MADE AFTER THE SCHEME EFFECTIVE DATE

- (A) Where a Scheme Creditor has made one or more payments to ELL or a Debt Purchaser after the Scheme Effective Date in relation to an outstanding balance on a Loan (in the case of payment to ELL) or a Repurchased Loan (in the case of payment to a Debt Purchaser), Clause 6(B) and Clause 6(C) shall apply.
- (B) As soon as practicable, and in any event within 10 Business Days, after the date on which the relevant Scheme Creditor's Redress Scheme Claim:
 - (i) is determined to be an Ascertained Scheme Claim pursuant to Clause 4; or
 - (ii) would have been determined as an Ascertained Scheme Claim but for that Scheme Creditor's Cross-Claim,

ELL shall pay the Scheme Creditor any amount which the Scheme Creditor has paid in excess of its outstanding balance with ELL in connection with its Loans (following the application of balance adjustment pursuant to Clause 2.4) (a "**Post-Scheme Effective Date Repayment**").

- (C) Interest shall accrue on the amount of any Post-Scheme Effective Date Repayment to be made by ELL under Clause 6(B) at the Redress Interest Rate, calculated from the date of the relevant payments to ELL (or, if applicable, a Debt Purchaser) until the date of the relevant Post-Scheme Effective Date Repayment by ELL under Clause 6(B).

7. RELEASES

7.1 Release of liabilities owed to Scheme Creditors

- (A) Subject to Clause 7.1(C), on the Restructuring Effective Date, all Scheme Liabilities shall be forever released and discharged against ELL, GBL, George Banco and Everyday Loans except as against ELL to the extent that they become Ascertained Scheme Claims in accordance with the terms of the Scheme.
- (B) Payment of the Ascertained Scheme Claims (or part thereof) in accordance with Clause 5 shall be in full and final settlement of all and any Scheme Claims of that Scheme Creditor and the Scheme Creditor shall forever release and discharge ELL from any further claims or liability in respect of such Ascertained Scheme Claims.
- (C) If the Scheme terminates in accordance with Clause 10.2, ELL shall owe a Liability to each Scheme Creditor that is equivalent in value to the value of their Scheme Liability immediately before the operation of Clause 7.1(A).

7.2 Release of liabilities owed to Scheme Creditors by GBL, George Banco and Everyday Loans

- (A) Each Scheme Creditor shall enter into the Release Agreement on the Scheme Effective Date and hereby irrevocably authorises the Scheme Supervisors to sign the Release Agreement as their agents.
- (B) Subject to the operation of Clause 4.2 (which for the avoidance of doubt, expressly binds all Scheme Creditors) and the effect of the Release Agreement executed pursuant to Clause 7.2(A), the Scheme Creditors shall not because of this Scheme waive any defences (in particular, of equitable set-off) they may have against any person (other than ELL, GBL, George Banco or Everyday Loans) in respect of an Outstanding Balance before the Release Agreement takes effect. Such defences shall apply to any claim brought by any person (other than ELL, GBL, George Banco or Everyday Loans) in respect of an Outstanding Balance in the same way they would have applied to any such claim brought prior to the Release Agreement taking effect.
- (C) ELL shall have any defences to claims in respect of a Scheme Liability that GBL, George Banco or Everyday Loans had in respect of the Scheme Liabilities before the Release Agreement took effect. Such defences shall apply to Scheme Liabilities in the same way they would have applied to claims against GBL, George Banco or Everyday Loans before the Release Agreement took effect.

8. SCHEME ADJUDICATOR

8.1 The Scheme Adjudicator

- (A) The Scheme Adjudicator shall have the powers, rights and duties conferred upon them by the Scheme and shall discharge the duties and responsibilities imposed upon them by the Scheme.
- (B) ELL shall enter into an agreement with the Scheme Adjudicator with respect to their remuneration and expenses.

8.2 Powers, role and duties of Scheme Adjudicator

- (A) The Scheme Adjudicator shall be responsible for the independent adjudication and the final determination of Disputed Scheme Claims.
- (B) The Scheme Adjudicator shall be entitled to engage legal and/or financial advisers from time to time as reasonably required, in order to advise and assist the Scheme Adjudicator in connection with the conduct of their functions and powers under the Scheme. Any costs so incurred (in addition to the Scheme Adjudicator's remuneration and expenses referred to in Clause 8.1(B)) will be paid by ELL.

8.3 Responsibility of Scheme Adjudicator

- (A) The Scheme Adjudicator shall act in good faith with reasonable skill and care and shall exercise their powers, duties and functions under the Scheme with a view to ensuring that: (i) the Scheme is implemented in accordance with its terms; and

(ii) Disputed Scheme Claims are adjudicated fairly and as cost-effectively as possible, in the interests of all Scheme Claimants.

- (B) In determining Disputed Scheme Claims pursuant to Clause 4.5, the Scheme Adjudicator shall act promptly, proportionately and in a cost-efficient manner relative to the value of the Scheme Claims under consideration.

8.4 Liability of Scheme Adjudicator

- (A) Subject to Clause 8.4(C), Scheme Claimants shall not be entitled to challenge:
- (i) the validity of any act done or omitted to be done in good faith and with due care by the Scheme Adjudicator in pursuance of the provisions of the Scheme; or
 - (ii) the exercise or performance by the Scheme Adjudicator in good faith and with reasonable skill and care of any power, duty or function conferred upon them for the purpose of the Scheme.
- (B) The Scheme Adjudicator shall not be liable for any loss resulting from any act they do or omit to do, unless any such loss is attributable to their own wilful neglect, breach of statutory duty, breach of trust, fraud or dishonesty.
- (C) Nothing in this Clause 8.4 shall prevent the liability of the Scheme Adjudicator for negligence.

8.5 Vacation of office

- (A) The Scheme Adjudicator shall vacate office if they:
- (i) die or otherwise become unable to carry out their duties under the Scheme (where the Scheme Adjudicator is an individual);
 - (ii) become bankrupt (where the Scheme Adjudicator is an individual);
 - (iii) are disqualified from acting as a director under the Company Directors Disqualification Act 1986 (where the Scheme Adjudicator is an individual);
 - (iv) resign by giving 30 days' notice in writing to ELL or such shorter period of time as may be agreed by ELL; or
 - (v) are removed by ELL because, in the reasonable opinion of ELL, they are unable or have failed to carry out their duties under the Scheme.
- (B) Where a vacancy arises in the office of Scheme Adjudicator, ELL shall forthwith fill the vacancy with a person or firm having the requisite qualifications, resources and expertise, that is duly qualified, in the reasonable opinion of ELL, to discharge the functions of the Scheme Adjudicator under the Scheme.

9. SCHEME SUPERVISORS

9.1 The Scheme Supervisors

- (A) ELL shall appoint the Scheme Supervisors, and shall have the power to appoint any successor of either or both of the Scheme Supervisors.
- (B) In exercising their powers and carrying out their duties under the Scheme, the Scheme Supervisors shall act as agents of ELL.

9.2 Role of the Scheme Supervisors

- (A) The Scheme Supervisors shall discharge the duties and responsibilities imposed upon them by the Scheme.
- (B) The Scheme Supervisors shall act in good faith with reasonable skill and care in the interests of the Scheme Creditors as a whole and shall exercise their powers, duties and functions under the Scheme with a view to ensuring that the Scheme is implemented in accordance with its terms.
- (C) Without prejudice to the generality of Clause 9.2(B), the Scheme Supervisors shall in addition:
 - (i) monitor ELL's compliance with the terms of the Scheme;
 - (ii) confirm that costs incurred by ELL as Scheme Costs have been properly incurred in accordance with the Scheme;
 - (iii) prepare a quarterly report for Scheme Creditors providing an update on the progress of the Scheme and to be published on the Website, which shall (after the Claims Submission Deadline) include an updated estimated outcome for Scheme Creditors; and
 - (iv) confirm the completion of the Scheme in accordance with Clause 10.1.

9.3 Powers of the Scheme Supervisors

- (A) The Scheme Supervisors shall have all of the powers necessary or desirable to enable them to discharge their duties and responsibilities under the Scheme (although it is acknowledged that the Scheme Supervisors cannot exercise any power that would result in their assuming control of ELL's affairs so as to supplant the Board).
- (B) Without prejudice to the generality of Clause 9.3(A), each of the Scheme Supervisors shall be entitled:
 - (i) to have access to, and the power to disclose to third parties, such company information, books, documents or personnel as may from time to time be necessary for the operation of the Scheme;

- (ii) to delegate to or employ any person as they see fit for the carrying out of their powers, rights, duties and functions under the Scheme;
- (iii) to do all acts and to execute in the name and on behalf of ELL any deed, receipt or other document necessary for or incidental to their role under the Scheme;
- (iv) to apply to the Court for directions in relation to any particular matter arising in the course of the Scheme;
- (v) to engage (or require ELL to engage) legal and financial advisers from time to time as reasonably required, in order to advise and assist the Scheme Supervisors in connection with the conduct of their functions under the Scheme;
- (vi) to instruct ELL to make payments pursuant to the terms of the Scheme, including payments that are necessary for or incidental to the performance of the Scheme Supervisors' or ELL's functions under the Scheme; and
- (vii) to engage with the Financial Conduct Authority regarding the operation and progress of the Scheme.

9.4 Responsibility of the Scheme Supervisors

- (A) The Scheme Supervisors shall act in good faith with reasonable skill and care and shall exercise their powers, duties and functions under the Scheme with a view to ensuring that the Scheme is implemented in accordance with its terms.
- (B) In exercising their powers, duties and functions under the Scheme, the Scheme Supervisors shall act promptly, proportionately and in a cost-efficient manner relative to the value of the Scheme Claims under consideration.

9.5 Liability of the Scheme Supervisors

- (A) Subject to Clause 9.5(C), Scheme Claimants shall not be entitled to challenge:
 - (i) the validity of any act done or omitted to be done in good faith and with due care by the Scheme Supervisors in pursuance of the provisions of the Scheme;
 - or (ii) the exercise or performance by them in good faith and with reasonable skill and care of any power, duty or function conferred upon them for the purpose of the Scheme.
- (B) The Scheme Supervisors shall not be liable for any loss resulting from any act which they do or omit to do, unless any such loss is attributable to their own wilful neglect, breach of statutory duty, breach of trust, fraud or dishonesty.
- (C) Nothing in this Clause 9.5 shall prevent the liability of the Scheme Supervisors for negligence.

9.6 Vacation of office

- (A) A Scheme Supervisor shall vacate office if they:
 - (i) die or otherwise become unable to carry out their duties under the Scheme;
 - (ii) become bankrupt;
 - (iii) resign by giving 30 days' notice in writing to ELL or such shorter period of time as may be agreed by ELL; or
 - (iv) are removed by ELL because, in the reasonable opinion of the Board, they are unable or have failed to carry out their duties under the Scheme.
- (B) Where both Scheme Supervisors vacate office, ELL shall forthwith fill one or both of the vacancies with a person having the requisite qualifications, and who is duly qualified, in the reasonable opinion of ELL, to discharge the functions of a Scheme Supervisor under the Scheme.
- (C) Pending appointment of a replacement Scheme Supervisor in accordance with Clause 9.6(B), ELL shall discharge the functions of the Scheme Supervisors under the Scheme.

10. COMPLETION AND TERMINATION OF THE SCHEME

10.1 Scheme completion

If the Scheme Supervisors resolve (and notify ELL of that resolution) that:

- (A) they are satisfied that the Scheme has been properly implemented in accordance with its terms;
- (B) all Scheme Claims have been determined and/or adjudicated (as applicable) in accordance with Clause 4;
- (C) all Ascertained Scheme Claims have been paid in accordance with Clause 5; and
- (D) all Post-Scheme Effective Date repayments have been paid in accordance with Clause 6,

ELL shall promptly publish a notice on the Website confirming that the Scheme has been fully implemented in accordance with its terms.

10.2 Scheme termination

- (A) The Scheme shall terminate:

- (i) on 1 January 2024, if the Restructuring Effective Date has not occurred before that date; or
 - (ii) if there is an Insolvency Event in respect of ELL before the Restructuring Effective Date, and any liquidator, administrator or provisional liquidator of ELL resolves that the Scheme be terminated.
- (B) If the termination of the Scheme occurs, ELL shall cause a notice to be published on the Website notifying Scheme Creditors that the Scheme has been terminated.
- (C) Following a notice under Clause 10.2(B), the provisions of the Scheme, other than those referred to in Clause 10.2(D), shall be of no further effect.
- (D) Clause 7.1(C), Clause 7.2, Clause 8, Clause 9, Clause 11.2, Clause 11.3 and Clause 11.4 shall survive the termination of the Scheme.

11. GENERAL PROVISIONS RELATING TO THE SCHEME

11.1 Modification of the Scheme

ELL may, at any Court hearing to sanction the Scheme, consent on behalf of the Scheme Creditors to any modification of or addition to the Scheme or any terms or conditions that would not directly or indirectly have a materially adverse effect on the interests of any Scheme Creditor under the Scheme.

11.2 Notices

- (A) Unless otherwise specified, any notice or other written communication to be given under or in relation to this Scheme may be given by email and shall be deemed to have been duly given if it is delivered:
- (i) in the case of ELL, for the attention of Asif Nadeem, by email to asif.nadeem@everyday-loans.co.uk or by letter to Asif Nadeem, 1st Floor North, 2 Dukes Meadow, Bourne End, SL8 5XF or at such other address as ELL may notify to Scheme Creditors for the purpose of this Clause 11.2;
 - (ii) in the case of the Scheme Supervisors, for the attention of Chris Lavery, by email to Chris.M.Lavery@uk.gt.com or by letter to Grant Thornton UK LLP, 30 Finsbury Square, London, EC2A 1AG or at such other address as the Scheme Supervisors may notify to Scheme Creditors for the purpose of this Clause 11.2;
 - (iii) in the case of a Scheme Creditor or Potential Redress Creditor, through the Scheme Portal, by letter, by email or by SMS.
- (B) Any notice or other written communication to be given under the Scheme shall be deemed to have been served on the earliest of:

- (i) if sent by email or SMS, on that day;
 - (ii) if sent through the Scheme Portal, on that day;
 - (iii) if delivered by hand, the first Business Day following delivery;
 - (iv) if sent by post, the second Business Day after posting; or
 - (v) the Business Day on which the notice or communication is received by the recipient.
- (C) In proving receipt of a notice sent by post, it shall be sufficient proof that the envelope was properly stamped, addressed and placed in the post.
- (D) For the purposes of Clause 10, the accidental omission to send any notice, written communications or other document in accordance with this Clause 11.2 or the non-receipt of any such notice by any Scheme Creditor, shall not affect the provisions of those parts.

11.3 Electronic communications

- (A) Notwithstanding anything to the contrary in the Scheme, information concerning Scheme Claims (not including copies of any relevant supporting documentation which was not originally produced in electronic form) and any other communication required to be or capable of being given or sent hereunder may, at the option of the Scheme Creditor, be given or sent by ELL, the Scheme Adjudicator or the relevant Scheme Creditor in electronic form to the address specified in Clause 11.2(A), including by way of a notification to such address that the relevant information has been posted on the Website.
- (B) Notwithstanding anything contrary in the Scheme, notices given in accordance with the terms of the Scheme may be given in electronic form.
- (C) Proof that a notice contained in electronic form was sent to the address specified in accordance with Clause 11.2(A) shall be conclusive evidence that the notice was given.

11.4 Governing law and jurisdiction

- (A) This Scheme shall be governed by, construed and take effect in accordance with, English law.
- (B) Subject to Clause 2.2 and Clause 4.5(F), ELL, the Scheme Adjudicator and the Scheme Creditors hereby submit to the exclusive jurisdiction of the Court and agree that the Court shall have exclusive jurisdiction to hear and determine any suit, action or proceeding and to settle any claim, dispute or matter of difference which may arise out of the provisions of this Scheme, or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme.

- (C) Nothing in this Scheme shall limit or otherwise affect any other rights which any Scheme Creditor may have to refer any complaint (including in relation to the Scheme) to the FOS or any jurisdiction which the FOS may have to consider and determine any such complaint.

**Schedule
Release Agreement**

This Release Agreement is made on the Scheme Effective Date, and is made between:

- (1) **THE SCHEME CREDITORS**, as defined in the Scheme and each acting by its agents and attorneys as appointed pursuant to the Scheme;
- (2) **GBL**, as defined in the Scheme;
- (3) **GEORGE BANCO**, as defined in the Scheme; and
- (4) **EVERYDAY LOANS**, as defined in the Scheme,

together, the "**Parties**".

WHEREAS:

- (A) Everyday Lending Limited ("**ELL**") has entered into a deed poll dated 17 March 2023 creating liabilities to the Scheme Creditors in respect of certain liabilities also owed to them by GBL, George Banco and / or Everyday Loans;
- (B) ELL has proposed the Scheme which the Court has approved; and
- (C) the Scheme Creditors will therefore be able to submit a claim under the Scheme in respect of liabilities originally owed to them by GBL, George Banco and Everyday Loans.

IT IS AGREED AS FOLLOWS:

1. DEFINITIONS

All defined terms which are not otherwise defined in this Release Agreement have the same meaning they have in the scheme of arrangement between ELL and the Scheme Creditors pursuant to Part 26 of the Companies Act 2006 (the "**Scheme**").

2. RELEASES AND WAIVERS

- 2.1 On the Restructuring Effective Date, in consideration of their right to submit a claim under the Scheme in respect of any Scheme Liability owed to them by GBL, George Banco and Everyday Loans (as well as ELL), each Scheme Creditor (whether or not they have submitted a Scheme Claim or have an Ascertained Scheme Claim) hereby fully, irrevocably releases each of GBL, George Banco and Everyday Loans and their directors and employees to the fullest extent permissible by applicable law from (and fully, *irrevocably and unconditionally waive*) any and all claims, actions, debts, losses, liabilities, demands and proceedings whatsoever, whether existing, prospective or contingent, known or unknown, which any of the Scheme Creditors has or, but for this Release Agreement, may in the future have, in any capacity whatsoever against any and

all of GBL, George Banco and Everyday Loans and their respective directors and employees under or in connection with or arising out of any Scheme Liability.

- 2.2 From the date that the release in Clause 2.1 takes effect, Scheme Creditors are not permitted to commence or continue any Proceedings against GBL, George Banco or Everyday Loans, in any jurisdiction, in respect of a Scheme Liability, Scheme Claim, Scheme Payment, or otherwise in connection with the Scheme.
- 2.3 Subject to the operation of Clause 4.2 of the Scheme (which for the avoidance of doubt, expressly binds all Scheme Creditors) and the effect of this Release Agreement, the Scheme Creditors do not waive their rights to raise any defences (in particular, of equitable set-off) which they had a right to raise against any person (other than ELL, GBL, George Banco or Everyday Loans) in respect of an Outstanding Balance before this Release Agreement took effect. Such defences shall apply to any claim brought by any person (other than ELL, GBL, George Banco or Everyday Loans) in respect of an Outstanding Balance in the same way they would have applied to such claims before this Release Agreement took effect.

3. EXECUTION, COUNTERPART AND AMENDMENT

- 3.1 This Release Agreement may be executed in any number of counterparts, and by each of the Parties on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument.
- 3.2 This Release Agreement may not be amended, varied or modified nor any provision waived except with prior written consent of each Party provided that any amendment which adversely affects the rights of a person who is a beneficiary of a release or waiver hereunder but is not a party hereto may not be made without that person's prior written consent.
- 3.3 If any release or waiver given by a Party (the "**Releasor**") in favour of another Party or beneficiary hereunder (the "**Releasee**") is found by a court of competent jurisdiction to be unenforceable (the "**Unenforceable Release**"), the Releasor agrees that it shall not (and shall not instruct, encourage or support any other person to) bring or join any action, claim or suit or other proceedings of any kind against the Releasee in connection to or arising out of any matter or thing which was the subject of such Unenforceable Release.

4. INVALIDITY

Each of the provisions of this Release Agreement is severable. If any such provision is held to be or becomes invalid or unenforceable in any respect under the law of any jurisdiction, it shall have no effect in that respect and the Parties shall use all reasonable efforts to replace it in that respect with a valid and enforceable substitute provision the effect of which is as close to its intended effect as possible.

5. THIRD PARTY ENFORCEMENT RIGHTS

- 5.1 The specified third-party beneficiaries of the releases, waivers, undertakings and/or commitments referred to in Clause 2.1 shall, in each case, have the right to enforce the

relevant terms by reason of the Contracts (Rights of Third Parties) Act 1999. The rights of any such third-party beneficiary are subject to the other terms and conditions of this Release Agreement.

- 5.2 Except as provided in Clause 5.1, any person who is not a party to this Release Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

6. GOVERNING LAW AND JURISDICTION

- 6.1 This Release Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law.
- 6.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute including a dispute relating to the non-contractual obligations arising out of or in connection with this Release Agreement.
- 6.3 The courts of England and Wales are the most appropriate and convenient courts to settle any dispute in connection with this Release Agreement. Each of the parties irrevocably waives any right that it may have to object to an action being brought in those courts, to claim that the action has been brought in an inconvenient forum, or to claim that those courts do not have jurisdiction.
- 6.4 References in Clause 6.2 and Clause 6.3 to a dispute in connection with this Release Agreement include any dispute as to the existence, validity or termination of this Release Agreement.

Signed by:

The Scheme Supervisors for and on behalf of the **Scheme Creditors**

for and on behalf of the **Scheme Creditors**

George Banco.com Limited, acting by [•], a director

[•]