

Confidential Invoice Discounting – Standard Terms

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1. Period of this Agreement

- 1.1 This Agreement will begin on the Commencement Date.
- 1.2 Barclays and the Customer may terminate this Agreement by serving written notice of at least the Minimum Notice Period, with such notice to expire on or after the expiry of the Minimum Period.
- 1.3 Notwithstanding Standard Term 1.2 above, Barclays may:
 - 1.3.1 terminate this Agreement immediately at any time after a Termination Event, in accordance with Standard Term 20; or
 - 1.3.2 at any time reduce the Early Payment Ceiling, the Early Payment Percentage, the Prime Debtor Restriction and the Export Debtor Restriction, pursuant to Standard Term 5.8.

2. Ownership of Debts

- 2.1 This Agreement applies to all Debts due from Debtors domiciled in a Permitted Country.
- 2.2 Where this Agreement is governed by English law (see Standard Term 25), the Customer assigns to Barclays with full title guarantee all Debts to which this Agreement applies and, where those Debts are Scottish Debts, those Scottish Debts are so assigned with full title guarantee and an absolute warranty as to title.
- 2.3 Where this Agreement is governed by Scots law (see Standard Term 25), the Customer assigns to Barclays with full title guarantee and an absolute warranty as to title all Debts to which this Agreement applies.
- 2.4 The ownership of all Commencement Debts and their Related Rights will transfer to Barclays on the Commencement Date.
- 2.5 The ownership of each Debt created after the Commencement Date will transfer to Barclays automatically on the Debt coming into existence.
- 2.6 Each Notification, in whatever form given, shall be deemed to contain a specific assignment of the Debts Notified in the Notification which shall take effect in addition to the general assignment in Standard Term 2.2 or 2.3.
- 2.7 Barclays is not obliged to reassign any Debt to the Customer.

3. Notification of Debts and credit notes

- 3.1 On the Commencement Date the Customer will Notify all Commencement Debts (excluding for the avoidance of doubt, Non-notifiable Debts).
- 3.2 Subject to clause 3.3 below, the Customer will Notify all Debts to Barclays at least every seven days or as agreed by Barclays.
- 3.3 The Customer will not Notify Non-notifiable Debts to Barclays unless Barclays tells the Customer.
- 3.4 All credit notes must be issued and sent to the Debtor immediately when due and Notified to Barclays within two days of their issue.
- 3.5 Debts in different Permitted Currencies must be Notified separately.

4. Purchase price of Debts

- 4.1 The purchase price of each Debt will be the amount paid to discharge the Debt.
- 4.2 The purchase price of a Covered Debt will be the amount for which Barclays has accepted the Credit Risk, if this is greater than the amount payable under Standard Term 4.1, after deduction of the First Loss. The purchase price of a Covered Debt which is paid following an occurrence of Debtor Default will be paid in Sterling.
- 4.3 Barclays may set off against the purchase price of Debts any Dilution claimed by the Debtor, the Discount and the Service Charge and any Obligations payable by the Customer to Barclays.
- 4.4 Barclays may pay the purchase price of a Debt in a Permitted Currency other than Sterling in either the currency of the Debt or in Sterling. If paid in Sterling:
 - 4.4.1 on the date the Debt is credited to the Debtors Control Account, Barclays will provisionally calculate the purchase price at the Mid-Rate;
 - 4.4.2 on the date the purchase price is credited to the Payment Account, Barclays will calculate the purchase price at Barclays standard rate of exchange, being a reference exchange rate plus a margin as set out in the Standard Foreign Exchange Price Plan, a copy of which is available on request; and
 - 4.4.3 the Customer will receive any gains and bear any losses resulting from fluctuations in the exchange rate or differences between the rates used in 4.4.1 and 4.4.2 above.
- 4.5 Early Payments will be made in Sterling or the Permitted Currency of the Debt unless Barclays agrees to make payment in another Permitted Currency.

5. Payments

- 5.1 All Notified Debts will be Approved Debts unless Barclays designates any Debt as an Unapproved Debt.
- 5.2 Following a request by the Customer, subject to Standard Term 5.8 and Availability, Barclays will make Early Payments on account of the purchase price of Approved Debts.
- 5.3 If an Approved Debt becomes an Unapproved Debt, the Customer will immediately repay the relevant Early Payment.
- 5.4 The Customer will repay Barclays immediately any amount paid to the Customer in excess of Availability.
- 5.5 Barclays will not be obliged to make an Early Payment after a Termination Event has occurred.
- 5.6 Barclays may apply Reserves at any time which will reduce Availability.
- 5.7 Without prejudice to the generality of Standard Term 5.6 above, Barclays may apply Reserves at any time where an actual or potential contra trading position with a Debtor occurs ("Contra Trading Position"). The Customer shall deliver to Barclays on request a report detailing any Contra Trading Positions with the information provided pursuant to Standard Term 8.3 to enable Barclays to adjust any Reserve held.
- 5.8 Barclays may vary the Early Payment Ceiling, the Early Payment Percentage, the Prime Debtor Restriction and the Export Debt Restriction at any time.

6. Accounts

- 6.1 Barclays will maintain a Debtors Control Account to record the Notified Value of all Outstanding Notified Debts after deduction of all Dilutions.
- 6.2 Barclays will maintain a Payment Account to record all payments and charges and to calculate Discount.
- 6.3 Early Payments, charges and all Obligations will be debited to the Payment Account and Remittances will be credited to the Payment Account on the date of receipt by Barclays of Value from the Debtor.
- 6.4 Interest will not be payable on any credit balance on the Payment Account.
- 6.5 Barclays will make available statements of the Debtors Control Account and Payment Account to the Customer each week. It is the Customer's responsibility to regularly review these statements which will be deemed correct except for obvious errors and those of which the Customer informs Barclays within 10 days of the relevant statement date.
- 6.6 A certificate signed by an authorised signatory of Barclays as to the balance on the Debtors Control Account or Payment Account or the amount of the Obligations will be conclusive and binding on the Customer except for obvious errors or on any question of law.
- 6.7 Barclays Group may at any time combine all accounts of the Customer into a single account and set off all Obligations against sums due to the Customer. Any Obligations in a foreign currency may be converted into Sterling at the Mid-Rate on the day that the set-off is applied.
- 6.8 All payments by the Customer to Barclays must be made without deduction, withholding or set-off. If the Customer is required by law to make a deduction or withholding, the Customer will increase the payment to the amount required to discharge the Customer's Obligations as if the deduction or withholding had not been made.

7. Charges

- 7.1 The Customer will pay all charges detailed in the Agreement and the additional charges set out in the Pricing Schedule.
- 7.2 The Customer will pay the Service Charge either at the percentage rate stated in the Principal Commercial Terms on receipt of each Notification or at the periodic rate stated in the Principal Commercial Terms.
- 7.3 For the purpose of calculating the Service Charge payable in relation to a Debt in a Permitted Currency other than Sterling, the Notified Value of the Debt will be converted to Sterling at the Mid-Rate on the date of receipt of the Notification.
- 7.4 At the end of each relevant period, Barclays may debit the Payment Account with the amount by which the Service Charges previously debited are less than the Minimum Service Charge.
- 7.5 The Customer will not be entitled to any refund of Service Charges in the event of any Dilutions or following the termination of this Agreement.
- 7.6 Any amount debited to the Payment Account will be treated as an Early Payment. The Customer will pay Discount on each Early Payment from the date on which the Customer requests an Early Payment (even if payment is not received on that date) until the date of receipt of Value from the Debtor or, if appropriate the date on which Barclays credits the purchase price of a Covered Debt to the Payment Account.

- 7.7 Discount is calculated on the Payment Account balance at the end of each day at the Discount Margin plus the Reference Rate (which shall never be less than 0% for the purposes of this Agreement). The Discount will be debited to the Payment Account on the last working day of each month.
- 7.8 The Customer will pay all bank charges for operating the Specified Account, making payments to the Customer by CHAPS or same day transfer, negotiating Remittances and converting Remittances into Sterling as set out in the Pricing Schedule.
- 7.9 Barclays may immediately increase each of the Service Charge by 2% of the Notified Value of Debts Outstanding and/or the Discount Margin by up to 2% if (and calculated on the date that):
 - 7.9.1 the debit balance on the Payment Account exceeds Availability without Barclays' prior authorisation in writing, until the debit balance on the Payment Account is within Availability;
 - 7.9.2 the Customer commits a material breach of this Agreement, until the earlier of this Agreement being terminated or the breach being remedied to Barclays' satisfaction;
 - 7.9.3 there is an adverse change in the Customer's financial position which Barclays reasonably considers constitutes an increased risk in its ability to recover all Obligations from the Customer, until Barclays is satisfied that the Customer's financial position has improved to the extent that Barclays reasonably considers that the Customer is able to discharge all of its Obligations; or
 - 7.9.4 Barclays assumes responsibility for the administration and collection of the Customer's sales ledger.
- 7.10 The Customer will indemnify Barclays for all costs and expenses incurred:
 - 7.10.1 enforcing this Agreement;
 - 7.10.2 resolving claims made by third parties against Barclays;
 - 7.10.3 dealing with disputes raised by Debtors;
 - 7.10.4 instructing or appointing collection agencies, lawyers, credit management firms, accountants and other professional advisors to supervise, administer, verify and/or collect Debts and issue legal proceedings to recover Debts;
 - 7.10.5 pursuant to an order for costs made against Barclays in favour of another person in proceedings relating to this Agreement, any Security or Debts; and
 - 7.10.6 due to any liability by Barclays for value added tax or similar taxes payable in respect of Debts purchased hereunder.
- 7.11 Subject to Standard Term 1.3, Barclays shall review the Facility at the expiry of the Minimum Period and periodically thereafter. Following a review of the Facility, Barclays may charge a Renewal Fee.
- 7.12 If Barclays agrees that the Customer may terminate this Agreement prior to the expiry of the Minimum Period and/or without serving notice to terminate this Agreement of at least the Minimum Notice Period, the Customer will pay the Early Termination Fees.
- 7.13 The Customer will pay Value Added Tax on all charges, if applicable.

- 7.14 If the Customer is a client of Barclays Bank UK PLC ("Barclays UK"), the Customer acknowledges that:
- 7.14.1 this product is available to clients of Barclays UK through referral to Barclays;
 - 7.14.2 referred products will be owned and administered by Barclays; and
 - 7.14.3 in connection with the introduction of the Customer to Barclays (if applicable) and the ongoing relationship management by Barclays UK (or any successor or assigns), Barclays may pay a portion of the revenue generated by Barclays from the provision of such facilities on a portfolio basis annually to Barclays UK. The payment of the above does not affect the information provided to the Customer by Barclays UK and the Customer confirms that it has not relied on any advice from Barclays UK in relation to the Facility or the product.

8. Collection of Debts

- 8.1 The Customer will not be obliged to give notice to Debtors of the assignment to Barclays of Debts within the scope of the Agreement until Barclays tells the Customer to give notice. Barclays may give that notice itself at the Customer's expense.
- 8.2 Barclays appoints the Customer as its agent for the collection of Debts. The Customer will act promptly and efficiently to collect Debts and enforce Related Rights on Barclays' behalf. The Customer will maintain a sales ledger and keep a record of all communications with Debtors.
- 8.3 During the agency, the Customer will deliver to Barclays by the 10th day of each month, completed accurately to the end of the previous month:
 - 8.3.1 a month-end reconciliation in the format specified by Barclays;
 - 8.3.2 an aged Debtors analysis identifying all Non-notifiable Debts and Export Debts by reference to the relevant currency;
 - 8.3.3 copies of Debtor statements or a detailed open item ledger, detailing all contact details for each Debtor, on request;
 - 8.3.4 an aged creditors analysis;
 - 8.3.5 documents evidencing any Dilutions applied during the previous month;
 - 8.3.6 a country exposure report in the format specified by Barclays, detailing all Export Debts; and
 - 8.3.7 any other information requested by Barclays.
- 8.4 Barclays may cancel the Customer's agency to collect Debts at any time following which:
 - 8.4.1 the Customer will give notice to all Debtors of the assignment to Barclays of all Debts within the scope of this Agreement; and
 - 8.4.2 the Customer will deliver to Barclays a current sales ledger and any evidence of Debts and Contracts of Sale requested by Barclays.
- 8.5 As owner of the Debts, Barclays:
 - 8.5.1 has the sole right to collect Debts as it determines;

- 8.5.2 may apply any Remittance or Dilution against any Debt irrespective of any contrary appropriation by the Customer or the Debtor;
- 8.5.3 may compromise or settle a claim against a Debtor; and
- 8.5.4 may repay any credit balance to a Debtor.
- 8.6 The Customer will provide to Barclays any information, evidence and assistance which Barclays requires to collect Debts.
- 8.7 If a Debtor disputes a Debt (whether or not the dispute is valid), Barclays may designate the Debt as a Disputed Debt.
- 8.8 If a Debtor is required by law to make a deduction or withholding from any Remittance, the Customer will procure that the amount which is due by the Debtor is increased to the amount required to discharge the Debtor's liability for the relevant Debt.

9. Trusts

- 9.1 Where the Agreement is governed by English law (see Standard Term 25):
 - 9.1.1 if any Debt and its Related Rights are not transferred to Barclays, the Customer will hold the Debt and its Related Rights on trust for Barclays;
 - 9.1.2 without prejudice to the generality of Standard Term 9.1.1, each Scottish Debt and Scottish Debtor Debt assigned or purported to be assigned under the Agreement to Barclays and its Related Rights will be the property of the trust established under Standard Term 9.1.1 as soon as it comes into existence and until:
 - 9.1.2.1 Barclays has a complete and unencumbered title to such Debt and its Related Rights; or
 - 9.1.2.2 Barclays receives payment in full of such Debt;
 - 9.1.3 in relation to Scottish Debts, Scottish Debtor Debts and their Related Rights, Barclays acknowledges receipt of notice of the creation of the trust established under this Standard Term 9.1 and, without prejudice to such Debts and their Related Rights becoming the property of the trust as provided in Standard Term 9.1.2, each Notification will constitute notice to Barclays that the Scottish Debts, Scottish Debtor Debts and their Related Rights so Notified have become trust property. If requested by Barclays, the Customer will at its own expense give notice to any person of the trust and that any payment is to be made to Barclays. Barclays may itself give that notice at the Customer's expense if it chooses to do so.
- 9.2 Where the Agreement is governed by Scots law (see Standard Term 25):
 - 9.2.1 the Customer gives this declaration of trust in favour of Barclays. Under this trust the Customer is the trustee of the trust, Barclays is the beneficiary of the trust and the trust property which the Customer holds as trustee is as specified in this Standard Term 9;
 - 9.2.2 each Debt assigned or purported to be assigned or intended to be assigned under the Agreement and its Related Rights will be the property of the trust as soon as it comes into existence and until:

9.2.2.1 Barclays has a complete and unencumbered title to such Debt and its Related Rights; or

9.2.2.2 Barclays receives payment in full of such Debt;

9.2.3 Barclays acknowledges receipt of the intimation of the creation of the trust established under this Standard Term 9.2. Without prejudice to any Debt and its Related Rights becoming the property of the trust under Standard Term 9.2.2, each Notification will constitute notice to Barclays that the Debts and their Related Rights so Notified have become trust property. If requested by Barclays, the Customer will at its own expense give notice to any person of the trust and that any payment is to be made to Barclays. Barclays may itself give that notice at the Customer's expense if it chooses to do so;

9.2.4 Barclays may at any time require the Customer, as trustee, or any other person who may become trustee, to transfer to Barclays absolutely the whole or any part of the property of the trust and to perform any other acts as Barclays considers necessary to protect Barclays' interests;

9.2.5 as trustee of the trust established under this Standard Term 9.2 the Customer hereby appoints Barclays and any of its managers or other officers to act as the attorney of the Customer as trustee with full powers to agree and to accept any call made on the Customer as trustee, to grant and deliver all and any assignments, documents of transfer, notices and intimations and/or other deeds and documents necessary or, in the view of Barclays, desirable, to vest in Barclays absolutely the whole or any part of the property of the trust and in the Customer's name as trustee to (i) execute all deeds and documents; (ii) endorse and negotiate any Remittances; (iii) conduct, defend or compromise any proceedings or claims; and (iv) complete Barclays' title to any Debt. This appointment will continue until all Obligations due by the Customer to Barclays have been paid and Barclays may appoint a substitute attorney or delegate the performance of its powers.

9.3 Under whichever trust is established under the Agreement by virtue of Standard Term 9.1 or Standard Term 9.2, in either case if the Customer receives a Remittance, the Customer will keep the Remittance separate from the Customer's own monies and hold it on trust for Barclays. The Customer will immediately deliver the Remittance to Barclays or pay it into the relevant Specified Account. Further, if a Remittance is paid into an account held by Barclays or any other company in the Barclays group other than the Specified Account, Barclays is authorised to transfer the Remittance to the Specified Account.

10. Export Debts

Barclays may assign an Export Debt to a third party in another country to facilitate collection of the Debt.

11. Warranties

11.1 The Customer warrants that:

11.1.1 all accounting records and information about Debts and Contracts of Sale are true and accurate;

11.1.2 the Customer has provided Barclays with all information and documentation about the Customer's business that would influence Barclays' decision to enter into or continue this Agreement.

11.2 By delivering a Notification of a Debt to Barclays, the Customer warrants that:

11.2.1 the Debt has not been Notified to Barclays previously;

11.2.2 the Customer owns the Debt and is entitled to sell it to Barclays;

11.2.3 no other person other than the Secured Parties has any Security or rights over the Debt or any goods which are the subject of the Debt;

11.2.4 the Contract of Sale is governed by English or Scots law and has been fully performed;

11.2.5 the Debt is an existing and enforceable payment obligation of the Debtor and is not disputed;

11.2.6 the Customer is not nor will become indebted to the Debtor;

11.2.7 the Debtor will pay the Debt without retention, set-off or deduction (other than any Settlement Discount);

11.2.8 the Customer's Payment Terms are the same as or shorter, and any Settlement Discount is no greater than those stated in this Agreement;

11.2.9 the Debt is payable in Sterling or a Permitted Currency by a Debtor domiciled in a Permitted Country;

11.2.10 the Debt is not a Non-notifiable Debt;

11.2.11 the correct name and address of the Debtor appears on the invoice evidencing the Debt and, if the Customer is required to give notice of assignment to Debtors, the invoice contains a notice of assignment in the format prescribed by Barclays; and

11.2.12 all information provided to Barclays in support of an application for a Credit Limit applicable to the Debt is true and accurate.

12. Undertakings

12.1 The Customer undertakes to tell Barclays immediately:

12.1.1 of any breach of warranty relating to a Debt;

12.1.2 of any actual or proposed change in the directors or partners or ownership or control of the Customer or of the Customer's business or of the name or trading style of the Customer;

12.1.3 if the Customer or any Debtor or Guarantor becomes Insolvent;

12.1.4 of any adverse credit information known to the Customer about a Debtor;

12.1.5 of a Debtor disputing a Debt; and

12.1.6 of the enforcement of Security against the Customer or a Guarantor.

12.2 The Customer undertakes:

12.2.1 to provide Barclays when requested with evidence of the performance of Contracts of Sale;

12.2.2 to obtain and retain all Credit Reports relating to Increased Discretionary Limits and when requested to provide Barclays with copies of the same;

- 12.2.3 to permit Barclays and any agent or representative of Barclays to enter the Customer's business premises to inspect, copy and remove all accounting records and documents evidencing Debts and Contracts of Sale, computers and electronic documents, Returned Goods and stock;
- 12.2.4 not to borrow from or grant any Security or transfer Debts to a third party without Barclays' written consent;
- 12.2.5 to protect the Related Rights;
- 12.2.6 to comply with all relevant provisions of applicable data protection legislation relating to the processing of Personal Data about unincorporated Debtors;
- 12.2.7 to ensure that all Contracts of Sale and documents evidencing Debts state full details of the Customer's obligations, the time for the performance of these obligations and Payment Terms;
- 12.2.8 not to repay any loan or transfer the Customer's business or assets (except in the normal course of trade) without Barclays' written consent;
- 12.2.9 to tell Barclays about Returned Goods and to store them separately from all other goods in the Customer's possession;
- 12.2.10 to pay all Remittances into the relevant Specified Account;
- 12.2.11 not to vary the terms of any Contract of Sale or Settlement Discount or extend the Customer's Payment Terms;
- 12.2.12 not to issue any credit notes if Barclays tells the Customer to refrain from sending credit notes to Debtors;
- 12.2.13 to comply with the terms of any policy of credit insurance of which Barclays is the assignee or joint insured, to tell Barclays if the policy is varied, cancelled or lapses and to pay all premiums when due;
- 12.2.14 to exercise all reasonable care and prudence in granting and withholding credit to a Debtor and assisting Barclays to collect Debts as would be exercised by a prudent and careful uninsured supplier of goods or services;
- 12.2.15 to take all reasonable steps to prevent or minimise any loss that Barclays may suffer in consequence of the non-payment of a Debt;
- 12.2.16 not to deliver or hire goods or provide services to a Debtor after Barclays has told the Customer to cease trading with the Debtor or if any Debt due from the Debtor is Overdue;
- 12.2.17 to comply with all instructions, conditions, guidelines and procedures that Barclays considers to be reasonably necessary, as communicated by Barclays to the Customer;
- 12.2.18 to maintain accurate accounting records prepared in accordance with accepted accounting standards and to provide copies to Barclays when requested;
- 12.2.19 to deliver to Barclays a copy of the Customer's audited or certified balance sheet and accounts and (if appropriate) directors' report within nine months of the end of each accounting reference period;
- 12.2.20 to deliver to Barclays management accounts when requested; and

- 12.2.21 not to Notify any Debt which is payable in instalments or for which a deposit has been paid or is payable.

13. Computerised Facilities

- 13.1 Barclays grants to the Customer a non-exclusive, non-transferable licence to use the Computerised Facilities until termination of this Agreement or earlier termination of this licence.
- 13.2 Barclays may suspend or terminate the Customer's licence to use the Computerised Facilities at any time.
- 13.3 The Computerised Facilities and all copyright and intellectual property rights in the Computerised Facilities are owned by Barclays or their suppliers.
- 13.4 The Customer will use the Computerised Facilities only for the purpose(s) for which it was supplied and in accordance with any guidelines provided by Barclays and subject to the terms and conditions applicable to the use of the relevant Computerised Facilities software or website.
- 13.5 The Customer will not lease, sub-license, loan, copy, distribute, modify, adapt, merge, translate, reverse engineer, decompile, or disassemble any of the Computerised Facilities, or create derivative works based on the whole or any part of the Computerised Facilities other than with our express consent;
- 13.6 The Customer will take all reasonable precautions to prevent access to the Computerised Facilities by any unauthorised persons and to ensure that any communications to Barclays using the Computerised Facilities are only sent by persons authorised by the Customer.
- 13.7 Barclays does not guarantee the accuracy of information on the Computerised Facilities and Barclays will not accept liability for any loss suffered by the Customer in consequence of:
 - 13.7.1 reliance on the information on the Computerised Facilities;
 - 13.7.2 any communication sent using the Computerised Facilities being incomplete, delayed, lost or sent in error; or
 - 13.7.3 the suspension or withdrawal of the Computerised Facilities.
- 13.8 The Customer accepts and acknowledges that fax or internet communications may not be secure and may be intercepted by third parties. Barclays does not accept any liability for any interception of fax or internet communications, or interference with them by a third party.
- 13.9 Barclays may make available its totals upload functionality. If Barclays makes the totals upload functionality available to the Customer, the Customer warrants that it can verify individual invoice and credit note totals against the Customer's computer accounting system and hard copy daybook listings. The totals upload functionality is based upon invoice and credit note totals only and for the avoidance of doubt, excludes cash items. Barclays reserves the right to withdraw the totals upload functionality at its discretion.

14. Bad Debt Protection Terms

The following terms explain how Barclays will operate the Customer's Invoice Discounting plus Bad Debt Protection facilities:

- 14.1 Barclays will accept the Credit Risk for Covered Debts.
- 14.2 Ineligible Debts may not be Covered Debts.

- 14.3 Without prejudice to Standard Term 5.8, Barclays may cancel a Credit Limit without notice and treat any Covered Debt as an Ineligible Debt and an Unapproved Debt if:
- 14.3.1 the Debt is disputed by the Debtor (but Barclays may re-designate the Debt as a Covered Debt following the final determination or adjudication of the dispute and the Debt becoming a valid and enforceable obligation of the Debtor);
 - 14.3.2 the Customer has breached any warranty or undertaking relating to the Debt;
 - 14.3.3 the Customer fails to comply with any condition specified at the time the Credit Limit is established; or
 - 14.3.4 the Debtor does not make payment as a result of:
 - 14.3.4.1 the termination of a distribution, franchise or similar arrangement between the Customer and the Debtor;
 - 14.3.4.2 the loss of any export or import licence or other similar regulations preventing the performance of the Contract of Sale or payment of the Debt;
 - 14.3.4.3 the Debtor being unable to pay the full amount of the Debt due to exchange rate fluctuations and/or currency devaluations and/or restrictions on currency transfers;
 - 14.3.4.4 an unforeseeable event beyond Barclays' or the Customer's control;
 - 14.3.4.5 the expropriation, confiscation or destruction of the whole or any part of the Debtor's assets or the goods relating to the Debt under any law in any country by any person exercising powers of government in such country;
 - 14.3.4.6 the effects of nuclear reaction, radiation or radioactive contamination or a natural disaster; or
 - 14.3.4.7 war, including any war between two or more of the following countries: the People's Republic of China, France, the United States of America, the Russian Federation and the UK.
- 14.4 Barclays may tell the Customer that all Credit Limits are cancelled and may treat any or all Covered Debts as Unapproved Debts after the occurrence of a Termination Event (whether or not Barclays exercises the right to terminate this Agreement).
- 14.5 All Credit Limits will be cancelled automatically upon termination of this Agreement and Barclays will not bear the Credit Risk for Covered Debts that are Outstanding at the date of termination.
- 14.6 After the occurrence of any Debtor Default, Barclays may tell the relevant Debtor of the assignment of the Debt and the Customer will provide to Barclays all reasonable assistance to enable Barclays to:
- 14.6.1 enforce the Related Rights;
 - 14.6.2 file a claim in the Insolvency of the Debtor;
 - 14.6.3 recover any dividends payable in respect of the Covered Debt; and
 - 14.6.4 recover any refund of Value Added Tax.
- 14.7 Any recovery made by Barclays will be applied firstly towards repayment to Barclays of the purchase price paid pursuant to Standard Term 4.2 and secondly (where the recovery is greater than such purchase price) in payment of the balance of the purchase price payable pursuant to Standard Term 4.1.
- 14.8 The Customer must apply for Credit Limits using Barclays' standard Debtor Account Request Form or through LedgerMaster (or such other system as Barclays may notify the Customer). The application must be supported by such information about the Debtor as Barclays may request. All information provided by the Customer to Barclays must be true and accurate and the Customer must disclose to Barclays all information known to it which may influence Barclays in deciding whether to establish or maintain a Credit Limit.
- 14.9 The Discretionary Limit will apply to all UK Debtors until the Discretionary Limit is cancelled (in relation to a UK Debtor or all UK Debtors) or a Credit Limit decision in respect of a Debtor is communicated to the Customer.
- 14.10 The Discretionary Limit may be increased to the Increased Discretionary Limit, subject to the Customer obtaining a Credit Report prior to Notification of the Debt and retaining the same. If this condition is satisfied, the Increased Discretionary Limit will be equivalent to the lesser of the Credit Limit recommended by the relevant credit reference agency and the Increased Discretionary Limit.
- 14.11 Barclays may establish, vary or cancel a Credit Limit, Discretionary Limit or Increased Discretionary Limit at any time. Barclays will send the Customer notice of the establishment, cancellation and variation of Discretionary Limits, Increased Discretionary Limits and Credit Limits through LedgerMaster or by any other appropriate means. Notice of the cancellation or variation of a Discretionary Limit, Increased Discretionary Limit or Credit Limit will be effective and binding on the Customer immediately after the relevant data is input into LedgerMaster or notified to the Customer by email irrespective of the Customer making enquiry of it. The cancellation of the variation of a Discretionary Limit, Increased Discretionary Limit or a Credit Limit shall not apply to Debts which were Covered Debts prior to receipt of such notice.
- 14.12 The establishment of a Credit Limit is not a representation of the credit worthiness of a Debtor and Credit Limits must be kept confidential.
- 14.13 A Debt created after the establishment of a Discretionary Limit, Increased Discretionary Limit or Credit Limit (other than an Ineligible Debt) may be a Covered Debt to the extent that, when aggregated with all other Outstanding Debts due by the same Debtor, the amount of the Debt is within the relevant Discretionary Limit, Increased Discretionary Limit or Credit Limit.
- 14.14 If the total of Outstanding Debts due by a Debtor is in excess of a Discretionary Limit, Increased Discretionary Limit or Credit Limit, the Debts will be treated as Covered Debts and Ineligible Debts according to the order in which the invoices evidencing the Debts are dated. Following payment of a Covered Debt, an Ineligible Debt which is consequently within a Discretionary Limit, Increased Discretionary Limit or Credit Limit may become a Covered Debt.
- 14.15 The Customer will advise Barclays of any Adverse Event or Debtor Default immediately and in any event within two Working Days after the Customer knows of the occurrence of any Adverse Event or Debtor Default by one of the following methods:
- 14.15.1 through LedgerMaster.
 - 14.15.2 by post to Debtor Underwriting, Barclays Sales Finance, Level 5, One Snowhill, Snow Hill Queensway, Birmingham B4 6GN, United Kingdom.

- 14.15.3 by email to debtorunderwriting.barclayssalesfinancing@barclays.com.
- 14.16 The Customer will provide to Barclays satisfactory evidence of the occurrence of any Debtor Default, including where appropriate:
 - 14.16.1 a judgment of a court or an arbitration award ordering the Debtor to make payment of the Debt to the Customer;
 - 14.16.2 a copy of the proof of debt and written confirmation from the receiver, administrative receiver, administrator, liquidator, supervisor, judicial factor, trustee in bankruptcy or similar officer of the Debtor that the Covered Debt is valid and undisputed and has been admitted for payment of dividends; and
 - 14.16.3 details of the Customer's trading history with the Debtor during the 12 months preceding the event of Debtor Default.
- 14.17 Barclays will pay to the Customer the balance of the purchase price of Outstanding Covered Debts in accordance with Standard Term 4.2 within 45 days of the later of the Customer advising Barclays of any Debtor Default or the Customer complying with Standard Term 14.16.
- 14.18 Barclays will not be responsible for any costs incurred in pursuing the recovery of Covered Debts unless Barclays has previously authorised the Customer in writing to incur the costs.
- 14.19 The Customer will undertake such credit control and collection procedures as Barclays tells the Customer and, as a minimum, the Customer will, until a Covered Debt Outstanding after its Due Date is paid:
 - 14.19.1 send a statement to the Debtor within the first seven days of the month following that in which the Due Date occurs and within the same period of each subsequent month;
 - 14.19.2 communicate to the Debtor by telephone that the Debt is Outstanding within seven days after its Due Date, between 25 and 30 days after its Due Date and immediately after 45 days from its Due Date;
 - 14.19.3 send a letter within 45 days after its Due Date demanding payment within seven days of the date of the letter;
 - 14.19.4 (in relation to UK Debts only) issue proceedings within 60 days of its Due Date and tell Barclays immediately that proceedings have been commenced;
 - 14.19.5 (in relation to Export Debts only) instruct a collection agency approved by Barclays to collect the Debt within 60 days of its Due Date; and
 - 14.19.6 record in writing all steps taken to collect payment of the Debt and provide a copy of such record to Barclays upon request.
- 14.20 The Customer will not agree with a Debtor to the repayment of a Covered Debt by instalments without Barclays' prior consent in writing to the terms upon which the Covered Debt is to be repaid. If a repayment schedule is approved by Barclays, the Customer will tell Barclays in writing within three days of any breach of the repayment schedule.
- 14.21 By the 10th day of each month, the Customer will submit by one of the methods detailed in Standard Condition 14.15 a report of all Overdue Debts, specifying:
 - 14.21.1 the name of the Debtor and the Debtor number assigned by Barclays;
 - 14.21.2 the date and value of each relevant invoice;

- 14.21.3 the Due Date for payment of each invoice; and
- 14.21.4 the reasons for non-payment and the steps taken to recover payment of these Debts.
- 14.22 Barclays and the Customer may terminate the Bad Debt Protection element of an Invoice Discounting facility at any time upon giving to the other notice in writing of not less than 30 days. Upon expiry of the notice period, which is not to be less than 30 days, Barclays will no longer accept the Credit Risk for Outstanding Debts.
- 14.23 The termination of the Bad Debt Protection element of an Invoice Discounting facility under Standard Term 14.22 will not terminate this Agreement.
- 14.24 The Customer must comply with any procedures communicated by Barclays to the Customer relating to the operation of the Bad Debt Protection facility and any conditions applicable to a Discretionary Limit, Increased Discretionary Limit or a Credit Limit, including the procedures communicated to the Customer within the Confidential Invoice Discounting plus Bad Debt Protection User Guide or similar document.

15. Recourse and reassignment

- 15.1 Barclays may exercise Recourse against the Customer in respect of any Debt which:
 - 15.1.1 is disputed by the Debtor (whether or not the dispute is valid);
 - 15.1.2 is subject to a right of set-off, counterclaim or Dilutions;
 - 15.1.3 has been Notified in breach of a warranty or an undertaking;
 - 15.1.4 is due from a Debtor who has become Insolvent; or
 - 15.1.5 remains Outstanding at the expiry of the Recourse Period.
- 15.2 Barclays may exercise Recourse against the Customer in respect of any and all Outstanding Debts upon or at any time following:
 - 15.2.1 a Termination Event; or
 - 15.2.2 the termination of this Agreement.
- 15.3 Following Recourse, an Approved or Covered Debt will be an Unapproved Debt.
- 15.4 Barclays may reassign a Debt to the Customer upon payment of an amount equivalent to the relevant Early Payment, less the value of any Remittance received by Barclays.

16. Partnerships and sole traders

- 16.1 If the Customer is an unincorporated partnership:
 - 16.1.1 the Customer warrants that this Agreement has been signed by all partners of the Customer's business and, where the partnership is a Scottish partnership, by a partner in the firm name or otherwise by a partner on behalf of the partnership;
 - 16.1.2 the undertakings and warranties in this Agreement will be given by each of the partners and, where the partnership is a Scottish partnership, by the partnership;
 - 16.1.3 all of the partners will be jointly and severally liable for the Obligations of the Customer.
- 16.2 Barclays may:

- 16.2.1 release or agree a compromise with any one or more partners (or, in the case of a Scottish partnership, with the partnership) without affecting the Obligations of the other partners or, where the partnership is a Scottish partnership, of the partnership;
 - 16.2.2 agree variations to this Agreement with any one or more of the partners (or, where the partnership is a Scottish partnership, with the partnership); and
 - 16.2.3 serve notice or make demand on any partner or, where the partnership is a Scottish partnership, on the partnership, which will constitute an effective notice or demand on all partners and, where the partnership is a Scottish partnership, on the partnership.
- 16.3 The Customer must immediately tell Barclays if:
- 16.3.1 a partner dies, retires or proposes to retire from the partnership;
 - 16.3.2 a new partner joins the partnership;
 - 16.3.3 the Customer changes its trading style; or
 - 16.3.4 any partner resides in, or the business of the partnership is operated from, a domicile outside the UK.
- 16.4 Any new partner must sign all documents required to make him bound by the Agreement immediately on joining the partnership.
- 16.5 Changes in the partnership will not affect the validity of this Agreement and Barclays may operate this Agreement as if there had been no change.
- 16.6 If the Customer is a sole trader:
- 16.6.1 the Customer must tell Barclays immediately if the Customer proposes to change his trading style or domicile to a country outside the UK; and
 - 16.6.2 the Customer must obtain Barclays' written consent to the Customer entering into partnership with another person.

17. Communications with third parties

- 17.1 The Customer authorises Barclays or a third party acting on Barclays' behalf to contact Debtors to confirm the validity of Debts.
- 17.2 The Customer authorises Barclays to provide to the Customer's bankers, accountants and other professional advisers and to any assignee, participant, security trustee, agent or arranger information about the operation and terms of this Agreement.
- 17.3 The Customer confirms that its bankers, accountants and other professional advisers have been authorised to provide any information held by those parties that Barclays reasonably requires about the Customer's business.
- 17.4 The Customer authorises Barclays to disclose such confidential or other information known to Barclays about the Customer or the Customer's business or Debts as is reasonably necessary to enable Barclays to comply with any obligations which Barclays owes to any broker or insurer pursuant to the terms of any policy of credit insurance arranged for Barclays' own benefit to cover the risk of non-payment of any Debt.
- 17.5 In order to provide its products and services Barclays may need to collect, use, share and store personal and financial information relating to the Customer. Barclays is committed to protecting

Personal Data. Barclays will use Personal Data for a number of different purposes, for example, to manage the Customer's account(s), to provide products and services to its Customers and to meet its legal and regulatory obligations. Barclays may also share Personal Data with its trusted third parties for these purposes. More detailed information on how and why Barclays use Personal Data, including the rights available to individuals in relation to their Personal Data, and Barclays' legal grounds for using it, is included in the Barclays Corporate Banking Customer Privacy Notice at:

<https://www.barclayscorporate.com/general-info/customer-privacy-notice.html> or the Customer can request a copy from Barclays.

- 17.6 Barclays may disclose any confidential information in respect of or in connection with the Agreement, the Customer and its subsidiaries and any relevant party and how the Customer manages its account(s) to the following:
 - 17.6.1 any member of the Barclays Group and related funds and any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives on terms that such recipient is to treat in confidence any confidential information disclosed to it, except where the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the confidential information;
 - 17.6.2 people who provide a service to Barclays or are acting as Barclays' agents, on the understanding that they will keep the information confidential;
 - 17.6.3 any person or persons (and their respective affiliates, representatives and professional advisers) to whom Barclays may assign or transfer (or may potentially assign or transfer) all or any of its rights and/or obligations in respect of the Facility, in whole or in part, including any actual or prospective assignee or transferee or to any other person (i) in connection with a securitisation of all or any part of the loan assets of any member of the Barclays Group from time to time or (ii) who may otherwise enter into contractual relations with any member of the Barclays Group in connection with the Facility;
 - 17.6.4 to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes:
 - 17.6.4.1 where required or requested to be disclosed by any court of competent jurisdiction or any competent judicial, governmental, banking, taxation or other supervisory or regulatory authority or similar body;
 - 17.6.4.2 where requested by any stock exchange or required by the rules of any relevant stock exchange; or
 - 17.6.4.3 pursuant to any applicable law or regulation;
 - 17.6.5 to any rating agency (including its professional advisers); or
 - 17.6.6 otherwise with the consent of the Customer, as the case may be.
- 17.7 Barclays may also give out information about the Customer if Barclays has a duty to do so or if the law permits.
- 17.8 Barclays will retain information about the Customer after the closure of the Customer's account for as long as permitted for legal, regulatory, fraud prevention and legitimate business purposes.

18. Variations

- 18.1 Certain terms of this Agreement may be varied by Barclays at any time.
- 18.2 Barclays may vary any terms of this Agreement, including the Discount Margin and the Service Charge by giving the Customer not less than 30 days' notice.

19. Novation and assignment of this Agreement

- 19.1 Barclays may assign or transfer any or all of its rights and duties under this Agreement and any Security, in whole or in part, to any person or persons including any actual or prospective assignee or transferee or to any other person (i) in connection with a securitisation of all or any part of the loan assets of any member of the Barclays Group from time to time or (ii) who may otherwise enter into contractual relations with Barclays or any other member of the Barclays Group in relation to the Facility.
- 19.2 The Customer may not assign or transfer any of its rights or sub-contract the performance of any of its duties under this Agreement without Barclays' written consent.

20. Termination

- 20.1 Barclays may terminate this Agreement immediately at any time after a Termination Event.
- 20.2 The following circumstances constitute Termination Events:
 - 20.2.1 A breach by the Customer of this Agreement or any other agreement made between Barclays and the Customer;
 - 20.2.2 A breach by an Associate of any agreement made between Barclays and the Associate;
 - 20.2.3 A breach by the Customer of any agreement made between the Customer and another company in the Barclays Group;
 - 20.2.4 The failure by the Customer to repay any loan when due;
 - 20.2.5 A change in the ownership, partners or control of the Customer without Barclays' consent;
 - 20.2.6 The breach or termination of any agreement, undertaking, waiver, consent or inter-creditor agreement provided as a condition of Barclays entering into or continuing this Agreement;
 - 20.2.7 The creation of any Security in favour of another person without Barclays' written consent;
 - 20.2.8 A breach or termination of a policy of credit insurance under which Barclays is joint insured or loss payee;
 - 20.2.9 The Customer ceasing to carry on business;
 - 20.2.10 The Insolvency of the Customer or any Guarantor;
 - 20.2.11 The death of the Customer or any Guarantor or any director, shareholder, member or partner of the Customer;
 - 20.2.12 The service by a Guarantor of notice to terminate a guarantee;
 - 20.2.13 The invalidity of any Security given in respect of the Customer's Obligations;

- 20.2.14 The Customer's failure to Notify any Debt for a period of seven consecutive days;
 - 20.2.15 The failure of the Customer to immediately pay a Remittance received by the Customer into the relevant Specified Account;
 - 20.2.16 Any adverse change in the Customer's or any Guarantor's financial position reasonably considered by Barclays to prejudice Barclays' ability to recover all Obligations;
 - 20.2.17 The commission by the Customer of an offence under the Proceeds of Crime Act 2002 or any transaction or circumstances which Barclays knows or suspects or has reasonable grounds for knowing or suspecting that the Customer is engaged in money laundering;
 - 20.2.18 The disqualification of a director of the Customer from acting as a director;
 - 20.2.19 The conviction of the Customer or any Guarantor or any director, shareholder, member or partner of the Customer of a criminal offence;
 - 20.2.20 A change in the Customer's or a Guarantor's domicile to a country outside the UK;
 - 20.2.21 If the provision of any facility or service to the Customer becomes contrary to any law imposed by any government or quasi-governmental entity or may, in Barclays' opinion, result in damage to the reputation of any part of the Barclays Group.
- 20.3 At any time following a Termination Event (even if Barclays does not terminate the Agreement), Barclays may:
 - 20.3.1 reduce the Early Payment Ceiling and/or the Early Payment Percentage;
 - 20.3.2 cancel all Credit Limits;
 - 20.3.3 exercise Recourse in respect of all Outstanding Debts;
 - 20.3.4 apply Reserves to cover the Customer's Obligations;
 - 20.3.5 make demand upon the Customer to pay the Customer's Obligations;
 - 20.3.6 withdraw the Customer's agency to collect Debts; and
 - 20.3.7 increase the Discount Margin by up to 2%.
 - 20.4 If a Termination Event occurs prior to the expiry of the Minimum Period and/or without serving notice to terminate this Agreement of at least the Minimum Notice Period, and Barclays exercises any of its rights under Standard Term 20.3 following the Termination Event, the Customer will pay the Early Termination Fees.
 - 20.5 In the event of a Termination Event other than breach of this Agreement or any other agreement made between Barclays and either the Customer or an Associate, the Customer will pay to Barclays an additional Service Charge equivalent to up to 5% of the cumulative Outstanding balance of the Payment Account(s) at the date of the relevant Termination Event in order to cover Barclays' additional administration costs of supervising the collection of Debts.
 - 20.6 Upon termination of this Agreement:
 - 20.6.1 all Outstanding Approved and Covered Debts will become Unapproved Debts;
 - 20.6.2 Barclays may exercise Recourse in respect of all Outstanding Debts;
 - 20.6.3 the Customer will immediately pay all Obligations;

- 20.6.4 the Customer will indemnify Barclays against all claims by Debtors for payment of credit balances on their accounts; and
- 20.6.5 Barclays will pay any sums due to the Customer subject to clearance of Remittances and the discharge of the Customer's Obligations.
- 20.7 The termination of this Agreement will not affect any rights, duties and Obligations subsisting at the date of termination, including Barclays Group's right of set-off and title to Debts created prior to termination.
- 20.8 Any settlement of the Customer's Obligations will be void if any payment to Barclays is later set aside.

21. Service of notices

- 21.1 Barclays may serve a notice on the Customer:
 - 21.1.1 by delivery or posting to the Customer's address in this Agreement, the Customer's registered office or any address at which the Customer carries on business or resides;
 - 21.1.2 by facsimile transmission or email; or
 - 21.1.3 by delivery to any officer, member or partner of the Customer.
- 21.2 A notice by Barclays will be deemed served:
 - 21.2.1 if delivered in person, at the time of delivery;
 - 21.2.2 if by post, on the day after posting; or
 - 21.2.3 if sent by fax or email, at the time of sending.
- 21.3 The Customer must serve notice as required by this Agreement in writing to Barclays at Barclays Sales Finance, Level 5, One Snowhill, Snow Hill Queensway, Birmingham B4 6GN, United Kingdom.

22. Communications

- 22.1 Any communication to be made between Barclays and the Customer under or in connection with this Agreement may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) to the extent that those two parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if Barclays and the Customer:
 - 22.1.1 notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - 22.1.2 notify each other of any change of address or any other such information supplied by them by not less than five business days' notice.
- 22.2 Any electronic communication made between Barclays and the Customer will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made to Barclays only if it is addressed in such a manner as Barclays shall specify for this purpose.

- 22.3 Any electronic communication which becomes effective, in accordance with Standard Term 22.2 above, after 16:00 GMT (or where applicable, BST) in the place of receipt shall be deemed only to become effective on the following day.
- 22.4 The Customer shall promptly indemnify Barclays against any cost, loss or liability incurred by Barclays as a result of acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.
- 22.5 Any reference in this Agreement to a communication being sent or received shall be construed to include that communication being made available in accordance with this Standard Term 22.

23. Indemnity

The Customer will indemnify Barclays against:

- 23.1 all Obligations arising under this Agreement or any Security; and
- 23.2 any liability for Value Added Tax or similar taxes payable by Barclays in respect of any Debts.

24. Liability

- 24.1 Barclays will not be liable to the Customer for any consequential loss or loss of goodwill or profits or loss caused by an unforeseeable event or any circumstance beyond Barclays' reasonable control or by the wrongful or dishonest acts or omissions of the Customer or any Associate or agent of the Customer.
- 24.2 Any claim against Barclays under this Agreement must be commenced within two years of the event which gave rise to the claim.

25. Law

- 25.1 If this Agreement is made with a Customer whose registered office is in England or Wales or, in the case of a sole trader or partnership, whose principal address as shown in this Agreement is in England or Wales, this Agreement is governed by English law and the English courts will have exclusive jurisdiction.
- 25.2 If this Agreement is made with a Customer whose registered office is in Scotland or, in the case of a sole trader or partnership, whose principal address as shown in this Agreement is in Scotland, this Agreement is governed by Scots law and the Scottish courts will have exclusive jurisdiction.

26. Miscellaneous

- 26.1 Any reference to this Agreement is to this Agreement as varied, restated, replaced or novated.
- 26.2 The singular includes the plural and vice versa.
- 26.3 Any reference to a statute is to it as re-enacted, amended or replaced from time to time.
- 26.4 Any reference to Barclays includes its successors.
- 26.5 Any Special Condition will prevail over any Standard Term with which it is inconsistent.
- 26.6 This Agreement constitutes the entire agreement and understanding between Barclays and the Customer and supersedes any previous agreement relating to a Sales Finance Agreement.

- 26.7 The Customer agrees that in entering into this Agreement, the Customer has not relied upon and will not have any remedy in respect of any statement, representation, quotation, offer letter or warranty (whether made negligently or innocently). Nothing in this Standard Term 26.7 shall operate to exclude any liability for fraud.
- 26.8 Barclays' rights and remedies under this Agreement are cumulative and not exclusive of any rights provided by law. Barclays' rights and remedies shall not be affected by the granting of any time or indulgence to the Customer or any Debtor, or by the failure to exercise or delay in exercising any right or option against any such person.
- 26.9 If the Customer has any concerns about Barclays or the service received from Barclays, the Customer may express these concerns in person, writing, by post, fax, email or by telephone. Details of Barclays' Complaints Handling Procedures are available on request from any branch, Barclays Group Information Line on 0800 400100 or at www.barclays.co.uk.
- 26.10 Barclays Bank PLC is a member of UK Finance which has a Code of Practice for members. As a member of UK Finance, Barclays Bank PLC is committed to the Code of Practice. Further information regarding the UK Finance Code of Practice, together with the accompanying Guidance to the Code and the Complaints Procedure, can be viewed on the UK Finance website <https://www.ukfinance.org.uk/>. Barclays will not be liable, if due to circumstances beyond its reasonable control, e-mails or SMS communications are intercepted, delayed, corrupted, not received, or received by persons other than the intended addressee(s) (including e-mails or SMS communications sent by Barclays to the Customer or Barclays professional advisers or agents in relation to its provision (or anticipated provision) of banking services to the Customer).
- 26.11 Notwithstanding any provision to the contrary, this Facility will not be secured by any legal mortgage over residential property granted under a regulated mortgage contract under Article 61(3)(a) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

27. Definitions

Adverse Event	The following circumstances constitute Adverse Events: <ul style="list-style-type: none"> (i) The Debtor is Insolvent. (ii) Debtor Default has occurred in relation to the Debtor or any Debt due by the Debtor. (iii) The Customer knows that the Debtor is not able to pay its Debts as they fall due or there are reasonable grounds to believe that the Debtor may not be able to discharge payment of a Covered Debt on or before its Due Date. (iv) The Debtor has disputed another Debt which remains Outstanding. (v) The Debtor has requested that the Maximum Terms of Payment of a Debt are extended or that an Outstanding Debt is paid by instalments. (vi) The Debtor has tendered a bill of exchange, promissory note, cheque or direct debit payment which has been dishonoured on its first presentation for payment. (vii) The Debtor has not made payment of an Outstanding Debt due to any event specified in Standard Term 14.3.4.
Approved Debt:	A Debt designated by Barclays as eligible for an Early Payment.

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| Associate: | <ul style="list-style-type: none"> (i) In relation to an individual, the individual's husband, wife, civil partner, child, step-child, brother, sister, uncle, aunt, nephew, niece, former husband or wife, relative of the individual's husband or wife, any body corporate of which the individual is a director or member and any employee or partner of that individual. (ii) In relation to a body corporate, any body corporate of which that body is a director or member, any body corporate in the same group as that body, any employee or partner of that body, any body corporate in the same group or any body corporate that shares common directors or common shareholders with that body corporate. (iii) In relation to a partnership, any body corporate of which the partnership is a director, any employee or partner in the partnership and any person who is an Associate of a partner in the partnership. |
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Assignment: Where this Agreement is governed by Scots law, means assignation and cognate words shall be interpreted accordingly.

Availability: The Customer's maximum entitlement to receive payments on account of the purchase price of Debts, being the lesser of (at any time):

- (i) the Early Payment Ceiling; and
- (ii) the amount calculated by applying the Early Payment Percentage to the aggregate of all Outstanding Approved and (if any) Covered Debts (reduced, where appropriate, by the Prime Debtor Restriction and Export Debt Restriction) and then deducting the balance on the Payment Account and Reserves.

Banking Day A day (other than a Saturday or Sunday) on which Barclays is ordinarily open in England to effect transactions of the kind contemplated in this Agreement and, if a Remittance is to be made in a currency other than Sterling, on which any payment system chosen by Barclays is operating.

Barclays Group: Barclays PLC and its subsidiaries from time to time.

Commencement Date: The earlier of the date of the Agreement or the date on which the first Early Payment is made.

Commencement Debts: Debts Outstanding on the Commencement Date.

Computerised Facilities: LedgerMaster (including Totals Upload and Invoice Upload functionality), Shadow Ledger, Barclays Ledger Share, and in each case any other additional or replacement electronic transmission system provided to the Customer to operate the Facility.

Contract of Sale: A contract between the Customer and a Debtor for the supply or hire of goods or the provision of services to a Debtor.

Cost of Funds: A suitable reference rate, reasonably determined by Barclays, for Barclays general lending activities (on an actual or notional basis) from whatever source it may reasonably select, and on the basis that such rate is or may be confidential (or price sensitive information) and its use may be regulated or prohibited by law, and which the Customer agrees not to disclose to anyone other than (a) to any governmental, banking, taxation or other regulatory body, if such person is informed in writing of its confidential and potentially price-sensitive nature; or (b) with the consent of Barclays.

Covered Debt:	A Notified Approved Debt within a Credit Limit.	Due Date:	The date on which a Debt becomes payable in accordance with the Customer's Payment Terms.
Credit Limit:	(Applicable to Invoice Discounting plus Bad Debt Protection facilities only) The amount for which Barclays will accept the Credit Risk in respect of Debts due by a Debtor as detailed in the Invoice Discounting plus Bad Debt Protection User Guide and including, without limitation, the deduction of the then applicable first loss and Value Added Tax amounts in respect of any claim.	Early Payment:	A payment made on account of the purchase price of a Debt.
Credit Report:	A report compiled by Dun and Bradstreet, Experian, Equifax, Creditsafe or Graydon dated within the period of six months preceding the date of the relevant invoice evidencing the Debt confirming that a credit limit in excess of the Discretionary Limit is appropriate for the relevant Debtor.	Early Termination Fees:	A fee payable by the Customer in respect of the specific circumstances as detailed below: <ul style="list-style-type: none"> (a) in the event Barclays agree a Customer may terminate this Agreement prior to the expiry of the Minimum Period and/or without serving notice to terminate the Agreement of at least the Minimum Notice Period in accordance with Standard Term 7.12, the fee is equal to the Service Charge payable by the Customer during the period immediately prior to the date on which Barclays agrees that the Agreement may end which is equivalent to the period from the date the Agreement ends until the earliest date on which the Agreement would have been terminated after expiry of the Minimum Period and/or service by the Customer of notice to terminate the Agreement of the Minimum Notice Period (pro-rated where the Agreement has not endured for as long as this unexpired period); alternatively (b) in the event a Termination Event occurs prior to the expiry of the Minimum Period and/or without serving notice to terminate this Agreement of at least the Minimum Notice Period, and Barclays exercises its rights under Standard Term 20.3 following the Termination Event in accordance with Standard Term 20.4, the fee is equal to the Service Charge payable by the Customer during the period immediately prior to the Termination Event which is equivalent to the period from the date of the Termination Event until the earliest date on which the Agreement would have been terminated after expiry of the Minimum Period and/or the Minimum Notice Period had the Customer served notice to terminate the Agreement on the date of the Termination Event (pro-rated where the Agreement has not endured for as long as this unexpired period).
Credit Risk:	Barclays' acceptance of the risk that the Notified Value of a Covered Debt will not be paid due to Debtor Default.	Export Debt:	A Debt due by a Debtor domiciled outside the UK.
Debt:	Any monetary obligation under a Contract of Sale and all its Related Rights. Where the context requires, a Debt, Contract of Sale and Related Rights shall also apply to debts purchased by the Customer for valuable consideration.	Export Debt Restriction:	The maximum amount of all Outstanding Export Debts which is eligible for an Early Payment expressed as a percentage of all Outstanding Approved or Approved and Covered Debts.
Debtor:	A person who is indebted to a Customer under a Contract of Sale.	Facility:	The invoice discounting facility provided under this Agreement.
Debtor Default:	<ul style="list-style-type: none"> (i) In relation to a Debtor which is a company or LLP, the appointment of a receiver, administrative receiver, administrator, liquidator, judicial factor or similar officer of all or any part of the assets of the company or LLP. (ii) In relation to a Debtor who is an individual, the appointment of a trustee in bankruptcy or sequestration or the granting of a trust deed for his creditors. (iii) In relation to a Debtor who is an unlimited partnership: <ul style="list-style-type: none"> (a) the appointment of an administrator or judicial factor of the partnership; (b) the appointment of a trustee in bankruptcy or sequestration or the granting of trust deeds for creditors by all partners of the partnership. (iv) In relation to any Debtor: <ul style="list-style-type: none"> (a) entering into a voluntary arrangement or the appointment of a supervisor under the Insolvency Act 1986 or 2000; or (b) the approval by the court of a composition or scheme of arrangement made with all or substantially all of the Debtor's creditors. (v) In respect of Invoice Discounting plus Bad Debt Protection facilities only, Protracted Default. 	First Loss:	The amount of each Covered Debt for which Barclays will not accept the Credit Risk.
Dilutions:	All credit notes, debit notes, Settlement Discounts or other deductions which reduce the Notified Value of Debts.	Guarantor:	A person who has given a guarantee and/or indemnity in respect of the Customer's obligations under this Agreement or any other agreement made between the Customer and Barclays.
Discount:	A charge deducted from the purchase price of Debts, calculated by applying the sum of the Reference Rate (which shall never be less than 0% for the purposes of this Agreement) plus the Discount Margin to the debit balance on the Payment Account(s) from time to time.	Increased Discretionary Limit:	The Credit Limit applied to a Debtor in instances when the criteria set out in Standard Term 14.10 is adhered to.
Discretionary Limit:	The provisional Credit Limit specified in the Agreement which applies until a specific Credit Limit is established for a UK Debtor.	Ineligible Debts:	<ul style="list-style-type: none"> (i) Debts which arise under a Contract of Sale containing terms of payment which exceed the Maximum Terms of Payment; (ii) Debts that come into existence before a Credit Limit has been established (other than Debts Outstanding on the Commencement Date that are specifically designated by Barclays as Covered Debts);

- (iii) Commencement Debts which have been Outstanding on the Commencement Date more than 60 days after its Due Date;
- (iv) Debts that are in excess of a Credit Limit or owed by a Debtor for whom no Credit Limit has been established;
- (v) Debts due from a Debtor who, at the time of Notification, is Insolvent;
- (vi) Debts Notified to Barclays after a Credit Limit has been suspended or cancelled;
- (vii) Debts due by an Associate or a Debtor who is not domiciled in a Permitted Country;
- (viii) Debts which, at the time of their Notification, are due by a Debtor from whom other Outstanding Debts are Overdue or are being repaid by instalments pursuant to a repayment plan agreed by Barclays;
- (ix) Debts owed by a Debtor for whom Barclays has refused an application for a Credit Limit;
- (x) Debts that are not evidenced by an invoice issued and delivered to the Debtor within 10 days of the performance of the Customer's obligations under the relevant Contract of Sale;
- (xi) Debts that do not comply with the warranties set out in Standard Term 11;
- (xii) Debts that are designated as Unapproved Debts;
- (xiii) Debts due from a Debtor which is a government department, local authority, statutory body or charitable organisation or who has not entered into the Contract of Sale in the course of his business;
- (xiv) Debts that comprise interest and/or compensation payable either pursuant to the Contract of Sale or the Late Payment of Commercial Debts (Interest) Act 1998;
- (xv) Debts that relate to the hire of plant and equipment pursuant to a Contract of Sale either containing Maximum Terms of Payment longer than 60 days from date of invoice or which are not invoiced within 14 days of the hiring;
- (xvi) Debts that relate to retention monies;
- (xvii) Debts that are Export Debts due by a Debtor who is not domiciled in a Permitted Country (even if LedgerMaster appears to grant a Credit Limit to such a Debtor);
- (xviii) Debts that arise under a Contract of Sale providing for the delivery of goods from a country other than the UK;
- (xix) Debts or part of a Debt which represent rebates, Settlement Discounts or similar allowances to which a Debtor is entitled under the Contract of Sale;
- (xx) Debts payable by a letter of credit;
- (xxi) Debts due by Debtors in respect of whom an Adverse Event has occurred at the time of Notification of the Debt.

Insolvent:

- (i) In relation to an individual:
 - (a) the presentation of a petition for his bankruptcy or sequestration; or
 - (b) the granting of a trust deed for his creditors.

- (ii) In relation to a company or LLP:
 - (a) the convening of a meeting of creditors to pass a resolution for the winding-up of the company or LLP;
 - (b) the passing of a resolution by directors or members for the purpose of entering liquidation or administration;
 - (c) the appointment of a provisional liquidator, receiver, administrative receiver, liquidator judicial factor or administrator;
 - (d) the presentation of a petition or the making of any order for the winding-up or administration of the company or LLP;
 - (e) the service of notice of intention to appoint an administrator, receiver or administrative receiver;
 - (f) the commencement of a moratorium; or
 - (g) the dissolution of a company or LLP.
- (iii) In relation to a partnership:
 - (a) the presentation of a petition or the making of an order for the bankruptcy or sequestration of any partner;
 - (b) the presentation of a petition or the making of an order for the winding-up or administration of the partnership;
 - (c) the appointment of an administrator or any person giving notice of intention to appoint an administrator;
 - (d) the dissolution of a partnership; or
 - (e) the passing of a resolution by the partners for its dissolution.
- (iv) In relation to any person:
 - (a) entering into or proposing to enter into a voluntary arrangement or the appointment of any nominee or supervisor under the Insolvency Acts 1986 and 2000;
 - (b) commencing negotiations with any creditor for the rescheduling of any indebtedness or any informal arrangement generally for the benefit of creditors;
 - (c) any creditor attaching, taking possession of or exercising commercial rent arrears recovery or executing against, sequestering, levying on, exercising rights of lien on or enforcing security rights against or obtaining an order restraining the disposal of any part of the person's income or assets;
 - (d) the service of a statutory demand under the Insolvency Act 1986;
 - (e) the entry of any judgment, order or award which remains unsatisfied or whose terms are not complied with for 5 days (except whilst any appeal is pending);
 - (f) being unable to pay debts as they fall due; or

	(g) being deemed insolvent under the Insolvency Act 1986.		
LLP:	A Limited Liability Partnership incorporated and registered under the Limited Liability Partnerships Act 2000.	Reference Rate:	(a) in respect of Sterling, the Bank of England Base Rate;
Maximum Terms of Payment:	The maximum period of credit to be extended by the Customer to a Debtor.		(b) in respect of any Permitted Currency other than Sterling, Barclays reference rate from time to time, details of which can be found on the Rates Website.
Mid-Rate:	The rate calculated by Barclays by reference to the daily mid-market rate as set either on the same or the preceding Working Day and representing the mid-point between buy and sell rates. Reference exchange rates used by Barclays reflect the foreign exchange market. The Customer can obtain details of the daily mid-market rate from the Customer's relationship team at Barclays.		(c) if no Reference Rate is available for the relevant currency, the Cost of Funds, and if, in any such case, that rate is less than zero, the Reference Rate shall be deemed to be zero.
Non-notifiable Debt:	A Debt assigned to Barclays which should not be Notified until Barclays tells the Customer including: <ul style="list-style-type: none"> (i) Debts due by Debtors who are Associates, not contracting in the course of a business and Debts due by Debtors who are private individuals; (ii) Debts providing for immediate payment on completion of the Contract of Sale or in a currency other than Sterling or a Permitted Currency or regulated by the Consumer Credit Act 2006; (iii) Debts which are due by Debtors who are Insolvent; and (iv) any other Debts that Barclays tells the Customer. 	Related Rights:	The Customer's rights under a Contract of Sale, the benefit of an insurance policy and security to which the Customer is entitled, the Customer's right to documents evidencing the Debt and the Contract of Sale and to all Returned Goods and the Customer's right to enforce any guarantee of a Debtor's identity for a Debt.
Notification:	The Customer's notification to Barclays of Debts which have come into existence or informing Barclays of the issue of a credit note or any Dilutions; and Notify and Notified shall be construed accordingly.	Remittance:	Any form of payment that is tendered towards discharge of a Debt including monies recovered under a policy of credit insurance, a refund of the Value Added Tax element of a Debt and any dividend payable in respect of a Debt.
Notified Value:	The amount of a Debt or credit note Notified by the Customer.	Reserve:	A retention applied by Barclays to cover Dilutions and/or Obligations and/or any event or circumstance, agreement or right, the effect of which may restrict the amount which may be payable in relation to the purchase price of Debts.
Obligations:	Any liability owed by the Customer to Barclays or any other company in the Barclays Group including losses and contingent liabilities whether or not arising out of the Agreement, including liability as a Debtor for any Debt assigned to Barclays by any of the Customer's suppliers or as a guarantor of another customer of Barclays.	Returned Goods:	Any goods relating to a Debt which are rejected or returned by a Debtor.
Outstanding:	Wholly or partly unpaid.	Scottish Debt:	A Debt due by a Debtor arising under a Contract of Sale governed by Scots law.
Overdue:	A Debt which is Outstanding more than 60 days after its Due Date.	Scottish Debtor Debt:	A Debt due by a Debtor whose address is in Scotland.
Payment Account:	An internal booking account kept by Barclays in the name of the Customer in accordance with Standard Term 6.	Secured Party:	means any member of the Barclays Group who has an interest (legal or beneficial) in any Security Interest and/or guarantees in respect of the Facility from time to time including any delegate, agent, attorney or co-trustee of the Security Trustee or any receiver or receiver and manager or administrative receiver in respect of the same.
Personal Data:	Any information relating to an identified or identifiable individual.	Security Interest:	means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.
Prime Debtor Restriction:	The maximum amount of all Outstanding Approved Debts due by a Debtor which is eligible for an Early Payment.	Security Trustee:	means Barclays Security Trustee Limited.
Protracted Default:	The failure of a Debtor to pay the full amount of a Covered Debt before the expiry of the relevant Waiting Period.	Settlement Discount:	A discount for prompt payment within no more than 14 days of invoice date not exceeding 5% of the Debt.
Rates Website:	Barclays website which can be found at https://www.barclayscorporate.com/general-info/externalreferencerates.html (or such replacement website as Barclays may specify from time to time);	Specified Account:	The bank account(s) specified by Barclays into which the Customer must pay all Remittances.
Recourse:	Barclays' right to require the Customer to repay Early Payments.	Termination Events:	The events listed in Standard Term 20.2.
		UK:	The United Kingdom of Great Britain and Northern Ireland but excluding the Channel Islands and the Isle of Man.
		Unapproved Debt:	A Debt which is not eligible for an Early Payment.
		Value:	(i) Payments made by any other method other than by cheque, the date the Remittance is credited to Barclays' account; and

- (ii) for payments made by cheque, two Banking Days after Barclays receives value in its account.

Waiting Period: For UK Debts, a period of 90 days and for Export Debts a period of up to 360 days after the date by which the Customer informs Barclays in writing that the relevant Debt is Overdue in accordance with Standard Term 14.

Working Day: Any day except Saturday, Sunday and a public holiday on which banks generally are open for business in London.

References to:

- (i) statutory provisions are to provisions of United Kingdom statutes and include references to amended, extended or re-enacted versions;
- (ii) “Barclays”, the “Customer”, any “Secured Party”, the “Security Trustee” or any other person shall include references to their respective successors and permitted assigns or transferees;
- (iii) “indebtedness” or “amounts outstanding” shall include any obligation for the payment or repayment of money (whether present or future, actual or contingent);
- (iv) “person” means any person, firm, company, corporation, government, state, agency of a state, association, trust or partnership;
- (v) “partnership” means any partnership other than a limited liability partnership established under the Limited Liability Partnerships Act 2000; and
- (vi) “company” includes any company or corporation irrespective of its jurisdiction of incorporation and a limited liability partnership established under the Limited Liability Partnerships Act 2000.

A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefits of this Agreement provided that the Secured Parties shall be entitled to rely upon the confirmations regarding the extension and applicability of any existing guarantee and/or Security Interest to the Facility (if any) set out in this Agreement.

Barclays’ Pricing Schedule

Additional service	Charge
Review and increase of the Early Payment Ceiling	Minimum of 0.5% of Early Payment Ceiling plus VAT
Changes to the Facility requested by the Customer	Minimum of 0.5% of Early Payment Ceiling plus VAT
Renewal Fee	Minimum of 0.5% of Early Payment Ceiling plus VAT
Additional copies of Customer reports/statements	Between £5 and £25 plus VAT per report depending on frequency and type
Faxing reports	Minimum £5 plus VAT per report
Manual administration of same day payments	1% of value, minimum £100 plus VAT
Additional audit and visit costs	Minimum £500 plus VAT per day
Same day payments (including CHAPS)	£25 (not subject to VAT)
Letters to the Customer’s advisors eg. auditors, solicitors and other third parties	Minimum £25 plus VAT
Additional telephone Debt verification activity	£5-£10 plus VAT per debtor
Mid-month Recourse adjustment	1% of additional funding, minimum £100 plus VAT
Additional copies of legal agreements	£50 plus VAT per copy
Registration of Security at Companies House	Minimum £175 plus VAT
Registration of Agreement in Register of Assignments of Book Debts	Minimum £150 plus VAT
Renewal of registration of Agreement in Register of Assignments of Book Debts	Minimum £150 plus VAT

Barclays' Pricing Schedule continued. . .

Specified Account Services	Charge
Auto trf dr hse	£0.15
Same day debits	£0.54
Debit entries	£0.54
Barclays remittance cr	£0.75
Non-Barclays remittance cr	£0.75
House/Other credit	£0.75
Automated credit	£0.15
Same day credit	£0.75
Cash paid in (h/a/c)	£0.50 per £100
Cash paid out (h/a/c)	£0.57 per £100
Cheques paid in (h/a)	£0.25
Cash exchange (h/a)	£1.65 per £100
Cheques in encoded	£0.25
BACS entries	£0.20
BACS file chg	£3.00
Statements duplicate (duplicated as extra copies at time of run)	£0.95
Statements bch post	£0.95
Unpays in (h/a)	£2.00

You can get this in Braille, large print or audio by calling 0800 400 100 * (via Text Relay or Next Generation Text Relay if appropriate). Barclays also welcomes calls via Sign Video for BSL users. Visit [barclays.co.uk/signvideo](https://www.barclays.co.uk/signvideo)

*Calls to 0800 numbers are free from UK landlines and personal mobiles, otherwise call charges may apply. Please check with your service provider. To maintain a quality service, we may monitor or record phone calls. Lines are open 7days a week, 7am to 11pm.

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Item Ref: 9916235. SF800 Online Standard Terms (2018) v17. 09/18.