
CROWDSTACKER®



RIVERS LEASING

Rivers Leasing Loan Notes
Information Brochure

DISCLAIMER

Rivers Leasing Loan Notes

This is important information that you need to read.

This Document forms the basis on which you may subscribe for Rivers Leasing Loan Notes (the "Loan Notes").

Prospective investors should only subscribe for the Loan Notes on the basis of the information published in this Document and the Key Commercial Terms (see page 29).

Please pay attention to the "Risk Factors" on pages 26, 27 and 28 of this Document.

You should carefully consider whether Rivers Leasing Loan Notes are a suitable financial commitment for you to make in the light of your personal circumstances.

The capital you invest in the Rivers Leasing Loan Notes is at risk.

Investing in a loan note of this nature involves a degree of risk. It may not be possible to sell or realise the Rivers Leasing Loan Notes before they mature, or to obtain reliable information about the risks to which they are exposed.

Rivers Leasing Loan Notes will be a debt of Rivers Leasing Plc, secured over all of its assets under a debenture constituting a fixed and floating charge. However, there can be no certainty or

guarantee that any realisation of such assets through the enforcement of such security will be sufficient to enable Rivers Leasing Plc to repay all or part of the Loan Notes or Rivers Leasing's Loan Note's liabilities thereunder.

You should ensure that you have read and understood this Document in its entirety before agreeing to invest in Rivers Leasing Loan Notes.

If you are in any doubt about the contents of this Document, or whether these Loan Notes are a suitable financial commitment for you, you should seek your own independent advice from an appropriately qualified adviser who is authorised under the Financial Services and Markets Act 2000 and who specialises in advising on Loan Notes, Bonds, financial commitments and other such debt instruments.

About this Document.

This Document, which is a financial promotion for the purposes of Section 21 of the Financial Services and Markets Act 2000 ("FSMA"), is issued by Rivers Leasing Plc, which accepts responsibility for the information it contains.

This Document has been approved as a financial promotion for UK publication by Crowdstacker Limited, which

is authorised and regulated by the Financial Conduct Authority. Crowdstacker is registered on the Financial Conduct Authority's Register with registration number 648742.

This Document does not constitute a prospectus to which the Prospectus Rules of the Financial Conduct Authority apply. Therefore, this Document and the Loan Notes have not been approved by the Financial Conduct Authority or any other regulatory body, and do not give rise to any rights to claim compensation under the Financial Services Compensation Scheme.

This Document does not constitute an offer to subscribe for Loan Notes or other financial commitment or the solicitation of an offer to subscribe for Loan Notes or other financial commitment in any jurisdiction in which such offer or solicitation is unlawful.

The distribution of this Document in other jurisdictions may be restricted by law, and therefore persons into whose possession this Document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

All documents, payments or electronic information and communications sent by, to or from you, or on your behalf, will be sent entirely at your own risk.

DEFINITIONS

Rivers Leasing Loan Notes

Crowdstacker

Crowdstacker Limited is authorised and regulated by the Financial Conduct Authority

Custodian

Crowdstacker Limited

FCA

Financial Conduct Authority

Guarantor

Rivers Finance Group Plc, a company incorporated in England and Wales with company number 07376100

Information Brochure or Document

This document

Issuer

Rivers Leasing Plc

Key Commercial Terms or Pricing Supplement

The Key Commercial Terms set out in this Document on page 29, including details of the Interest Rate, the Commencement Date and the Repayment Date

Loan Note Instrument or Instrument

Consisting of the Loan Note instrument and the Key Commercial Terms by which Rivers Leasing is willing to issue Loan Notes

Loan Note or Loan Notes

Loan Notes of Rivers Leasing constituted by and issued pursuant to the terms of the Loan Note Instrument

Noteholders

The individuals who subscribe for Loan Notes to be issued by Rivers Leasing

Rivers Leasing or Rivers or Company

Rivers Leasing Plc

Security

Debenture over the assets of Rivers Leasing Plc

Security Trustee

Jointly (i) Crowdstacker Corporate Services Limited, a company incorporated in England and Wales with company number 09471692, and (ii) Lesmoir-Gordon, Boyle & Co. Limited, a company incorporated in England and Wales with company number 05602072

Security Trust Deed

The deed between the Security Trustee and Rivers Leasing, by which the Security Trustee holds the Security on trust for the benefit of Noteholders

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CHAIRMAN'S NOTE

A word from our Chairman

Welcome to Rivers Leasing and thank you for taking the time to read this Information Brochure.

Rivers Leasing is a niche small-ticket asset leasing and loans business. We provide finance to and champion SME businesses, being one ourselves. We typically focus on transaction values between £2,000 and £50,000 and finance various types of commercial equipment such as IT hardware, photocopiers, salon equipment, drinks machines, plant & machinery, and medical & health equipment across a variety of business sectors.

We have a dedicated and highly experienced team that we believe has brought a combination of sensible and ethical lending policies combined with a practical and flexible approach underpinned by strong corporate governance. We focus on providing value in each transaction rather than just processing volumes of transactions.

Our approach to lending is to work towards positive outcomes rather than sticking to a prescriptive underwriting rulebook.

We aim to understand the businesses we finance, our approach hinges on a can-do attitude and short communication lines between our customers and decision makers, alongside a highly personal and diligent approach to each leasing or loan application. Our goal is to add a human aspect to the credit application process allowing us to deliver higher levels of service; we are much more than just computer code and algorithms.

We believe that our approach works, as in April 2017 Rivers Leasing was identified as one of Europe's fastest growing companies in the Financial Times inaugural list of the 1,000 fastest growing companies in Europe.

The company was ranked 186th based on turnover growth with a 648% increase between 2012 and 2015. Rivers has experienced strong growth since its launch in 2011 and at 30th September 2017 the combined 'own book' assets and loans portfolio was £17.3 million a £4.9 million increase (+39%) from September 2016. Rivers is experiencing robust levels of demand from across the UK SME sector.

Our objective is to meet this demand and grow the total gross debtor book to £19 million by 31 March 2018 and then onto to £25m by March 2020, although please note forecasts are not a reliable indicator of future results

Supporting our growth in a capital intensive business is why we are offering investors subscribing for Rivers Leasing Loan Notes either a 5.75% p.a. gross return over a two year term (24 months) or 6.5% p.a. gross return over a three year term (36 months).

A combination of capital repayment (this is amortised) and interest (on your capital outstanding) will be paid semi-annually or quarterly dependent on the investment option you choose.

We hope you join us in our growth.

Ratan Daryani,
Executive Chairman
& founder

SUMMARY

Rivers Leasing Loan Notes

The Loan Notes are an investment opportunity to earn an interest either a 5.75% p.a. gross return over a two year term or 6.5% p.a. gross return over a three year term.

Money raised through the Loan Notes will help enable Rivers Leasing to take advantage of growth opportunities in the market.

Investors are due to receive payments on a semi-annual or quarterly basis, dependent on the chosen investment term.

These payments will consist of a combination of capital repayment and interest due, much in the same way a person pays their mortgage; except this time, investors are taking the role of the lender rather than the borrower.

As of October 2017, Rivers has issued Loan Notes to the value of £6.9m under this Programme since 2015 and have made all interest payments and return of capital payments on time.

The Market Opportunity:

The total UK Financial Leasing industry is estimated to be worth circa £30bn and provides businesses with the ability to lease assets, such as vehicles and various other equipment & assets, and has grown 8% in the past twelve months.* Excluding vehicle finance, the general asset finance market is worth £11.2bn and is the faster growing sector of the market at approximately 12% p.a.

The Company's business model was originally based on vendor-introduced business. However, to diversify the source of business introductions and accelerate growth, Rivers Leasing began to accept broker introduced business in January 2013. This source of business has been growing as a proportion of the overall asset and loan book.

In Q2 2017 brokers introduced c.85% of new business. New leasing business is introduced through a number of relationships with brokers and asset vendors. This portion is anticipated to reflect future levels of broker introduced business.

The Company view the leasing market as being split into three tiers. Tier one denotes the strongest leases in the market, typically offering yields of up to 9%; tier two offers yields of up to 15%, and tier three comprises the riskier assets or borrowers at yields of up to 20% and above.

The Company's strategy is to position itself between bottom of tier one and the middle of tier two, a position that management believes offers the best risk-reward balance.

The Company aims to continue growing by increasing the number of leases written monthly which is supported by additional broker engagements. By issuing Loan Notes and reducing the Company's reliance on the traditional lending institutions it is better placed to take advantage of the opportunities available in the market.

up to:

6.5%
P.A.

RIVERS LEASING

Who we are & what we do

Core Values

Rivers Leasing is authorised and regulated by the Financial Conduct Authority (FRN 736080)

The Company's core business values are based on:

- **Personal service**

Each lease application is assessed by an individual, not a computer credit scoring system.

The Company's strong commercial relationships are the result of this approach.

- **A focus on financials**

The Company is focused on the strength of the financial covenant rather than purely the value of the asset underlying the lease.

- **A focus on quality**

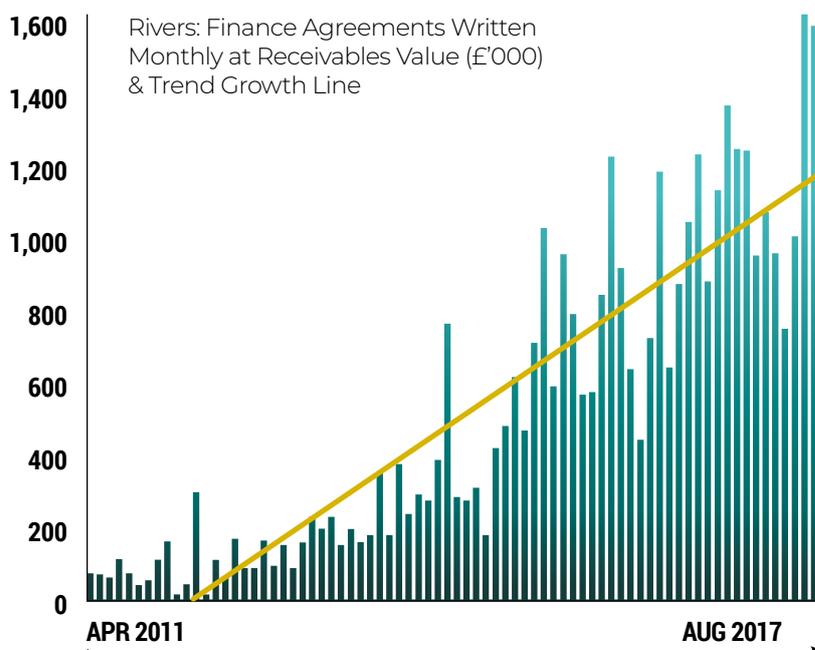
A constant focus on the quality of the leases written.

Growth Trends

Rivers has experienced strong growth since its launch in 2011 and at 30 September 2017 the combined 'own book' assets and loans portfolio was £17.3 million a £4.9 million increase (+39%) from September 2016.

At 30 September 2017, this gross debtor book included £3.2 million of deferred income i.e. future revenue streams, an increase of £1.0 million (+43%) on 30 September 2016.

Our objective is to grow the total gross debtor book to £19 million by 31 March 2018 and then onto to £25m by March 2020.



Please note: forecasts and past performance are not a reliable indicator of future results

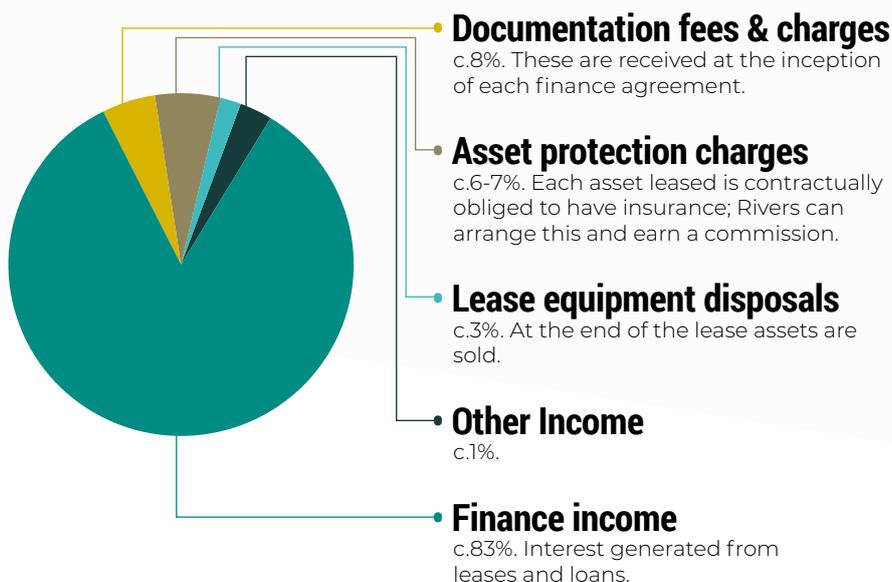
(based on the September 2017 management accounts)

Revenue Breakdown

A typical breakdown of the Company's turnover:

Turnover for year ended March 2017 has increased 52.8% from the prior year with profit before tax and interest (PBIT) increased by 53.9% to £0.9 million.

Rivers are forecasting a 31.5% increasing in turnover for financial year 2018 and are currently exceeding this forecast.

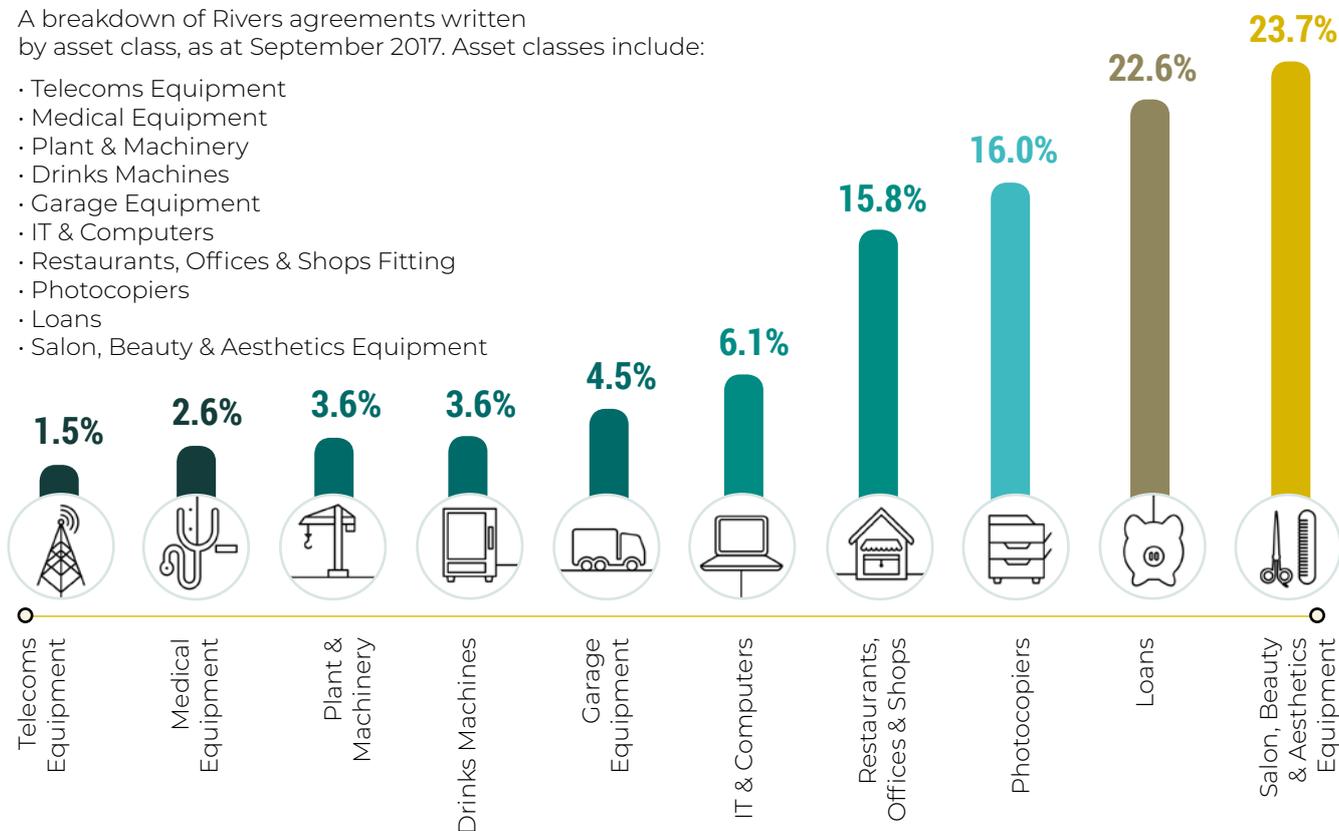


Please note: forecasts and past performance are not a reliable indicator of future results

Asset Class

A breakdown of Rivers agreements written by asset class, as at September 2017. Asset classes include:

- Telecoms Equipment
- Medical Equipment
- Plant & Machinery
- Drinks Machines
- Garage Equipment
- IT & Computers
- Restaurants, Offices & Shops Fitting
- Photocopiers
- Loans
- Salon, Beauty & Aesthetics Equipment



FINANCIALS

Rivers Finance Group Plc

Rivers Leasing Plc is a wholly owned subsidiary and the only trading company of Rivers Finance Group Plc.

Rivers wrote £8.3 million of new business in the twelve months ended 31 March 2017 a £1.9 million increase (+30.3%) on the previous financial year and current new business conducted is up some 42% in 2017.

The performance of leases and loans are reviewed monthly and any impaired finance agreements are considered for bad debt provisioning along with the required general provision percentage required for the business as a whole. The Company currently maintains a provision for bad debts at 1.25% of the gross debtor book as they occur and writes bad

debts off on a quarterly basis against this provision. The 1.25% rate is believed to be considered adequate based on historical performance and an analysis of the current portfolio of finance agreements.

Interest charged to customers varied between 11% and 24% depending on their risk profile and the asset financed.

Profit & Loss	Audited 2015/16 (£000's)	Audited 2016/17 (£000's)	Unaudited 6 months to 30.09.2017 (£000's)
Turnover Turnover % Growth	1,302 81.7%	1,990 52.8%	1,282 46.6%
Gross Profit Profit %	1,010 77.6%	1,517 76.3%	964 75.2%
Profit Before Interest & Tax Margin %	621 47.7%	956 48.0%	616 48.1%
Profit After Tax Margin %	140 10.7%	117 5.9%	147 11.5%

Source: Audited Accounts / Management Accounts

Please note: forecasts and past performance are not a reliable indicator of future results

Balance Sheet	Audited 2015/16 (£000's)	Audited 2016/17 (£000's)	Unaudited as of 30.09.2017 (£000's)
Fixed Assets	23	18	24
Current Assets	8,655	12,189	14,611
Current Liabilities	(2,676)	(4,454)	(5,212)
Long Terms Liabilities	(5,628)	(6,820)	(8,353)
Net Assets	374	933	1,070

Source: Audited Accounts/Management Accounts

New Business & 'The Book'	Audited 2015/16 (£000's)	Audited 2016/17 (£000's)	Unaudited 6 months to 30.09.2017 (£000's)
New Business at Cost (exc VAT) % Growth	6,340 52.3%	8,258 30.3%	4,979 48.2%
Gross Receivables Deferred future finance income	9,901 (1,809)	14,288 (2,820)	17,309 (3,320)
Net Receivables	8,092	11,468	13,989

Source: Audited Accounts/Management Accounts

Please note: forecasts and past performance are not a reliable indicator of future results

THE LOAN NOTES

About Rivers Leasing Loan Notes

What is a loan note?

A loan note is essentially a 'promise' by one entity (commonly a business) to repay money lent to it in instalments over a set period, typically paying interest and capital at a variable or fixed interest rate. When you purchase a loan note, you purchase this 'promise' and become a noteholder.

The structure of Rivers Leasing Loan Notes

Loan Notes to Rivers Leasing are available from £500. The interest rate is either a 5.75% p.a. gross return over a two year term (24 months) or 6.5% p.a. gross return over a three year term (36 months).

Investors are due to receive payments on a semi-annual or quarterly basis, dependent on the chosen investment term. These payments will consist of a combination of capital repayment and interest due, much in the same way a person pays their mortgage, except this time, investors are taking the role of the lender rather than the borrower.

The Loan Notes are structured with the aim of providing an attractive return on a solid, investment opportunity.

Money raised through the issuance of the Loan Notes will be used to finance corporate asset leases and loans of between £2,000 and £50,000 per lease.

What could I be earning over the next 2 or 3 years?

The Loan Notes are due to be paid in either 4 or 12 equal semi-annual or quarterly payments of capital repayment and interest dependent on the term you choose, from the commencement date.

An example of capital and interest repayments due for a £10,000 investment over a 3 year term:



	£10k over 2 years: 5.75% p.a.			£10k over 3 years: 6.5% p.a.		
	Interest payment	Capital repayment	Total payment	Interest payment	Capital repayment	Total payment
Month 3				£162.50	£761.45	£923.95
Month 6	£287.50	£2,394.73	£2,682.23	£150.12	£773.83	£923.95
Month 9				£137.55	£786.40	£923.95
Month 12	£218.65	£2,463.58	£2,682.23	£124.77	£799.18	£923.95
Month 15				£111.78	£812.17	£923.95
Month 18	£147.82	£2,534.41	£2,682.23	£98.58	£825.37	£923.95
Month 21				£85.17	£838.78	£923.95
Month 24	£74.96	£2,607.27	£2,682.23	£71.54	£852.41	£923.95
Month 27				£57.69	£866.26	£923.95
Month 30				£43.62	£880.33	£923.95
Month 33				£29.31	£894.64	£923.95
Month 36				£14.77	£909.18	£923.95
TOTAL	£728.93	£10,000.00	£10,728.93	£1,087.40	£10,000.00	£11,087.40

*Example payment figures are for illustrative purposes only and are rounded up or down to the nearest penny.

SECURITY

What security do I have?

First:

Rivers Leasing Loan Notes will be secured over the assets and undertakings of Rivers Leasing Plc via a first ranking debenture, given to the Security Trustees on an investors behalf, creating a first fixed and floating charge over all of its assets and undertakings. Security granted in respect of existing block discounting facilities and certain other pre-agreed security is excluded from this fixed and floating charge.

Second:

River Leasing Loan Notes will have a floating charge over the bank accounts used for the Loan Note proceeds including rights by the Security Trustees to access this account for the purpose of monitoring.

Third:

Legal assignment will be granted over the leases and loans funded by the proceeds of the Loan Notes.

Fourth:

The investment will also benefit from a guarantee from parent company, Rivers Finance Group Plc, who, in its capacity of Guarantor, has provided a corporate guarantee of the Issuers obligations under the Loan Note instrument.

Fifth:

For so long as any amount is outstanding under the programme, the Issuer shall ensure that the sum of:

1. The total of all outstanding sums due from the lessee or borrower to the Issuer in respect of leases and business loans funded by the proceeds of the Loan Notes; and

2. The cash balance on the bank account established in connection with the issue of the Loan Notes,

shall at the end of each day equal no less than 130% of the total capital amount outstanding under the Loan Notes.

Sixth:

For so long as any amount is outstanding under the Loan Notes, the Issuer shall ensure that the aggregate of:

- 1) Equity in the Issuer;
- 2) Quasi-equity in the Issuer;
- 3) Principal outstanding under unsecured loans made to the Issuer; and
- 4) P&L reserve of the Issuer, exceeds the greater of £1,000,000 or one third of the capital outstanding under the Notes.

How Rivers Leasing Loan Notes are intended to be repaid

Rivers Leasing Loan Notes are planned to be used to fund leases and business loans that are repaid in instalments. These leases are planned to be matched to the repayment of the Loan Notes.

At present (30th September 2017), between £0.6 million and £1.25 million of leases are written per month, and the order book (leases and loans accepted but not yet written) currently stands at c.£1.5 million.



CASE STUDY #1

Loan for a world record bid

Team Britannia is the multi-million pound British bid led by ocean adventurer Alan Priddy to design and build the fastest and most fuel-efficient wave-slicing powerboat to circumnavigate the globe for the much coveted UIM world record.

Construction of the boat started at the beginning of June 2016, and the important hurdle of turning the boat over was passed at the beginning of December 2016.

Completion of the boat, which included attaching the wheelhouse, flybridge and decks, along with fuel tanks, engines, jet drives and interior fittings, continued into early 2017 and was followed by a programme of sea trials prior to the circumnavigation itself.

Rivers Leasing supported this round the world record attempt alongside a conglomerate of city businesses, keeping the revolutionary powerboat and its 12 strong crew on track with a loan during the construction phase.



Chris Davies / powerboatpix.com



Team Britannia / teambritannia.co.uk



Chris Davies / powerboatpix.com





CASE STUDY #2

Financing a new football pitch

When a regional football club wanted to finance their new all-weather football pitch as well as equipment for the club house, they were looking for a lender with a different approach.

We believe that securing funding in the sports sector is notoriously difficult, and one which many of the largest lenders in the industry have yet to embrace.

Rivers Leasing discussed arrangements with the club and looked for ways to make straightforward finance leasing work, securing the facility against the development land that runs around the side of the pitch.





CASE STUDY #3

Leasing for a beauty business

Having approached us for finance to help grow her business, a customer returned to us after 12 months, asking if we would finance more equipment to continue growing her salon.

The item in question was a U225 intradermal injector and accessories, costing £12,500. As she was a direct customer we asked her (as we do with all direct customers) to source the supplier and equipment and come back to us for the finance.

Within a few weeks she came back to us saying the machine she had seen was coming from France (even with export and shipping costs it was less expensive and a newer model than the options in the UK).

As we do not make international payments, we found a solution by giving her a short-term loan. The equipment would take six weeks from date to order to be delivered, so we gave her an eight-week loan (to allow for unexpected delays).

The agreement was she would pay back the interest and other charges for the loan at the end of the eight weeks, then the capital would be used for sale and leaseback of the intradermal injector.





CASE STUDY #4

Sale & leaseback to support business

A manufacturing company was introduced to us during a fantastic period of growth for their products which meant they needed additional factory space.

The building was already finished but there were soft fitting out costs that needed funding. The director made the comment that he had paid for some assets a couple of years ago with cash and on reflection he wished he had financed them and preserved the

cash. The assets in question were actually some solar PV panels fitted to the existing factory roof. They had been acquired with both financial and environmental benefits in mind.

We had analysed the security and we were happy to re-finance these assets on a sale and leaseback over a two-year term, fitting in well with the company's cash flow.



MEET THE TEAM

The team behind Rivers Leasing



Ratan Daryani,
Executive Chairman and Founder

Ratan is an entrepreneur with extensive Executive Director and Non-Executive Director experience in both private and public companies. He was a divisional financial controller at The Body Shop International Plc, the founding Finance Director of Virgin Cosmetics which he subsequently acquired from the Virgin Group in 2008 and successfully exited in 2010. The CEO of Reflexion Cosmetics (listed on AIM), and the Executive Vice-Chairman of a Swedish nutrition and skincare sales company (which was successfully turned around and exited within two years).

Ratan was, until February 2016, Non-Executive Chairman of Aqua Source Algae Group Plc. Since 2010, Ratan has been focused on the growth strategy and operations of Rivers Leasing and the corporate development of Rivers Finance Group Plc.



Michael Friend,
Non-Executive Director

Michael is Non-Executive Director of Rivers Finance Group Plc and Rivers Leasing Plc and Chairman of NBA Quantum Plc. Michael for more than 25 years has been a qualified solicitor with his most recent role as consultant solicitor with Harbottle & Lewis. Michael has considerable experience in finance, company and commercial matters, including mergers and acquisitions.

He worked for a Swedish finance company in the late 1980's and 1990's and was the Chief Executive of the listed company PGA European Tour Courses Plc between 1997 and 2001. He also has considerable experience in brand development (European Tour, Ryder Cup) and raising finance both for public and private businesses.



Tim Shand,
Business Development Director

Having graduated in Business Studies at UWE. Tim worked for asset finance subsidiaries of the Royal Bank of Scotland Group for 19 years. His roles included branch management, interim management at a problem business, specialist finance and technical positions. After a brief spell at a specialist consulting firm, Tim joined the newly established Bank of Ireland Business Finance in 2001. He spent 11 years in various senior roles, including Sales Director - Corporate & Public Sector, Head of Structured Finance and the Compliance Officer.

Following the completion of this operation Tim undertook various consultancy roles and also worked at an established asset finance broker before joining Rivers Leasing in 2016.



Mark Squires,
Commercial Director

With a proven track record of over 18 years in the Finance Industry, Mark's core experience developed and remains in commercial risk and credit management. A career that has flourished since 2000 where he was employed as an underwriter with Volkswagen Financial Services UK Ltd, he evolved to Mortgage underwriting with Solent Mortgages in 2005 where he gained a greater awareness of Credit Lending and Risk whilst establishing the 'Fraud' department, before relocating to London and working with ING (Lease) UK in 2006.

He was promoted within to Risk and Asset Management reporting directly to Senior Management later establishing the Fraud division and awareness. Mark has been working with Rivers Leasing since 2012.



Ravi Kanthan,
Chief Accountant

Ravi has been working as an accountant since he graduated in 1988 and to date has over 25 years' experience brings a wealth of knowledge and experience to his current role with Rivers Leasing.

Since Ravi joined Rivers Leasing some 4 years ago, he has defined and tightened internal financial controls, streamlined and consolidated back end lease processing while transferring them to our own in-house operations team which in turn has helped materially reduce costs and drive operational efficiencies. Ravi's extensive knowledge and experience of the systems and processes allows him to contribute in delivering great service to our customers and introducers alike.



Rishi Shah,
Business Operations Manager

Rishi has been at Rivers Leasing for 5 years and heads up the daily operational running of the business, including the front-line underwriting of lease and loan proposals.

He develops and maintains relationships with our panel of brokers and vendors and manages the customer service function that supports end user customers queries. Rishi has gained his knowledge and built his experience in the finance industry over his time at Rivers Leasing and as a result of this, is able to offer solutions that best benefit the needs of our customers. Rishi is the longest serving member of the Rivers team and has been instrumental in the growth of the business.

The Joint Security Trustees

The role of the Security Trustees is to jointly:

1. Hold on behalf of all investors the security for the Loan Notes over the assets of Rivers Leasing.
2. Enforce the security over Rivers Leasing in certain circumstances where Rivers Leasing fails to pay interest or repay capital on the Loan Notes.

Lesmoir-Gordon, Boyle & Co. Limited (LGB)

LGB is a fully FCA authorised Corporate Finance and Investment Management company who will act as joint Security Trustee with Crowdstacker Corporate Services Limited.

Crowdstacker Corporate Services Limited

Crowdstacker's associate Company, Crowdstacker Corporate Services Limited acts as joint Security Trustee.

CROWDSTACKER

The Platform

Crowdstacker Limited is authorised and regulated by the FCA.

Crowdstacker aims to sift through the many investment opportunities available and bring its customers only high quality offerings.

It has a carefully designed selection process, which involves due diligence on each potential company wishing to use the platform to raise finance.

Additional levels of protection are negotiated for investors. Documentation produced for each investment aims to make it easy to understand the benefits and risks of each opportunity.

Crowdstacker's due diligence is a three stage process, with only the best opportunities making it through to stage three.

Crowdstacker's Due Diligence Process

1. Pre-screening

This initial assessment includes:

Verification

Confirming the identity of the potential company and its directors; checking for County Court Judgements, directors that have been disqualified, and other red flags; performing money-laundering checks in line with guidelines.

Automated Credit Analysis

Using a credit-scoring model to provide an initial assessment of credit worthiness. The model is used by the majority of credit insurers and claims to predict around 70% of the defaults in the next 12 months.

2. In-depth analysis

This is performed by a commercial lawyer and chartered accountants.

Financial health

An assessment of current and projected financial performance and position. Management and statutory accounts, cash flows, business plans, repayment strategy and existing debt are all considered.

Management team

Crowdstacker meets senior management teams at their premises and assesses the quality of the team and its operations.

Loan Note structure & conditions

A recommendation is made regarding the Loan Note structure, security to be provided and any associated conditions to protect investors.

3. Credit committee

The credit committee is responsible for reviewing all reports and approving each new business proposal.

Once a business and its required investment (such as a bond, loan note or a Peer to Peer loan) is approved, Crowdstacker works with the business to produce informative documentation that outlines the key benefits and key risks for potential investors.

Client money

Crowdstacker acts as the Custodian and will hold an investors funds on on their behalf in a segregated client account at Lloyds Bank Plc. It will process an investors money and service their account. While an investors funds are held waiting to be invested or held on account, the funds will be protected by the Financial Services Compensation Scheme (FSCS) up to £50,000.

Once your funds are invested in an investment through Crowdstacker, your FSCS protection ends and your capital is at risk. At this stage the investment's security package takes over.

Crowdstacker then co-ordinates the payment of interest and the return of investors' capital.

Holding Rivers Loan Notes in your ISA, SIPP or SSAS

The Loan Notes may be held in:

- **IFISA**
An Innovative Finance Individual Savings Account (IFISA)
- **SSAS**
A Small Self-Administered Scheme (SSAS)
- **SIPP**
A Self-Invested Personal Pension (SIPP)

THE IFISA

Holding Loan Notes in an IFISA

The Crowdstacker IFISA is designed for alternative finance investing, enabling investors to earn higher returns on their money, while helping British businesses borrow at reasonable interest rates.

Investors can invest up to £20,000 this tax year (2017/18) across the three types of ISA: Cash ISA; Stocks & Shares ISA; and the Innovative Finance ISA. All the interest received in an IFISA is completely tax-free, subject to the investors own personal tax status.

Interest payments are paid directly back into your Crowdstacker IFISA account.

You can transfer in part, or all, of your existing ISA holdings (any funds from Cash ISA, Stocks & Share ISA, or other IFISA accounts you may have from previous tax years) to a Crowdstacker IFISA.

Transfers from current and previous ISAs will not be deducted from this year's ISA allowance.

You can find out more about the Crowdstacker IFISA in our guide, available on request.

Crowdstacker is an HMRC approved, ISA Manager, authorised and regulated by the FCA. Crowdstacker was one of the first alternative finance lending platforms to receive full FCA permissions. Tax treatment depends on the individual circumstances of each investor and may be subject to change in the future.



Select investment

Choose from our current range of investments.



Select Account

Fund an investment through an IFISA or a P2P account.

IFISA Account:

Earn tax-free interest, add this year's ISA allowance or transfer from an existing ISA.

P2P Account:

Earn up to £1,000 interest tax-free* by investing through a P2P account.



Receive interest

Investors can view your accrued interest on your IFISA or P2P account Crowdstacker account balance, which can then be re-invested.



Withdraw interest

Investors are able to have the interest earned paid into your bank account.

*Peer to Peer investments can be included as part of your Personal Savings Allowance and you could earn up to £1,000 interest tax-free dependent on your tax status.

THE IFISA

Holding Loan Notes in an IFISA

1. How do I open a Crowdstacker IFISA?

The process to open a Crowdstacker IFISA is designed to be very easy. All you need are your bank account details (for the account you would like to link to your IFISA) and your National Insurance number to hand. You can apply online at www.crowdstacker.com or call us on 020 7118 7570 for a paper application form.

2. What are the tax rules on an ISA?

Investors do not have to declare income or gains from an ISA on their tax returns unless the ISA subscription has been made void. Capital losses in respect of ISA investments are disregarded for the purposes of capital gains tax.

3. What are the ISA limits?

Investors can subscribe in each tax year to one of each of the following: Cash ISA, Stocks and Shares ISA and Innovative Finance ISA. From 6 April 2017, the overall ISA limit is £20,000 and can be split between a Cash ISA, a Stocks and Shares ISA and an Innovative Finance ISA as the investor wishes.

4. Can I transfer from my existing ISAs?

You can transfer the funds from your Cash ISAs, Stocks and Shares ISAs and other IFISAs into your Crowdstacker Innovative Finance ISA. If you apply online for the Innovative Finance ISA you will be able to download transfer forms during the online application process which will allow you to transfer from any existing ISAs to your new Crowdstacker Innovative Finance ISA. If you would like to apply by post please call us on 020 7118 7570 and we can send them to you.

5. Does Crowdstacker charge any fees?

It's completely free to open an Innovative Finance ISA account with Crowdstacker. Crowdstacker does not charge any fees to transfer ISA funds from previous or current tax years into your Crowdstacker Innovative Finance ISA.

6. Are there any tax consequences if I withdraw money from the IFISA?

Whilst your funds are within the ISA account, or when transferred direct to or from another ISA, your interest earned is tax-free. However, if you withdraw your money you will lose the future tax-free status of that interest.

FAQ's

We are more than happy to answer any questions you may have. If your question is not covered by the FAQs below, please contact us on info@crowdstacker.com.

What return can I expect?

You have the opportunity to receive either a 5.75% p.a. gross return over a two year term (24 months) or 6.5% p.a. gross return over a three year term (36 months) on your capital outstanding.

How often is interest and capital due to be paid?

Interest and capital is due to be paid quarterly in either 4 or 12 equal instalments dependent on the investment option you choose.

How much can I invest?

The minimum amount you can lend is £500 up to a maximum of £500,000.

When do Rivers Leasing Loan Notes mature?

The Rivers Leasing Loan Notes are either a 2-year fixed term or a 3-year fixed term.

Can I hold the Loan Notes in my pension?

You can hold Rivers Leasing Loan Notes within a Small Self-Administered Scheme (SSAS) or a Self-Invested Personal Pension (SIPP).

What about ISAs?

You can hold your Loan Notes in the Crowdstacker Innovative Finance ISA, and receive tax-free interest.

What is the target?

The Loan Notes have an initial target of £3m, which may be extended in the future.

How are investments via the Loan Notes planned to be used?

Investments are planned to be used for the funding of finance leases, operating leases, loans and hire purchase agreements to SME customers of Rivers Leasing.

Who is the Issuer?

Rivers Leasing Plc.

Who is Crowdstacker?

Crowdstacker is an alternative finance lending platform, authorised and regulated by the FCA. Crowdstacker matches companies that are seeking to raise finance with investors.

Is Crowdstacker covered by the Financial Services Compensation Scheme?

Your funds will be covered by the FSCS while Crowdstacker holds your money, processes funds, and services your client account. Once your funds are lent to the Company, the FSCS protection ends and the investment security package takes effect. Remember that your capital is at risk when you lend to businesses.

What happens if Crowdstacker goes out of business?

In the unlikely event that Crowdstacker goes out of business, your Loan Notes would be administered by a back up service provider in the normal way. You would continue to receive interest and capital payments until maturity.

What security do I have if Rivers Leasing Plc becomes insolvent?

Please refer to page 13 above.

RISK FACTORS

A guide to the associated risks

In addition to the information set out in this document, the following specific risk factors should be considered carefully when evaluating whether to invest in Loan Notes issued by Rivers Leasing.

If you are in any doubt about the contents of this document, or the action you should take, you are strongly recommended to consult a professional advisor, specialising in advising on Loan Notes, financial commitments and other such debt instruments.

The directors of Rivers Leasing (the "Directors") believe the following risks to be significant for potential investors. The risks listed, however, do not necessarily comprise all those associated with Rivers Leasing and Rivers Leasing Loan Notes and are not intended to be presented in any assumed order or priority. In particular, Rivers Leasing performance may be affected by changes in legal, regulatory and tax requirements as well as overall global financial conditions.

Not protected by the Financial Services Compensation Scheme

As with stocks & shares, Rivers Leasing Loan Notes are not protected by the Financial Services Compensation Scheme against loss.

Business Risk

Risk

No assurances can be given as to the future performance of Rivers Leasing and whether Rivers Leasing will continue to achieve its business objectives. Prospective investors should be aware when considering the past performance of Rivers Leasing that past performance is not a guide to future results. There can be no guarantee that Rivers Leasing will be profitable in the future. Performance depends on many factors including the value of the assets, market conditions, any related costs, the timing and management of the transactions, all of which may change over time.

Mitigation

Rivers Leasing has over 7 years' history in asset leasing & business finance and has developed what is believed to be a highly disciplined due diligence process, best-in-class operations, infrastructure, risk management and compliance. The Company believes it has demonstrated a commitment to building profits and delivering real value for investors.

Management Risk

Risk

Noteholders will not have the opportunity to evaluate fully for themselves relevant economic, financial and other information regarding Rivers Leasing, and will be dependent on the judgment and abilities of the management. There is no assurance that the management will not make mistakes; accordingly, no person should lend to Rivers Leasing unless willing to entrust all aspects of conducting the business of Rivers Leasing to the management team. Noteholders do not have any right to participate in the day-to-day management of Rivers Leasing or business decisions.

Mitigation

The management team at Rivers Leasing has a proven strong background in finance/accountancy and business management/development. Similarly, safeguarding processes are in place at every step of the leasing process including a detailed due diligence process and risk management to aid good decision making.

Illiquid Asset Risk

Risk

The Loan Notes are not traded on any market and as such is an illiquid asset. There is a risk that Noteholders will not be able to dispose of their Loan Notes to third parties. Therefore, it may not be possible to sell or realise Rivers Leasing Loan Notes until they are repaid by Rivers Leasing when the Loan Notes mature.

Mitigation

Crowdstacker will endeavour to make available a facility on its platform that gives Noteholders the ability to sell their Loan Notes to other members of the Crowdstacker community. However, there is no certainty or guarantee that Noteholders will find willing buyers for the Loan Notes at a price that Noteholders will find acceptable and Noteholders may suffer a loss on a disposal of their Loan Notes.

No certainty that Noteholders will be repaid at maturity

If Rivers Leasing were to become insolvent, there is a risk that (a) the Rivers Leasing Loan Notes will not be repaid in part or in full and (b) some or all of the interest due on the Rivers Leasing Loan Notes will not be paid in part or in full. There is no certainty or guarantee

that any realisation of assets or the Security will be sufficient to enable Rivers Leasing or, as the case may be the Security Trustee, to repay the Rivers Leasing Loan Notes or Rivers Leasing liabilities thereunder.

Mitigation

Rivers Leasing Loan Notes are a debt of River Leasing secured over all of its assets and undertakings which include the underlying loans and leases.

Reliance on wholesale funding facilities

Risk

Rivers Leasing also relies on wholesale funding through block discounting facilities from a number of UK banks in order to assist funding its lending activity. If these facilities are withdrawn or reduced the Company may not continue to fund new business at the level forecasted.

Mitigation

Rivers Leasing obtains its block funding lines from a spread of banks, currently seven, and regularly reviews the appropriateness, terms and the banks supplying these facilities and actively engaged in securing additional facilities. Rivers Leasing is currently in negotiations for a new block discounting line.

Operational and Systems Risks

Risk

A break down or failure of the Company's operational procedures and/or its lease and loan portfolio management systems.

Mitigation

Procedures and systems are regularly reviewed to ensure that they remain appropriate. Rivers Leasing lease and loan portfolio management systems are run using industry standard software supplied by Nostrum Group Ltd a highly reputable and long established software house that specialises in the financial sector. All security, and support (including backups) are performed by Nostrum.

Loss of Key Personnel

Risk

The Company fails to retain key personnel that have the requisite knowledge, skills and expertise that support the business.

Mitigation

The core management team has not only been stable over the past 5 years but new senior and highly experienced people have been added to the team. London is one of the leading finance centres in the world from which the company should be able to recruit further senior employees should that become necessary.

Reputational Risk

Risk

The Company becomes subject to accidental or malicious events leading to adverse publicity and possible loss of customers and business introducers.

Mitigation

As of October 2017, Rivers Leasing has never suffered in this way and its very experienced senior management team should be able to ensure that this type of risk continues to be minimal.

Brexit

Risk

The process and consequences of the UK leaving the European Union increases the risk of default, potential write off, disruption to cashflow and increased recovery costs on the lease and loan portfolio or there is wider market deterioration.

Mitigation

Rivers Leasing plans to amend and adopt revised lending policies and adhere to strict credit and underwriting criteria specifically tailored to the market and broader economic conditions at that time.

General Risks

Macro economic and political risks and changes in the general economic outlook, both in the UK and globally, may impact the performance of Rivers Leasing and the leasing market. Such changes may include (but are not limited to):

Contractions in the UK economy, or increases in the rate of inflation, resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);

New or increased government taxes, duties or changes in taxation laws; and

A prolonged and significant downturn in general economic conditions may have a material adverse impact on Rivers Leasing trading and financial performance.

Summary

The above risk factors are not exhaustive and do not purport to be a complete explanation of all the risks and significant considerations involved in lending to Rivers Leasing. Accordingly, and as noted above, additional risks and uncertainties not presently known to the Directors or that the Directors currently deem immaterial, may also have an adverse effect on Rivers Leasing's business and prospects.

Rivers Leasing Loan Notes may not be a suitable investment for all who review this Document.

Noteholders should take their own tax advice as to the consequences of investing in Rivers Leasing Loan Notes and receiving interest payments from them.

The value of a Loan Note may go down, and you may receive back less than the full amount invested. In extreme circumstances, you may not receive any capital back at all. Losses on your capital may arise due to a combination of factors including an inability to raise borrowings or an inability to meet debt payments.

Other than the obligations and other covenants of Rivers Leasing set out in this Document, no representation or warranty, express or implied, is given to the Noteholders by either Rivers Leasing or the Directors and officers of Rivers Leasing.

In particular but without limitation, no representation or warranty is given by any such person or entity as to (i) the tax consequences; (ii) the regulatory consequences and (iii) the business and investment risks associated with acquiring, holding or disposing of the Loan Notes.

KCTs

Key Commercial Terms

The Key Commercial Terms section sets out the main financial terms, parties, and security that forms part of your Loan Notes. It is the form of the pricing schedule in schedule 2 of the Instrument. Please note, your Loan Notes will be uncertificated but you will receive a Loan Note Summary.

You need to familiarise yourself with the Key Commercial Terms and the Loan Note Instrument.

Rivers Leasing draws your attention to the following key terms:

£3m: Our initial target is to raise £3m

£500: The minimum amount is £500

Investment option (a)

Interest rate: 5.75%
Term: 2 years
Interest period: Semi-annually

Investment option (b)

Interest rate: 6.5%
Term: 3 years
Interest period: Quarterly

Secured Loan Note 2018 – Issue of Notes Number 29 or 30.

Terms used herein shall be deemed to be defined as contained in the terms and conditions set out in the Instrument dated 15 January 2015 (as amended by a written resolution of Noteholders duly passed on 11 March 2016 and an amendment and restatement deed dated 16 February 2017).

These Key Commercial Terms are a Pricing Supplement in respect to Issue of Notes Number 29 or 30. Notes must be read in conjunction with and issued subject to the terms and conditions set out in the Instrument.

This Issue of Notes shall have the following “Terms” which shall complete, modify and amend the terms and conditions set out in the Instrument.

NAME OF ISSUER

Rivers Leasing Plc

ADDRESS OF ISSUER

Amba House, 15 College Road, Harrow, Middlesex, HA1 1BA

GUARANTOR

Rivers Finance Group Plc

GUARANTOR'S ADDRESS

Amba House, 15 College Road, Harrow, Middlesex, HA1 1BA

ISSUE OF NOTES NUMBER

Either: **29 or 30**

AGGREGATE NOMINAL AMOUNT

£8,500,000

ISSUE DATE (also referred to as the Commencement Date)
15th October 2018

INTEREST PAYMENT DATES

Up to 5 business days from the end of each Interest Period

INTEREST PERIOD

Either:

- (a) Semi-annually, or
- (b) Quarterly

INTEREST RATE

Either:

- (a) 5.75% per annum gross, or
- (b) 6.5% per annum gross

FINAL REPAYMENT DATE

Either:

- (a) 2 years from Issue Date, or
- (b) 3 years from Issue Date

MINIMUM RAISE

£100,000

MINIMUM INVESTMENT

£500

SECURITY TRUSTEE

Lesmoir-Gordon, Boyle & Co Limited & Crowdstacker Corporate Services Limited

MAXIMUM RAISE

£4,000,000

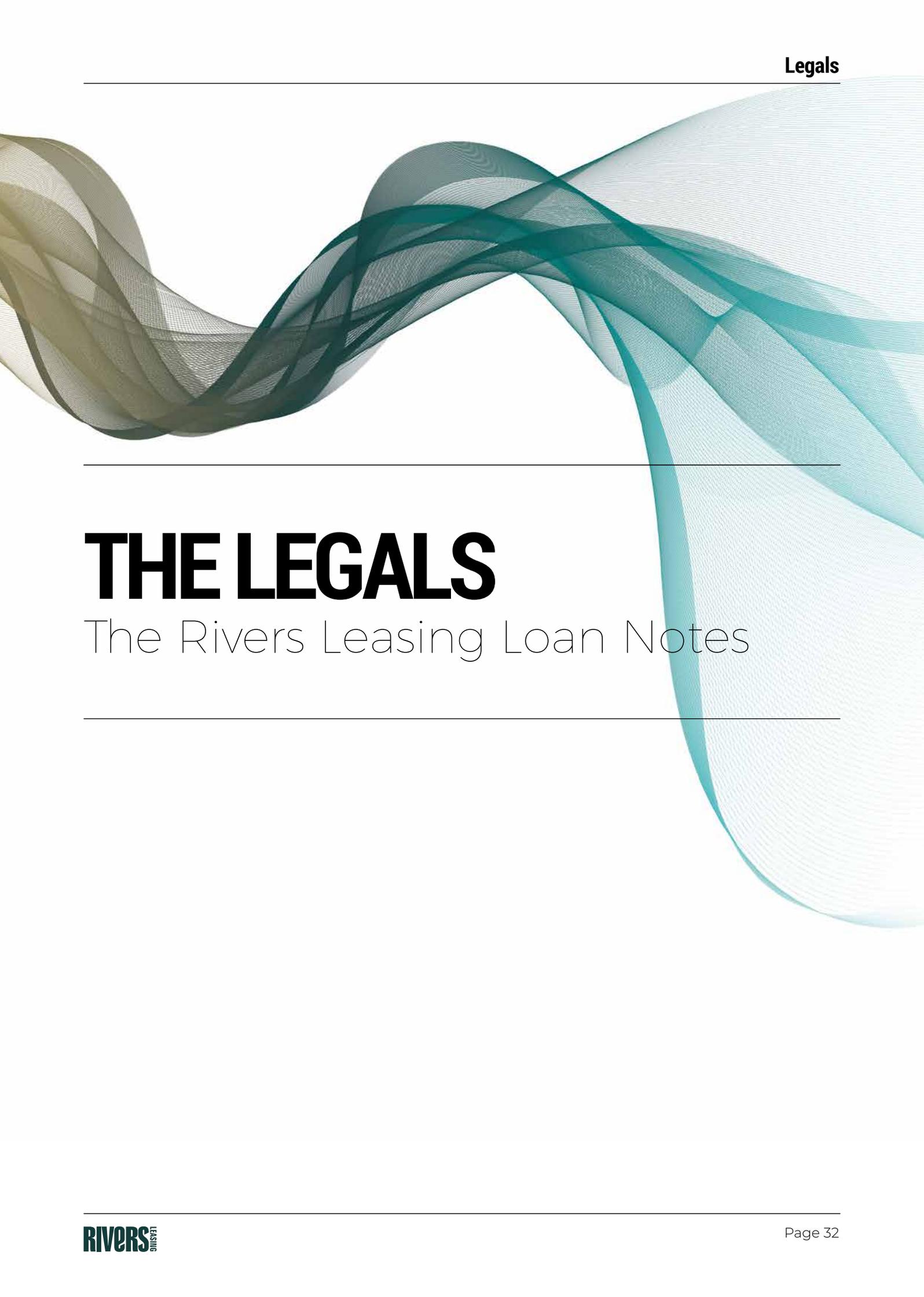
THE LEGALS

The Rivers Leasing Loan Notes

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THE LEGALS

The Rivers Leasing Loan Notes

INSTRUMENT

Loan Note Instrument

This Instrument dated 15 January 2015 (as amended by a written resolution of Noteholders duly passed on 11 March 2016 and an amendment and restatement deed dated 16 February 2017).

BY

RIVERS LEASING LIMITED

registered in England & Wales with number 07376100 and whose registered office is at Amba House, 15 College Road, Harrow, Middlesex, HA1 1BA ("Issuer");

RIVERS FINANCE GROUP LIMITED

registered in England & Wales with number 04567000 and whose registered office is at Amba House, 15 College Road, Harrow, Middlesex, HA1 1BA ("Guarantor"); and

LESMOIR-GORDON, BOYLE & CO. LIMITED

registered in England & Wales with number 05602072 and whose registered office is at Third Floor, 31 Dover Street, London, W1S 4ND ("Security Trustee").

BACKGROUND:

- (A) On 15 January 2015 the Issuer, by a resolution of its board of directors passed on or around that date, resolved to create several issues of Notes up to an aggregate maximum nominal amount of £6,000,000.
- (B) Pursuant to the Amendment and Restatement Deed and a Resolution of the Noteholders passed on or around the date of the Amendment and Restatement Deed it was agreed to increase the aggregate nominal amount of the Notes to £12,000,000 to be constituted in the manner set out below.
- (C) The Pricing Supplement as attached to each Certificate supplements this Instrument and may specify such additional terms which, to the extent so specified or to the extent inconsistent with this Instrument, replace or modifies this Instrument.

T&Cs

TERMS:

1. Definitions & Interpretation

1.1 The following words have these meanings in this Instrument unless a contrary intention appears:

Additional Guarantor

a company which becomes an additional guarantor pursuant to Clause 18;

Aggregate Nominal Amount

in respect of the Notes in issue at any time, the aggregate principal amount of such Notes outstanding at that time;

Amendment and Restatement Deed

the amendment and restatement deed dated February 2017 and made between:

- (1) the Issuer;
- (2) the Guarantor; and
- (3) the Security Trustee;

Application

the application for listing of the Notes on the BSX;

Board

the board of directors of the Issuer from time to time;

BSD

The Bermuda Securities Depository Service operated by the BSX or BSD Nominee Limited, the nominee appointed by BSD for the purpose of acting as the nominee holder of eligible securities for the BSD;

BSX

The Bermuda Stock Exchange;

Business Day

a day other than a Saturday or a Sunday on which banks are open for business in London;

Business Loan Documents

all documents entered into for the benefit of the Issuer for the purposes of a Business Loan;

Business Loans or Business Loan

amortising loans by the Issuer to private or public limited companies incorporated in England and Wales and which, for the avoidance of doubt, must be used by the borrower under such loans for general corporate purposes in connection with its ordinary course of business. For the avoidance of doubt, the Business Loans and the Business Loan Documents do not include the Customer Agreements (and loans made pursuant to the Customer Agreements);

Certificate

a certificate evidencing title to the Notes substantially in the form set out in Schedule 1;

Customer Agreement

agreements between the Issuer and its customers for the operating and/or finance lease or hire purchase or provision of assets to such customers on deferred payment terms excluding such agreements made outside of the normal course of the Issuer's business, to customers incorporated or based outside of the United Kingdom or at an interest rate to the customer or profit margin to the Issue in each case greater than 20%;

Debenture

the debenture entered into by the Issuer and the Security Trustee on or around the date of this Instrument;

Default Event

has the meaning given to that term in Clause 9.1;

Existing Security

has the meaning given to it in the Debenture;

Final Repayment Date

subject to pre-payment by the Issuer in accordance with the terms of this Instrument, the date specified in the Pricing Supplement;

Financial Covenant

the covenant set out at Clause 7.2(j);

Indebtedness

any loan, borrowing or other form of indebtedness, whether secured or unsecured, and including without limitation moneys borrowed and debit balances at banks or other financial institutions, any amount raised pursuant to any issue of bonds, notes, debentures, loan stock or any similar instrument, any amount raised under any other transaction having the commercial effect of a borrowing and any liability in respect of any guarantee or indemnity for any such amounts, excluding any trade creditors payable within 30 days or less;

Instrument

this instrument;

Interest Payment Date

each of the dates specified in the Pricing Supplement;

Interest Rate

the rate specified in the relevant Pricing Supplement as agreed in writing for each Issue of Notes by the Issuer and the Security Trustee;

Issue Date

the date of issue of the relevant Notes as specified in the Pricing Supplement;

Issue of Notes

Notes which are identical in all respects (including as to Issue Date, Interest Rate and Final Repayment Date).

Loan Note Documents

this Instrument, the Amendment and Restatement Deed, the Security Documents, the Pricing Supplement, the Security Trust Deed, the Certificates and any other document designated as a Loan Note Document by the Security Trustee;

Net Book Value

the total of all sums due from the customer or borrowers (as the case may be) to the Issuer in respect of Customer Agreements or Business Loans shown in the Programme Schedule;

Nominal Amount

the nominal amount of each Note, as set out in the Pricing Supplement (but being not less than £10,000 and thereafter a multiple of £5,000);

Noteholder or Noteholders

the person(s) from time to time entered in the Register as the holders of the Notes;

Notes

up to £12,000,000 secured loan notes constituted by this Instrument, or, as the case may be, the amount of such Loan Notes for the time being issued and outstanding;

Obligors

the Issuer, the Guarantor and any Additional Guarantor and "Obligor" means each or any one of them as the context requires;

Observer

has the meaning given to it in Clause 9.3;

Permitted Security Interest

security granted on a date when no Default Event is outstanding and the Financial Covenant is met over rights or assets other than the Programme Bank Account and which are not included in the Programme Schedule;

Pricing Supplement

the applicable pricing supplement published in relation to each Issue of Notes and attached to each Certificate substantially in the form set out in Schedule 2;

Programme

the issue of one or more Issue of Notes pursuant to this Instrument;

Programme Bank Account the bank account established in connection with the Programme with the following details:

Bank Name: Barclays Bank plc
Account Name:
Rivers Leasing Plc
Account Number:
20184268

Sort Code: 20-37-16;

Programme Schedule

has the meaning given to it in Clause 7.2(h);

Quasi-Equity

means any and all instruments which in the reasonable opinion of the Security Trustee constitute quasi-equity debt instruments, including but not limited to, redeemable preference shares, preferred stock, mezzanine debt, subordinated, unsecured loans or convertible loans and revenue participation agreements.

Recognised Investment Exchange

has the meaning ascribed to that term in section 285 of the Financial Services and Markets Act 2000;

Register

the register of Noteholders maintained by the Issuer or its Registrar as provided for in Clause 16;

Registered Office

the registered office of the Security Trustee from time to time;

Registrar

the paying and receiving agent (if any) appointed by the Issuer from time to time in accordance with Clause 21, or any successor firm;

Repayment Amount

each of the amounts specified in the Pricing Supplement;

Resolution

a resolution passed at a meeting of the Noteholders or by way of written resolution in accordance with the provisions of this Instrument and carried by a Noteholder or Noteholders together holding not less than 75% of the principal amount of the Notes for the time being outstanding;

Security

any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

Security Documents

the Debenture and any other Security from time to time granted by the Issuer to the Security Trustee in relation to the Notes by way of a document identified by the Security Trustee and the Issuer as a 'Security Document';



Security Trust Deed

the security trust deed entered into between the Issuer and the Security Trustee on or around the date of this Instrument, the form of which is attached at Schedule 5; and

Sterling and £

the single currency of the United Kingdom.

1.2 In this Instrument, unless the contrary intention appears:

(a) the singular includes the plural and vice versa and any gender includes the other gender;

(b) 'person' unless the context otherwise requires includes a natural person, a firm, a partnership, a body corporate, an unincorporated association or body, a state or agency of state, trust or foundation (whether or not having separate legal personality);

(c) a 'natural person' unless the context otherwise requires shall mean a human being, as opposed to a juridical person created by law;

(d) a reference to:

(i) a document means that document as amended, replaced or novated;

(ii) a statute or other law means that statute or other law as amended or replaced, whether before or after the date of this Instrument and includes regulations and other instruments made under it;

(iii) a Clause or Schedule is a reference to a clause or a schedule in this Instrument; and

(iv) a month means a calendar month;

(e) where the word 'including' or 'includes' is used, it is to be taken to be followed by the words: 'but not limited to' or 'but is not limited to', as the case requires;

(f) where a period of time is expressed to be calculated from or after a specified day, that day is included in the period;

(g) a reference to "date of redemption" or "repayment" or "redeemed" or "repaid" means the date on which all the outstanding principal and accrued interest on all the outstanding Notes is finally paid;

(h) headings are inserted for convenience and do not affect the interpretation of this Instrument;

(i) "relevant legislation and rules" means:

(i) the applicable provision of the Companies Act 2006 concerning the holding, evidencing of title to, or transfer of securities other than in certificated form; and

(ii) any rules, regulations and legislation applicable to the Notes, the listing of the Notes on the BSX and/or the trading of such Notes through the BSD, including, without limitation, the Listing Regulations of the BSX and the Bermuda Securities Depository Regulations made under Section 11 of The Bermuda Stock Exchange Company Act, 1992 (as amended); and

(j) Notes in "uncertificated form" means Notes which are being held in uncertificated form by the BSD and in which, by virtue of legislation and rules the interests in such Notes is evidenced and may be transferred without a certificate; and references to notes in "certificated form" means Notes which are not in uncertificated form and in respect of which a certificate has been issued pursuant to Clause 2.6.

2. Amount and Status of the Notes

2.1 The aggregate principal amount of the Notes is limited to £12,000,000.

2.2 The Notes shall only be capable of being issued in multiples of the Nominal Amount.

2.3 The Notes shall be issued or registered in the names of one or more Noteholders, up to a maximum of four names per Note.

2.4 Subject to this Instrument and the Pricing Supplement, all Notes as and when issued shall rank pari passu equally and rateably without discrimination or preference. For the avoidance of doubt, Notes shall not be treated as being of a different class simply because some Notes are held in certificated form and others are held in uncertificated form.

2.5 The Notes (or any of them) may be held either in certificated form or, subject to the consent of the Issuer (which may be given generally) and the relevant legislation and rules, in uncertificated form. The Notes (or any of them) may be issued or held on such terms, or in such a way, that title to them is not, or must not be, evidenced by a

Certificate or they may, or must, be transferred wholly or partly without a Certificate, in accordance with the relevant legislation and rules.



2.6 Each Noteholder who holds Notes in certificated form shall be entitled to receive without charge one Certificate for all of the Notes registered in his name. Each Certificate for Notes shall bear a denoting number. The Issuer will not issue a Certificate to the BSD in respect of any Notes held by it.

2.7 When a Noteholder transfers or redeems part only of his Notes, the old certificate shall be cancelled and a new certificate for the balance of such Notes shall be issued without charge.

2.8 In the case of Notes held jointly by several persons, the Issuer (acting via the Registrar if appointed) shall not be bound to issue more than one Certificate. Delivery of a Certificate to the person who is first named in the Register as a Noteholder shall be sufficient delivery to all joint holders of the Notes in respect of which such Certificate has been delivered.

2.9 If the certificate for any Notes is lost, defaced or destroyed it may be renewed on such terms (if any) as to evidence and indemnity as the Board may require. In the case of defacement the defaced certificate shall be surrendered before the new certificate is issued.

2.10 The provisions of Clauses 2.10 to 2.13 have effect subject to the relevant legislation and rules. In relation to any Notes which, for the time being, have been admitted to settlement by means of uncertificated form, and for so long as such Notes remain so admitted:

(a) to the extent that any provision of this Instrument is inconsistent with the relevant legislation and rules or the transfer and settlement of such Loan Notes in uncertificated form then the relevant legislation and rules shall prevail and such

provisions of this Instrument shall be deemed to be amended accordingly;

(b) the Board of the Issuer shall have the power to implement any procedures they in their absolute discretion may think fit and as may accord with the relevant rules for the recording and transferring of interests in the Notes in uncertificated form and for the regulation of those proceedings and the persons responsible for or involved with their operation;

(c) the Issuer shall have the specific powers to elect, without further consultation with the Noteholders, that the Notes become capable of being held, traded and

settled in uncertificated form in accordance with the relevant legislation and rules irrespective of the provisions of this Instrument, and the Issuer may without the consent of the Noteholders amend the conditions and the terms of this Instrument to facilitate such holding, trading and settlement;

(d) the Issuer shall not be obliged to issue a Certificate in respect of such Notes, and any reference in this Instrument to a Certificate in respect of any such Notes shall be interpreted as a reference to such form of evidence of title to uncertificated securities as the relevant legislation and rules prescribe or permit;

(e) title to such of the Notes as is recorded on the Register as being held in uncertificated form may be transferred only by means of the relevant system applicable to the Notes and, accordingly (and in particular), the registration of title to and transfer of interests in such Notes shall be effected in accordance with the relevant legislation and rules, and there shall be no requirement for a written instrument of transfer;

(f) any communication required or permitted by this Instrument to be given to a Noteholder by the Issuer or to the Issuer by a Noteholder may be given in accordance with and in any manner (whether or not in writing) prescribed by the relevant legislation and rules;

(g) every transfer of Notes from an uncertificated account in such relevant system of an uncertificated Noteholder to an account of another uncertificated Noteholder shall vest in the transferee a beneficial interest in the Notes transferred, notwithstanding any agreements or arrangements to the contrary however and whenever arising and however expressed. Accordingly, each uncertificated Noteholder who is for the time being registered as the holder of any Notes shall hold such Notes upon trust for himself and for those persons (if any) whose uncertificated accounts in the relevant system are duly credited with any such Notes or in favour of whom Notes are to be withdrawn from such relevant system pursuant to a settled withdrawal instruction; and

(h) the Noteholder and all such persons, to the extent respectively of the Notes duly credited to their respective uncertificated accounts or the subject of a settled withdrawal instruction, shall accordingly have beneficial interests therein.

2.11 The Board of the Issuer shall have power to take such steps as they think fit in relation to:

(a) the evidencing of and transfer of interests in the Notes in uncertificated form (including in connection with the issue of such Notes);

(b) any records relating to the holding of Notes in uncertificated form; and

(c) the conversion of Notes in certificated form into Notes in uncertificated form, and the conversion of Notes in uncertificated form into Notes in certificated form.

2.12 The Issuer may by notice to a Noteholder require that Note:

(a) if it is in uncertificated form, to be converted into certificated form, and

(b) if it is in certificated form, to be converted into uncertificated form,

to enable it to be dealt with in accordance with this Instrument, the relevant legislation and rules and the articles of association of the Issuer.

2.13 Unless the Issuer otherwise determines, Notes which a Noteholder holds in uncertificated form must be treated as separate holdings from any Notes which that Noteholder holds in certificated form.

2.14 The Issuer shall not issue any Notes while a Default Event has occurred and is outstanding without the prior written permission of the Security Trustee.

2.15 The Issuer shall not issue Notes with an aggregate principal amount in excess of £3,000,000 on any date on which it is not in compliance with the Financial Covenant or would not be in compliance with the Financial Covenant following the issue of such further Notes.

2.16 The obligations of the Issuer under this Instrument shall be secured pursuant to the Security Documents and all such interests and rights under the Security Documents shall be held on trust by the Security Trustee for the benefit of the Noteholders pursuant to the terms of the Security Trust Deed. By acquiring

any Notes either by subscription, transfer or transmission, each Noteholder shall be deemed to have irrevocably appointed the Security Trustee to act as its trustee under the terms of this Instrument and the Security Documents.

2.17 The Company and the Security Trustee may, if they consider it in the best interests of the Company and Noteholders generally, apply to a stock exchange, Recognised Investment Exchange or other recognised capital market in the United Kingdom or elsewhere for the listing of, or for permission to deal in, the Notes.

2.18 If a Registrar is appointed, each payment due under a Loan Note Document which is made by an Obligor to the Registrar in the manner provided in the agreement approved by the Security Trustee to appoint the Registrar shall satisfy, to the extent of such payment, the relevant obligations of such Obligor under that Loan Note Document; except to the extent that there is a default in the subsequent payment of that payment to such Noteholders in accordance with such Loan Note Document.

2.19 If any payment under a Loan Note Document is made by an Obligor to the Registrar after the due date of that payment, that payment shall be deemed not to have been made until the full amount of that payment is paid to such Noteholders in accordance with that Loan Note Document.

2.20 Once any Application has been made to the BSX for the listing of the Notes on the Official List of the BSX (being a Recognised Investment Exchange) and the Notes are listed on the Official List of the BSX, the Notes will be eligible for clearing and settlement through

the BSD. Save for any Application, no application has been or will be made to any stock exchange, capital market or Recognised Investment Exchange for the listing of, or permission to deal with, the Notes.

3. Use of Proceeds

3.1 The Issuer undertakes to use all the Note subscription proceeds to meet its obligations under Customer Agreements and/or in respect of a Business Loan in accordance with the terms of this Instrument.

3.2 The Noteholders shall not be obliged to monitor or verify how any Note subscription monies are used by the Issuer.

4. Interest

4.1 Interest is payable on the principal amount outstanding under the Notes on each Interest Payment Date until the date of redemption and will be calculated on the basis of there being four equal interest periods in each year. In the event that the date of redemption does not fall on an Interest Payment Date, any unpaid interest shall be calculated from the date of the previous Interest Payment Date up to (and including) the date of redemption at a daily rate on the basis of a 365 day year.

4.2 Interest accrues from day to day at the Interest Rate and is payable to the Noteholders on each Interest Payment Date in arrears up to and including the date on which the Notes are repaid under the terms of this Instrument. For the avoidance of doubt, interest on the Notes shall not be compounded.



4.3 If the Issuer fails to pay any amount of interest or principal on any Note when such amount is due, the rate of interest applicable to the principal due in respect of that Note and interest due thereon shall be 3% above the relevant Interest Rate for such Note from the date of default until the outstanding amount is paid in full (both before and after judgment).

5. Redemption of Notes

5.1 On each Interest Payment Date, the Issuer shall redeem Notes with an Aggregate Nominal Amount equal to the Repayment Amount due on such Interest Payment Date as set out in the Pricing Supplement. Any payment in reduction of the principal amount of any Issue of Notes under the provisions of this Clause 5.1 shall be made pro rata to all Noteholders of the relevant Issue of Notes being pre-paid in proportion to the outstanding amount of the Notes held by each of them.

5.2 All Notes not previously repaid (in whole or in part) before the Final Repayment Date will be redeemed by the Issuer on the Final Repayment Date, at their Nominal Amount, together with interest accrued up to and including the Final Repayment Date.

5.3 All payments of principal and interest in respect of the Notes by or on behalf of the Issuer shall be made at the Noteholder's risk:

(a) by bank transfer or, if specified by the Noteholder, by cheque in favour of the Noteholder; and

(b) free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or

assessed, unless such withholding or deduction is required by law. In that event, the Issuer shall make such withholding or deduction and shall, where required, account to the relevant tax authority for such withholding or deduction. For the avoidance of doubt, in such circumstances, the Issuer shall not be required to increase or gross-up any payment of principal or interest made hereunder.

5.4 All Notes redeemed by the Issuer pursuant to the terms of this Instrument will be cancelled and will not be available for reissue.

5.5 In the event that any income or other tax is deducted from a payment, the Issuer will issue by email to the Noteholders as soon as reasonably practicable, following 5th April in each calendar year, a certificate of deduction of tax in respect of the tax deducted or withheld.

5.6 Where any payment to a Noteholder, whether of principal interest or otherwise, is due in accordance with the terms of this Instrument on a day which is not a Business Day, payment shall take place on the next succeeding Business Day.

6. Pre-payment

6.1 In addition to Clause 9.1 and subject to the payment of any fee due pursuant to Clause 6.2, the Issuer may at any time following the Issue Date by giving the Security Trustee not less than one months' notice, pre-pay any or all of the principal amount of any Issue of Notes together with interest accrued thereon without penalty.

6.2 In the event that the Issuer pre-pays any or all of the Nominal Amount of any Issue of Notes before the relevant Interest Payment Date or the Final Repayment Date it will pay the Noteholders of the relevant Notes a pre-payment fee of 1.5% of the Nominal Amount of the Notes pre-paid.

6.3 Any payment in reduction of the Nominal Amount of any Issue of Notes under the provisions of Clause 6.1 shall be made pro rata to all Noteholders of the relevant Issue of Notes being pre-paid in proportion to the outstanding amount of the Notes held by each of them.

7. Undertakings

7.1 From and after the date of this Instrument and so long as any amount is payable by the Issuer in respect of the Notes, the Issuer undertakes to each of the Noteholders that it will perform and observe the obligations imposed by this Instrument and the Security Documents and the Notes shall be held subject to and with the benefit of the provisions of this Instrument and the Pricing Supplement, which shall be binding on the Issuer and the Noteholders and all persons claiming through or under them. Each Noteholder shall be entitled to sue for the observance and performance of the provisions of this Instrument so far as its holding of Notes is concerned. The covenants and undertakings contained in Clause 8.7 of the Debenture relating to Customer Agreements shall apply mutatis mutandis to Business Loans but, for the avoidance of doubt, shall not amend or be deemed to amend the Debenture.

7.2 Without prejudice to the generality of the undertaking in Clause 7.1, from and after the date of this Instrument and so long as any amount is payable by the Issuer in respect of the Notes, unless (and to the extent that) the Security Trustee (acting in its sole discretion unless stated otherwise below) agrees in writing otherwise, the Issuer undertakes to each of the Noteholders that:

(a) it will carry on and conduct its business in a proper and efficient manner and will not make any change to the general nature or scope of its business as carried on at the date of this Instrument;

(b) it will comply, in all respects, with all laws, if failure to do so has or is reasonably likely to have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this Instrument;

(c) except for a Permitted Security Interest, the Issuer shall not sell or otherwise dispose (save for in the ordinary course of business) of any part of its assets without the prior written consent of the Security Trustee;

(d) except for any Existing Security or a Permitted Security Interest, it will not create, or permit to subsist, any Security on or over any of its assets other than Security created pursuant to the Security Documents;

(e) the Issuer shall not enter into any joint venture arrangement, merger or partnership without the prior written consent of the Security Trustee (such consent not to be unreasonably withheld or delayed) and for the avoidance of doubt this shall not prevent the Issuer from holding shares in any company;

(f) the Issuer shall remain a wholly-owned subsidiary of the Guarantor;

(g) the Issuer will maintain the Programme Bank Account and will permit payments out of the Programme Bank Account solely to fund its commitments under Customer Agreements and/or Business Loans listed or to be listed (within three Business Days of the making of the payment out of the Programme Bank Account) within the Programme Schedule;

(h) the Issuer shall maintain a complete and accurate schedule identifying each Customer Agreement and/or Business Loan funded using the funds obtained from the Programme and in respect of each such Customer Agreement the Business Loans and details of its Net Book Value, together with any other information that the Security Trustee may reasonably request (the "Programme Schedule");

(i) in respect of each Customer Agreement and Business Loan listed in the Programme Schedule, the Issuer shall promptly notify the Security Trustee of:

(i) any material payment default by a customer or borrower of any such Customer Agreement or Business Loan which remains due and outstanding for 90 days or more;

(ii) any debt due from a customer or borrower of any such Customer Agreement or Business Loan which is written off by the Issuer or settled by the customer or borrower (as the case may be),

and in each case shall remove such Customer Agreement or Business Loan from the Programme Schedule and include one or more new Customer Agreements or Business Loans in the Programme Schedule with an equal or greater Net Book Value than the Customer Agreement or Business Loan so removed;

(j) the Net Book Value of the Business Loans on the Programme Schedule shall not exceed in aggregate 25% (twenty five per cent.) of the aggregate nominal amount of Notes in issue from time to time;

(k) the Net Book Value of hire purchase agreements and operating leases on the Programme Schedule shall not exceed in aggregate 25% (twenty five per cent.) of the aggregate nominal amount of Notes in issue from time to time;

(l) the Issuer shall insure (or procure the insurance of) all assets the subject of Customer Agreement in the Programme Schedule for the full replacement value with reputable insurers and otherwise on reasonable terms;

(m) the Issuer shall ensure that the Programme Schedule is updated every three Business Days or at such other times as the Security Trustee may reasonably request;

(n) upon request by the Security Trustee, the Issuer shall provide the Security Trustee with an up to date copy of the Programme Schedule and of copies of the Customer Agreements and Business Loans listed in the Programme Schedule immediately on request;

(o) upon request by the Security Trustee, the Issuer shall within 24 hours provide to the Security Trustee written details of all transactions on the Programme Bank Account (such as a print-out from the Barclays Bank plc online banking system), showing all transactions for the period specified by the Security Trustee;

(p) the Issuer shall ensure that at all times the aggregate sum of:

(i) the balance of the Programme Bank Account; and



(ii) the total Net Book Value of all the Customer Agreements listed in the

Programme Schedule; and

(iii) the total Net Book Value of all the Business Loans listed in the Programme Schedule,

is at least equal to 130% of the aggregate amount of principal outstanding under the Notes any if necessary shall, from time to time, transfer cash to the Programme Bank Account or include new Customer Agreements or Business Loans (where the customer is not in default of such Customer Agreement or Business Loan) in the Programme Schedule to ensure that such covenant is complied with;

(q) the Issuer shall deliver to the Security Trustee within five days of 15 January, 15 April, 15 July and 15 October in each calendar year a certificate signed by a director of the Issuer setting out the calculation made pursuant to Clause 7.2(p);

(r) the Issuer shall ensure that no more than 15% of the Net Book Value of Customer Agreements listed in the Programme Schedule are constituted by Customer Agreements with any one customer;

(s) the Issuer shall ensure that no more than 15% of the Net Book Value of Business Loans in the Programme Schedule are constituted by Business Loans to one borrower;

(t) the Issuer shall ensure that no Business Loans regulated by the Consumer Credit Act 1974 as amended from time to time are included in the Programme Schedule;

(u) the Issuer shall ensure that all Business Loans included in the Programme Schedule are supported by uncapped

director guarantees or corporate guarantees to the reasonable and proper satisfaction of the Security Trustee with a value equal to or greater than 100% of Business Loan amount;

(v) the Issuer shall ensure that no more than £60,000 in aggregate at cost of Business Loans in the Programme Schedule is constituted by Business Loans to one borrower;

(w) the Issuer shall deliver to the Security Trustee within 45 days after the end of each month, its monthly management accounts;

(x) the Issuer shall deliver to the Security Trustee within 180 days after the end of

each of its financial year, its audited financial statements;

(y) the Issuer shall deliver to the Security Trustee within 180 days after the end of each of the Guarantor's financial year, the Guarantor's audited financial statements;

(z) the Issuer shall promptly provide the Security Trustee with such access to the Issuer's books and records as may be reasonably requested from time to time;

(aa) the Issuer shall allow the Security Trustee or its representatives access to its premises at least once in each three month period to conduct a review of all books and records (including the separate, clear and explicitly disclosed loss or default rates (as the case may be) relating to the Customer Agreements and Business Loans) to enable the Security Trustee to review the operation of the Programme and the general business of the Issuer and during any such visit the Issuer shall provide all such reasonable assistance as the Security Trustee or its representatives may require;

(bb) the Issuer shall remain a wholly owned subsidiary of the Guarantor and shall procure that not less than 51% of the issued share capital of the Guarantor is beneficially and legally owned by Ratankumar Daryani;

(cc) the Issuer shall ensure that at all times the aggregate of:

(i) the aggregate subscription price of the entire issued share capital of the Issuer from time to time;

(ii) the aggregate outstanding Quasi-Equity in the Issuer from time to time;

(iii) the aggregate principal outstanding under any unsecured loans made to the Issuer; and

(iv) the profits of the Issuer available for distribution in accordance with the Companies Act 2006,

in each case as shown in the latest management accounts prepared in accordance with Clause 7.2(w), exceeds the greater of £1,000,000 or one third of the aggregate principal Notes outstanding from time to time; and

(dd) the Issuer will comply with the warranties at Clauses 8.1 (m) and (n); and

(ee) the Issuer shall ensure that at all times the maximum amount of any operating lease written to any one customer shall not exceed £50,000.

8. Warranties

8.1 The Issuer and the Guarantor severally warrant to the Noteholder on the date of this Instrument, and at all times while such Noteholder holds Notes, that:



(a) (in case of the Issuer only) it has the power and authority to issue the Notes and to exercise its rights and perform its obligations under the Notes;

(b) it has the power and authority to enter into this Instrument and to exercise its rights and perform its obligations under this Instrument;

(c) it has taken all necessary corporate, shareholder and other action to authorise the execution, delivery and performance of this Instrument;

(d) (in the case of the Issuer only) it has the power and authority to enter into the Security Documents and to exercise its rights and perform its obligations under the Security Documents;

(e) (in the case of the Issuer only) it has taken all necessary corporate, shareholder and other action to authorise the execution, delivery and performance of the Security Documents;

(f) (in the case of the Issuer only) no Default Event is outstanding or would result from any Noteholder subscribing for the Notes;

(g) (in the case of the Issuer only) all information, in written or electronic format, supplied by the Issuer to the Security Trustee in connection with this Instrument was, at the time it was supplied or at the date it was stated to be given (as the case may be) was true, accurate and not misleading in any material respect, nor rendered misleading by a failure to disclose other information;

(h) (in the case of the Issuer only) the execution, delivery and performance of this Instrument and the Security Documents does not and will not:

(i) contravene any law, regulation, official or judicial order or any mortgage, bond other instrument

to which the Issuer is a party or which is binding on the Issuer or any of its assets;

(ii) require the consent of any third party;

(iii) conflict with the Issuer's constitutional documents; or

(iv) result in the creation or imposition of (or enforceability of) any security interest on the whole or any part of the Issuer's undertaking or assets pursuant to the provision of any agreement or documents;

(i) (in the case of the Guarantor only) the execution, delivery and performance of this Instrument does not and will not:

(i) contravene any law, regulation, official or judicial order or any mortgage, bond other instrument to which the Guarantor is a party or which is binding on the Guarantor or any of its assets;

(ii) require the consent of any third party;

(iii) conflict with the Guarantor's constitutional documents; or

(iv) result in the creation or imposition of (or enforceability of) any security interest on the whole or any part of the Guarantor's undertaking or assets pursuant to the provision of any agreement or documents;

(j) it is not subject to any material litigation, arbitration or administrative proceedings and to its knowledge no such proceedings are pending or threatened against its assets;

(k) (in the case of the Issuer only) since the date of its last set of audited annual accounts, the Issuer has carried on its business in the ordinary and usual course and has not been subject to any event or circumstance which has resulted in a material adverse change in the assets, financial or

trading position or prospects of the Issuer;

(l) it has been duly incorporated, constituted or amalgamated and is validly subsisting and is in good standing under the laws of the jurisdiction in which it is incorporated, constituted or amalgamated;

(m) the Issuer is the legal and beneficial owner of Business Loans and the rights under the Business Loans and Business Loan Documents provided in the Programme Schedule and is entitled to sell and assign the same to the Security Trustee and/or Noteholders free from any Security and that such rights are legally enforceable by the Issuer and remain to be paid in full (without set-off, counterclaim or deductions) and will not be old, overdue, contingent or

disputed, and that the particulars of the rights of the Issuer in the relevant Business Loan Documents are true and accurate and complete; and

(n) the Issuer has not sold or assigned or offered to have sold or assigned or granted security over any rights under the Business Loans and/or the Business Loan Documents provided in the Programme Schedule to any person other than the Security Trustee and there will be no extension of time applicable to any such right and no justification for non-payment of the full amount due in respect of such rights.

9. Default Events

9.1 Notwithstanding Clause 5 and Clause 6 and subject to Clause 9.2, all outstanding Notes shall automatically become immediately due and repayable, at the Aggregate Nominal Amount together



with all accrued interest up to and including the date of redemption, on the happening of any of the following events, unless the Noteholders agree by way of Resolution otherwise (each a "Default Event"):

(a) the Issuer fails to pay any principal monies or interest on any of the Notes on the due date for payment thereof;

(b) the Issuer is in breach of Clause 7.2(j);

(c) the Issuer fails duly to perform or comply with any obligation (other than an obligation to pay principal or interest), including a breach of a warranty or undertaking under this Instrument, any of the Security Documents or any other agreement to which the Issuer is party that the Security Trustee considers in its sole discretion (acting reasonably) to be a material agreement of the Issuer, and if such breach is (in the reasonable opinion of the Security Trustee) is capable of remedy, such failure continues for five Business Days after written notice has been given by the Security Trustee requiring remedy thereof;

(d) any Indebtedness of the Issuer is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of the Issuer becomes entitled to declare any such Indebtedness due and payable prior to its specified maturity;

(e) the Issuer ceases to carry on the business it carries on at the date of this Instrument or a substantial part thereof;

(f) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under this Instrument, the Notes or the Security Documents, or any such obligation is not or ceases to be legal, valid and binding;

(g) an event occurs (or circumstances exist) which, in the reasonable opinion of the Security Trustee, has or is reasonably likely to materially and adversely affect the ability of the Issuer to perform or comply with all or any of its obligations under this Instrument, the Notes or the Security Documents;

(h) an order is made or an effective resolution passed for winding-up or liquidation of the Issuer (otherwise than for the purposes of or in the course of a solvent re-organisation, reconstruction or amalgamation); or

(i) an encumbrancer has taken possession of or if a receiver, administrative receiver, liquidator, judicial factor or other similar officer is appointed to take possession of the whole or any material part of the property or undertaking of the Issuer and in any such case is not discharged, withdrawn or removed within 14 days of possession being taken or an appointment being made provided that at all times during such period the Issuer is contesting such possession or appointment in good faith and diligently; or

(j) any administration order or any administration application has been made in respect of the Issuer; or

(k) any procedure or step analogous to the events set out in Clause 9.1(h) to Clause 9.1(j) (inclusive) is taken in any jurisdiction; or

(l) any of the events set out in Clause 9.1(d) to Clause 9.1(k) (inclusive) occur in respect of the Guarantor.

9.2 Upon the Issuer or the Guarantor becoming aware that a Default Event has occurred or may occur it undertakes to immediately notify the Security Trustee and the Noteholders.

9.3 If a Default Event occurs or, in the reasonable opinion of the Security Trustee, may occur, the Security Trustee shall, for as long as the Default Event is continuing or the Security Trustee reasonably believes may occur, have the right to appoint an observer to the Board on the terms set out in Schedule 3 ("Observer") by notice in writing to the Issuer which shall take effect immediately. For the avoidance of doubt, the Security Trustee shall be under no obligation to appoint an Observer pursuant to its right to do so under this Clause 9.3.

10. Non-Conversion

Neither the principal amount of the Notes nor any accrued interest thereon shall be capable of conversion into shares or other securities in the Issuer.

11. No set-off

Payments of principal and interest under this Instrument shall be paid by the Issuer to the Noteholders and the Notes shall be transferable in accordance with the provisions of this Instrument, without regard to any set-off, cross-claim between the Issuer and the original or any intermediate Noteholder.

12. Meetings of Noteholders

The provisions for meetings of Noteholders set out in Schedule 4 shall be deemed to be incorporated in this Instrument and shall be binding on the Issuer and the Noteholders and on all persons claiming through or under them respectively.



13. Certificates

13.1 The Certificates will be in the form or substantially in the form set out in Schedule 1 or such other format specified by the Security Trustee or Registrar from time to time.

13.2 The Issuer will recognise the Noteholder entered in the Register as the absolute owner of the Notes. The Issuer is not bound to take notice or see to the execution of any trust whether express, implied or constructive to which any Notes may be subject.

13.3 The Issuer shall not be bound to register more than four persons as the joint holders of any Notes and, in the case of Notes held jointly by several persons, the Issuer shall not be bound to issue more than one certificate. Delivery of a Certificate to the person who is first named in the Register as Noteholder shall be sufficient delivery to all joint holders of the Notes in respect of which such certificate has been delivered.

13.4 If any of the Noteholder's Notes are due to be redeemed under any of the provisions of this Instrument, the Noteholder shall, if requested by the Issuer, deliver up to the Issuer (at its Registered Office or to its Registrar as the Issuer may direct) the Certificate(s) for the Notes which are due to be redeemed in order that the same may be cancelled and, upon such delivery (if so requested by the Issuer), the Issuer shall pay the relevant redemption amount to the Noteholder.

13.5 If any of the Noteholder's Notes are liable to be redeemed under any of the provisions of this Instrument, and, following

a request by the Issuer, it fails to or refuses to deliver up the Certificate(s) for such Notes at the time and place fixed for the redemption of such Notes, then the Issuer may set aside the relevant amount due to the Noteholder, pay it into a separate interest-bearing bank account which shall be held by the Issuer in trust for the Noteholder (but without interest (save as may accrue in such account)) and such setting aside shall be deemed, for all purposes of this Instrument, to be a payment to the Noteholder and the Issuer shall thereby be discharged from all obligations in connection with such Notes. If the Issuer shall place such amount on deposit at a bank, the Issuer shall not be responsible for the safe custody of such amount or for any interest accruing on such amount in such account.

13.6 If any Certificate is lost, stolen or mutilated, defaced or destroyed, it may be replaced at the Registered Office, subject to all applicable laws, upon such indemnity and payment of expenses by the relevant Noteholder as the Board may reasonably require.

14. Transfer

14.1 The Notes are transferable in whole or (in amounts and integral multiples of the Nominal Amount) in part by instrument in writing in the usual common form or such other form as the Board may approve and such instrument shall confirm that the transferee agrees to acquire the Notes subject to the terms of the Security Documents.

14.2 Every such instrument of transfer shall be signed by the transferor and transferee, or (where the transferor is a corporation) executed in any manner authorised by the

Companies Act 2006. The transferor shall be deemed to remain the owner of the Notes to be transferred until the name of the transferee is entered in the Register in respect of them.

14.3 Every instrument of transfer shall be lodged for registration at the place where the Register is kept for the time being, and shall be accompanied by the Certificate to be transferred and such other evidence, if any, as the Security Trustee may require to prove the title of the transferor or his right to transfer the Notes (and, if such instrument is executed by some other person on his behalf, the authority of that person to do so). Where some only of the Notes comprised in a Certificate are transferred, the Certificate shall be cancelled and a single new Certificate for the balance of such Notes issued in lieu without charge. Except as provided in this Instrument, every instrument of transfer completed and lodged in accordance with this Instrument shall be entered in the Register and the name of the transferee shall be entered in the Register as the new holder of the Notes transferred to him. The transferee shall be issued with a new Certificate in respect of the notes transferred.

14.4 All instruments of transfer which are registered shall be retained by the Security Trustee.

14.5 The Security Trustee may in its absolute discretion refuse to register the transfer of any Notes if:

- (a) it is in favour of more than one transferee; or
- (b) it is in favour of a minor, bankrupt or person of mental ill-health; or
- (c) in the Security Trustee's opinion, registration of the transfer would contravene the law in any jurisdiction.



14.6 If the Security Trustee refuses to register a transfer they shall, within two months after the date on which the transfer was lodged, send the transferee(s) written notice of the refusal.

15. Transmission

15.1 Any person becoming entitled to Notes as a result of the death or bankruptcy of a holder of Notes or of any other event giving rise to the transmission of such Notes by operation of law may, upon producing such evidence as reasonably required by the Board, be registered as the holder of such Notes.

15.2 In the case of death of a registered holder of Notes, the only persons recognised by the Issuer as having any title to the Notes are:

(a) the executors or administrators of a deceased sole registered holder of Notes or such other person or persons as the Board of the Issuer may reasonably determine, and

(b) the beneficiary of a deceased Noteholder who shall, subject to the Issuer having received an executed form of transfer (in a form reasonably acceptable to the Issuer) by the executor or personal representative of the deceased Noteholder,

who will in each case be entitled to require repayment of the Note at the Nominal Amount.

16. Register of the Notes

16.1 The Security Trustee will at all times keep at its Registered Office, or at such other place as the Issuer and/or Security Trustee may have appointed for the purpose (including by electronic

means via its Registrar), a register showing:

- (a) the Nominal Amount of the Notes held by the Noteholder;
- (b) the certificate number of each Note issued;
- (c) the relevant Pricing Supplement of each Note issued;
- (d) the Date of Issue and all subsequent transmissions of ownership; and
- (e) the name and address of the Noteholder.

16.2 The Noteholder may at all reasonable times during office hours inspect his, her or its details entered in the Register and take copies of such details from the Register.

16.3 The Register may be closed by the Security Trustee for such periods and at such times as it thinks fit but not more than 30 days in any calendar year.

16.4 Any change of name or address on the part of the Noteholder must be notified to the Security Trustee (or to the Registrar, as the Security Trustee may direct) and the Register will be altered accordingly.

16.5 Upon request by the Issuer, the Security Trustee shall provide the Issuer with a copy of the Register as soon as reasonably practicable.

17. Guarantee

17.1 The Guarantor (and any Additional Guarantor) unconditionally and irrevocably guarantees to each of the Noteholders from time to time that if, for any reason whatsoever, the Aggregate Nominal Amount of his, her or its outstanding

Notes (or any part of it) together with all outstanding accrued interest thereon is not paid in full by the Issuer on the due date it shall (subject to the limitations set out in this Clause 17), on demand in writing by such Noteholder, pay to him, her or it such sum as shall be equal to the amount in respect of which such default has been made, provided that the Guarantor's (and any Additional Guarantor's) maximum aggregate liability under this Clause 17 shall not exceed an amount equal to the Aggregate Nominal Amount and all outstanding accrued interest thereon due to such Noteholder.

17.2 Upon payment in full by the Guarantor (and any Additional Guarantor) of the Aggregate Nominal Amount of any outstanding Notes together with all outstanding accrued interest thereon, such Notes shall be deemed to have been repaid and cancelled.

17.3 The Guarantor (and any Additional Guarantor) shall be liable as if it were a principal debtor for all monies payable pursuant to this Instrument (notwithstanding that, as between the Issuer and the Guarantor (and any Additional Guarantor), the Guarantor (and any Additional Guarantor) is a surety only) and shall not be exonerated or discharged from liability under the guarantee contained in this Clause 17:

(a) by time or indulgence being given to, or any arrangement or alteration of terms being made with, the Issuer; or

(b) by the liquidation, whether voluntary or compulsory, of the Issuer or by the appointment of an administrative receiver or an administrator in relation to the Issuer or its assets; or

(c) by any act, omission, matter or thing whatsoever whereby the Guarantor (and any Additional Guarantor), as surety only, would or might have been so exonerated or discharged.

17.4 Each of the covenants and guarantees contained in this Clause 17 shall be a continuing covenant and guarantee binding on the Guarantor (and any Additional Guarantor), and shall remain in operation until the Aggregate Nominal Amount of the outstanding Notes together with all outstanding accrued interest thereon has been fully paid or satisfied.

17.5 This Clause 17 shall be deemed to contain, as a separate and independent stipulation, a provision to the effect that any sums of money which may not be recoverable from the Guarantor (and any Additional Guarantor) by virtue of a guarantee (whether by reason of any legal limitation, disability, incapacity or any other fact or circumstance and whether known to the Noteholders or not) shall nevertheless be recoverable from the Guarantor (and any Additional Guarantor) by way of indemnity.

17.6 Each Noteholder shall be entitled to determine from time to time when to enforce the guarantee contained in this Clause 17 as regards his outstanding Notes and may from time to time make any arrangements or compromise with the Guarantor (and any Additional Guarantor) in relation to the guarantee contained in this Clause 17 which such Noteholder may think expedient and/or in his, her or its own interest.

17.7 Any payment to be made by the Guarantor (and any Additional Guarantor) under this Instrument shall be made without regard to any lien, right of set-off, counterclaim or other analogous right to which the

Guarantor (and any Additional Guarantor) may be, or claim to be, entitled against any Noteholder.

17.8 Payment by the Guarantor (and any Additional Guarantor) to any Noteholder made in accordance with this Clause 17 shall be deemed a valid payment for all purposes of this Clause 17 and shall discharge the Guarantor (and any Additional Guarantor) from its liability under this Clause 17 to the extent of the payment, and the Guarantor (and any Additional Guarantor) shall not be concerned to see to the application of any such payment.

17.9 In relation to any demand made by a Noteholder for payment by the Guarantor (and any Additional Guarantor) pursuant to this Clause 17, such demand shall be in writing and shall state:

(a) the full name and registered address of such Noteholder and the Aggregate Nominal Amount together with all outstanding accrued interest thereon which is claimed;

(b) that none of the Notes in respect of which such demand is made has been cancelled, redeemed or repurchased by the Issuer;

(c) that the sum demanded is due and payable by the Issuer, that all conditions and demands prerequisite to the Issuer's obligations in relation to those Notes have been fulfilled and made, that any grace period relating to those obligations has elapsed and that the Issuer has failed to pay the sum demanded;

(d) the date on which payment of the Aggregate Nominal Amount (or part thereof) together with all outstanding accrued interest thereon in respect of which the demand is made should have been made to the Noteholder by the Issuer; and

(e) the bank account details of a bank in the United Kingdom to which payment by the Guarantor (and any Additional Guarantor) is to be credited at the Noteholder's risk.

17.10 The Guarantor (and any Additional Guarantor) may rely on any demand or other document or information appearing on its face to be genuine and correct, and to have been signed or communicated by the person by whom it purports to be signed or

communicated. The Guarantor (and any Additional Guarantor) shall not be liable for the consequences of such reliance and shall have no obligation to verify that the facts or matters stated in any such demand, document or information are true and correct.

18. Additional Guarantors

18.1 The Guarantor may request that any of its wholly owned Subsidiaries becomes an Additional Guarantor.

18.2 Following a request by the Issuer pursuant to clause 18.1, the Security Trustee shall have sole discretion in deciding whether a Subsidiary may become an Additional Guarantor.

18.3 When making a decision under this clause the Security Trustee may require the proposed Additional Guarantor to accede to this Instrument, any Security Documents, the Security Trust Deed and any other document reasonably required by the Security Trustee.



19. Resignation of a Guarantor

19.1 The Issuer may request that an Additional Guarantor (other than the Guarantor) ceases to be an Additional Guarantor by delivering to the Security Trustee a resignation letter.

19.2 The Security Trustee will consider a request under clause 19.1 if:

(a) the Issuer has confirmed that no Default Event is continuing or result from the resignation of the Additional Guarantor;

(b) no payment is due from the Additional Guarantor under clause 17 (Guarantee); and

(c) the Issuer has proposed a replacement Additional Guarantor pursuant to clause 18 which is acceptable to the Security Trustee.

20. Notice

20.1 Any notice or other communication to be given under this Instrument must be in writing and will be served by delivering it personally or sending it by pre-paid post or by email (to the Noteholder only) to the address or email address, as applicable, and for the attention of the relevant party notified by that party. Any notice will be deemed to have been received:

(a) if delivered personally, at the time of delivery;

(b) in the case of pre-paid post, 48 hours from the date of posting;

(c) in the case of email, on the Business Day following the day on which it was transmitted.

20.2 In the case of joint registered holders of any Notes a notice given to the Noteholder whose name stands first in the Register in respect of such Notes shall be sufficient notice to all joint holders.

20.3 If deemed receipt occurs before 9am on a Business Day the notice is deemed to have been received at 9am on that day and if deemed receipt occurs after 5pm, the notice is deemed to have been received at 9am on the next Business Day.

20.4 The addresses of the parties for the purposes of the Instrument are as set out in the Register from time to time, and in the case of email addresses as advised by the Noteholder from time to time, or such other address or email address as may be notified in writing from time to time by the relevant Noteholder to the Issuer.

20.5 For the avoidance of doubt, only the Issuer and Security Trustee are permitted to serve a valid notice on a Noteholder by email.

21. Registrar

21.1 At any time if agreed between the Security Trustee and the Issuer, the Issuer agrees to enter into such agreement and other documentation as may reasonably be required by the Security Trustee to appoint a Registrar in respect of the Notes.

21.2 The Issuer shall promptly pay all reasonable costs and expenses of a Registrar.

21.3 No Obligor shall (and the Issuer shall ensure that no other member of the Group will) amend, vary, novate, supplement, supersede, waive or terminate any term on which any Registrar is appointed except in writing:

(a) in a way which corrects a manifest error; or

(b) with the prior written consent of the Security Trustee.

21.4 The Issuer shall promptly supply to the Security Trustee a copy of any document relating to the appointment of any Registrar.

22. Third party rights

22.1 Save for the rights of the Noteholders and the Security Trustee, unless expressly provided to the contrary in this Instrument or the Notes:

(a) a person who is not a party to this Instrument or the Notes has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Instrument, the Notes or the Pricing Supplement; and

(b) the consent of any person who is not a party to this Instrument or the Notes is not required to rescind or vary this Instrument, the Notes or any Pricing Supplement at any time.

23. Miscellaneous

23.1 The Issuer shall not be entitled to assign or otherwise transfer its rights and benefits under this Instrument or any document entered into pursuant to this Instrument without the prior written consent of the Security Trustee.



23.2 If any term or provision in this Instrument shall in whole or part be held to any extent to be illegal or unenforceable under any enactment or rule of law that term or provision or part shall to that extent be deemed not to form part of this Instrument and the enforceability of the remainder of this Instrument shall not be affected.

23.3 This Instrument may be executed as two or more documents in the same form and execution by each of the parties of at least one of such documents will constitute due execution of this Instrument. All counterparts when executed and delivered will be an original, but all counterparts will together constitute one and the same agreement.

24. Modification

24.1 The Security Trustee may from time to time and at any time without any consent or sanction of the Noteholders concur with the Issuer in making any modification to this Instrument and the Pricing Supplement which in the opinion of the Security Trustee is not materially prejudicial to the interests of the Noteholders, or is for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained herein or therein or is of a formal, minor or technical nature. Any such modification shall be binding on the Noteholders and, unless the Security Trustee otherwise agrees, the Issuer shall cause notice of such modification to be given to the Noteholders as soon as practicable thereafter.

24.2 The provisions of this Instrument and the rights of the Noteholders may from time to time be modified, abrogated or compromised in any respect with the prior sanction of a Resolution and with the prior written consent of the Issuer. The consent of Noteholders pursuant to this Clause 24.2 shall not be required in relation to the issue of each new Issue of Notes nor to the terms included in the Pricing Supplement applicable to such issue but shall apply to any subsequent modification, abrogation or compromise of the terms included in any Pricing Supplement.

25. Costs and Expenses

Save as set out in the Security Trust Deed and the engagement letter dated 10 November 2014 between the Issuer and the Security Trustee, each party shall pay its own costs, charges and expenses relating to the execution and implementation of this Instrument.

26. Governing Law and Jurisdiction

26.1 This Instrument and each of the Notes and any disputes arising out of them (whether contractual in nature or not) are governed by and shall be construed in accordance with the law of England and Wales.

26.2 Each party irrevocably submits to the exclusive jurisdiction of the courts of England and Wales as regards any claim, dispute or matter arising out of or in connection with this Instrument.

SCHEDULES

A guide to Schedules 1-5

SCHEDULE 1

Certificate

SCHEDULE 2

Form of Pricing
Supplement

SCHEDULE 3

Observer

SCHEDULE 4

Provisions for meetings of
the Noteholders

SCHEDULE 5

Security Trust Deed

SCHEDULE 1

Certificate

[Intentionally omitted due to the issue being uncertificated]

SCHEDULE 2

Form of Pricing Supplement

[Intentionally omitted due to the issue being uncertificated]

SCHEDULE 3

Observer

1.1 The Observer shall have the right to attend all meetings of the Board and any committees thereof.

1.2 The Observer shall be given all the information that the Board (or any Committees thereof) would be entitled to receive, and shall be entitled to receive that information (including, without limitation, notice of meetings) at the same time as the Board (or any Committees thereof) would be entitled to receive it.

1.3 The Observer may pass any such information to the Security Trustee and/or the Noteholders.

1.4 The Observer shall be entitled to attend and speak at any meetings of the Board or any Committees thereof but shall not be entitled to vote, nor shall the Observer be, or be regarded as, an officer of the Issuer and shall not be counted in the quorum of any meeting of the Board or any committees thereof.

1.5 The Observer shall be entitled to reimbursement by the Issuer of all reasonable costs and expenses incurred by him in connection with his appointment (plus VAT).

SCHEDULE 4

Provisions for meetings of the Noteholders

1. CALLING OF MEETINGS

The Issuer may at any time and shall upon the request in writing signed by the Security Trustee or by the holders of not less than one-tenth of the Aggregate Nominal Amount of the Notes convene a meeting of the Noteholders to be held at such place as the Issuer shall determine.

2. NOTICE OF MEETINGS

At least 14 clear days' notice specifying the place, day and hour of the meeting shall be given to the Noteholders of any meeting of Noteholders in the manner provided in Clause 18. Any such notice shall specify the general nature of the business to be transacted at the meeting thereby convened and the terms of any resolutions to be proposed. The omission to give notice to any Noteholder shall unless through accidental omission or failure of the postal system invalidate any resolution passed at any such meeting.

3. CHAIRMAN OF MEETINGS

A person nominated by the Issuer shall be entitled to take the chair at any such meeting and if no such nomination is made, or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting, the Noteholders present shall choose one of their number to be Chairman. The Security Trustee and its advisers, the Board and the legal advisers of the Issuer and any other person authorised in that behalf by the Board may attend at any such meeting.

4. QUORUM AT MEETINGS

At any such meeting convened for any purpose a person or persons holding or representing by proxy at least 75% of the Aggregate Nominal Amount of the Notes for the time being outstanding shall form a quorum. No business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of business.

5. ABSENCE OF QUORUM

If within 30 minutes from the time appointed for any meeting of the Noteholders a quorum is not present the meeting shall, if convened upon the requisition of the Noteholders, be dissolved. In any other case it shall stand adjourned to such day and time (being not less than seven days and not more than 21 days thereafter) and to such place as may be appointed by the Chairman and at such adjourned meeting two Noteholders present in person or by proxy and entitled to vote, whatever the principal amount of the Notes held by them, shall form a quorum.

6. ADJOURNMENT OF MEETINGS

The Chairman may with the consent of (and shall if directed by) any such meeting adjourn the same from time to time and from place to place. No business shall be transacted at any adjourned meeting other than business which might lawfully have been transacted at the meeting from which the adjournment took place.

7. RESOLUTION ON SHOW OF HANDS

Every question submitted to a meeting of Noteholders shall be decided in the first instance by a show of hands. In case of an equality of votes the Chairman shall not have a casting vote.

8. DEMAND FOR POLL

At any meeting of Noteholders a poll in respect of any resolution may be demanded by the Chairman or by one or more Noteholders at any time prior to the declaration of the result of the show of hands that the resolution in question has been carried or carried by a particular majority or lost or not carried by any particular majority, which declaration shall be conclusive evidence of the fact.

9. MANNER OF TAKING POLL

If at any such meeting a poll is so demanded it shall be taken in such manner as the Chairman may direct. The result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

10. TIME FOR TAKING POLL

Any poll demanded at any such meeting shall be taken at the meeting without adjournment. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

11. PERSONS ENTITLED TO VOTE

The registered holder of any of the Notes, or in the case of joint holders, any one of them shall be entitled to vote in respect thereof either in person or by proxy and in the latter case as if such joint holder were solely entitled to such Notes. If more than one of such joint holders be present at any meeting either personally or by proxy the vote of the senior who tenders a vote (seniority being determined by the order in which the joint holders are named in the Register) shall be accepted to the exclusion of the vote of the other joint holders.

12. INSTRUMENT APPOINTING PROXY

Every instrument appointing a proxy shall be in writing, signed by the appointor or his attorney or, in the case of a corporation, under its common seal, or signed by its attorney or a duly authorised officer and shall be in such form as the Board may approve. Such instrument of proxy shall, unless the contrary is stated thereon, be valid both for an adjournment of the meeting and for the meeting to which it relates and need not be witnessed. A person appointed to act as a proxy need not be a Noteholder.

13. DEPOSIT OF INSTRUMENT APPOINTING PROXY

The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority shall be deposited with the Issuer at the address where the Register is maintained for the time being (as referred to in Clause 15.2 of this Instrument) or at such other place as may be specified in the notice convening the meeting before the time appointed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in such instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy or of the authority under which the instrument of proxy is given or transfer of the Notes in respect of which it is given unless previous intimation in writing of such death, insanity, revocation or transfer shall have been received

by the Issuer at the address where the Register is maintained for the time being (as referred to in Clause 15.2 of this Instrument). No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution.

14. VOTES

On a show of hands every Noteholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or proxy shall have one vote. On a poll every Noteholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or proxy shall have one vote for every £1 of Nominal Amount of Notes held by that Noteholder. A Noteholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

15. POWER OF MEETINGS OF NOTEHOLDERS

15.1 In addition to any other powers it may have, a meeting of the Noteholders may, by Resolution:

15.1.1 sanction any compromise or arrangement proposed to be made between the Issuer and the Noteholders;

15.1.2 sanction any abrogation, modification or compromise or any arrangement in respect of the rights of the Noteholders against the Issuer or its property whether such rights shall arise under the Instrument;

15.1.3 sanction any scheme for the reconstruction of the Issuer or for the amalgamation of the Issuer with any other company;

15.1.4 sanction any scheme or proposal for the sale or exchange of the Notes for, or the conversion of the Notes into, cash or shares, stock, debentures, debenture stock or other obligations or securities of the Issuer or any other company formed or to be formed, and for the appointment of a person with power on behalf of the Noteholders to execute an instrument of transfer of the Notes held by them in favour of the person to or with whom the Notes are to be sold or exchanged (as the case may be);

15.1.5 assent to any modification or abrogation of the provisions contained in the Instrument which shall be proposed by the Issuer and authorise the Issuer to execute an instrument supplemental to the instrument embodying any such modification or abrogation; and

15.1.6 give any authority or sanction which under the provisions of the Instrument or the Security Trust Deed is required to be given by Resolution.

15.2 No Resolution shall be effective which would increase any obligation of the Issuer under the Instrument or postpone the due date for payment of any principal or interest in respect of any Note without the consent of the Issuer.

16. RESOLUTION BINDING ON ALL NOTEHOLDERS

Validly passed Resolutions shall be binding upon all the Noteholders whether present or not present at such meeting and each of the Noteholders shall be bound to give effect to such Resolution accordingly. The passing of any such Resolution shall be conclusive evidence that the circumstances justify the passing of such Resolution.

17. RESOLUTIONS IN WRITING

17.1 A Resolution in writing signed or approved via email or other electronic means by the requisite Noteholders shall for all purposes be as valid and effectual as a Resolution in a general meeting. Such Resolution in writing may be:

17.1.1 contained in one document or in several documents in like form each signed by one or more Noteholders; or

17.1.2 circulated to Noteholders via email or other electronic means whereby Noteholders may consent to any such Resolution by responding via email or other electronic means (whether such response is by way of written email response, the use of email voting buttons or other electronic means).

17.2 For the purposes of a Resolution in writing, a Noteholder shall have one vote for every £1 in of Nominal Amount of Notes held by them and where a Noteholder is entitled to more than one vote shall be entitled to sign any Resolution in writing in respect of all or any number of votes held by them.

17.3 Notwithstanding the foregoing, the Security Trustee shall have sole discretion to determine whether or not any Resolution in writing is valid and/ or has been duly approved by the requisite Noteholders.

18. MINUTES OF MEETINGS

Minutes of all resolutions and proceedings at every such meeting of the Noteholders shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer. Any minutes which purport to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings held or by the Chairman of the next succeeding meeting of the Noteholders shall be conclusive evidence of the matters contained in such minutes. Unless the contrary is proved,

every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly convened and held and all resolutions passed at such meetings to have been duly passed.

SCHEDULE 5

Security Trust Deed

Execution Block

Executed as a Deed

on the day and year set out above for and behalf of

**[Execution Block
Rivers Leasing Limited]**

**[Execution Block
Rivers Finance Group PLC]**

**[Execution Block
Lesmoir-Gordon, Boyle & Co Limited]**

RISK WARNING

A guide to the associated risks

The Crowdstacker platform matches businesses looking to borrow with investors looking to invest. Although investing can be rewarding, it involves a number of risks. If you choose to invest through Crowdstacker, you need to be aware of four important considerations:

1. LOSS OF CAPITAL

All investment involves an element of risk. Past performance of any company, including those with good cash flow and a healthy balance sheet, is not a good guide to their successful performance in the future. Lending to businesses via bonds, Loan Notes and Peer to Peer loans can lead to a loss of your capital if they default. You should not invest more money than you can afford to lose.

2. ILLIQUIDITY

Any investment you make through Crowdstacker will be highly illiquid. There is currently no active secondary market, although investments are transferable if you can find a willing transferee. Even for a successful investment that is being repaid on time, the underlying principal debt you have invested may not be accessible to you until the investment expires. In particular, if you are over the age of 60 at the time of investing you should consider the effect this illiquidity could have on your lifestyle.

3. DIVERSIFICATION

Lending to businesses via bonds, Loan Notes and Peer to Peer loans should be done as part of a diversified portfolio. This means that you should invest small amounts in multiple asset classes as opposed to a large amount in one or a few. You should also invest only a small proportion of your investable capital in this asset class, with the majority of your investable capital invested in safer, more liquid assets. You can further diversify by lending to multiple businesses on the Crowdstacker platform as opposed to just one.

4. TAX

You are responsible for the administering of your own tax affairs, which may include capital gains and income tax. We do not provide tax advice, and you should seek this independently before investing if you are unsure of your position. It is your responsibility to ensure that your tax return is correct and is filed by the deadline and any tax owing is paid on time. If you are unsure how this investment will affect your tax status, you must seek professional advice before you invest. Please note that investing through Crowdstacker is not covered by the Financial Services Compensation Scheme.

Contact us for further information
info@crowdstacker.com
or call us 0207 118 7570

www.crowdstacker.com/rivers
Capital at risk

September 2018
