FOLK 2 FOLK

# INVESTOR TERMS AND CONDITIONS

**NOTES:**

**These Investor Terms and Conditions were last updated on 31st July 2024**

**Version: 1**

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## 1 DEFINITIONS AND INTERPRETATION

1.1 Terms defined in the Offer Letter shall bear the same meaning where used in these Investor Terms and Conditions unless defined herein.

1.2 In addition, reference in these Investor Terms and Conditions to the following terms shall bear the following meaning:

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| "**Additional Management Fee**" | means, in respect of each Loan, the amount specified in the Fee Schedule from time to time payable in monthly instalments (not pro-rated) and paid in advance to cover additional administration costs of managing late payments by the Borrower |
| "**Agent**" | means Folk2Folk acting as duly appointed agent for and on behalf of each Investor and the Security Trustee |
| "**Annual Arrangement Fee**" | means, in respect of each Loan, the amount specified as the relevant Annual Arrangement Fee in respect of that Loan set out in the relevant Offer Letter payable in monthly instalments (pro-rated monthly) and paid in advance to cover administration costs payable by the Borrower |
| "**Borrower**" | means a borrower under a Loan Contract |
| "**Borrower Acceptance**" | means acceptance in writing by the Borrower of the Offer Letter |
| "**Borrower Terms and Conditions**" | means the terms and conditions applicable to Borrowers in relation to Loans introduced by Folk2Folk as set out on the Platform from time to time |
| "**Business Day**" | means a day other than a Saturday, Sunday or a public holiday in England when banks in London are open for business |
| **"Closed Loans"** | means loan products that are no longer offered to Borrowers as New Loans, being the Fixed 3, 4 or 5 Year Loan or the Rolling Loan |

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| "**Commercial Loan**" | means a loan for any business purpose which is not a Development & Construction Loan and where the term of which is selected by the Borrower upon application with a minimum term of six months and a maximum term of five years |
| "**Commitment Fee**" | means a fee in the amount equal to the Reduced Interest Rate that would be payable on drawdown of each Loan |
| "**Completion**" or "**Completed**" | means the date upon which the Conditions Precedent to Drawing under the Loan Agreement have been satisfied and the Loan Advance has been released to the Borrower |
| "**Conditions Precedent to Drawing**" | means the documentation and/or evidence that must be provided to the Agent prior to the Loan Advance being made available for the Borrower to draw down and as set out in Part B of Schedule 1 to the Borrower Terms and Conditions |
| "**Conditions Precedent to the Loan Agreement Completion Date**" | means the documentation and/or evidence that must be provided to the Agent prior to the Loan Agreement Completion Date as set out in Part A of Schedule 1 to the Borrower Terms and Conditions |
| "**Conditions Subsequent**" | means the documentation and/or evidence that must be provided to the Agent after the Loan Agreement Completion Date as set out in the Offer Letter |

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| "**Confidential Information**" | means all information relating to a Participant, (if relevant) a Participant's group, any Third Party Provider, the Finance Documents or a Loan of which the Agent becomes aware of in its capacity as arranger of Loans through the Platform or a Participant becomes aware in its capacity, or for the purpose of becoming, a Participant or which is received by a Participant (or its advisers) in relation to, or for the purpose of becoming a Participant, in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information |
| "**Connected Substitute**" | a person is connected if:<br>(a) in relation to an individual, that person is the spouse or civil partner of the individual, a relative of the individual or a relative of the individual's spouse or civil partner; and<br>(b) in relation to a company, that person is a director of the company, shadow director, associate of a director or shadow director or a Group Company |
| "**Connected Substitution**" | means the replacing of the Investor with a Connected Substitute |
| **"Connected Substitution Fee"** | being a fixed fee in respect to the costs and expenses incurred by the Agent in managing the substitution, in in the amount specified in the Fee Schedule from time to time |
| "**Debt Service Designated Account**" | means a Borrower's bank account where Folk2Folk benefit from a charge over that bank account and where Folk2Folk has placed the Debt Service Loan with the intention of it being used to fund future amounts payable under a Loan |

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| “**Debt Service Loan**” | means the proportion of the Loan Advance which has been allocated by Folk2Folk to provide debt service cover |
| "**Delegate**" | means any delegate, agent, attorney or co-trustee appointed by the Security Trustee |
| "**Development & Construction Loan**" | means a loan for property developments and construction projects and the term of which is selected by the Borrower upon application with a minimum term of six months and a maximum term of five years |
| "**Disbursements**" | means the disbursements incurred by the Agent including but not limited to the disbursements set out in the Fee Schedule from time to time |
| "**Event of Default**" | means each of the events set out in Condition 12 |
| **"Existing Investor"** | means an Investor which seeks to sell or transfer all rights and obligations in connection to all or part of a Loan to a New Investor on the Secondary Market or otherwise in accordance with these Investor Terms and Conditions and the transferability provisions applicable to that Loan |
| "**Fee Schedule**" | means the schedule of fees and charges as set out on the Platform from time to time |
| "**Final Repayment Date**" | means the earlier to occur of:<br>(a) the Scheduled Repayment Date; and<br>(b) the date specified by a Prepayment Notice as the relevant redemption date for a Loan on prepayment; and<br>(c) the date on which repayment of a Loan is validly demanded prior to the Scheduled Repayment Date |

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| "**Finance Documents**" | means, each of:<br>(a) the Offer Letter;<br>(b) the Terms and Conditions (as incorporated into the relevant Offer Letter);<br>(c) the Loan Agreement Completion Notice;<br>(d) the Guarantee (if required);<br>(e) each Security Document; and<br>(f) any other required documentation or any other document designated as a "Finance Document" by Folk2Folk and the Borrower |
| "**Finance Party**" | means Folk2Folk, the Agent, the Security Trustee and the Investor |
| "**Fixed 3, 4 or 5 Year Loan**" | means a longer-term loan on fixed terms and the term of which is selected by the Borrower upon application with a maximum term of five years |
| "**Folk2Folk**" | means Folk2Folk Limited (company number 08178576 and Financial Conduct Authority registration number FRN 720867) whose registered office is at Number One Business Centre, Western Road, Launceston, Cornwall PL15 7FJ |
| "**Further Advance**" | means any further advance we make to the Borrower under the Loan Agreement in excess of the initial Loan Advance |
| **"Group Company"** | in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a group is a Group Company |
| "**Guarantee**" | means a guarantee and indemnity in a form prepared by, and acceptable to, Folk2Folk from time to time |

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| "**Impairment**" | means the circumstance whereby a Loan becomes distressed as a result of the occurrence of an Event of Default (and **"Impaired"** shall be interpreted accordingly) |
| "**Initial Arrangement Fee**" | means, in respect of each loan, the amount specified as the relevant Initial Arrangement Fee in respect of that Loan as set out in the relevant Offer Letter |
| "**Interest Due Date**" | has the meaning given in the Offer Letter or Loan Agreement Completion Notice (as applicable) |
| "**Interest Payment Date**" | has the meaning given in the Offer Letter or Loan Agreement Completion Notice (as applicable) |
| "**Interest Rate**" | means the interest rate as set out in the Offer Letter |
| "**Investor**" | means each investor, person or persons who, either alone, investing jointly or as part of an Investor Pool, wishes to lend money to the Borrower, has been accepted and approved by Folk2Folk as an Investor and has been recorded as Investor of record by Folk2Folk in relation to a Loan. The term "Investor" shall include its successors and assigns whether immediate or derivative and, where appropriate, the survivors or survivor of them and where either party comprises two or more persons include any one or more of those persons |
| "**Investor Pool**" | means the group of Investors providing a Loan to the same Borrower who have the same term lengths for the availability of their money |
| "**Investor Terms and Conditions**" | means these terms and conditions applicable to Investors in relation to Loans introduced by Folk2Folk as set out on the Platform from time to time |
| "**Legal Fees**" | means the fees of the Panel Firm of Solicitors being in the amount specified by Folk2Folk from time to time |
| "**Lender**" | means Investor |
| "**Listing Fee**" | means the Secondary Market listing fee as detailed in the Fee Schedule |

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| "**Loan**" | means a loan made or to be made available by an Investor or Investors to the Borrower pursuant a Loan Agreement or the principal amount outstanding for the time being of that loan |
| "**Loan Advance**" | means the aggregate amount advanced by the Investor(s) to the Borrower pursuant to the relevant Offer Letter |
| "**Loan Agreement**" | means, each of:<br>(a) the Offer Letter;<br>(b) the Terms and Conditions (as incorporated into the relevant Offer Letter); and<br>(c) the Loan Agreement Completion Notice. |
| **"Loan Agreement Completion Date"** | means the date (as set out in the Loan Agreement Completion Notice) on which the Loan Agreement is to take effect and upon which the Terms and Conditions become binding on the Borrower and each Investor |
| "**Loan Agreement Completion Notice**" | means the letter from Folk2Folk to the Borrower and each Investor which confirms, amongst other things, the effective date for the Loan Agreement |
| "**Loan Contract**" | means the bilateral agreement between an Investor and the Borrower, the terms of which are reflected in the Loan Agreement |
| **"Minimum Amount"** | means the amount designated by the Agent and notified to the Investors from time to time as the minimum amount into which a Loan may be divided for transfer |
| **"Monies on Account"** | has the meaning given in Condition 26.1 |

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| **"New Investor"** | means an Investor which acquires all rights and obligations in connection to all or part of a Loan from an Existing Investor on the Secondary Market or otherwise in accordance with these Investor Terms and Conditions and the transferability provisions applicable to that Loan |
| **"New Loans"** | means the loan products being offered by Folk2Folk from time to time |
| "**Offer Letter**" | means, in each case, the offer letter from Folk2Folk as arranger and administrator of the Loan to the Borrower setting out the type and commercial terms of each Loan |
| "**Outstanding Loan Amount**" | means the amount outstanding from the Borrower from time to time in connection with the Loan Agreement |
| "**Panel Firm of Solicitors**" | means such firm of solicitors appointed by Folk2Folk from time to time to carry out the tasks as set out in the Terms and Conditions. Each Panel Firm of Solicitors appointed by Folk2Folk shall act as solicitors for Folk2Folk, the Agent and the Security Trustee and shall have no client relationship with nor duty of care to any other person |
| "**Par Value**" | means an amount equivalent to the principal amount outstanding under that Transferable Loan along with any unpaid interest, fees costs and expenses owing to the Existing Investor in connection with that Transferable Loan |
| "**Participant**" | means a person who has satisfied all necessary or desirable on-boarding requirements of Folk2Folk for the purposes of using the Platform (to the satisfaction of Folk2Folk in its absolute discretion) as a Borrower (including, for the avoidance of doubt, acting by its Authorised Agent) or an Investor |
| "**Past Maturity Default Interest Rate**" | means the interest rate which is specified in the Fee Schedule from time to time |

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| "**Past Maturity Management Fee**" | means in respect of each Loan, the amount specified in the Fee Schedule from time to time payable in monthly instalments (not pro-rated) and paid in advance to cover additional administration costs of managing loans which have not redeemed in accordance with their terms |
| "**Platform**" | means the website operated at www.folk2folk.com, and any Investor portal, app, programme or branch |
| "**Potential Impairment**" | means any event which might reasonably be expected to result in the Impairment of a Loan |
| "**Prepayment Fee**" | means the amount specified on the Fee Schedule from time to time as a percentage of the amount being repaid which will be paid to Folk2Folk and who will apportion it between the Investors and Folk2Folk in accordance with the Prepayment Fee Split |
| "**Prepayment Fee Split**" | means payment to the Investor of an amount equivalent to 1 months' interest on the amount being repaid with the balance to be retained by Folk2Folk |
| "**Prepayment Notice**" | means any notice by the Borrower in respect of its intention to permanently repay all or part of the Loan, setting out (i) the proposed Final Repayment Date (being no earlier than the date that is 6 months' after the Loan Agreement Completion Date) and (ii) the amount being prepaid, and shall be irrevocable once served |
| "**Process Document**" | means the documents stored on the Platform which describes the processes and procedures deployed by Folk2Folk in servicing relationships with each of the Borrowers and Investors |
| "**Privacy Policy**" | means the privacy policy of Folk2Folk from time to time as set out at https://folk2folk.com/legal/privacy-policy/ |
| "**Property**" | means the heritable, freehold or long leasehold property or properties owned by the Borrower or Third-Party Provider located in England, Wales, Scotland or Northern Ireland to be offered as collateral in respect of the Loans, details of which are set out in the Offer Letter |

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| "**Receiver**" | means any receiver, receiver and manager or administrative receiver of the whole or any part of the Property charged pursuant to the Security Document |
| "**Reduced Interest Rate**" | means the reduced interest rate for the Loan as defined in the relevant Offer Letter |
| "**Rolling Loan**" | means a flexible loan without a fixed term with a minimum term of six months and a maximum term of five years |
| "**Scheduled Repayment Date**" | means the date for the Loan to mature as defined in the relevant Offer Letter |
| "**Secondary Market**" | means the online secondary market on the Platform for the purpose of allowing an Existing Investor to sell, in whole or in part, any Transferable Loan to a New Investor, or other such internal process provided for such purpose by Folk2Folk from time to time |

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| "**Security Document**" | means:<br><br>(a) debenture to be granted by the Borrower in favour of the Security Trustee,<br><br>(b) in relation to a Property situated in England or Wales or Northern Ireland, the legal charge to be granted by the Borrower or the Third Party Provider in favour of the Security Trustee over the respective Property owned by such person;<br><br>(c) in relation to a Property situated in Scotland, the standard security to be given by the Borrower or the Third Party Provider in favour of the Security Trustee;<br><br>(d) the charge over account in respect of the Debt Service Designated Account granted by the Borrower in favour of the Security Trustee,<br><br>(e) any other document evidencing or creating a security interest over any asset to secure any obligation of any Borrower under the Finance Documents; or<br><br>(f) any other document designated as such by the Security Trustee |
| "**Security Trustee**" | means Folk Nominee Limited (company number: 09939972) in its capacity as security trustee for itself and for and on behalf of the Finance Parties |
| "**Standby Servicer**" | means any person appointed by Folk2Folk from time to time to provide Wind Down Services in the circumstances described in the Terms and Conditions |

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| "**Substitute**" | means an alternative (or substitute) Investor to be brought into replace an outgoing Investor |
| **"Tax"** | means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) |
| "**Tax Deduction**" | means a deduction or withholding for or on account of Tax from a payment under a Finance Document |
| "**Terms and Conditions**" | means the Borrower Terms and Conditions and the Investor Terms and Conditions together with the Process Document, the Privacy Policy and the Fee Schedule |
| "**Third Party Provider**" | means, if relevant, the person whose name is set out against such term in the Offer Letter |
| **"Tranche" or "Tranches"** | means, where a Loan Contract that is being sold or transferred pursuant to Condition 13 (*Secondary Market*) is split into 2 or more parts, each such part will be referred to as a Tranche |
| **"Transfer Amount"** | means an amount equal to that requested by the Agent in relation to a Transferable Loan |
| **"Transfer Certificate"** | means an Investor transfer certificate in Folk2Folk's standard form from time to time including any electronic transfer certificate process conducted via the Platform |
| **"Transfer Date"** | means the date on which the Agent executes the Transfer Certificate |
| **"Transferable Loan"** | means, other than when an Event of Default has occurred and is continuing, any New Loan or any other Loan approved by Folk2Folk from time to time as a transferable loan |

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| **"Valid Bid"** | a bid which has satisfied the following conditions:<br><br>(a) the relevant New Investor shall have completed and/or provided all necessary documents required by Folk2Folk; and<br><br>(b) the New Investor has deposited (and the funds are cleared) the Transfer Amount (or more) with Folk2Folk. |
| "**Valuation Fee**" | means the fee payable by the Borrower for the Valuer carrying out a valuation of the Property as required by the Agent being in the amount specified by Folk2Folk from time to time |
| "**Valuer**" | means the person appointed by Folk2Folk from time to time to carry out the function of Property valuer. |
| **"VAT"** | means:<br><br>(a) any value added tax imposed by the Value Added Tax Act 1994<br><br>(b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and<br><br>any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (a) or (b) above, or imposed elsewhere |
| "**Wind Down Services**" | means the services provided by or on behalf of a Standby Servicer, including the supply of loan management and administration services, debt collection services, loan servicing services and the performance of the Security Trustee function |

1.3 Unless the contrary intention appears, references in these Investor Terms and Conditions to:

(a) the words "**include(s)**", "**including**" and "**in particular**" shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words;

(b) the "**Investor**", "**Agent**", "**Security Trustee"**, "**Folk2Folk**", "**Finance Party**", "**Standby Servicer**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

(c) any reference to **"Lender"** or **"Lender Pool"** in any Finance Document shall be deemed to refer to Investor or Investor Pool (as applicable);

(d) any reference to **"Loan Terms and Conditions"** or "**General Terms and Conditions**" in any Finance Document shall be deemed to refer to the Terms and Conditions;

(e) the words "**other**" and "**otherwise**" shall not be construed as the same with any preceding words where a wider construction is possible;

(f) a "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing;

(g) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self regulatory- or other authority or organisation;

(h) words importing the singular shall include the plural and vice versa, and reference to any gender includes the other genders;

(i) references to "**Conditions**" and "**Schedules**" are to conditions or sub conditions- and schedules of the Terms and Conditions;

(j) a provision of law is a reference to that provision as amended or re-enacted-; and

(k) a time of day is a reference to London time.

1.4 Condition and Schedule headings are for ease of reference only.

1.5 A Loan Agreement represents one or more bilateral Loan Contracts between each Investor and the Borrower. References to the "Loan Agreement" refers to the aggregate of such Loan Contract(s).

1.6 In the event of any conflict between the Offer Letter and the Terms and Conditions, the Offer Letter shall prevail.

1.7 Any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not). After 4pm on a Business Day, Folk2Folk may treat this as a cut off time for the receipt of payments and/or completion of a loan and should payments be received and/or completion of a loan takes place after this time, Folk2Folk will, at its discretion, be entitled to treat the payment as having been received during the following Business Day.

1.8 **Contracts (Rights of Third Parties) Act 1999**

Each Participant, Folk2Folk, the Agent, the Security Trustee and its Delegates (if any), any Standby Servicer and each of their respective officers, employees and agents and any Valuer appointed by the Agent and / or the Security Trustee in respect of a Property may enforce any term of the Terms and Conditions, each Loan Agreement and any Finance Document which purports to confer a benefit on such person or on behalf of any Investor, but no other person who is not a party to the Terms and Conditions, each Loan Agreement and any Finance Document has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of the Terms and Conditions, each Loan Agreement and any Finance Document.

**1.9 Distance Marketing**

The Terms and Conditions, together with the Finance Documents, are a credit agreement secured on land as such the terms of The Financial Services (Distance Marketing) Regulations 2004, and in particular the concepts of "a client's rights to cancel during a cooling off period" do not apply to the Terms and Conditions or the Finance Documents.

## 2 TERMS AND CONDITIONS

2.1 These Investor Terms and Conditions together with the Process Document, Privacy Policy and Fee Schedule set out how:

(a) an Investor may make use of the Platform, whether as a guest or as a registered user;

(b) Folk2Folk operates and regulates the use of the Platform and other services provided by Folk2Folk; and

(c) the Agent and Security Trustee operate.

2.2 It is important that you read the Process Document, Privacy Policy, Fee Schedule and these Investor Terms and Conditions carefully before starting to use the Platform and print a copy for future reference. If there is anything you do not understand, please contact us.

2.3 By its use of the Platform and the services provided by Folk2Folk, each Investor agrees to and acknowledges the terms of the Process Document, Privacy Policy, Fee Schedule and these Investor Terms and Conditions (each as amended from time to time) and agrees to be bound by them.

2.4 If an Investor does not agree to the Process Document, Privacy Policy, Fee Schedule and these Investor Terms and Conditions it must not proceed with any dealings with Folk2Folk and accordingly must refrain from using the Platform.

2.5 Breach of the Terms and Conditions by an Investor may result in the Agent exercising its right (in its absolute discretion) to (i) terminate funding discussions with the Investor, (ii) restrict the Investor's use of the Platform and (iii) effect a transfer in accordance with Condition 14.9 (*Transferability and exit for Investors*) at any time.

2.6 Folk2Folk no longer introduce Closed Loans to Investors for new investment.

## 3 AGREEMENT TO LEND

### 3.1 Purpose

(a) The Borrower shall apply all amounts borrowed by it under the Finance Documents in accordance with the Loan Purpose (as specified in the relevant Offer Letter).

(b) Neither any Investor, the Security Trustee nor Folk2Folk is bound to monitor the application of any amount borrowed pursuant to the Finance Documents. Notwithstanding the terms of this Condition 3.1(b), the Borrower must provide, promptly on request, all reasonable information requested by Folk2Folk to evidence that all amounts borrowed by it under the Finance Documents have been applied towards the Loan Purpose (as specified in the relevant Offer Letter).

(c) For the avoidance of doubt, where a Debt Service Loan has been made available to the Borrower (whether requested by a Borrower or not) the Loan Purpose shall be deemed to include that Debt Service Loan. The Agent is irrevocably authorised by the Borrower to deal with the Monies on Account in accordance with condition 26 (*Monies on Account*) and to deduct (or procure the deduction) of amounts from the Debt Service Designated Account or designated client account (as applicable) in accordance with condition 26 (*Monies on Account*) to be applied in satisfaction of any interest payment that is due and payable.

### 3.2 Conditions precedent and Conditions Subsequent

(a) The Loan Agreement Completion Date shall only come into effect once the Agent has confirmed that the Conditions Precedent to the Loan Agreement Completion Date have been satisfied to its satisfaction.

(b) No drawing may be made under the Loan Agreement until the Agent receives the documents and evidence required to satisfy the Conditions Precedent to Drawing.

(c) Any Conditions Subsequent must be complied with in accordance with the terms of the Offer Letter and failure to do will be an Event of Default as described in Condition 12.1(b) of the Borrower Terms and Conditions.

3.3 **Initial advance**

Subject to Condition 3.2(b) and provided that no breach of any of the representations and warranties set out in Condition 10 of the Borrower Terms and Conditions has occurred or is outstanding, each Investor agrees to make available to the Borrower:

(a) a Loan in the amount agreed between Folk2Folk and each Investor, the aggregate amount of such Loans being the amount of the Loan Advance; and

(b) subject to Condition 3.4 (*Further advances*) any Further Advance as may be made by such Investor to the Borrower,

on the condition that repayment of the Loan Advance and any Further Advance together with interest is secured by a Security Document.

3.4 **Further advances**

(a) Folk2Folk may obtain an updated valuation prior to a Further Advance. Folk2Folk will not need to obtain the consent of any Investor in the Investor Pool prior to the making of any offer of a Further Advance.

(b) Subject to Condition 3.2(b) and the requirements in this Condition 3.4, the Investor may make a Further Advance provided the Borrower has:

(i) signed and delivered to Folk2Folk an Offer Letter in respect of the Further Advance setting out the amount and terms of the Further Advance;

(ii) received confirmation from Folk2Folk that the security constituted by the Security Documents has been further reviewed and passed as satisfactory to support the Further Advance and that further funds may be drawn down;

(iii) paid all interest previously falling due under the terms of the relevant Loan Agreement on the due date for payment (unless otherwise waived by Folk2Folk), and

(iv) otherwise in all respects and at all times observed and performed its obligations under the Finance Documents.

3.5 **Investors' rights and obligations**

(a) Once an Investor has committed funds to an investment opportunity through the Platform, Folk2Folk will email that Investor to confirm that investment. Once that investment has been confirmed, an Investor will be unable to withdraw from that investment opportunity. On and from the Loan Agreement Completion Date, an Investor may sell, in whole or in part, any Transferable Loan to a New Investor, approved by Folk2Folk through the Secondary Market in accordance with Condition 13 (*Secondary Market*) of these Investor Terms and Conditions.

(b) The obligations of each Investor under the Finance Documents are several. Failure by an Investor to perform its obligations under the Finance Documents does not affect the obligations of any other party under the Finance Documents. No Investor is responsible for the obligations of any other Investor under the Finance Documents.

(c) An Investor may constitute one or more individuals investing jointly ("**Joint Investor**") through the Platform. An individual's liability as a Joint Investor shall be joint and several. The Agent shall be entitled to rely on an instruction received from any one individual who is a Joint Investor as an instruction from all individuals of that Joint Investor and shall have no obligation to investigate to what extent such instructions are agreed by all individuals constituting such Joint Investor.

(d) The rights of each Investor under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to an Investor from the Borrower is a separate and independent debt in respect of which an Investor shall be entitled to enforce its rights in accordance with Condition 3.5(f) below. The rights of each Investor include any debt owing to that Investor under the Finance Documents and, for the avoidance of doubt, any part of a Loan or any other amount owed by the Borrower which relates to an Investor's participation in a Loan (including any such amount payable to Folk2Folk on its behalf) is a debt owing to that Investor by the Borrower.

(e) Following the Loan Agreement Completion Date, where there is more than one Investor whose Loan is governed by a Loan Agreement, any instructions requested by Folk2Folk shall require, of those who vote, the majority Investors (by value) in relation to the aggregate of such Loans to consent to any such instruction given to the Agent.

(f) Notwithstanding any other term of the Terms and Conditions or any other term of any Finance Document, an Investor may not separately enforce its rights under or in connection with the Finance Documents, except through the Agent and the Security Trustee.

## 4 REPAYMENT

4.1 Unless due earlier, all monies owing by the Borrower under the Finance Documents will become due and payable on the Final Repayment Date.

4.2 Each Loan must be repaid in full by the Final Repayment Date.

4.3 If the Borrower fails to repay the full Outstanding Loan Amount on the Final Repayment Date then it is in breach of the Loan Agreement, and such failure to pay such amounts shall be an Event of Default for the purpose of the Loan Agreement.

4.4 If the Borrower misses a payment or only partially pays the amount due the Loan will immediately become Impaired.

4.5 Notwithstanding any other Condition of the Terms and Conditions, if the Borrower fails to repay the Loan on the Final Repayment Date, the following shall be enforced:

(a) on and from the Final Repayment Date up to the date that is three months after the Final Repayment Date:

(i) the Borrower shall pay to Folk2Folk an Additional Management Fee on the Outstanding Loan Amount for its administration of the late payment and shall continue to pay the Annual Arrangement Fee until termination of the Loan, together with any other additional fees payable to Folk2Folk in accordance with the Terms and Conditions; and

(ii) the Reduced Interest Rate will no longer be applied and interest will accrue at the Interest Rate.

(b) on and from the date that is three months after the Final Repayment Date:

(i) the Borrower shall pay to Folk2Folk an Additional Management Fee on the Outstanding Loan Amount for its administration of the late payment and shall continue to pay the Annual Arrangement Fee until termination of the Loan, together with any other additional fees payable to Folk2Folk in accordance with the Terms and Conditions;

(ii) the Interest Rate will no longer be applied and interest will accrue at the Past Maturity Default Interest Rate; and

(iii) the Borrower shall pay to Folk2Folk the Past Maturity Management Fee on the Outstanding Loan Amount.

## 5 PREPAYMENT

5.1 Prepayment of a Loan in whole or in part (but if in part, by an amount that reduces the Loan by a minimum amount of £40,000 and does not leave an amount outstanding of less than the Minimum Amount under any Loan Contract) shall be subject to a Prepayment Fee which shall be due and payable on such prepayment.

5.2 Consent to partial repayment of a Loan shall be subject to the absolute discretion of the Agent. The Agent may obtain an updated valuation prior to a partial prepayment or in connection with a Prepayment Notice. Any Valuation Fee will be payable by the Borrower before the valuation is carried out.

5.3 If the Agent accepts a request from the Borrower to partially prepay a Loan, Folk2Folk may, in its sole discretion, not apply such amounts pari passu between Loans to proportionately reduce the individual Loans of each member of the Investor Pool and may apply such amounts to reduce and/or repay specific individual Loans only.

5.4 The Borrower may prepay a Loan earlier than the Scheduled Repayment Date, but not before the date 6 months after the Loan Agreement Completion Date, provided it provides to the Agent a Prepayment Notice and pays the Prepayment Fee and any other fees, costs and expenses referred to in the Terms and Conditions.

5.5 Where an Investor's Loan is prepaid, and the Borrower pays the Prepayment Fee, the Investor will receive the Prepayment Fee Split.

## 6 INTEREST

6.1 Following Completion, the monthly payments of interest, at the agreed interest rate, together with the Interest Payment Dates in respect of a Loan will be set out in the Offer Letter or Loan Agreement Completion Notice (as applicable) and become payable.

6.2 Subject to Condition 6.4, the Borrower shall pay interest (in arrears) on each Loan Advance or Further Advance to the Agent at the Reduced Interest Rate by equal monthly payments on each Interest Payment Date by direct debit (unless otherwise agreed) to such account of the Agent as notified to the Borrower by the Agent from time to time.

6.3 Interest shall continue to be payable before and after any judgement or decree, or the administration or liquidation or, as appropriate, bankruptcy, sequestration, death or insanity of the Borrower.

6.4 Without prejudice to Condition 4.5 of the Terms and Conditions:

(a) if the Borrower (i) fails to pay any amount payable by it under a Finance Document or (ii) fails to observe and perform its obligations under the Finance Documents, interest shall accrue on the overdue amount from day 15 after the due date up to the date of actual payment (both before and after judgment) at the Interest Rate;

(b) if, following an Event of Default, the Agent declares that interest is payable on all or part of the Loans interest shall accrue on such amounts from the date of such declaration until the date of payment in full of the Loans (or relevant part of them) or such date as the Agent declares that such Event of Default has been remedied or waived) at the Interest Rate.

6.5 In the case where redemption or transfer of a Loan takes place part way through the year, or in the event that a 'part year' accrual is required for any other reason, the amount due shall be calculated by the Agent (using the loan management system in place from time to time) and a certificate provided by the Agent stating such amount due as determined by the Agent shall be, in the absence of manifest error, conclusive.

6.6 All sums of interest received by the Agent in respect of a Loan Agreement shall be applied pro rata across all Loans (taking into account the amount outstanding to each Investor under each Loan Contract and proportionate to the aggregate Outstanding Loan Amount).

6.7 The Interest Payment Dates for the Borrower shall be four (4) days before the Interest Due Date on which an Investor is to receive the payment in order to ensure that funds are received in sufficient time for Folk2Folk to distribute to that Investor. If an Interest Due Date would otherwise end on a day which is not a Business Day, that Interest Due Date shall, instead, be the day that is two (2) Business Days later (to allow Folk2Folk time to process payments).

6.8 Notwithstanding any other term of these Investor Terms and Conditions, each Investor hereby agrees and acknowledges that in the event the Agent receives a partial payment of interest or capital in respect of a Loan, the Agent may (in its absolute discretion) choose to delay distribution of the relevant interest or capital payment to the relevant Investor(s) for a period of up to 30 days in order to permit the Borrower to make payment in full of any amounts outstanding, prior to distribution. Any exercise of discretion by the Agent under this Condition 6.8 shall not constitute a waiver of any right or remedy available to it under the terms of the Finance Documents.

6.9 In certain circumstances, the Agent will take additional action as it sees fit to pursue missed payments or Loans in default where the Agent considers this to be in the best interests of the Investors, including but not limited to referring the missed payment to a Panel Firm of Solicitors, who will attempt to collect the money on an Investor's behalf and

each Investor authorises the Agent to use a Panel Firm of Solicitors on their behalf. Such costs are payable by the Borrower. The Agent will deduct its reasonable costs from any amount recovered from the Borrower or from any enforcement action taken, including the sale of the Property.

6.10 In the event of any Impairment other than as contemplated in Condition 4.5 of the Terms and Conditions, the Reduced Interest Rate payable will, from day 15 after the Interest Due Date, revert to the Interest Rate until any Events of Default, which are continuing, have been waived, at which time the interest shall once again be charged at the Reduced Interest Rate.

6.11 To the extent that the amounts received from the repayment of the Loans are insufficient to meet any fees, costs and expenses incurred, each Investor shall be required to bear a proportion of such costs and expenses (proportionate to their participation in the Loan commitment and the Loan Advance prior to the repayment). An Investor will never be required to bear a share of such costs and expenses where there is no recovery of the Outstanding Loan Amount from the Borrower.

6.12 For the avoidance of doubt, Folk2Folk is not obliged to pay to the Investors accrued interest (if any) in respect of amounts held in the client account of Folk2Folk or a Panel Firm of Solicitors in respect of a Loan.

## 7 FEES

7.1 The fees and costs in respect of a Loan are set out in detail in the Fee Schedule on the Platform and are not negotiable. Folk2Folk may choose to amend, waive or reduce the Investor fees from time to time and in its absolute discretion.

7.2 To the extent that the Loan Agreement Completion Date and Completion are not simultaneous, the Borrower shall pay to the Agent the Commitment Fee in lieu of interest with effect from the Loan Agreement Completion Date until Completion.

## 8 COSTS AND EXPENSES

### 8.1 Transaction expenses

The Borrower shall, promptly on demand, pay Folk2Folk and/or the Security Trustee the amount of all costs and expenses (including Legal Fees and Disbursements) reasonably incurred by any of them (and, in the case of the Security Trustee, by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution and perfection of:

(a) the Loan Agreement and any other documents referred to in the Loan Agreement and the Security Documents; and

(b) any other Finance Documents executed after the date of the Offer Letter,

and (where applicable) the Borrower irrevocably authorises Folk2Folk to deduct these fees from the Loan Advance.

8.2 **Amendment costs**

If the Borrower requests an amendment, waiver or consent (to prepayment or otherwise), the Borrower shall, promptly on demand, pay Folk2Folk and/or the Security Trustee the amount of all costs and expenses (including Legal Fees) reasonably incurred by any of them in responding to, evaluating, negotiating or complying with that request or requirement, including any Valuation Fee in connection with obtaining an updated valuation.

**8.3 Release costs**

The Borrower shall, promptly on demand, pay Folk2Folk and/or the Security Trustee the amount of all costs and expenses (including Legal Fees and any security release fees as specified in the Fee Schedule from time to time) reasonably incurred by any of them in relation to the discharge and release of the security interests created by the Security Documents and any Guarantee.

8.4 **Enforcement costs**

The Borrower shall, promptly on demand, pay Folk2Folk and/or the Security Trustee the amount of all costs and expenses (including Legal Fees) incurred by any of them (and, in the case of the Security Trustee, by any Receiver or Delegate) in connection with the enforcement of or the protection or preservation of any rights under any Finance Document.

**9 INDEMNITY FOR AGENT AND SECURITY TRUSTEE**

9.1

(a) Each Investor shall, in proportion to its participation in a Loan, immediately indemnify the Agent, the Security Trustee, every Receiver and every Delegate within 3 Business Days of demand, against any cost, loss or liability incurred by any of them (otherwise than by reason of the Agent's, the Security Trustee's Receiver's or Delegate's gross negligence or wilful misconduct) in acting as the Agent, the Security Trustee, a Receiver or a Delegate in connection with a Loan, unless the Agent, the Security Trustee, a Receiver or a Delegate has been reimbursed by a Borrower, guarantor or Third Party Provider under the relevant Finance Document.

(b) The Borrower shall, pursuant to Condition 9.4(b)(i) of the Borrower Terms and Conditions, immediately on demand reimburse any Investor for any payment that Investor makes to the Agent or the Security Trustee pursuant to Condition 9.1(a) above.

9.2 For the avoidance of doubt, the Agent or the Security Trustee, may refrain from exercising any rights under any Finance Document until it has received any indemnification and/or security that it may in its discretion require (which may include payment in advance) for any cost, loss or liability which it may incur in carrying out its duties or exercising its rights.

**10 INVESTOR REPRESENTATIONS AND WARRANTIES**

Upon the date of Borrower Acceptance, any drawdown of a Loan and each day that any amounts are outstanding under the Finance Documents, whether of principal or otherwise, each Investor represents and warrants and is deemed to represent and warrant to each other Finance Party that:

10.1 they are an individual, sole trader, partnership, a Limited Liability Partnership (LLP), limited company, personal or company pension fund, charity, trust, or public body;

10.2 they are resident for tax purposes in the UK;

10.3 if it is a company, be incorporated and registered and have a permanent place of business in England and Wales, Scotland or Northern Ireland and be registered with Companies House (or equivalent);

10.4 if it is a company, it is not incorporated or registered in and/or a high-risk jurisdiction, as defined from time to time by HM Government, and has complied with all Folk2Folk's due diligence requirements (including any enhanced due diligence checks, as appliable);

10.5 if an individual, they are permanently resident in the UK (excluding the Channel Islands and the Isle of Man) and over 18 years old:

10.6 if a public body, it is registered or formed with the relevant authority in the UK (excluding the Channel Islands and Isle of Man);

10.7 is not a Borrower with Folk2Folk with amounts outstanding in respect of any Loan;

10.8 if it is not authorised by the FCA to enter into regulated credit agreements (as defined in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (as amended) ("the RAO")), it is not lending in the course of business or carrying out any type of regulated consumer credit activity;

10.9 if it is authorised by the FCA to enter into regulated consumer credit agreements (as defined in the RAO), it shall not use the Platform to lend to individuals, sole traders and

partnerships with three or fewer partners or otherwise use Folk2Folk to carry out a consumer credit business;

10.10 all information provided by the Investor in the course of the registration process on the Platform and lending process is and remains true and accurate in all respects and it will promptly update Folk2Folk if any of the information provided to Folk2Folk becomes untrue, inaccurate or misleading; and

10.11 it has taken all reasonable precautions to ensure that any data it uploads or otherwise submits to the Platform is free from viruses and / or anything else which may have a contaminating or destructive effect on any part of the Platform or any other technology associated with the Platform.

**11 INVESTOR UNDERTAKINGS**

Each Investor undertakes to the Agent and Security Trustee that:

(a) it will not transfer a loan to which it is party except through the Platform; and

(b) it will promptly notify them if any of the representations and warranties given by it under Condition 12 (*Investor representations and warranties*) cease to be true and accurate.

**12 EVENTS OF DEFAULT**

12.1 Each of the events set out in Condition 12 of the Borrower Terms and Conditions is an Event of Default

12.2 Acceleration

On and at any time after the occurrence of an Event of Default and while it is continuing the Agent may by written notice:

(a) cancel the Loan or any specified part of it at which time the Loan (or as appropriate the specified part of it) shall immediately be cancelled;

(b) declare that all or any part of the Loans, accrued interest and/or any other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable;

(c) declare that all or any part of the Loans be payable on demand, at which time it shall immediately become payable on demand by Folk2Folk;

(d) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents and or instruct the Security Trustee to exercise any or all of its rights,

remedies, powers or discretions under the Finance Documents (as applicable); and/or

(e) apply the Interest Rate or Past Maturity Default Interest Rate (as applicable) to the Loans or any part of it as if it were due but unpaid.

12.3 Interest shall continue to be charged on each Loan in accordance with the provisions of Condition 6 and Condition 4.7 of the Terms and Conditions until such Loan is repaid and the outstanding interest and other sums due are irrevocably repaid in full.

12.4 No delay or omission on the part of Folk2Folk or the Security Trustee (as applicable) for and on behalf of the Investor(s) in exercising any right or power under the Terms and Conditions and in accordance with this Condition 12 shall impair such right or power, and any single or partial exercise of such right or power shall not preclude any other or further exercise or the exercise of any other right or power. The rights and remedies of Folk2Folk or the Security Trustee (as applicable) for and on behalf of the Investor(s) in respect of a Loan are cumulative and not exclusive of any right or remedy provided by law.

**13 SECONDARY MARKET**

13.1 Subject to the terms of this Condition 13, an Existing Investor may sell, in whole or in part, any Transferable Loan to a New Investor, approved by Folk2Folk through the Secondary Market on and from the Loan Agreement Completion Date.

13.2 The Agent may in its absolute discretion use the Secondary Market to sell an existing Loan on behalf of an Existing Investor and in these instances only, these types of Loans shall also be Transferable Loans pursuant to Condition 13.1 above.

13.3 When a Transferable Loan is made available on the Secondary Market (in whole or part) it will be made available in Tranches of the then Minimum Amount and if there is an amount less than the Minimum Amount this shall be added to one or more Tranches. The distribution of this amount to the Tranches shall be at the Agent's absolute discretion.

13.4 The Tranches of the Transferable Loan may be sold separately and independently. The Existing Investor may therefore attempt to sell all its Transferable Loan but only sell part of its Loan. The rights to withdraw any or all the Tranches are in Condition 13.5 below.

13.5 Any Transferable Loan may be sold through the Secondary Market provided that:

(a) a sale of part of any Transferable Loan must be completed in one or more Tranches of no less than the Minimum Amount;

(b) the Transferable Loan is not currently Impaired and an Event of Default is not continuing;

(c) if the Transferable Loan was previously Impaired that at least 3 months have passed since the date it was no longer Impaired; and

(d) upon a sale of part of any Transferable Loan, no less than the Minimum Amount must remain owing to the Existing Investor.

13.6 A Transferable Loan may only be sold at Par Value.

13.7 All Transferable Loans for sale shall be made available on the Secondary Market. Folk2Folk shall have absolute discretion as to whether a Transferable Loan is placed for sale on the Secondary Market and may refuse to place a Transferable Loan on the Secondary Market but shall use reasonable endeavours to provide the Existing Investor with reasons as soon as practicable. For the avoidance of doubt Folk2Folk may not (in its absolute discretion) make available a Transferable Loan on the Secondary Market until it has received in cleared funds the Listing Fee.

13.8 The details of the Transferable Loan available for sale to be provided by the Existing Investor on the Secondary Market must include:

(a) the Par Value of the whole Transferable Loan and/or each Tranche;

(b) the total amount of principal outstanding under the Transferable Loan under the applicable Loan Contract;

(c) the Reduced Interest Rate and the Interest Rate relating to that Transferable Loan;

(d) the Scheduled Repayment Date relating to that Transferable Loan;

(e) any Potential Impairment relating to that Transferable Loan; and

(f) a Transfer Certificate duly completed.

13.9 The details of the Transferable Loan available for sale to be provided by Folk2Folk on the Secondary Market may include the total amount outstanding under the Loan Agreement to all the Investors.

13.10 Folk2Folk does not determine whether a Loan is suitable to be placed on the Secondary Market. All New Investors must make their own enquiries and seek independent legal and financial advice.

13.11 A Transferable Loan shall be sold by the Existing Investor to the first New Investor who confirms their Valid Bid to acquire the relevant Transferable Loan (or part of a Transferable Loan) via the Secondary Market.

13.12 A New Investor may not withdraw from a purchase of the whole or part of a Transferable Loan at any time once they have committed funds via the “Invest Now” process on the Platform.

13.13 An Existing Investor may withdraw from a sale of the whole or part of a Transferable Loan after it has been made available for sale on the Secondary Market at any time prior to a New Investor committing funds to that loan on the Platform. The Existing Investor must provide written notice of such withdrawal to Folk2Folk. The Secondary Market is an online Platform and a listed Transferable Loan will only be removed from sale once Folk2Folk has manually taken it down from the Platform and if a New Investor commits funds via the Platform before the Transferable Loan is removed from its listing on the Platform, the sale of such Transferable Loan will complete in any event.

**14 TRANSFERABILITY AND EXIT FOR INVESTORS**

14.1 Subject to this Condition 14 and to the specific terms of the relevant Loan Agreement, an Existing Investor may transfer by novation any of its rights and obligations in connection with a Loan in respect of which it is an Investor to a New Investor.

14.2 A transfer will only be effective on the date Folk2Folk executes the Transfer Certificate.

14.3 Subject to Condition 14.5 below, a transfer is effected when Folk2Folk executes a Transfer Certificate.

14.4 Folk2Folk shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Investor once all of the following have been satisfied:

(a) the New Investor has complied with all necessary checks under all applicable laws and regulations in relation to the transfer to the New Investor;

(b) receipt by Folk2Folk of a Transfer Certificate executed on behalf of the Existing Investor; and

(c) receipt of the Transfer Amount into the Folk2Folk client account.

14.5 On the Transfer Date:

(a) to the extent that in the Transfer Certificate the Existing Investor seeks to transfer by novation its rights and obligations under the Finance Documents each of the Borrower and the Existing Investor shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled (being the "**Discharged Rights and Obligations**");

(b) each of the Borrower and the New Investor shall assume obligations towards one another and/or acquire rights against one another on identical terms to the Discharged Rights and Obligations save that the New Investor shall be the Investor going forward in place of the Existing Investor;

(c) Folk2Folk, the New Investor and the other Investors shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Investor been an original Investor with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent, Folk2Folk and the Existing Investor shall be released from further obligations to each other under the Finance Documents relating to that Loan; and

(d) the New Investor shall become a party to the Loan Agreement as an Investor.

14.6 For the avoidance of doubt, neither Folk2Folk, nor any Investor shall be required to provide a copy of a Transfer Certificate to the relevant Borrower, nor notify the Borrower of any transfer effected in accordance with the terms of this Condition 14 and the consent of the Borrower is not required to effect such transfer.

14.7 Folk2Folk may in its absolute discretion approve and facilitate a Connected Substitution in accordance with Condition 14, and the Investor shall, within five (5) Business Days of demand, pay to the Agent and/or the Security Trustee the amount of all costs and expenses (including Legal Fees and internal costs) incurred by Folk2Folk and its legal advisors in connection with such a Connected Substitution, together with the Connected Substitution Fee (as detailed in the Fee Schedule).

14.8 By signing up to use Folk2Folk and the Platform, each Investor acknowledges that it may not transfer a Loan other than pursuant to this Condition 14.

14.9 At any time, Folk2Folk, or a nominee on its behalf, may (without notice to an Investor) effect a transfer of a Loan and the Finance Documents by paying to the relevant Investor the amounts due to it under the relevant Loan up to and including the transfer date. Folk2Folk will contact the outgoing Investor with regard to the funds flow process. Subject to a transfer taking effect in accordance with Condition 22.1 (*Investor Termination*), an Investor may re-invest in another Loan via the Platform at its discretion.

14.10 **Connected Substitute**

(a) An Investor may, subject to prior written consent of Folk2Folk (such consent in Folk2Folk's absolute discretion), transfer its interest in a Loan Contract by way of a Connected Substitution.

(b) If Folk2Folk consents to the substitution, then this Condition 14 shall apply.

(c) The Investor shall pay the Connected Substitution Fee (together with all other applicable fees in accordance with the Terms and Conditions) to Folk2Folk prior to completion of the Transfer. Folk2Folk may in its absolute discretion waive the Connected Substitution Fee or other such fees.

(d) For the avoidance of doubt, following a Connected Substitution (a change of name), the incoming Investor receives no information about the Loan.

## 15 ROLE OF THE AGENT AND SECURITY TRUSTEE

### 15.1 The role of the Agent

(a) Each Investor and the Security Trustee appoints the Agent to act as its agent under and in connection with the Terms and Conditions and any Finance Documents and to undertake the day to day administration of each Loan. Such administration shall be at the absolute discretion of the Agent.

(b) Each Investor authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Investor and the Agent (as applicable) under or in connection with the Terms and Conditions and any Finance Documents together with any incidental rights, powers, authorities and discretions.

(c) The authorisations referred to at Condition 15.1(b) above expressly include the power of the Agent to consent to second-ranking legal charges in relation to any Property.

(d) Nothing in any Finance Document constitutes the Agent as a trustee or fiduciary of any other person.

(e) The Agent shall not be bound to account to any Investor for any sum or the profit element of any sum received by it for its own account.

(f) The Agent reserves the right to decline to act on any instruction from the Investor if any of the events listed in Condition 22.1 (*Investor Termination*) have occurred.

(g) Each Investor appoints the Agent to sign Offer Letters and other Finance Documents on its behalf. The Investor agrees and appoints Folk2Folk to act as agent in respect of the Loan including but not limited to any applications by the Borrower for consent by the Investors (by way of illustration only an application to consent to an underlease at the Property). Each Investor agrees to ratify any actions undertaken by the Agent.

(h) Each Investor acknowledges that none of the Agent, Folk2Folk or Folk Nominee Limited shall be liable in respect of any damages, costs or losses suffered by that

Investor as a result of investing through the Platform, other than as a result of fraud committed by the Agent, Folk2Folk or Folk Nominee Limited.

(i) Each Investor acknowledges that all decisions of an Investor Pool will be passed by majority vote (being from those who choose to vote, holding (in sum) more than 50% of the Outstanding Loan Amount). For the avoidance of doubt, where two individuals have participated in a Loan acting as one Investor, that Investor shall have 1 vote.

15.2 **Security and the role of the Security Trustee**

(a) Each Loan and the Borrower's obligations under the associated Loan Agreement will be secured by way of a first legal charge (unless otherwise agreed) or a first-ranking standard security (where the Property is situated in Scotland) granted by the Borrower or Third-Party Provider in favour of the Security Trustee for the benefit of the Investor. If the Borrower is unable to make any payment under a Loan on the due date and/or the Borrower defaults in meeting any material obligations in respect of a Loan, the Agent may:

(i) enforce or instruct the Security Trustee to enforce any Guarantee provided in connection with a Loan; and/or

(ii) instruct the Security Trustee to enforce the Security Document on behalf of the Investor.

(b) The Security Trustee holds the security created by the Security Documents provided by the Borrower on bare trust for each Investor. An Investor should ensure it is familiar with this arrangement prior to entering into a Loan.

(c) The Borrower agrees to maintain adequate insurance over any Property provided as security to the Agent's satisfaction. The Borrower will also provide a copy of a valid and up to date insurance policy promptly following receipt, together with evidence of the payment of all premiums being up to date. The level of such insurance shall be at least the value of the Property or the Loan Advance (whichever is greater).

(d) The Agent retains the discretion to replace the Security Trustee with an independent trust company in order to allow the relevant Security Documents to continue to be held on trust for and on behalf of an Investor.

(e) An Investor shall not have any independent power to enforce, or have recourse to, any Security Document, Guarantee or valuation, or to exercise any right, power, authority or discretion arising under the same except through the Security Trustee.

**15.3 Enforcement action**

If at any time following Impairment of a Loan, whether as a result of a missed payment or otherwise, Folk2Folk may (in its absolute discretion considering the best interests of the Investor(s)) appoint a Panel Firm of Solicitors to take corrective action (to the extent possible) for and on behalf of each Investor. An Investor may not appoint an independent law firm to take such action.

**15.4 Successor**

Each Investor and each Borrower acknowledges that Folk2Folk may, by notice to each Investor and each Borrower, resign and appoint a nominee or affiliate acting through an office in the United Kingdom as successor ("**Successor**"). Folk2Folk shall make available to the Successor all documents and records and provide such assistance as the Successor may reasonably request for the purposes of performing its function as successor to Folk2Folk.

**16 PRIORITY OF PAYMENTS**

16.1 Following enforcement of a Security Document, all sums received by virtue of that Security Document by the Security Trustee or any Receiver (as defined in such Security Document) shall, subject to the payment of any claim having priority to such Security Document, be paid or applied in the following order of priority:

(a) firstly, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Security Trustee as agent for the Investors and/or as trustee in relation to the Security Document, or by any Receiver (including legal expenses), together with interest at the Interest Rate or Past Maturity Default Interest Rate (as applicable) (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full or other person entitled to it;

(b) secondly, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Trustee or any Receiver;

(c) thirdly, in or towards payment of any Secured Liabilities (as such term is defined in the relevant Security Document) due and payable but unpaid to any Finance Party (as such term is defined in any Senior Debt Document (as defined in Condition 17.3)) other than an Investor or Lender (as defined therein);

(d) fourthly, in or towards payment of any Secured Liabilities (as such term is defined in the relevant Security Document) due and payable but unpaid to any Finance

Party (as such term is defined in any Debt Document (as defined in Condition 17.1)) other than an Investor or Lender (as defined therein);

(e) fifthly, in or towards payment of any Secured Liabilities (as such term is defined in the relevant Security Document) due and payable but unpaid to any Finance Party (as such term is defined in any Junior Debt Document (as defined in Condition 17.4)) other than an Investor or Lender (as defined therein);

(f) sixthly, in or towards payment of any other Secured Liabilities (as such term is defined in the relevant Security Document) due and payable but unpaid to any Finance Party under the Senior Debt Documents;

(g) seventhly, in or towards payment of any other Secured Liabilities (as such term is defined in the relevant Security Document) due and payable but unpaid to any Finance Party under the Debt Documents;

(h) eighthly, in or towards payment of any other Secured Liabilities (as such term is defined in the relevant Security Document) due and payable but unpaid to any Finance Party under the Junior Debt Documents; and

(i) ninthly, in the payment of the surplus (if any), to the Borrower or any other person entitled to it,

and section 109(8) of the LPA shall not apply.

16.2 Notwithstanding any other term of the Security Document, all sums received by the Security Trustee or any Receiver by virtue of the Security Document to be used in or towards payment of the Secured Liabilities shall be applied in order of priority commencing with the first loan agreement from time to time entered into by the Borrower and arranged by Folk2Folk, and continuing to apply such monies until the Secured Liabilities under each subsequent loan agreement from time to time entered into by the Borrower and arranged by Folk2Folk (if any) have been discharged.

16.3 Following enforcement of a Guarantee, all sums received by virtue of that Guarantee by the Security Trustee or any Delegate (as defined in such Guarantee) shall, subject to the payment of any claim having priority to such Guarantee, be paid or applied in the order of priority detailed in Condition 16.1 and the term “Security Document” shall be deemed to refer to the term “Guarantee” and the term “Secured Liabilities” shall be deemed to refer to the term “Guaranteed Moneys” (as such term is defined in the relevant Guarantee) and as set out in the relevant Guarantee.

16.4 Notwithstanding any other term of the Guarantee, all sums received by the Security Trustee or any Receiver by virtue of the Guarantee to be used in or towards payment of the Guaranteed Moneys shall be applied in order of priority commencing with the first

Loan Agreement from time to time entered into by the Borrower and arranged by Folk2Folk, and continuing to apply such monies until the Secured Liabilities under each subsequent Loan Agreement from time to time entered into by the Borrower and arranged by Folk2Folk (if any) have been discharged.

16.5 If the Borrower or an Investor becomes aware of Potential Impairment, it shall notify Folk2Folk of such Potential Impairment. Folk2Folk is hereby authorised by each Investor and each Borrower to take such action as Folk2Folk shall (in its absolute discretion) deem necessary in accordance with this Condition 16.

16.6 Each Investor agrees that, following the occurrence of an Event of Default which is continuing, the Agent may undertake a non-binding consultation with the Investors and following which it or the Security Trustee may (in its absolute discretion taking into account the best interests of the Investors) obtain third party funding in respect of the taking of any enforcement actions it is permitted to take.

## 17 RANKING AND SHARED SECURITY

17.1 Each Investor expressly agrees and acknowledges that the Security Document(s) and / or Guarantee (as applicable) granted in connection with the Loan Agreement and associated Finance Documents to which it is a party (the "**Debt Documents**") will secure and/or guarantee (as applicable) all amounts outstanding under the Debt Documents and any future loan agreements arranged by Folk2Folk as agent and entered into by an Investor and the Borrower from time to time (the "**Debt**").

17.2 Each Investor expressly agrees and acknowledges that the Security Document(s) and / or Guarantee (as applicable) as defined in the Debt Documents may, from time to time, secure and/or guarantee (as applicable) all amounts outstanding under other such loan agreements from time to time arranged by Folk2Folk as agent and entered into by that Borrower. Prior to an Investor's entry into the Debt Documents, Folk2Folk shall confirm to that Investor in writing any such pre-existing arrangements between the Borrower and Folk2Folk.

17.3 Each Investor consents to the subsistence of any such loan agreement arranged by Folk2Folk as agent and entered into by that Borrower from time to time and any associated Finance Documents entered into prior to the date of the Debt Documents which are secured by the Security Documents and/or guaranteed by a Guarantee (the "**Senior Debt Documents**") and to all amounts outstanding under any such Senior Debt Documents (the "**Senior Debt**") and expressly agrees and acknowledges that the Debt Documents and the Debt shall be subordinated to, and rank after, the Senior Debt Documents and the Senior Debt.

17.4 Each Investor consents to the creation and subsistence of such loan agreement arranged by Folk2Folk as agent and entered into by that Borrower from time to time and any associated Finance Documents entered into following the date of the Debt Documents which are to be secured by the Security Documents and/or guaranteed by a Guarantee (the "**Junior Debt Documents**") and to all amounts outstanding under any such Junior Debt Documents (the "**Junior Debt**") and that such Junior Debt may be secured by way of the Security Document(s) and/or guaranteed by a Guarantee of which it is a beneficiary. Each Investor expressly agrees and acknowledges that the Junior Debt Documents and the Junior Debt shall be subordinated to, and rank after, the Debt Documents and the Debt.

## 18 USE OF THE PLATFORM

18.1 By its use of the Platform, each Investor:

(a) agrees and acknowledges that each Investor is permitted to download and print content from the Platform solely for its own personal use or in the course of its business to the extent required to use the services provided on the Platform. The content of the Platform must not be copied or reproduced, modified, redistributed, used or otherwise dealt with for any other reason without Folk2Folk's express written consent;

(b) agrees to use the Platform only for lawful purposes and in a way, which does not infringe the rights of anyone else or restrict or inhibit anyone else's use and enjoyment of the Platform;

(c) agrees not to use the Platform or any information accessible on or obtained from it for the purpose of canvassing or soliciting any person or enticing any person away from Folk2Folk;

(d) confirms that it has taken all reasonable precautions to ensure that any data it uploads or otherwise submits to the Platform is free from viruses and anything else which may have a contaminating or destructive effect on any part of the Platform or any other technology.

## 19 INTELLECTUAL PROPERTY RIGHTS

19.1 Subject to Condition 19.3 below, as between an Investor and Folk2Folk, Folk2Folk own all present and future copyright, registered and unregistered trademarks, design rights, unregistered designs, database rights and all other present and future intellectual property rights and rights in the nature of intellectual property rights existing in or in relation to the Platform.

19.2 An Investor shall retain ownership of all copyright in data it uploads or submits to the Platform. Each Investor grants Folk2Folk a world-wide exclusive, royalty-free, non-terminable licence to use, copy, distribute, publish and transmit such data in any manner or otherwise in accordance with Folk2Folk's Privacy Policy.

19.3 Folk2Folk does not warrant or represent that the content of the Platform does not infringe the rights of any third party.

## 20 AN INVESTOR'S LIABILITY TO FOLK2FOLK

20.1 An Investor shall be liable to Folk2Folk for any loss or damage suffered by Folk2Folk as a result of any breach of the Investor Terms and Conditions as relates to Folk2Folk.

20.2 Each Investor agrees to indemnify Folk2Folk immediately on demand against any cost, loss or liability incurred by Folk2Folk as a result of its action or inaction.

## 21 FOLK2FOLK'S LIABILITY TO THE INVESTOR

21.1 Folk2Folk shall not be liable to an Investor for any loss or damage which an Investor may suffer as a result of being a user of Folk2Folk or using the services provided via Folk2Folk, except where such loss or damage is as a result of the wilful default or fraud of Folk2Folk or its employees. Folk2Folk is not responsible for any breach of the Terms and Conditions arising from circumstances outside its reasonable control.

21.2 Nothing in the Terms and Conditions shall limit Folk2Folk's liability for personal injury or death, fraud nor for any other liability, the exclusion or limitation of which is not permitted by applicable law or regulation.

## 22 TERMINATING YOUR ASSOCIATION WITH FOLK2FOLK

22.1 **Investor Termination**

(a) If an Investor no longer wants to be a user of Folk2Folk and provided that such Investor has no obligations in respect of a Loan, then the Investor can advise Folk2Folk accordingly in writing.

(b) Folk2Folk may in its absolute discretion (i) terminate funding discussions with the Investor, (ii) restrict the Investor's use of the Platform and (iii) effect a transfer in accordance with Condition 14.9 (*Transferability and exit for Investors*) at any time and for any reason, including but not limited to if:

(i) an Investor breaches the terms of any Finance Document;

(ii) Folk2Folk suspect that an Investor has:

(A) committed a fraud, been involved in money laundering or other criminal activities (including but not limited to using the Platform to send, use or reuse any material that is illegal, offensive, abusive, indecent, defamatory, obscene or menacing; or in breach of copyright, trademark, confidence, privacy or any other right; or is otherwise injurious to third parties; or objectionable; or which consists of or contains software viruses, political campaigning, commercial solicitation, chain letters, mass mailings or any "spam");

(B) used the Platform or any information accessible on or obtained from it for the purpose of canvassing or soliciting any person or enticing any person away from Folk2Folk;

(C) in any way caused, or is likely to cause, the Platform or access to it to be interrupted or damaged in any way;

(D) used the Platform to cause annoyance, inconvenience, needless anxiety or in an attempt to increase the cost burden of providing the Platform; or

(E) ceased to be resident for tax purposes in the UK.

## 23 RIGHT TO VARY THE TERMS AND CONDITIONS

Folk2Folk reserve the right to amend, vary, alter or replace the Terms and Conditions at any time to comply with law or to meet our changing business requirements by posting the updated version to the relevant page on the Platform. We may not always be able to give the Investor advance notice of such updates or amendments but we will always post them on the Platform. Each Investor is expected to check this page from time to time to take notice of any changes we have made, as they are binding on the Investor. Some of the provisions contained in the Terms and Conditions may also be superseded by provisions or notices published elsewhere on the Platform. By continuing to use the Platform, the Investor agrees to be bound by the terms of such updates and amendments.

## 24 MISCELLANEOUS

### 24.1 Severability

24.2 Folk2Folk or the Security Trustee may, in whole or in part, release, compound, compromise, waive or postpone, in its absolute discretion, any liability owed to Folk2Folk or the Security Trustee or right granted to Folk2Folk or the Security Trustee in the Terms and Conditions without in any way prejudicing or affecting Folk2Folk or the Security

Trustee's rights in respect of that or any other liability or right not so released, compounded, compromised, waived or postponed.

24.3 Folk2Folk or the Security Trustee may exercise any of its rights under the Terms and Conditions by itself or through any company or other legal entity which is under the control or ownership of it.

24.4 Folk2Folk or the Security Trustee may appoint in its absolute discretion to its legal panel or otherwise appoint any firm or firms of solicitors to carry out any legal work from time to time.

**24.5 Continuing obligations**

All disclaimers, indemnities and exclusions in the Terms and Conditions shall survive termination of the Loan Agreement.

**24.6 Entire Agreement**

The Terms and Conditions together with the Finance Documents set out the entire agreement between the Investor and Folk2Folk with respect to the use of Folk2Folk, the Platform and the services provided and supersede any and all representations, communications and prior agreements (written or oral) made by the Investor or Folk2Folk.

**25 SET-OFF**

Folk2Folk, the Agent and / or the Security Trustee (as applicable) may set off any matured obligation due from a Borrower, guarantor or Third Party Provider under the Terms and Conditions and any Finance Documents (to the extent beneficially owned by that party) against any matured obligation owed by Folk2Folk, the Agent and / or the Security Trustee (as applicable) to that Borrower, guarantor or Third Party Provider, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, Folk2Folk, the Agent and / or the Security Trustee (as applicable) may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

**26 MONIES ON ACCOUNT**

26.1 Folk2Folk, the Agent and / or the Security Trustee (as applicable) may require (or the Borrower may request) that the Borrower make payments in advance in respect of future interest payments on a Loan or any fees and expenses incurred or to be incurred by or on behalf of Folk2Folk, the Agent and / or the Security Trustee (as applicable) ("**Monies on Account**").

26.2 Such Monies on Account may be paid into:

(a) the Debt Service Designated Account; or

(b) if agreed by the Borrower and Folk2Folk, to Folk2Folk to be placed in a designated client account,

and applied in payment of any interest due and payable on a Loan or any fees and expenses incurred or to be incurred by or on behalf of Folk2Folk, the Agent and / or the Security Trustee (as applicable).

**27 APPROPRIATIONS**

Notwithstanding any other term of the Terms and Conditions or any other term of any Finance Document, until all amounts which may be or become payable by a Borrower, guarantor or Third Party Provider under or in connection with the Terms and Conditions and any Finance Documents have been irrevocably paid in full, each of Folk2Folk, the Agent and / or the Security Trustee (as applicable) (or any trustee or agent on its behalf) may:

27.1 refrain from applying or enforcing any other moneys, security or rights held or received by Folk2Folk, the Agent and / or the Security Trustee (as applicable) (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Borrower, guarantor or Third Party Provider shall be entitled to the benefit of the same; and

27.2 hold in an interest-bearing suspense account any moneys received from any Borrower, guarantor or Third Party Provider or on account of any liability of a Borrower, guarantor or Third Party Provider.

**28 NOTICES**

28.1 Any communication to be made under or in connection with these Investor Terms and Conditions and any Finance Documents shall be made in writing and, unless otherwise stated, shall be made by via the Platform, by letter or by e-mail.

28.2 The address (and the department or officer, if any, for whose attention the communication is to be made) of each Investor for any communication or document to be made or delivered under or in connection with the Finance Documents (other than via the Platform) will be the address notified to Folk2Folk during the registration process or any substitute address or department or officer as the Investor may notify to Folk2Folk by not less than five Business Days' notice.

28.3 The address (and the department or officer, if any, for whose attention the communication is to be made) of Folk2Folk for any communication or document to be made or delivered under or in connection with these Investor Terms and Conditions and any Finance

Documents (other than via the Platform) will be Number One Business Centre, Western Road, Launceston, Cornwall, PL15 7FJ or any substitute address or department or officer as Folk2Folk may publish on the Platform from time to time.

28.4 Any communication or document made or delivered by one person to another under or in connection with these Investor Terms and Conditions and any Finance Documents will only be effective:

(a) if via the Platform, when published on the Platform; or

(b) if by way of letter, when it has been left at the relevant address or two Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address.

28.5 Any communication or document to be made or delivered to the Agent, Folk2Folk or the Security Trustee will be effective only when actually received by the Agent, Folk2Folk or the Security Trustee.

28.6 Any communication or document which becomes effective, in accordance with this Condition 28, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following Business Day.

28.7 Promptly upon changing its address or email address, each Investor shall notify Folk2Folk. An Investor can submit change of address details and e-mail address changes through the Investor portal.

28.8 Folk2Folk at its discretion may allow an Investor to request to receive all communications with Folk2Folk by letter (including any updates made to these Investor Terms and Conditions from time to time). This may be subject to an annual fee to be determined by Folk2Folk acting reasonably.

28.9 Any communication given under or in connection with the Investor Terms and Conditions and any Finance Document must be in English.

**29 CALCULATIONS AND CERTIFICATES**

29.1 Any certification or determination by Folk2Folk of a rate or amount under the Terms and Conditions or any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

29.2 Any interest under the Terms and Conditions or any Finance Document is calculated in advance on an annual basis and a year of 360 days and charged in 12 equal monthly instalments payable in arrears.

29.3 The final interest payment is calculated by Folk2Folk (using the loan management system in place from time to time) and a certificate provided by Folk2Folk stating such amount due as determined by Folk2Folk shall be, in the absence of manifest error, conclusive.

## 30 PARTIAL INVALIDITY

If, at any time, any provision of the Terms and Conditions or any Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

## 31 REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any of Folk2Folk, the Agent or the Security Trustee, any right or remedy under the Terms and Conditions or any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm the Terms and Conditions or any Finance Document. No election to affirm the Terms and Conditions or any Finance Document on the part of any Folk2Folk, the Agent or the Security Trustee shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Terms and Conditions or any Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

## 32 CONFIDENTIALITY AND PRIVACY POLICY

32.1 Each Investor acknowledges that the Confidential Information is confidential and is received by an Investor under a duty of confidentiality to Folk2Folk and that Folk2Folk agrees to:

(a) keep confidential all Confidential Information;

(b) not to disclose any Confidential Information to any person; and

(c) only use the Confidential Information for the purpose of properly evaluating the opportunity described therein with professional advisors.

32.2 The agreements and undertakings contained in Condition 32.1 shall not apply to Confidential Information:

(a) which, at the date of its disclosure to Folk2Folk, is already public knowledge, or which subsequently becomes public knowledge other than as a result (direct or indirect) of a disclosure in breach of the Terms and Conditions; or

(b) is identified in writing at the time of delivery as non-confidential by any Investor (or if relevant) any member of the Investor's group or any of its advisers; or

(c) to the extent that disclosure is required by any application law or order of a court of competent jurisdiction or by any supervisory or regulatory body.

32.3 Each Investor agrees that any and all personal information it provides to Folk2Folk via the Platform may be collected, stored, processed and used in accordance with Folk2Folk's current Privacy Policy.

**33 STANDBY SERVICER**

33.1 If there is Platform failure or Folk2Folk and / or the Security Trustee (a) becomes insolvent, (b) is unable to provide loan administration services or security trustee functions or (c) ceases trading or threaten to cease trading, it will transfer such services or functions to the Standby Servicer. Folk2Folk reserves the right to use the Standby Servicer prior to these events occurring where it believes such action is in the best interests of the Participants.

33.2 If the Standby Servicer does commence Wind Down Services, there may be interruption to or degradation in the services received. For example, the Investor may have to hold Loans to their full term because of unavailability of the Secondary Market and there may be limits on the availability and functionality of the Platform generally. The Standby Servicer will continue to operate Folk2Folk’s client accounts or put in place equivalent arrangements such that Investor funds are held separately from the Standby Servicer’s own funds.

33.3 The Standby Servicer may charge a fee for supply of the Wind Down Services.

33.4 If the Standby Servicer is engaged it will be able to benefit from the Terms and Conditions, the Finance Documents and any Loan Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 to enforce Folk2Folk’s and the Security Trustee’s rights for the purpose of supplying the Wind Down Services.

33.5 Folk2Folk may change the Standby Servicer or the Wind Down Service arrangements at any time without notice.

**34 COUNTERPARTS**

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of that Finance Document.

## 35 GOVERNING LAW AND ENFORCEMENT

### 35.1 Governing law

The Terms and Conditions and / or each Loan Agreement and any non-contractual obligations arising out of or in connection with them are governed and construed in accordance with English law. In the event of any matter or dispute arising out of or in connection with the Terms and Conditions and / or any Loan Agreement, each Participant, Folk2Folk and the Security Trustee shall submit to the non-exclusive jurisdiction of the English courts.

### 35.2 Enforcement

(a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with the Terms and Conditions or a Loan Agreement (including a dispute regarding the existence, validity or termination of the Terms and Conditions or a Loan Agreement) or any non-contractual obligation arising out of or in connection with it (a "**Dispute**").

(b) Each Participant, Folk2Folk, the Agent and the Security Trustee, together with each party to the Terms and Conditions or a Loan Agreement agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly none of each Participant, Folk2Folk, the Agent and the Security Trustee, together with each party to the Terms and Conditions or a Loan Agreement party to the Loan Agreement will argue to the contrary.

(c) This Condition 35.2 is for the benefit of each of Folk2Folk, the Agent and the Security Trustee for and on behalf of the Investor(s) and each Investor only. As a result, Folk2Folk, the Agent and or the Security Trustee (as applicable) for and on behalf of the Investor(s) shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, Folk2Folk, the Agent and or the Security Trustee (as applicable) for and on behalf of the Investor(s) may take concurrent proceedings in any number of jurisdictions.

## 36 CONTACTING FOLK2FOLK

36.1 Should an Investor have any questions about the Investor Terms and Conditions, or wish to contact Folk2Folk for any reason whatsoever, please contact Folk2Folk via the Platform or call 01566 773296, or write to Folk2Folk Ltd, Number One Business Centre, Western Road, Launceston, Cornwall PL15 7FJ.

36.2 If you wish to make a complaint please refer to our Complaints Procedure at http://www.folk2folk.com/complaints-procedure or email us at complaints@folk2folk.com,

or call 01566 773296, or write to Complaints, Folk2Folk Ltd, Number One Business Centre, Western Road, Launceston, Cornwall PL15 7FJ.