



ThinCats

Platform use and Lending Terms and Conditions

WARNING:

THERE IS NO GUARANTEE THAT YOUR INVESTMENT WILL BE REPAYED. YOUR CAPITAL IS AT RISK AND YOU MAY NOT RECEIVE YOUR BARGAINED FOR RETURNS. YOUR INVESTMENT IS NOT COVERED BY THE FINANCIAL SERVICES COMPENSATION SCHEME.

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ThinCats Terms and Conditions

1. Acceptance of the Terms and use of the Platform

- 1.1 Capitalised terms shall have the meanings given to them in the **Definitions** section set out at the end of these Terms.
- 1.2 These Terms outline the agreement between you and the ThinCats Group and (together with the terms of the Loan Documents in respect of which you have successfully bid for a Loan and the Supplemental Terms (if applicable)), shall form the basis on which you agree to lend money via the Platform to a Borrower. Any document published by a member of the ThinCats Group and that is referred to within these Terms shall also form part of these Terms and shall be deemed to be accepted and agreed to by you. Save with regards to the Loan Documents and the Supplemental Terms (if applicable), any irreconcilable inconsistency between any other document published by the ThinCats Group (including, but not limited to the User Guide), these Terms shall prevail. To the extent of any irreconcilable inconsistency between these Terms and the Loan Documents, the Loan Documents shall prevail. The Loan Documents will be available for inspection on written request of a Lender at the registered office of BLN.
- 1.3 Your use of the Platform in offering to make a Loan signifies that you have read, understood and agreed to these Terms.
- 1.4 To qualify for use of the Platform you must first be accepted as a Member. For qualification for Member status see paragraph 8 (Qualifying for Membership).
- 1.5 The rules of interpretation applicable to these Terms are set out in the “Principles of Interpretation” at the end of this document.
- 1.6 Please refer to paragraph 35.11 (General) for information regarding amendments to these Terms from time to time.
- 1.7 Unless specifically stated in these Terms all clauses shall apply to both Secured Loans and Unsecured Loans.

2. Risk Warning

The following risk warnings shall apply if you become a Member and choose to make a Loan via the Platform. By becoming a Member and making a Loan you represent to us that you accept these risk warnings and acknowledge that these risk warnings form the basis of your investment.

- 2.1 *No advice:* You should read these Terms carefully in order to understand whether an investment in a Loan (including but not limited to the distinction between a Secured Loan and an Unsecured Loan) through the Platform is appropriate for you and your financial circumstances. If you are uncertain whether a particular Loan is suitable to you, you should contact an independent financial adviser authorised and regulated by the FCA. You accept that no one in the ThinCats Group is responsible for providing, nor able to provide, you with investment or other advice or a recommendation of any kind whatsoever or give you an opinion on the appropriateness of the investment for your own individual circumstances. If you do decide to make an investment and become a Lender you accept that you must make your own assessment of the risks involved with making a Loan to a Borrower via the Platform and make your own investment decision. Our acceptance of an application by you for Membership does not infer any statement or opinion by the ThinCats Group as to the suitability or appropriateness

for you of an investment in any Loan. By using the Platform you confirm that you have the necessary experience and knowledge (either from your own information and experience or as a result of taking advice from an appropriately qualified professional) to understand the risks involved in making a Loan (including but not limited to the distinction between a Secured Loan and an Unsecured Loan).

- 2.2 *No Financial Services Compensation Scheme coverage:* **A Loan made by a Member on the Platform is not covered or otherwise insured under the Financial Services Compensation Scheme.** You should be aware that a Borrower to whom you make a Loan may not be able and/or willing to perform its interest payment and repayment of capital obligations under the Loan terms to you. You should also be aware that, although a Secured Loan will be secured against assets of the Borrower, the proceeds from the sale of the assets as part of an enforcement of Security may not be sufficient to fully cover the capital amount of your Secured Loan or payment of interest or any other amounts that may be due to you. In addition, enforcing on Security may also result in a delay in you receiving any recovery of your investment. Members should be aware that no Security is granted by a Borrower for Unsecured Loans and they will have no recourse to specific assets if the Borrower fails to repay. The ThinCats Group accepts no responsibility (whether as a guarantor or otherwise) for the Borrower's obligations under the Loan. You understand and accept that you may not receive your bargained-for returns on time or at all and that you may even lose your investment in its entirety. **There is no guarantee that your investment will be repaid. Your capital is at risk and you may not receive your bargained for returns.** You should only invest an amount that you are able to financially bear the risk of losing. The performance of your investment will depend largely on the ability and willingness of the Borrower to perform its obligations under the Loan and, in the case of Secured Loans only, on the value of any security and guarantees provided in support of the Borrower's obligations. The ThinCats Group makes no representations or assurances whatsoever as to the quality or likely success of an investment.
- 2.3 *Imbalance of knowledge and experience:* Members should be aware that other entities within the ThinCats Group may have exposure to a Borrower (either by way of a Loan or by holding shares or other types of equity). Members who make an investment in a Loan do so on the basis that they understand and accept the imbalance of knowledge, sophistication and resources available as between themselves and the ThinCats Group. You are not entitled to rely in any way on the ThinCats Group, whether by way of advice or investment recommendation.

3. Legal and Regulatory information

The Platform features various roles and functions performed by the entities within the ThinCats Group as follows:

- 3.1 The Platform is owned by BLN (trading as ThinCats.com). It holds an interim permission from the Financial Conduct Authority (No.660050). The operation of the Platform and its functions are more particularly described in paragraph 4.5 (Certain features of the Platform).
- 3.2 Lenders' Agent: ThinCats Loan Syndicates Limited, whose role, functions and responsibilities are more particularly described in paragraphs 13.1 and 13.2 (Appointment of the Lenders' Agent, Facility Agent and Security Agent).
- 3.3 Facility Agent: ThinCats Loan Syndicates Limited whose role, functions and responsibilities are more particularly described in paragraph 13.3 (Appointment of the Lenders' Agent, Facility Agent and Security Agent).
- 3.4 Security Agent: ThinCats Loan Syndicates Limited performs certain functions as a security agent in respect of Secured Loans only. Its role, functions and responsibilities are more particularly described in paragraph 13.4 (Appointment of the Lenders' Agent, Facility Agent and Security Agent).

4. Certain features of the Platform

- 4.1 *Profile of potential Borrowers:* The lending opportunities made available on the Platform are in respect of a wide range of UK businesses. Each opportunity shall be in respect of one Borrower. With Secured Loans only, the lending opportunity will be secured against the available assets of the Borrower.
- 4.2 *Syndicate lending:* The ThinCats peer to peer lending platform uses an internet based “platform” to put together individual lenders (called a “syndicate”), each such individual lender contributing a Loan, which together comprise a larger Aggregate Loan to a single Borrower. Due to the number of individual Lenders customarily involved in making Loans to a Borrower, which form the Aggregate Loan, ThinCats Loan Syndicates Limited (in its capacity as Lenders’ Agent), acts as agent for and on behalf of the individual Lenders in negotiating the final terms of and signing the Loan Documents on behalf of the Lenders.
- 4.3 *Security Agent:* The Security Agent is appointed for Secured Loans only to act as trustee for the individual Lenders and to hold the benefit of the Security provided by the Borrower on trust for the Lenders.
- 4.4 *Separate Loans:* When you make a Loan, it is made directly to one Borrower and your obligations to make that Loan is separate from the obligations of any other Lender who participates in the Syndicate. Each Loan to the Borrower (and, in the case of Secured Loans only, the Security for such Loan) is independent of any other Loan to any other Borrower and none of the Loans are dependent or related to the other. Failure by a Lender to perform its obligations under the Loan Documents does not affect the obligations of any other party under the Loan Documents. No Lender is responsible for the obligations of any other Lender under the Loan Documents.
- 4.5 *The Platform:* The Platform performs a facilitative and administrative function. The roles of the Lenders’ Agent, Facility Agent and Security Agent (for Secured Loans only) are described throughout these Terms (including in paragraph 13 (Appointment of the Lenders’ Agent, Facility Agent and Security Agent)).
- 4.5.1. *Facilitation:* The Platform serves as an introducing facility as between prospective borrowers and prospective lenders. These opportunities are introduced to the Platform by Sponsors. The Platform:
- arranges an auction of the lending opportunity;
 - facilitates the legal documentation for the Loan Documents and the collection of interest payments and capital repayments from the Borrower; and
 - facilitates the allocation of the interest payments and capital repayments to the Lenders in accordance with their pro rata (or proportionate) share of the Aggregate Loan.
- 4.5.2. *Administrative function:* When a Loan for which you have made a successful bid is drawn down by the Borrower, we will issue instructions to transfer your portion of the capital amount of the Aggregate Loan (together with the contributions from all other members of the Syndicate) to the bank account of the Borrower. The Loan Agreement provides that the Borrower must pay the Lender a set interest rate and must repay all capital. Your share of any interest and capital will be transferred into the Client Money Account until onward transmission to your personal bank account. You will be able to view the status of your Member Account online. More details of how the system works can be found on the Website and in these Terms.
- 4.6 *Loans in Default:* ThinCats Loan Syndicates Limited (as the Lenders’ Agent) will be appointed by you and the other Lenders to make decisions regarding the Loan Documents. This appointment includes

the power to agree amendments to the Loan Agreement with the Borrower without seeking the consent of or entering into consultation with you or the other Lenders. In particular the Lenders' Agent may take such action in the event that the Borrower commits a Default under its Loan or in other circumstances where amendments to the Loan Documents may be advisable. Unless the Lenders' Agent so decides in its absolute discretion, you will not be entitled to vote on the matter or influence the enforcement process. With Secured Loans in Default, the Lenders' Agent will be empowered to provide instructions to the Security Agent with regards to the enforcement of the Security. More detail on this matter is set out in paragraphs 13 (Appointment of the Lenders' Agent, Facility Agent and Security Agent) and 15 (Recovering Loans in Default).

- 4.7 *New Lending Opportunities:* Notifications of new lending opportunities becoming available will be made on the Website, by email or other Electronic Messaging system. However, we accept no responsibility if you do not receive such notification and it is your responsibility to make sure that your designated Electronic Messaging service address is able to receive our messages.
- 4.8 *Information Pack:* Lending opportunities will normally be detailed in a document or documents prepared by a Sponsor and certified by the Borrower as being fair, true, complete and accurate and not misleading. The Information Pack will be provided on the Platform in advance of an auction and will describe the investment opportunity and provide background information about the Borrower and its business and will usually include business plans, credit reports, information on assets available as security for the Loan (for Secured Loans only), past accounts and other documents relevant to the opportunity. Although reasonable efforts are taken by the Platform to review each Information Pack prior to publication, the Platform cannot vouch for or verify its accuracy or completeness. The Platform relies on the Borrower and Sponsor in the preparation of and information contained in the Information Pack. Therefore, to the extent permitted by law, none of the ThinCats Group accepts any responsibility, and disclaims all liability, for any information provided or omitted to be provided in the Information Pack. For further details please refer to paragraph 10 (Acknowledgement and acceptance of the risks associated with making a Loan via the Platform and in using the Platform).
- 4.9 *Q&A Forum:* You will be able to ask specific questions or request further information about particular opportunities using the q&a facility within each auction.
- 4.10 *Discussion Forum:* There is also a forum for more general discussions. Members are personally responsible for the messages they post on the discussion forum, q&a forum and other messaging systems and they are required to behave in a lawful, civil and respectful manner. No member of the ThinCats Group accepts responsibility for any messages posted. In particular, anyone posting libelous or defamatory statements will alone be responsible for them and, without limitation to other redress, we may prevent a Member from using the messaging system or end their Membership.
- 4.11 *Information Dashboard:* We will provide you with up-to-date information through the Website on the status of your Loans (including capital amounts outstanding and interest accrued, capital and interest received, the amount held in your Member Account and other such related information).

5. The Bidding Process

- 5.1 *Two types of auctions:* There are currently two main types of auction for Secured Loans and Unsecured Loans:
- 5.1.1. **Variable interest rate auctions:** This describes an auction where a prospective Lender may specify the interest rate he wishes to be paid on the capital amount offered. Following the bidding process, the Platform makes up the Syndicate for the aggregate amount of the Loan from those Members who have bid the lowest interest rate. If the auction is oversubscribed those Members who bid the lowest interest rate will be accepted in an amount that is sufficient to make up the Aggregate Loan amount, and all higher bids will be discarded.

Where there are several bids at the same interest rate priority is given to the bid that was received first. Each successful bidder will be entitled to receive the interest rate they actually bid notwithstanding that the Borrower pays one single interest rate derived from a blend of all winning interest rate bids. The Platform also provides an optional “dynamic bidding facility” which allows you to set a minimum “floor rate” and the ThinCats computer will seek to get you the best rate possible whilst keeping you in the auction.

- 5.1.2. **Fixed interest rate auction:** This describes an auction where the interest rate is fixed in advance and anyone bidding at that rate is accepted until the auction is full (on a first come first served basis). From then on any other bids are discarded.

If other types of auction are to be made available they will be described on the Website or at the time of the auction.

5.2 **Bidding on a Loan at auction:** If you wish to participate in an auction and make a bid for a Loan via the Platform the process is summarised as follows:

- 5.2.1. The Minimum Loan Amount is the minimum bid, and the maximum bid is the entire amount of the Aggregate Loan. Bids must be made in multiples of the Minimum Loan Amount.
- 5.2.2. No bid will be accepted unless you have sufficient cleared funds in the Client Money Account to meet the capital amount of the bid you are making.
- 5.2.3. When making a bid you will be asked to state the capital amount you are prepared to make available to a specified Borrower and (in the case of a variable rate auction) the interest rate you wish to charge. In the case of a fixed rate auction, the interest rate has been predetermined by the Borrower and you will only be able to specify the capital amount you wish to invest at that rate.
- 5.2.4. Providing you have sufficient cleared funds in the Client Money Account there is no limit to the number of bids you may make in the same auction, for different amounts, each time stating the amount you are prepared to lend (and in respect of a variable rate auction the interest rate you require for that amount).
- 5.2.5. Once you have made a bid, the amount of money required to meet the capital amount of the bid will be frozen in your Member Account until the auction is over and the funds are drawn down by the Borrower.
- 5.2.6. During the auction you will be able to request electronic messages informing you about the progress of the auction such as when other Lenders have outbid you. If you have been outbid your funds will be released, allowing you to submit another more competitive bid if you wish or to bid in another auction.
- 5.2.7. Once you have confirmed a bid it constitutes an irrevocable offer to provide a Loan at that interest rate and for that capital amount and cannot be withdrawn and the Borrower is free to accept or reject the offer in its absolute discretion. If your bid is successful and the Borrower accepts the offer, you will be legally obliged to honour the commitment to make the Loan on those terms.
- 5.2.8. A Loan will not be made unless it can be fully funded by bids acceptable to the Borrower. The Borrower may decide to end the auction early if sufficient funds have already been bid at an acceptable interest rate. In the case of an auction that has not reached the minimum required terms the Platform may decide to extend the period of the auction to allow time for further bidding.

- 5.2.9. If there were sufficient bids at the end of the auction to meet the loan minimum amount required and you were successful in your bid, the funds needed to meet your bid(s) will be reserved and blocked in your Member Account and will not be available for another auction.
- 5.2.10. The Borrower may either accept the offer of a Loan or allow the offer to lapse. A Loan offer will lapse 14 days after the auction has completed if not accepted by the Borrower in the meantime.
- 5.2.11. The Lenders' Agent will seek to complete the deal as soon as practicable after the auction finishes. The Lenders' Agent will enter into the Loan Agreement as agent on your behalf. For further details on the role of the Lenders' Agent in that regard, refer to paragraph 13.2 (Appointment of the Lenders' Agent, Facility Agent and Security Agent).
- 5.2.12. Interest on the Loan will not start accruing until the Borrower has drawn down the funds.

5.3 *Interest and repayments*

- 5.3.1. The payments due to you on each Loan can be viewed on the Platform. The Loan Agreement governs the payment of these amounts.
- 5.3.2. All repayments of capital and payments of interest accrued will be paid to your Member Account and you may then request withdrawal of those funds.
- 5.3.3. Each Loan will be for the period specified in the Loan Agreement applicable to it. Capital will not become repayable until the date (or dates) specified for repayment in the Loan Agreement.

5.4 *Collections*

The administration of collecting capital repayments and interest payments from a Borrower is sub-contracted by the Facility Agent to Street UK. We may make appropriate alternate arrangements in our discretion. For more information on Street UK please read paragraph 6 (Client Money Account) below.

6. Client Money Account

- 6.1 *Transfers to the Client Money Account:* In advance of making a bid for a Loan, you are responsible for instructing your bank to transfer funds to the Client Money Account to the extent required to ensure you have funds in an amount to cover the capital amount of the Loan you intend to bid for. Once the funds have cleared you will be able to view the balance available in the "My Account" section of the Platform.
- 6.2 *Withdrawals from the Client Money Account:* You may withdraw all or part of your uncommitted funds in the Client Money Account at any time by sending an electronic request via the Platform. Upon receiving that request we will instruct a transfer of the funds to your bank account. Requests for the return of funds can only be accepted using the secure Website. Funds can only be returned to the bank account linked to the Member Account. Transfers will be made by BACS (which may take several days to process).
- 6.3 *Interest and repayments:* All repayments of capital and payments of interest made by a Borrower will be paid into the Client Money Account. Once paid into the Client Money Account, you may then request withdrawal of those funds (provided that these funds have not been committed to a Loan).
- 6.4 *Client Money:* The funds you transfer to the Client Money Account will be held in designated client account with Barclays Bank plc until those funds are applied towards a Loan and drawn down by a

Borrower. Similarly, interest payments and capital repayments made by a Borrower will be transferred to the Client Money Account

- 6.5 *Street UK:* The Client Money Account is operated by Street UK, a firm independent from the ThinCats Group specialising in the provision of account administration services.
- 6.6 *Treatment of Client Money:* Funds in the Client Money Account will be treated as client money in accordance with FCA Client Money rules. Client money held for you will be subject to internal controls and accounting procedures in accordance with the FCA Client Money rules and will be segregated from the money belonging to the ThinCats Group.
- 6.7 *No Interest:* No interest will be payable to you in respect of funds in the Client Money Account.
- 6.8 *Pooling:* Your money will be held with other Members money in a pooled account and you hereby consent to such pooling. Because client money will be held on a pooled basis, if Barclays Bank were to fail, your entitlement to your funds will be affected by any shortfall in the funds held in the Client Money Account.
- 6.9 *No Liability by the ThinCats Group:* No member of the ThinCats Group will be responsible for any acts, omissions or default of any bank with which your money is held and in the event of insolvency of Barclays Bank, we will not be liable for any shortfall unless we have failed to comply with any duty of care or obligation to which we are subject.
- 6.10 *Email assistance:* When registering with the Platform as a Member, we will send you an email indicating how to transfer funds into the Client Money Account.

7. Fees

- 7.1 Any fees charged by BLN to Members and Borrowers will be set out and described in the “Fees” section of the Platform.
- 7.2 BLN reserves the right to change its fees and fee policies (though it will not do so with respect to Members with retrospective application).

8. Qualifying For Membership

To be accepted as a Member you must satisfy all of the following requirements.

- 8.1 You must register your details on the Platform and be an individual, LLP partnership, trust, pension fund or limited company. If you are an individual, you must be over 18 years of age and be a permanent resident of the UK. If you are a limited company, you must be registered with Companies House and be incorporated in the UK. If you are an LLP, you must have a permanent place of business in the UK and be registered with Companies House. You must have a UK bank or building society account and all funds must be transmitted in sterling. **Where you do not meet any of these criteria, you may otherwise be permitted to become a Member by written agreement from us in accordance with the Platform’s policy then in force and applicable law and regulation.**
- 8.2 You must provide the evidence of identity required from time-to-time by the Platform to comply with anti-money laundering regulations and other requirements imposed by law. If you are already a Member but the law requires us to obtain further information about you, you must, on our request, provide such information in a timely manner and if you fail to provide that information we may suspend your Membership until the matter is resolved. Failing satisfactory resolution, we may terminate your Membership.

- 8.3 You must inform us promptly of any changes to your personal information (eg postal address, email address, telephone number or tax status). You must also inform us and provide all information in accordance with paragraph 17 (Anti-Money Laundering Provisions and Lender Identification) if a Member's ownership changes (eg if the shareholding of a Member company changes).
- 8.4 A Member must transfer the Minimum Loan Amount to the Client Money Account, in sterling, from a UK bank account (or from an EU state or other country that is recognised by the UK authorities as undertaking appropriate anti-money laundering checks). The Platform will decide on a case-by-case basis which non-UK banks are acceptable after referring to official lists.
- 8.5 BLN will only accept instructions to transfer funds from the Client Money Account back to the bank account from which your funds were initially transferred.
- 8.6 Even if applicants for Membership are able to satisfy all the requirements set out in this paragraph 8 the Platform may still refuse to grant membership or withdraw Membership without giving a reason.

9. Representations and Warranties by Members

In accepting and dealing with you as a Member, the ThinCats Group will rely on the accuracy and truth of certain statements and promises made by you to us by way of legal representation and warranty. Therefore, you shall be deemed to make the following representations and warranties to the ThinCats Group (and on which it relies) as a condition of and at the time of entering into this agreement to become a Member, every time you use the Platform or services offered by any member of the ThinCats Group and every time you bid on and provide a Loan:

- 9.1 If you are an individual, you are over the age of 18 years of age, have the capacity to enter into this legal agreement and are of sound mind.
- 9.2 If you are registering or accepting these Terms on behalf of a legal entity such as a company, trust, LLP or partnership, you are legally authorised to do so and you accept that we may request evidence of such legal entitlement (eg by way of a certified copy of any document which shows the valid and subsisting authorisation).
- 9.3 All information that you provide about yourself is accurate and true and you will promptly update us if any of the information you provide to us changes.
- 9.4 (Unless otherwise specifically agreed with us in advance), you hold a bank account in the UK in your own name and will only use this account to transfer money to the Client Money Account, and any repayment of capital or payment of interest will be transferred to this account.
- 9.5 You have carefully read the "Risk Warning" set out in paragraph 2 (Risk Warning) of these Terms and considered the risks involved with using the Platform and also the risks associated with peer to peer lending, including but not limited to, the possibility of losing the money you invest. **You understand that there is no guarantee that your investment will be repaid. Your capital is at risk and you may not receive your bargained for returns. Your investment is not covered by the Financial Services Compensation Scheme.** In particular, you have the necessary experience and knowledge to understand the risks involved in the transaction and providing a Loan (whether it is a Secured Loan or an Unsecured Loan and specifically that you understand the distinction between the two types of loans) or you have taken advice from an appropriately qualified professional to assist your understanding of the risks involved.
- 9.6 You will only ever lend your own funds through the Platform unless you are authorised to deposit funds on behalf of a third party, and then, only with our prior written consent to do so. We may request that you provide written authorisation from the third party confirming you have the necessary authority to deposit and lend funds.

- 9.7 A Member may only register as a Member once. This does not preclude a Member from opening or holding more than one Member Account. In particular, a Member is permitted to register in a personal capacity as well as other capacities (eg where you are seeking to register as a Member on behalf of a pension fund a joint account or otherwise). However, you must disclose this to us and make the application in the ordinary way. Notwithstanding the forgoing, the Platform has the right (acting in its sole discretion and without having to give reason) to refuse a Member permission to open more than one Member Account in a personal capacity. If a Member holds more than one Member Account (whether in a personal capacity or otherwise) a Member is not permitted to transfer funds or Loans between Member Accounts.
- 9.8 By accepting these Terms, using the Platform or granting a Loan, you are not breaking any laws or regulations that are applicable to you nor is any company, trust or partnership upon whose instructions you are acting.
- 9.9 You have taken all reasonable precautions to ensure that any data you upload or otherwise submit 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.
- 9.10 You acknowledge and agree that you are responsible for all costs incurred by you in accessing the Platform.
- 9.11 You will not take, purport or threaten to take any action or commence any process against any Borrower in your own name or the name in which the Membership is held (including without limitation if the Borrower has committed a Default under the Loan). Unless the Lenders' Agent chooses in its sole discretion to seek the input from the Syndicate, decisions as regards any such action to be taken will be taken by the Lenders' Agent. This includes the right to make amendments to the Loan Documents with the agreement of the Borrower and without consulting with or obtaining consent from you or the other Lenders. Such amendments could include, without limitation, reducing the amount of capital that the Borrower is required to repay, reducing the interest rate payable by the Borrower, extending the maturity date for repayment of the capital amount of the Loan or, in the case of Secured Loans only, releasing security or guarantees. With Secured Loans, the Lenders' Agent will also instruct the Security Agent (who shall be entitled to act as provided for in these Terms and the Loan Documents) with regards to matters relating to Security (including but not limited to enforcement of any Security granted in favour of the Lenders).
- 9.12 You acknowledge and agree that no member of the ThinCats Group shall have any obligation (at any time) to enter into any arrangements to buy or sell (or procure the purchase or sale of) all or any part of a Loan.
- 9.13 You acknowledge and agree that no member of the ThinCats Group shall have any obligation to guarantee a Borrower's obligation or to reimburse or indemnify you for any cost, loss or liability which you incur as a result of the failure of any Borrower to perform its obligations (including in respect of a Default) under a Loan.

10. Acknowledgment and acceptance of the risks associated with making a Loan via the Platform and in using the Platform

As a condition of accepting you as a Member and of your ongoing Membership, you make the following acknowledgments, agreements and confirmations to us, on which we rely:

- 10.1 You acknowledge and confirm that you have carefully read and understood these Terms (including the "Risk Warning" set out in paragraph 2) and have considered the risks involved in lending your money through the Platform and that your investment in any Loan is entirely at your own risk. **You acknowledge that there is no guarantee that your investment will be repaid. Your capital is at risk**

and you may not receive your bargained for returns. Your investment is not covered by the Financial Services Compensation Scheme.

- 10.2 You accept that you risk losing any and all money (including your capital) that you invest by way of a Loan on the Platform. In circumstances where a Borrower defaults on his obligations (including but not limited to repaying capital and paying interest), none of the ThinCats Group shall have any liability to you whatsoever (including without limitation by way of guarantee) for any such loss.
- 10.3 You acknowledge that by making a bid you are engaging in peer to peer lending and that at no time shall you, as Lender, be lending money to the Platform or any member of the ThinCats Group. You shall be lending to the relevant Borrower.
- 10.4 **You understand that your capital is at risk and is not protected by the Financial Services Compensation Scheme (www.fscs.org.uk)** and as such if a Borrower to which you have lent money, fails to make repayments of capital or payments of interest thereon, you will accordingly lose some or all of your money invested.
- 10.5 You accept and understand that, with regards to Secured Loans only, where the Security Agent holds Security on your behalf, reasonable efforts will be made by it (or by third parties on its behalf), on receiving relevant instructions from the Lenders' Agent, to recover any outstanding monies by enforcing on any Security where necessary and reasonably practicable. Neither the Lenders' Agent nor Security Agent (in relation to Secured Loans only) can make any guarantee of successfully realising any or all value due to Lenders. The Security Agent (in relation to Secured Loans only) will only be liable to use reasonable efforts to obtain the market value for the Security at the time of taking the enforcement action. Such action may be undertaken at a time when the relevant market is in a downturn and values generally deflated. In any instance of enforcement, you are also aware that the recovery process may result in some delays in returning any monies due to you.
- 10.6 You accept and understand that none of the ThinCats Group provides any investment or other advice or recommendation whatsoever. You are responsible for your own investment decisions and obtaining your own independent expert advice before making any lending decisions. If you are uncertain whether a particular Loan is suitable to you, you should contact an independent financial adviser authorised and regulated by the FCA.
- 10.7 You agree that no member of the ThinCats Group is giving any undertaking, warranty or representation whatsoever as to the credit-worthiness or ability of a Borrower to pay or repay or otherwise perform its obligations under the Loan Documents or as to the value or sufficiency of any Security, and that no member of the ThinCats Group has any liability for the debts of the Borrower. You are bidding and lending entirely at your own risk.
- 10.8 You accept and understand that our entire liability (including any liability for the acts or omissions of our employees, agents and sub-contractors) to you arising as a result of or in connection with your Membership and in respect of any Loans shall be limited as provided in paragraph 24 (Our liability to you) and as otherwise set out in these Terms.
- 10.9 We will not be liable for any delay (or any related consequences) in crediting your Member Account with an amount received under the Loan Documents provided we or our agents have taken all reasonable steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used for that purpose.
- 10.10 The Information Pack that is provided in the context of a lending opportunity is prepared by the Sponsor with the assistance of, and based on, information provided by the Borrower and is approved by the Borrower. Although the Platform takes reasonable efforts to review each Information Pack prior to its publication, the Platform cannot vouch for its accuracy, the completeness of the information provided or otherwise, and relies on the information provided to it by the Borrower and Sponsor

regarding the accuracy, fairness, truth, completeness and non-misleading character of the details contained in the Information Pack. Therefore, to the extent permitted by law, none of the ThinCats Group accepts any responsibility and the ThinCats Group disclaims all liability for any information provided or omitted to be provided in the Information Pack. The Information Pack should not be the sole source of information relied on by you in deciding whether to make a bid and you should undertake your own investigations and analysis of the investment opportunity to determine whether it is suitable for you. If you are uncertain whether a particular Loan is suitable to you (particularly in relation to whether you should invest in a Secured Loan or Unsecured Loan), you should contact an independent financial adviser authorised and regulated by the FCA.

- 10.11 Any other information on the Platform does not constitute advice, recommendation or an endorsement of any potential Borrower. The Information Pack should not be the sole source of information relied on by you in deciding whether to make a bid and you should undertake your own investigations and analysis of the investment opportunity to determine whether it is suitable for you. If you are uncertain whether a particular Loan is suitable to you (particularly in relation to whether you should invest in a Secured Loan or Unsecured Loan), you should contact an independent financial adviser authorised and regulated by the FCA.
- 10.12 We make no representation that there will be sufficient bids in respect of an auction to fully fund a Loan and thereby allow your funds to be lent out, or that there will be sufficient Borrowers for you to lend to, or that there will be sufficient other Lenders to buy your Loan parts should you wish to sell them on the Secondary Market. We make no representation as to any rate of return that you may be able to make via the Platform, you should do your own research.
- 10.13 We make no representation as to the time it may take for funds to be withdrawn from the Client Money Account to a Borrower under a Loan. You accept that no interest will accrue on your funds until they are drawdown by a Borrower under a Loan. However, drawdown will usually be shortly after the entry into the Loan Documents.
- 10.14 You agree that we are not responsible for content downloaded, uploaded or posted by Lenders or Borrowers on the Platform. We may edit certain content downloaded or posted on the Platform in our discretion to clarify content or remove offensive or misleading material but we are not obliged to do so.
- 10.15 You acknowledge that content provided through the Platform is not intended for distribution to or use by any person or entity in any jurisdiction where such distribution or use would be contrary to applicable law or regulation. Although you are permitted to download and print content from the Platform for your own personal use it must not be copied or reproduced or used for any other reason.
- 10.16 We accept no responsibility or liability for your use of content on the Platform and such use is entirely at your own risk. Whilst we take reasonable precautions to prevent the existence of computer viruses or other malicious programs on the platform, we accept no liability for them if they do exist. It is your responsibility to use, update and maintain appropriate antivirus software on your computer.
- 10.17 Information transmitted via our systems will pass over public telecommunications networks. We accept no liability if communications sent via the Platform are intercepted by third parties or incorrectly delivered or not delivered.
- 10.18 The Platform contains links to websites. We accept no responsibility or liability for any material supplied by or contained on any third party website which is linked from or to the platform, or any use of personal data by such third party.
- 10.19 You should not draw any inference from the fact that a member of the ThinCats Group may or may not provide a Loan to a Borrower or underwrite a Loan. In particular, you should not regard any Loan made by a member of the ThinCats Group or an Affiliate of the ThinCats Group as a recommendation to you

to provide a Loan or infer any warranty from us as to the credit quality of the Borrower or as to the value of its assets. Further you confirm and acknowledge that you have read and understood the Risk Warning Section of these Terms. Any member of the ThinCats Group or an Affiliate of the ThinCats Group who is a Lender may sell its entire position in a Loan at any time and shall be under no obligation to hold onto its investment for the duration of the Loan.

11. Syndicates with Large Investors/Underwriters for Secured Loans

- 11.1 In some cases institutional investors may enter into an agreement with a potential Borrower to guarantee that an auction will succeed. In such circumstances it will do so by “underwriting” the Secured Loan on specific terms and in return for a fee payable by the Borrower. The advantage for the Borrower is that they can be sure that their Secured Loan will be funded (subject to the underwriting conditions being met).
- 11.2 A member of the ThinCats Group or an Affiliate of the ThinCats Group may choose to underwrite an auction. In such circumstances you should not draw any inference from the fact that a member of the ThinCats Group or an Affiliate of the ThinCats Group may or may not be a Lender to a Borrower or underwrite a Secured Loan. In particular, you should not regard any Secured Loan made by a member of the ThinCats Group or an Affiliate of the ThinCats Group as a recommendation to you to provide a Secured Loan or infer any warranty from us as to the credit quality of the Borrower or as to the value of its assets.
- 11.3 If a Secured Loan is being underwritten the Supplemental Terms will apply in addition to these Terms. The Supplemental Terms can be found on the Website. In such cases where a Secured Loan is Underwritten these Terms will apply for the benefit of each member of the Underwriters Group and/or the ESF Group (as defined and further described in the Supplemental Terms).
- 11.4 For the avoidance of doubt, only Secured Loans may be underwritten. Unsecured Loans will not be underwritten in any circumstances.

12. Role of the Sponsor

Lending opportunities will normally be introduced to the Platform by a Sponsor who has been engaged by a potential Borrower seeking debt financing of the kind facilitated by the Platform. BLN has also entered into agreements with Sponsors setting out the fee payable to the Sponsor by or as instructed by BLN, the scope of information required to be provided in the Information Pack and in respect of other services (including but not limited to servicing the Loan and notifying the Facility Agent of any Default having occurred). These agreements are not for the benefit of the Lenders and the Lenders will have no rights or recourse against a Sponsor in relation to the same. With the assistance of the potential Borrower, the Sponsor prepares the Information Pack which will be based on the information and representations made by the Borrower. For further details please refer to paragraph 10 (Acknowledgement and acceptance of the risks associated with making a Loan via the Platform and in using the Platform).

13. Appointment of the Lenders’ Agent, Facility Agent and Security Agent

- 13.1 *General:* Each Syndicate may involve several hundred Members and it is therefore not practical for each member of the Syndicate to sign their own individual Loan Document. It is also not practicable for each member of the Syndicate to make decisions as to the appropriate action to take if there is a Default by a Borrower. In addition the specific members of a particular Syndicate may change from time to time because of sales on the Secondary Market. This makes it necessary for the members of a Syndicate to appoint the Security Agent, for Secured Loans only, to hold the security on trust for the Syndicate members from time to time. Therefore, the Lenders’ Agent and Security Agent (for Secured Loans only) will act as your agent or trustee in respect of these matters. The Loan Documents provide

the detailed terms on which you agree to appoint the Lenders' Agent, the Facility Agent and the Security Agent. These Terms include a summary of those terms, as well as the terms on which you appoint the Lenders' Agent as your agent to negotiate and sign the Loan Documents as Lender on your behalf.

13.2 *Lenders' Agent:* You irrevocably and unconditionally agree that the Lenders' Agent shall be appointed and authorised by you to act as your agent on your behalf in connection with any Loan (and each other Member will appoint the Lenders' Agent as its agent in respect of Loan granted by such Member in the same terms) to enter into negotiations and make agreements on your behalf with the Borrower relating to the specific terms of the Loan Documents and to sign the Loan Documents on your behalf as Lender (subject to, in the case of a variable interest rate auction, the interest rate payable by the Borrower being a weighted average of the interest rates of the winning bids and in any case so that the interest rate payable to you will be at the rate specified in your winning bid).

13.2.1. The Lenders' Agent may take or instruct the taking of such actions it considers in good faith as being appropriate in its sole discretion to protect the interests of the Lenders. The circumstances in which the Lenders' Agent may exercise its rights include where the Borrower has not made a repayment of interest or payment of capital (within any applicable grace periods), or if the Borrower is otherwise in Default, or in other circumstances where the Lenders' Agent deems it advisable for the protection of the investment in the Loan. If such a circumstance arises, the Lenders' Agent may agree amendments (on behalf of all of the Lenders) to the Loan Documents with the Borrower without consulting with, or seeking consent from, you or the other Lenders (unless it chooses to do so in its sole discretion and, if it does so, will provide voting instructions at the time). For example, the Lenders' Agent may decide that, in the circumstances and given the possible alternatives (including insolvency of the Borrower and the value of the Security (for Secured Loans only) at the time), it is in the interests of all Lenders to reduce the interest rate payable by the Borrower, reduce the amount of capital to be repaid, or to extend the term of the Loan.

13.2.2. For Secured Loans, the Lenders' Agent shall at all times have the power and authority on behalf of all Lenders to instruct the Security Agent as regards any actions to be taken in connection with a Default under a Loan of which it is aware in relation to the Security granted in favour of the Lenders.

13.2.3. The Lenders' Agent has the right to take any action, or in the case of Secured Loans, give or withhold instructions to the Security Agent, without consulting with, or seeking consent from, you or the other Lenders (unless it chooses to do so in its sole discretion) in respect of, without limitation, matters such as:

- a. the commencement of any enforcement action or legal process against a Borrower if an Event of Default is outstanding;
- b. in the case of Secured Loans only, the enforcement or release of any Security;
- c. the issue of any waiver letter; and
- d. any restructuring of the Loan, Security (in the case of Secured Loans only) or the Borrower, including amending the terms of the Loan Documents to facilitate a restructuring, which could include a reduction in the capital amount of the Loan or the interest rate payable or extending the date on which capital is required to be repaid.

13.3 *Facility Agent:* You agree that the Facility Agent shall be appointed and authorised by you to act as your agent on your behalf for and in connection with the following matters under or in respect of a Loan (and each other Member will appoint the Facility Agent as its agent in respect of Loan granted by such Member in the same terms):

13.3.1. to act or refrain from acting without consulting with or seeking consent from you or the other Lenders, including without limitation in respect of:

- a. day to day management of the Loan including, without limitation, dealing with drawdown notices, certificates of compliance and the provision of financial information from the Borrower;
- b. answering any questions raised by the Borrower;
- c. administration relating to late payments due under the Loan Documents by the issuing of standard letters; and/or

13.3.2. to exercise the rights, powers, authorities and discretions given to the Facility Agent under or in connection with the Loan Documents (together with any other incidental rights, powers, authorities and discretions).

13.4 *Security Agent:* You hereby agree that the Security Agent shall be appointed and authorised by you to act as your trustee and agent in connection with any assets charged or otherwise secured by a Borrower under any Security Documents for or in connection with a Secured Loan. Each other Member will appoint the Security Agent as its trustee and agent in respect of a Secured Loan granted by such Member in the same terms. The Security Agent will have the following authority, powers and discretions:

13.4.1. to hold the benefit of any Security created for or in connection with a Secured Loan on trust for the Lenders involved in the related Syndicate;

13.4.2. to exercise the rights, powers, authorities and discretions given to the Security Agent under or in connection with the Loan Documents together with any other incidental rights, powers, authorities and discretions, including to act on the instructions of the Lenders' Agent;

13.4.3. all those powers and discretions conferred upon trustees at law; and

13.4.4. the Security Agent may perform from time to time (whether before or after enforcement under the terms of the Security) all obligations, rights and benefits given to the Security Agent by any Loan Document and therefore Members should also read the terms of the Loan Agreement insofar as it pertains to the role of the Security Agent for the full terms regarding the powers and responsibility of the Security Agent.

14. Limitation of liability of Lenders' Agent, Facility Agent and Security Agent:

14.1 You agree as follows:

14.1.1. The Lenders' Agent, Facility Agent and Security Agent (for Secured Loans only) may rely on any representation, notice or document believed by it to be genuine, correct and appropriately authorised and any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.

14.1.2. The Lenders' Agent, Facility Agent and Security Agent (for Secured Loans only) may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts, providing it has the means to pay for such services.

14.1.3. The Lenders' Agent, Facility Agent and Security Agent (for Secured Loans only) may act in relation to the Loan Documents through its personnel and agents and may enter into sub-contracting arrangements.

- 14.1.4. Each of the Lenders' Agent, Facility Agent and Security Agent (for Secured Loans only) shall have power and authority and absolute discretion in the exercise of any right, power or authority vested in it as Lenders' Agent, Facility Agent and Security Agent (for Secured Loans only) respectively in accordance with the terms of the Loan Documents in addition to the matters expressly referred to in these Terms.
- 14.1.5. None of the Lenders' Agent, the Facility Agent or Security Agent (for Secured Loans only) will be liable for any act (or omission) whatsoever if it acts, (or refrains from taking any action) in a manner which it considers (in its absolute discretion) to be in the best interests of the Lenders.
- 14.1.6. None of the Lenders' Agent, Facility Agent or Security Agent (for Secured Loans only) is responsible for the adequacy, accuracy and/or completeness of the Information Pack or any other information (whether oral or written) supplied to, or by, it in connection with any Loan Documents and is not responsible for the legality, validity, effectiveness, adequacy or enforceability of any Loan Document or any other agreement, arrangement or document entered into made or executed in anticipation of or in connection with any Loan Documents. This responsibility lies solely with the Borrower.
- 14.1.7. None of the Lenders' Agent, Facility Agent or Security Agent (for Secured Loans only) will be liable (including without limitation for negligence or any other category of liability whatsoever) for any action taken by it under or in connection with any Loan Document, unless directly caused by its gross negligence, wilful misconduct or fraud.
- 14.1.8. Knowledge of a Default will not be imputed to the Lenders' Agent, Facility Agent or Security Agent (for Secured Loans only); they will be deemed to have knowledge of a Default only if they have actual knowledge.
- 14.1.9. The Facility Agent's duties under the Loan Documents are solely administrative in nature.

15. Recovering Loans In Default

- 15.1 You acknowledge and confirm that when you provide a Loan through the Platform you are not lending to any member of the ThinCats Group, an Underwriter, or the Platform but rather, you are lending to a Borrower via a peer to peer lending platform. This means that only the Borrower (and not the Platform, an Underwriter (where applicable) or any member of the ThinCats Group) is liable in respect of the Loan.
- 15.2 The process for Secured Loans shall be as follows:
 - 15.2.1. If the Security Agent takes steps to enforce any Security for a Loan, the proceeds of recovery resulting therefrom may be insufficient to discharge all obligations owed by the Borrower to Lenders in respect of that Loan. In such circumstances, Lenders will only be entitled to recover their proportionate share of such recoveries. In addition, it is possible that there may be other creditors of the Borrower that have claims that may be recovered in priority to the Lenders or other creditors whose claims against the Borrower rank equally with the Lenders claims and who will share in the Borrower's unsecured estate and there is no certainty that the distributions out of the estate will be sufficient to satisfy such creditors and the Lenders in full or at all. Therefore, **the existence of Security should not be considered a guarantee of repayment in the event of failure by the Borrower** in meeting its payments under the Loan.
 - 15.2.2. You agree that the Security Agent shall be entitled to be repaid and reimbursed from the proceeds of any recovery under the Security all reasonable costs incurred by or on behalf of the Security Agent in enforcing the Security or in complying with any instructions from the Lenders' Agent or Facility Agent on your behalf in connection with any enforcement of

Security. You will be responsible for payment of such costs out of the proceeds of any recovery to the extent that such costs cannot be recovered by the Security Agent from the Borrower.

- 15.2.3. We will update you periodically as to the progress of efforts to recover a Loan in Default, by way of a syndicate update. These updates are strictly private and confidential (and the provisions of paragraph 18 (Confidentiality and Communications) of these Terms will apply to such updates) and will be made available to the members of the Syndicate only.
- 15.2.4. You will not threaten to take or purport to take any action or commence any process against any Borrower in your own name or in the name of any other Lender or Lenders. Such action will be decided by the Lenders' Agent and taken by the Security Agent, who shall be entitled to act as provided for in these Terms and the Loan Documents.
- 15.2.5. All monies arising from the enforcement of any Security Documents will be paid in the following order:
 - a. to meet any costs incurred in respect of any enforcement action by the Facility Agent or Security Agent (or by any manager, receiver or administrator appointed by it or on its behalf). Then, if there are sufficient remaining funds to distribute;
 - b. each member of the Syndicate will receive (on a pro rata basis) the interest and then the capital they are owed. Then, if there are sufficient remaining funds to distribute;
 - c. the remaining funds will be used to meet the payment of any fee due to BLN for the period of the Loan. Then, if there are sufficient remaining funds to distribute;
 - d. any remaining funds will be returned to the Borrower's estate for distribution in accordance with applicable law.

15.3 The process for Unsecured Loans shall be as follows:

- 15.3.1. The Lenders' Agent shall act as the Syndicate's agent when liaising with the Borrower or any professionals of the Borrower (including but not limited to any insolvency officer appointed) regarding a Default.
- 15.3.2. The Lenders' Agent shall be permitted to take all steps necessary to protect the interest of the Syndicate as a whole and not an individual Lender's interest, needs or requirements.
- 15.3.3. As described in paragraphs 4.6 and 13.2, the Lenders' Agent has the power to agree amendments to the Loan Agreement with the Borrower without seeking the consent of or entering into consultation with you or the other Lenders. In particular, the Lenders' Agent may take such action in the event that the Borrower commits a Default under its Loan or in other circumstances where amendments to the Loan Documents may be advisable. Unless the Lenders' Agent so decides in its absolute discretion, you will not be entitled to vote on the matter or influence the enforcement process.
- 15.3.4. Without prejudice to a Lender's right of enforcement, if the Borrower enters into an insolvency proceeding (either formal proceedings or an informal agreement with its creditors), each Lender irrevocably and unconditionally authorises the Lenders' Agent, on its behalf, to:
 - a. take any enforcement action against the Borrower as is required;

- b. demand, sue, prove and give receipt for any or all of the Borrower's liabilities under the Unsecured Loan;
- c. collect and receive all distributions on, or on account of, any or all of the Borrower's liabilities under the Unsecured Loan; and
- d. file claims, take proceedings and do all other things the Lenders' Agent considers reasonably necessary to recover the Borrower's liabilities under the Unsecured Loan in favour of the Lenders.

16. Secondary Market

Subject to the discretion (acting reasonably) of the Platform, a Lender may only sell its Secured Loan on the Secondary Market. The section below applies to Secured Loans only. If the Platform permits a Lender to sell its Unsecured Loan on the Secondary Market, the references to "Secured Loan" in clauses 16.2, 16.3, 16.5 and 16.7 should be read as being replaced by the words "Unsecured Loan".

- 16.1 Subject to the terms as set out in this paragraph 16, if a Lender no longer wishes to be exposed to a Secured Loan it may sell their entire position to another Member using the "secondary market" provided on the Platform.
- 16.2 A Secured Loan purchased on the Secondary Market will be on an "as is basis", with no representations and warranties provided by the selling Lender, the Borrower, any member of the ThinCats Group or any other entity. Only very limited information is likely to be available and no information is provided by the Platform. Prospective purchasers can use the Website to research the information provided at the time of the original auction and to review the repayment history. There may be additional information on the forums but the accuracy of this information will not be warranted in any way by any member of the ThinCats Group, the Sponsor or the Borrower.
- 16.3 The transfer of a Member's Secured Loan position will be completed by using an assignment agreement. The assignment agreement will be completed once an offer or a bid is placed on the Secondary Market. Upon such an offer or bid being made, the parties will have entered into a legally binding contract for the purchase and sale of the Secured Loan position ("**Sale**"). Upon the Sale being agreed, both the selling Member and the purchasing Member irrevocably and unconditionally appoint the Lenders' Agent as their agent to execute the assignment agreement on their behalf. A copy of the assignment agreement will be made available, to each Member, on written request.
- 16.4 The Loan Agreement will require the Borrower to pay interest to Lenders who satisfy certain specified criteria, gross of any withholding imposed on the Borrower by applicable tax laws. This is intended to minimize the risk to the Borrower of being subject to withholding tax by restricting the category of Members permitted to lend to it, whilst at the same time protecting that category of Lender from any future change in tax law by requiring the Borrower to pay interest to them gross of any such withholding. **For Lenders who do not satisfy the specified criteria, in circumstances where the Borrower is required by applicable tax laws to withhold interest payments, such Lenders will receive interest net of the Borrower withholding payment.** More details on this issue may be explained on the Secondary Market section of the Platform. However, none of BLN or the ThinCats Group makes any representation or warranty whatsoever to the Borrower or Members as regards the tax or withholding tax implications of borrowing or lending.
- 16.5 If the Platform has actual knowledge of a Default on a Secured Loan having occurred and which continues to be outstanding or receives a notice of prepayment from a Borrower, the Platform will prevent the sale of that Secured Loan on the Secondary Market. A list of such Secured Loans will be able to be viewed in the dropbox. The Platform may decide in its discretion that other circumstances also merit the prevention of purchases and sales of Secured Loans on the Secondary Market and may publish such policies on the Platform from time to time.

- 16.6 When trading on the Secondary Market the seller is required to pay a fee to BLN in an amount as prescribed at that time on the Platform. This fee will be deducted by BLN and netted off from the sale proceeds. BLN reserves the right to amend the quantum of the fee from time to time.
- 16.7 The Platform will publish a guide to using the Secondary Market which explains how sales of Secured Loans or parts of Secured Loans can be made and the detailed method by which Secured Loans can be bought and sold.

17. Anti-Money Laundering Provisions and Lender identification

- 17.1 Before accepting an application for membership BLN is required by law to arrange for appropriate identification checks to be made. This requires us to ask you to provide personal information about yourself. We will undertake credit and/or ID checks as necessary. We are under no obligation to accept you as a Lender or Member nor to accept any funds from you until we have satisfied ourselves that we have sufficient and appropriate information to do so. We are not required to provide you with any reason for rejecting or delaying an application.
- 17.2 Funds will only be accepted in sterling. Funds will also only be accepted from a UK bank account unless otherwise agreed in the Platform's sole discretion and in accordance with applicable law.
- 17.3 Except by special prior arrangement and with the approval of the Platform, Member's funds can only be returned to the bank account of the Member from which the Member's funds were sent.
- 17.4 You agree that we may share your personal information with our service providers and, for the purposes of verifying your identity and fraud prevention, with any entity involved with the collection or enforcement process associated with a Default.

18. Confidentiality and Communications

- 18.1 You acknowledge and agree that the Loan Documents, the Information Pack and any other information provided by or on behalf of a potential or actual Borrower (including the identity of a potential or actual Borrower) and/or a seller on the Secondary Market is **STRICTLY PRIVATE AND CONFIDENTIAL** and you may not disclose such information to anyone (subject as otherwise required by law or regulation). Without limitation this means that such information may not be reported or discussed on any discussion forum or q&a forum on the Platform.
- 18.2 You acknowledge and agree that the Loan Documents are only made available to registered Members for the purposes of deciding whether to make an offer of a Loan. They are not intended for any other purpose and their contents may not be disclosed or copied to any third party or used for any other purpose without the Borrower's written authority.
- 18.3 We may use "cookies" and similar technologies to gather information about you and the way you use our Website in order to improve your experience of the Platform. We will never use that information to try to sell you a product or service and we will not disclose any information about you unless we are required to do so by law or as provided in these Terms.
- 18.4 We might use cookies to:
- a. learn about how our service is being used so that we can improve it,
 - b. enable the Platform to remember your preferences,
 - c. allow us to customise the Platform to match your usage,

- d. provide you with relevant information about ThinCats services you may not be aware of.

18.5 For more information about cookies, please visit www.allaboutcookies.org if you do not wish us to use cookies when you access the Platform please adjust your internet browser settings to decline cookies. If you choose to decline cookies it is possible that some features of the Platform may not work properly (and we cannot be held responsible for any consequences).

19. Privacy Notice

19.1 BLN is registered under the Data Protection Act 1998. For the purposes of the DPA the data controller is BLN.

19.2 BLN will comply with the data protection and operational management rules imposed from time to time by the DPA, the FCA and the P2PFA.

19.3 Subject as otherwise provided in these Terms, BLN will keep Members personal data confidential and will not use them for any other purpose except as required by law or regulation (including in circumstances where a Member is making what in (in our sole discretion) are defamatory comments on the q&a forum).

19.4 In order to fulfil our regulatory and legal responsibilities in connection with money laundering we may gather information about you from other agencies (including for example credit reference agencies).

19.5 We may come under a legal duty to share your personal data with law enforcement and fraud protection agencies, credit reference bureaus or credit risk reduction service providers if we suspect you of acting fraudulently or otherwise contrary to law and you hereby consent to us doing so.

19.6 We may use the information held about you in the following ways:

- a. to fulfil our legal and regulatory obligations to verify your identity as a customer;
- b. to carry out any obligations we may have arising from any contracts you have entered into as a result of using the Platform;
- c. to allow us to provide you with the information and services you request from us;
- d. to notify you about changes to our service;
- e. to improve and ensure our website is presented in the most effective manner for you;
- f. to allow you to participate in interactive features of our services when you choose to do so; and/or
- g. as part of our efforts to keep our website safe and secure.

19.7 We may combine any information about you which we receive from other services with the information you give to us.

19.8 It may be necessary for us to share your information with relevant third parties that assist us in providing our services to you (including provision of software, database storage, communication services, identification check and credit search software) and will do so on a confidential basis.

19.9 We may contact you by telephone, email or mail for operational and regulatory purposes relating to your Member Account.

19.10 Any changes we may make to our privacy policy in the future will be posted on the Platform and where appropriate, notified to you by e-mail.

20. Website Security

20.1 Your use of the Website is at all times subject to our Website terms of use.

20.2 BLN has the right to suspend client account(s) and / or client withdrawals if we consider this course of action appropriate.

20.3 Although we will use software encryption to communicate with you through a secure website, and thereby take measures to protect your personal data, we cannot guarantee the security of your data transmitted to the Website. Therefore you accept that any transmission is at your own risk. However we use sophisticated website encryption technology to protect sensitive data that you submit to us online. We use this technology to reduce the risk of your data being intercepted by unauthorised persons during transmission. We also require that users of the Website pass through an authentication process which requires you to enter your unique username and password.

20.4 You will select a unique Username and password upon becoming a Member and will keep this name for as long as you continue to be a Member unless there is a technical or security reason why it needs to be changed. Bidding will be identified by means of an Alias (which you may change from time to time to keep your identity confidential from other bidders).

20.5 Members accept sole responsibility for all use of and for keeping secret any password that may have been given to them or chosen by them for use on the Website. To reduce the risk of fraudulent access to the Website you agree to keep your username password secure at all times, not to store them on a device or computer that would permit someone else to impersonate you and not to provide them to any third party or allow others to access your personal account. If you breach this provision you acknowledge and agree that you alone will be responsible for any actions performed on your account by a third party and you will be liable to us for or in respect of any loss we may suffer or costs we may incur as a direct or indirect consequence.

20.6 You agree to notify us promptly if you know or suspect that your secure access to the Platform has been compromised in any way (eg if there is or you suspect there might be any unauthorised use of your password or username or any other security breach).

20.7 You agree to use the Platform only for the purposes set out in these Terms. You will not attempt to gain unauthorised access to the secure areas of the Website or Platform.

20.8 You agree 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.

20.9 You agree not to adapt or circumvent the systems in place in connection with the Platform, nor access our systems other than by using the credentials assigned to you and by following the instructions that we have provided for that type of connection.

20.10 We reserve the right not to act on your instructions where we suspect that the person logged into your My Account section is not you or we suspect illegal or fraudulent activity or unauthorised use.

20.11 You must not misuse our site by knowingly introducing viruses, trojans, worms, logic bombs or other material that is malicious or technologically harmful. You must not attempt to gain unauthorised access to our site, the server on which our site is stored or any server, computer or database connected to our site. You must not attack our site via a denial-of-service attack or a distributed denial-of service attack. In the event of such a breach, your right to use our site stops immediately.

- 20.12 We will endeavor to allow uninterrupted access to the Platform but access may be suspended for essential maintenance and system failures beyond our control.

21. Access to Information

The DPA gives you the right to access information held about you. Under the DPA, you may request that we send a copy of the information that we hold to you for a small processing fee (to meet our costs in providing you with the information as provided for under the DPA). Should you wish to make such a request please write us as using the following contact information:

FAO: Data Protection Officer, Business Loan Network Limited, The Courtyard, Pimlico Farm, Austrey Lane, No Mans Heath, Tamworth. B79 0PF.

22. Intellectual property rights

- 22.1 Subject to paragraph 22.3 (Intellectual property rights) below, as between you and us, we own all present and future copyright, registered and unregistered trade marks (including the goodwill thereon), 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.
- 22.2 If and to the extent that any such intellectual property rights vest in you by operation of law or otherwise, you agree to do any and all such acts and execute any and all such documents as we may reasonably request in order to assign such intellectual property rights (and associated goodwill) back to us.
- 22.3 You shall retain ownership of all copyright in data you upload or submit to the platform. You grant us a world-wide exclusive, royalty-free, perpetual, irrevocable licence to use, copy, distribute, publish and transmit such data in any manner.
- 22.4 We do not warrant or represent that the content of the Platform does not infringe the rights of any third party.

23. Your liability to us

- 23.1 You agree to indemnify and hold harmless each member of the ThinCats Group and their Connected Parties (as well as each of such person's employees, service providers, agents and sub-contractors), the Lenders and Borrowers, against any fraud or illegal activity that you conduct using the Platform or its services or the Website.
- 23.2 You agree to indemnify and hold harmless each member of the ThinCats Group and their Connected Parties (as well as their employees, service providers and other agents and sub-contractors), the Lenders and Borrowers (in each case other than by reason of their gross negligence or wilful misconduct):
- 23.2.1. against any losses or liabilities incurred as a result of any inaccurate information that you have knowingly provided to us;
 - 23.2.2. against any losses or liabilities incurred as a result of allowing any other person to access your Member Account either with your permission or as a result of your failure to keep your username and password private;
 - 23.2.3. against any losses or liabilities incurred as a result of any service that you have offered, whether with our permission or without out, to another third party using our Platform, services or Website;

23.2.4. against any risk to which you are exposed by way of moratorium, rescheduling, refinancing, suspension of payments or similar arrangement or circumstances affecting repayment under the Loan Documents; and

23.2.5. any damage or loss to which you are exposed under or in connection with a Borrower's obligations and liabilities under the Loan.

23.3 You agree to indemnify each member of the ThinCats Group and their Connected Parties against all liability, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest penalties and legal and other reasonable professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

23.3.1. any claim made against you for actual or alleged infringement of our intellectual property rights or any actual alleged infringement of a third party's intellectual property rights arising out of or in connection with your use of the Platform or the related services;

23.3.2. any claim made against you for actual or alleged infringement of our information technology or any actual alleged infringement of a third party's information technology arising out of or in connection with the your use of the Platform or the related services,

nothing in this paragraph 23 shall restrict or limit any party's general obligation at law to mitigate a loss which it may suffer or incur as a result of a matter that may give rise to a claim under this paragraph 23.

24. Our liability to you

24.1 No member of the ThinCats Group, their Connected Parties, nor any of such person's advisors, agents or service providers shall be liable to you for any loss, damage, cost or otherwise which you may suffer or incur as a result of being a member of Platform or using the services provided via the Platform including without limitation any of the following:

24.1.1. The occurrence of a Default;

24.1.2. Any Platform downtime or system outage;

24.1.3. Computer viruses, malware or errors received through the Platform provided that we have made reasonable efforts to protect the Members from such issues;

24.1.4. For any actions or inactions made by or on behalf of any member of the ThinCats Group in connection with its rights under these Terms;

24.1.5. Any adverse tax implications suffered by a Member as a result of using the Platform or its services or granting a Loan;

24.1.6. Unauthorised access of the Platform by a third party using your username and passwords as a result of your failure to keep such credentials private and safe or otherwise;

24.1.7. Access to the Platform by a third party granted by you using your username and password;

24.1.8. A loss resulting from the due diligence checks carried out by or for us in connection with any potential Borrowers; or

24.1.9. Where your bid is not the winning bid or where there is a delay in drawdown of your funds in respect of your winning bid.

- 24.2 Nothing in these Terms shall operate to limit or exclude any duty or liability we may have to you under FSMA or the FCA Rules, or any liability for fraud.

25. Force Majeure Event

No member of the ThinCats Group shall be in breach of these Terms nor liable for delay in performing or failure to perform any of its obligations under these Terms if such delay or failure results from a Force Majeure event.

26. Right of Set-off

We have the right to immediately and without notice reduce or extinguish any liability owed by a member of the ThinCats Group to you against any liability or debt that is owed by you to any member of the ThinCats Group.

27. Competition

- 27.1 Members must not attempt to bypass BLN or the Platform by using the information supplied on or by it for other purposes. This includes but is not limited to making an offer of any type of funding directly to the Borrower or passing confidential information to non-members (eg so that they can make their own direct offer of financing).
- 27.2 Members must keep the internal operating methods and procedures used by the Platform and/or BLN confidential and not use such information gained to assist any person seeking to establish a similar service.
- 27.3 You agree 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 the Platform.

28. Conflicts of Interest

- 28.1 This section relates to possible conflicts of interest for the ThinCats Group, the Sponsor, the Borrower or their respective Connected Parties who make Loans via the Platform.
- 28.2 The Platform's membership policy currently permits members of the ThinCats Group, an Underwriter, a member of the Underwriter's Group, the Sponsor or the Borrower or any of their respective Connected Parties to make Loans via the Platform. Although the fact of such a person making a Loan may suggest their own personal confidence in the Loan, you should not and may not draw any inference therefrom. In particular, you should not regard any Loan made by such a person as a recommendation to provide a Loan or infer any warranty from any member of the ThinCats Group, the Underwriter, the Sponsor or the Borrower or any of their respective Connected Parties as to the credit quality of the Borrower or as to the value of its assets. Any member of the ThinCats Group or other such person who is a Lender under a Loan is under no obligation to hold onto their position for the lifetime of the Loan. As such, any member of the ThinCats Group or any other such person may sell all or any portion of their Loan at any stage.
- 28.3 There may be situations where a member of the ThinCats Group, the Underwriter, the Sponsor or a person who is a Connected Party to the ThinCats Group or the Sponsor gains access to information that gives them an advantage in an auction or on the Secondary Market or in assessing the credit risk of a Borrower. It is not possible for any member of the ThinCats Group to monitor the use to which such a person may put the information and you agree that no member of the ThinCats Group shall have any liability for any loss suffered as a consequence.

- 28.4 Types of additional information which may come into the possession of the ThinCats Group, the Underwriter, the Sponsor or their respective Connected Parties and which may give them an advantage (eg in assessing the risk of a Loan or in making a winning bid at auction) over Members who are not Connected Parties with the ThinCats Group or the Sponsor may include:
- a. knowledge of the actual rate of interest the Borrower is prepared to pay (which may be different to the figure published);
 - b. knowledge of the amounts available in Member Accounts ready to bid, which may influence the result of the auction. In particular it may be an indicator of the degree of competitive bidding that might be expected;
 - c. other dealings with the Borrower which might provide additional insight into their business (such as being a customer or supplier of that business);
 - d. knowledge of when an auction is likely to begin (thereby allowing them to make the first bid and possibly gain a tactical advantage);
 - e. knowledge of related deals that may have an impact on the risks involved (for example an equity subscription that may be in progress);
 - f. knowledge of a planned change in fee structures on the Secondary Market or similar which might make it advantageous to sell early or hold back; and/or
 - g. knowledge of financial distress of a Borrower, thereby giving advantage to selling on the Secondary Market.

29. Transfer of Membership

You may not assign or transfer your Membership to a third person, nor any interest in these Terms, without our prior written consent (which we may grant or withhold in our sole discretion).

30. Termination of Membership

- 30.1 You may terminate your Membership of the Platform at any time with immediate effect if you do not have any offer to provide a Loan outstanding. You may do so by sending a written notice to admin@thincats.com. If the Platform receives such notice it may seek additional information to confirm that the origin of the request is genuine. Once the Platform is satisfied of the authenticity of the request, it will arrange to transfer the balance of your funds held in the Client Money Account to your linked bank account.
- 30.2 We may terminate your membership of the Platform at any time and for any reason, including but not limited to the following circumstances:
- a. you breach any of these Terms or are in breach of any regulatory requirements relating to your activity as a Lender on the Platform;
 - b. you breach any Loan Document;
 - c. we suspect that you have committed fraud, been involved in money laundering or other criminal activities;
 - d. you 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 the Platform; or

- e. you use the Platform in any of the following ways:
 - (i) in any way that causes, or is likely to cause, the Platform or access to it to be interrupted or damaged in any way;
 - (ii) for fraudulent purposes, or in connection with a criminal offence;
 - (iii) 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”;
 - (iv) to cause annoyance, inconvenience or needless anxiety or in a way that restricts or inhibits anyone else’s use and enjoyment of the Platform; and/or
 - (v) for a purpose for which the Platform is not intended or other than as a marketplace for lending to UK businesses.

30.3 Termination does not affect a Member's rights in respect of any outstanding Loans it may have.

31. Tax and HMRC Reporting

31.1 No member of the ThinCats Group provides any advice or guidance in relation to tax (or otherwise). If you are unsure as to the tax implications of lending via the Platform or if you are unclear as to your tax obligations, you should seek independent advice.

31.2 Currently, all interest paid by a Borrower in respect of a Loan granted by you will be credited to your Member Account without deduction for income tax. It is your responsibility to ensure that any tax liability which you incur (whether through interest earned on a Loan or otherwise) is paid in accordance with applicable law. No member of the ThinCats Group has or accepts liability for tax liabilities incurred by Lenders.

31.3 The Platform is required to notify HMRC of its Members identity and report on interest earned. HMRC may require us in the future to deduct income tax on interest and we reserve the right to comply with HMRC's requirements.

31.4 If the Platform comes under an obligation to deduct tax or when it reports on interest earned to the tax authorities it will use the information you have provided and you are responsible for its accuracy and keeping it up to date. If you fail to update your information by the time that the Platform sends its report to HMRC you are responsible for any consequences.

31.5 Please also refer to paragraph 16.4 (Secondary Market) for possible withholding tax implications of lending.

32. Complaints Procedure

32.1 We treat a complaint made against the Platform or a service provided by the ThinCats Group very seriously.

32.2 If you want to make a complaint about the Platform or its services you can email admin@thincats.com with brief details of your complaint and your account reference. ThinCats will ordinarily acknowledge your complaint within one business day. Neither the q&a forum or discussion forum is the appropriate place for making a formal complaint, and any comments placed thereon will not be treated as complaints.

- 32.3 ThinCats will then investigate and send you an initial response. This should ordinarily take no longer than five business days. If you are not satisfied then you can respond to their email requesting that the matter is escalated to the Chief Executive Officer who will respond within five business days.
- 32.4 Within four weeks after receiving a complaint we will send you either a final response which explains why we are not in a position to resolve the complaint and/or indicates when we will make further contact. Complaints that cannot be settled within eight weeks of the date of the complaint may be referred to the Financial Ombudsman Service. If you meet the definition of eligible complainant, you have the right to make a complaint directly to the Financial Ombudsman Service. Information on how to complain can be found at www.financial-ombudsman.org.uk.
- 32.5 The ThinCats Group are not responsible for comments made by users on the various forums or in the discussion forum or q&a forum. We have the right to remove or redact any comments made by users using the forum facility.

33. Documentation for Loans

- 33.1 The Platform maintains a file of original documents relating to each Loan and prepares a comprehensive set of Loan Documents relating to the loan referred to as the Bible of Documents.
- 33.2 The Bible of Documents will be available on written request by a Lender for inspection at BLN's registered address on a strictly confidential basis free of charge.

34. Back-up Servicer Arrangements

- 34.1 If the Platform were to fail or BLN were to become insolvent or otherwise cease to operate, we have made arrangements with a view to ensuring that your Loans will be unaffected by managing the orderly run-down of the Platform. Collections and distributions of all payments from Borrowers would continue in accordance with the terms of the Loan Documents. The responsibility for representing the Syndicate will remain with the Facility Agent or its nominee and we have entered into arrangements to transfer the servicing functions to a third party back-up servicer, Street UK, with whom we have entered into a back-up servicing arrangement. We reserve the right to use a back-up servicer prior to insolvency where such action is in the best interests of all of the Lenders.
- 34.2 If this happens:
- a. you will not be able to sell any Loan or part of a Loan;
 - b. you will continue to receive distributions in respect of Loans to the Client Money Account;
 - c. the Platform may not be available for access by you; and
 - d. you will receive quarterly statements of repayments and continue to receive annual statements (for tax purposes).
- 34.3 Our outsourced servicer would continue to collect a servicing or monitoring fee as prescribed from time to time on the Website. The arrangements in place provide for the service to be provided at no cost to Members but we reserve the right to change this if the current provisions prove inadequate or if the outsourced servicer charges an additional special situation fee. In such circumstances, a fee may be required to be borne by the Members as prescribed from time to time on the Website.

35. General

- 35.1 Any notice or other document in respect of your Membership or application for Membership will be transmitted electronically via the Platform. Documents will not ordinarily be sent by post.
- 35.2 The email address and postal address that we use for you will be as provided by you in your Membership application.
- 35.3 Any notice or other document shall be deemed to have been received by the addressee on the day of dispatch if sent by email or other electronic means providing the sender can show satisfactory transmission, and two working days following the date of dispatch if the notice or other document is sent by registered post.
- 35.4 These Terms, the User Guide and the relevant Loan Documents set out the entire agreement between you and us with respect to your use of the Platform and related services, and supersede any and all representations, communications or prior agreements (whether in writing or orally) made by you or us.
- 35.5 A waiver or release by us of a breach of any provision of these Terms shall not be deemed a waiver or release of any subsequent or other breach of the same or any other provision. Failure or delay by us in exercising any rights under these Terms shall not prevent the exercise of that or any other right.
- 35.6 Except in respect of the Sponsor and each member of the ThinCats Group (and in cases where the Supplemental Terms apply, each member of the ESF Group also), the provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to these Terms. However, no consent of the Sponsor and, apart from BLN, no consent of any member of the ThinCats Group or (in cases where the Supplemental Terms apply) ESF Group shall be required for any amendment or waiver to these Terms to be effective. This means that each above specified entity will be entitled to benefit from these Terms insofar as they are expressed to apply for its benefit (notwithstanding that such entity may not be a party to the Terms). However, the consent of such entity will not be required to amend or waive any of the terms.
- 35.7 These Terms shall be governed by English law and, for our benefit, you submit to the exclusive jurisdiction of the English courts.
- 35.8 BLN shall be entitled to take any action necessary to fully comply with the law and any notices received from government agencies including but not limited to any request to provide information under financial crime, fraud or anti-terrorism regulations. In all cases BLN will strive to operate systems designed to minimise the chances of illegal activities.
- 35.9 If any of these Terms is found to be illegal, invalid or unenforceable by any court of competent jurisdiction, the remainder shall continue in full force and effect.
- 35.10 All disclaimers, indemnities and exclusions of liability in these Terms shall survive termination of the agreement between us for any reason.
- 35.11 BLN reserves the right to make any amendments to these Terms it thinks fit without the need to obtain the approval of Members and will communicate any such changes to Members as soon as reasonably practicable in the usual way as set out in these Terms but any variation shall not be applied retrospectively (unless required by law) without holding a poll of Members. By continuing to use the Platform or our services you agree to be bound by the terms of any updates and amendments implemented in accordance with this paragraph 35.11.
- 35.12 The Platform may exercise any of its rights under these Terms by itself or through any company or other legal entity.

36. Contacting Us

The Platform accrues great benefits from the active involvement of its Members and your questions, comments and requests are welcomed. Any correspondence should be addressed to admin@thincats.com.

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Definitions of Terms

Term	Means
“Affiliate”	in respect of any person means any other person that is controlled by, or is under common control with, such person.
“Aggregate Loan”	each of the Loans that comprises the entirety of the amount lent to a Borrower as a result of a successful auction on the Platform.
“Alias”	the code word(s) chosen by a Member which may be used by the Member as a way of keeping its identity confidential during and after an auction.
“BLN”	Business Loan Network Limited (company number 07248014) whose registered office is at The Courtyard, Pimlico Farm, Austrey Lane, No Mans Heath, Tamworth, B79 0PF (trading as “ThinCats”).
“Borrower”	a UK limited company or limited liability partnership to whom monies are lent via the Platform under the terms of the Loan Agreement.
“Client Money Account”	a designated client money account with Barclays Bank Plc held in the name of Street UK Ltd Client Account.
“Connected Party”	in respect of any person means a director, shareholder or employee of such person.
“Default”	an Event of Default or Potential Event of Default as provided under the Loan Agreement.
“DPA”	the Data Protection Act 1998.
“Electronic Messaging”	email, SMS Text messaging or any internal messaging service provided by the Platform.
“ESF Group”	any member of the group of companies, partnerships, funds or other legal entities that are affiliated either directly or indirectly and/or under the management of or to whom advice is provided by ESF Capital Limited from time to time.
“Event of Default”	an “Event of Default” as set out in the Loan Agreement. (Typical events of default include non-payment of interest or principal, insolvency, misrepresentation or failure to perform any obligation under the Loan Documents. However the list is often extensive and will be set out in the Loan Agreement.)
“Facility Agent”	as defined in paragraph 3.3 (Legal and Regulatory information) above.
“FCA”	The Financial Conduct Authority which regulates the activities of BLN as from 1st April 2014.
“FCA Client Money rules”	the FCA requirements for firms handling client money as set out in chapter 7 of the FCA’s client assets sourcebook.
“FCA Rules”	means the rules, guidance, principles and codes comprised in the Handbook of Rules and Guidance issued by the FCA.

“Force Majeure”	any circumstances outside the ThinCats Group’s control including but not limited to any interruptions or failures relating to internet service providers, internet signal, connections, electricity providers, configurations of the ThinCats Group’s lenders and borrowers’ computers, any acts of god, flood, drought, earthquake or other natural disaster, any collapse of buildings, fire, explosion or accident, any act of terrorism, civil war or commotion, riots or any law or any action taken by a government or public authority, including without limitation imposing failing to grant a necessary licence or consent.
“FSMA”	Financial Services and Markets Act 2000.
“HMRC”	Her Majesty’s Revenue & Customs.
“Information Pack”	a document or documents describing the details of the lending opportunity and the potential Borrower, as approved by the Borrower.
“Lender”	a Member who has granted a Loan under a Loan Agreement.
“Lenders' Agent”	as defined in paragraph 3.2 (Legal and Regulatory information) above
“LLP”	a limited liability partnership registered at Companies House in the UK and incorporated pursuant to the terms of the Limited Liability Partnerships Act 2000
“Loan Agreement”	the agreement between the Borrower, Lenders’ Agent (acting as agent for the Lenders), Facility Agent and the Security Agent (in relation to Secured Loans only) setting out the terms of each of the individual Loans that comprise the Aggregate Loan to the Borrower.
“Loan Documents”	the Loan Agreement, the Security Documents (in relation to Secured Loans only) and any ancillary documents thereto executed at or about the time a Loan is granted to the Borrower.
“Loan”	any Secured Loan or Unsecured Loan made by a Member to a Borrower in accordance with these Terms or, where the context requires, an Aggregate Loan.
“Member”	an individual, firm, partnership, company, trust, investment club or other organisation or entity that has Membership.
“Membership”	access to the Platform with the ability to make bids in auctions for Loans.
“Member Account”	a designated account in which we record any funds received from you and any funds payable to you (such as interest and capital repayments received from the Borrower).
“Minimum Loan Amount”	the minimum exposure to a Loan that a Member must have, as prescribed from time to time in the applicable section of the Platform.
“Platform”	the peer to peer lending platform operated by BLN through its Website www.thincats.com .
“Potential Event of Default”	any event, act or condition which, with the giving of notice and/or lapse of time will or is likely to constitute an Event of Default.
“P2PFA”	the Peer to Peer Finance Association; the trade association established to promote standards and good practice within the loan-based crowdfunding market.
“Secondary Market”	the facility provided on the Platform to allow the trading of Loan parts between Members.

"Secured Loan"	a loan made by a Member to a Borrower where the Borrower will grant Security over certain of its assets for the repayment of the loan if the Borrower fails to meet its repayment obligations.
"Security"	a mortgage, charge, pledge, lien, guarantee or other security interest securing any obligation of the Borrower or any other agreement or arrangement having similar effect.
"Security Agent"	as defined in paragraph 3.4 (Legal and Regulatory information) above.
"Security Documents"	each security document entered into by a Borrower and any security documents created by any person guaranteeing or creating security for the liabilities of a Borrower in relation to its obligations under the Loan Documents.
"Sponsor"	an introducer approved by BLN and who acts on behalf of a potential Borrower who is seeking a Loan via the Platform.
"Street UK"	Street UK Limited (with interim permission from the FCA (No. 488452) in relation to certain consumer credit activities).
"Supplemental Terms"	the terms and conditions applicable to loans underwritten by ESF.
"Syndicate"	the group of Lenders that together provide individual Loans to a Borrower under the Loan Agreement (with each such Loan when taken together comprising an Aggregate Loan).
"Terms"	these Terms and Conditions (as amended in accordance with its terms by BLN from time to time).
"ThinCats"	the trading name of BLN and owner and operator of the Platform.
"ThinCats Loan Syndicates Ltd"	a company Limited by guarantee (company number 07341131) whose registered office is at The Courtyard, Pimlico Farm, Austrey Lane, Tamworth, Staffordshire B79 0PF.
"ThinCats Group"	BLN, ThinCats Loans Syndicate Limited (and any other Affiliates of BLN from time to time).
"UK"	means the United Kingdom of Great Britain and Northern Ireland.
"Underwrite"	<p>where a third party enters into an agreement with a prospective Borrower in advance of an auction to the effect that, if a Loan is not fully subscribed by Members at the end of the auction thereby leaving a shortfall of funds required by the Borrower in order to complete the Loan, such third party will use its own money to fully fund the unsubscribed portion of the Loan. In such capacity the third party is an 'Underwriter'.</p> <p>The terms 'Underwritten', 'Underwriting Commitment' and 'Underwriting Services' bear a similar meaning.</p>
"Underwriter"	means a legal entity who enters into an agreement with a prospective Borrower in advance of an auction to the effect that, if a Loan is not fully subscribed by members at the end of the auction thereby leaving a shortfall of funds required by the Borrower in order to complete the Loan, that legal entity will use its own money to fully fund the unsubscribed portion of the Loan.
"Underwriter's Group"	the Underwriter and any other Affiliate of the Underwriter from time to time.
"Unsecured Loan"	a loan made by a Member to a Borrower where the Borrower has not granted Security and the Member will have no recourse to specific assets if the Borrower fails to repay.

“Username”	a code name used by a Member to preserve their security and keep their identity confidential (if they wish) from other Members, Borrowers and Sponsors during and after the auction process.
“User Guide”	The ThinCats’ User Guide as amended from time to time and posted on the Platform.
“Website”	www.thincats.com and any other internet address used to conduct the business activities of BLN and to which the Members have access.

Principles of Interpretation

The following rules of interpretation shall apply to these Terms:

1. paragraph headings shall not affect the meaning of a paragraph;
2. a reference to a paragraph is to a paragraph of these Terms;
3. unless the context otherwise requires, a reference to a person shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person’s personal representatives, successors, permitted assigns and permitted transferees;
4. unless the context otherwise requires, words in the singular shall include the plural and words in the plural shall include the singular;
5. unless the context otherwise requires, a reference to one gender shall include a reference to the other gender;
6. references to “we”, “us” and “our” means the members of the ThinCats Group. References to “you” and “your” mean a Member;
7. references to a statute or regulatory instrument are to the statute or regulatory instrument as amended or re-enacted from time to time; and
8. references to “these Terms” are to these Terms as may be amended from time to time in accordance with paragraph 35.11 (General).