

This **SUPPLIER FINANCE FACILITY AGREEMENT** is made on \_\_\_\_\_ 2019

**BETWEEN:**

- (1) **SANTANDER UK PLC**, a company registered in England with number 02294747, whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN ("**SANUK**" or "**We**" or "**Us**"); and
- (2) The company, limited liability partnership, partnership or sole trader (as the case may be) which has executed the relevant execution block on the execution page of this Agreement (the "**Supplier**" or "**You**").

**WHEREAS:**

- (A) SANUK and the Supplier wish to enter into a Discounting arrangement in respect of the trade debts generated from sales by the Supplier to [insert full name of Client] (the "**Client**") and/or its Client Group Companies (as applicable).
- (B) Pursuant to such Discounting arrangement, and subject to the terms and conditions of this Agreement (which includes the terms and conditions set out in Annex 1 to this Agreement (the "**Conditions**")), SANUK will purchase at a Discount and subject to any applicable Commission(s), in advance of the Maturity Date of the relevant Invoices, either (i) all of the trade debts generated from sales by the Supplier to the Client and/or its Client Group Companies (as applicable), if such option has been selected in Clause 4.1 of this Agreement; or (ii) certain of the trade debts generated from sales by the Supplier to the Client and/or its Client Group Companies (as applicable), as specified in Clause 4.1 of this Agreement (in conjunction with a completed Ad-Hoc Invoice List), in each case to the extent that such Invoices have been notified to SANUK by the Client and/or its Client Group Companies (as applicable).
- (C) In the event that the Supplier and SANUK agree not to sell and purchase a trade debt at a Discount, SANUK will remit the Notified Value to the Supplier on the relevant Maturity Date, acting as agent on behalf of the Client and/or the relevant Client Group Company (as applicable) and solely to the extent that such Client and/or the relevant Client Group Company (as applicable) has put SANUK in funds therefor in advance of such remittance.

**IT IS HEREBY AGREED AS FOLLOWS:**

**1. DISCOUNT RATES**

The following Discount Rates (comprised of GBP-LIBOR, EURIBOR, EUR-LIBOR or USD-LIBOR, as applicable and indicated below, plus a percentage margin) apply to sales and purchases of Notified Receivables under this Agreement:

	Up to 30 calendar days	Between 31 and 60 calendar days	Between 61 and 90 calendar days	Over 90 calendar days
Discount Rate				

(L = GBP-LIBOR, E = EURIBOR, LE = EUR-LIBOR, LU = USD LIBOR for the relevant period, depending on the range of the Maturity Dates shown in the table above.)

**2. COMMISSION**

The following percentages (if any) apply to the calculation of the Commission payable in respect of sales and purchases of Notified Discount Receivables or remittances of Notified Values in respect of Notified Remittance Receivables, as applicable:

Commission Percentage: \_\_\_\_\_

(If applicable, a percentage for the Commission will be inserted above. In the event that the above field is left blank or "0" has been inserted, no Commission will apply to sales and purchases of Notified Discount Receivables or remittances of Notified Values in respect of Notified Remittance Receivables under this Agreement.)

**3. SUPPLIER ACCOUNT**

All payments by Us to You under this Agreement shall be made in accordance with Condition 7 (Method of Payment by SANUK) and by crediting the following account:

Account Name:	
Account Number:	
Sort Code:	
IBAN:	
Swift Code:	

**4. INVOICES SELECTED FOR DISCOUNTING**

4.1 The Supplier wishes to enter into Discounting transactions with SANUK in respect of:

**All present and future Invoices**  
**("Automatic Option")**

**Invoices specified in the Ad-Hoc Invoice List**  
**("Ad-Hoc Option")**

(Please tick Your preferred option.)

4.2 If You have selected the Automatic Option in Clause 4.1 above, please specify the Advance Payment Date on which You wish to receive the Purchase Price in respect of a Notified Discount Receivable:

- (a) \_\_\_\_\_ Business Days prior to the Maturity Date of such Notified Discount Receivable [please insert the number of Business Days prior to the Maturity Date on which You wish to receive the funds]; or

(b) on the \_\_\_\_\_ day of each calendar month [please insert the day of the month when You wish to receive the funds],

In the event that neither sub-Clause (a) nor sub-Clause (b) is populated with Your selection, We will pay the relevant Purchase Price to you within two (2) Business Days following the Business Day on which We receive an Invoice Notification from the Client, subject to the other terms and conditions of this Agreement.

**5. CONDITIONS**

5.1 The Conditions form an integral part of this Agreement and are expressly and specifically incorporated into this Agreement. All Clauses set out in this part of the Agreement are subject to, and need to be read in conjunction with, the Conditions. For the avoidance of doubt, by executing this Agreement You also accept and agree to the Conditions.

5.2 Capitalised terms used in this Agreement shall have the meaning given to them in Condition 1 (*Definitions and Interpretation*).

**6. EXECUTION**

This Agreement may be executed in any number of counterparts, and this has the effect as if the signatures on the counterparts were on a single copy of this Agreement and, for the avoidance of doubt, this Agreement may be executed by both Parties electronically.

**7. GOVERNING LAW**

This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law.

**IN WITNESS WHEREOF** the Parties have entered into this Agreement on the date first above written:

Signed for and on behalf of  
**SANTANDER UK PLC**



\_\_\_\_\_  
Name: *Dale Woodman*  
Title: *Authorised Signatory*



\_\_\_\_\_  
Name: *Alex Farrugia*  
Title: *Authorised Signatory*

Signed for and on behalf of  
**[INCLUDE FULL LEGAL NAME OF SUPPLIER]**

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name:  
Title:

Supplier Address: \_\_\_\_\_  
\_\_\_\_\_


**SUPPLIER FINANCE FACILITY  
TERMS AND CONDITIONS**

The following terms and conditions (together, the “**Conditions**” and each, a “**Condition**”) form part of the Agreement between (1) **SANTANDER UK PLC**, a company registered in England with number 02294747, whose registered office is at 2 Triton Square, Regent’s Place, London NW1 3AN (“**SANUK**” or “**We**” or “**Us**”) and (2) the company, limited liability partnership, partnership or sole trader (as the case may be) which has entered into this Agreement by duly executing the Paper Contract or entering into a Website Transaction in accordance with Condition 3 (*Website Transactions*) below (the “**Supplier**” or “**You**”), and formally outline our legal and commercial relationship.

Please read the following Conditions carefully, as they document our respective obligations to each other:

**1. DEFINITIONS AND INTERPRETATION**

In this Agreement (including, for the avoidance of doubt, the Annexes and recitals hereto, if applicable):

“**£**” or “**GBP**” or “**Sterling**” means the lawful currency of the United Kingdom for the time being;

“**€**” or “**EUR**” or “**Euro**” means the lawful currency of the member states of the European Union which have adopted the single currency in accordance with legislation of the European Union relating to Economic and Monetary Union;

“**\$**” or “**USD**” or “**U.S. Dollars**” means the lawful currency of the United States of America for the time being;

“**Ad-Hoc Invoice List**” means a list or table substantially in the form set out in Annex 2 to the Paper Contract containing details of Notified Invoices which SANUK offers to purchase from the Supplier at a Discount and which the Supplier can accept for Discounting by populating the column “*Mark*” as shown in such list or table;

“**Ad-Hoc Option**” means the option to enter into Discounting transactions with SANUK in respect of specific Invoices which are included in the Ad-Hoc Invoice List in respect of a Paper Contract, or displayed on the Website (as applicable), in each case following the receipt and processing by SANUK of the corresponding Invoice Notification from the Client;

“**Advance Payment Date**” means, in relation to a Notified Discount Receivable, the date specified or selected by You as the date on which You elect to receive the Purchase Price in respect of such Notified Discount Receivable:

- (a) in Clause 4.2 in respect of the Automatic Option under the Paper Contract, or
- (b) in the Ad-Hoc Invoice List under the Paper Contract, or
- (c) on the Website;

“**Adverse Claim**” means any lien, right of set-off, netting, abatement, withholding, deferral, reduction, claim, defence or counterclaim, including claims related to shipment, delivery, damage, defect, performance, failure to meet specifications, or failure to meet expressed or implied warranties;

“**Affiliate**” means, in respect of a company, any of its Subsidiaries, Subsidiary Undertakings and Holding Companies (each term as defined in Sections 1159 and 1162 of the Companies Act 2006) and any Subsidiaries and Subsidiary Undertakings of such Holding Companies;

“**Agreement**” means a contract entered into between You and Us in respect of the purchase of Notified Invoices by Us at a Discount (and subject to any applicable Commission(s)), in advance of the Maturity Date of such Invoices, representing either (a) all of the trade debts generated from sales by the

Supplier to the Client and/or its Client Group Companies, as applicable, if You select the Automatic Option; or (b) certain of the trade debts generated from sales by the Supplier to the Client and/or its Client Group Companies, if you select the Ad-Hoc Option, in each case whether concluded electronically via the Website as a Website Transaction or executed by hand as a Paper Contract. References to any “agreement” or “contract” (including, without limitation, “**this Agreement**”) or a provision thereof shall be construed as a reference to that agreement or contract or provision as from time to time varied, novated, amended, supplemented or replaced;

“**Anti-Corruption Laws**” means all Applicable Laws relating to anti-bribery and anti-corruption including, without limitation, the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act 1977;

“**Applicable Laws**” means all applicable laws, enactments, regulations, regulatory policies, regulatory guidelines, industry codes, regulatory permits, regulatory licences and any applicable orders or decrees of any governmental authority, agency or court, in each case which are in force from time to time;

“**Authorised Signatory**” means the person or persons authorised by the Supplier, whether acting singly or jointly, to execute this Agreement and any notices or documents under or in connection with this Agreement on behalf of the Supplier, whether by hand or via the Website, including the entry into Website Transactions and, if this Agreement is entered into via the Website, each such Authorised Signatory also needs to be an Authorised User;

“**Authorised Users**” means the person or persons authorised by the Supplier for the purpose of accessing the Website and included in the Authorised User List (if the Supplier is using a Website provided by SANUK);

“**Authorised User List**” means a list of Authorised Users of the Supplier for the purposes of accessing and using any Website provided by SANUK, which indicates whether each such Authorised User has Viewing Access or Transactional Access to the Website, as the same may be updated from time to time by notice to SANUK (for the avoidance of doubt, an Authorised User List is not required or applicable under this Agreement in respect of a Website provided by a third party);

“**Automatic Option**” means the option to enter into Discounting transactions with SANUK in respect of all present and future Invoices included in Invoice Notifications from the Client;

“**Benchmark Rate**” means any of GBP-LIBOR, EURIBOR, EUR-LIBOR or USD-LIBOR;

“**Business Day**” means a day on which banks are generally open for business in London;

“**Client**” has the meaning given to it in recital (A) of the Paper Contract or as specified on the Website as the “Client” (as applicable);

**"Client Agreement"** means the supply chain programme agreement entered into between SANUK and the Client (as amended, supplemented, varied and/or restated from time to time), pursuant to which the Client may, *inter alia*, submit Invoice Notifications to Us in respect of the Notified Receivables owed by such Client or by a Client Group Company, as applicable, to You;

**"Client Group Company"** means any company which is an Affiliate of the Client, for so long as such company remains an Affiliate of the Client;

**"Commission"** means the amount of the commission applicable to the purchase of a Notified Discount Receivable or the remittance of the Notified Value in respect of a Notified Remittance Receivable and such amount shall be calculated by multiplying the applicable Commission Percentage (depending on the period into which the Maturity Date of such Notified Receivable falls, as specified in Clause 2 (*Commission*) of the Paper Contract or displayed on the Website) by the Notified Value of such Notified Receivable;

**"Commission Percentage"** means each of the percentages specified in Clause 2 (*Commission*) of the Paper Contract or displayed on the Website;

**"Contract of Sale"** means a contract in any form (including a purchase order for the sale of goods and/or services) between the Client or a Client Group Company, as applicable, and the Supplier, pursuant to which goods and/or services are sold and Delivered by the Supplier to, or to the order of, the Client or a Client Group Company, as applicable, for which an Invoice is issued by the Supplier to the Client or a Client Group Company, as applicable, and a Notified Receivable arises (which Notified Receivable is evidenced by such Invoice);

**"Cost of Funds Rate"** means the cost to SANUK to fund the purchase of the relevant Notified Discount Receivable from the Supplier on the corresponding Purchase Date, expressed as a percentage rate per annum, determined or calculated in a manner and from whatever source SANUK may select, acting in a commercially reasonable manner;

**"Credit Note"** means a note issued in any written form (including, for the avoidance of doubt, in electronic form), with the effect that the amount due by the Client or a Client Group Company, as applicable, to the Supplier under an Invoice is reduced by the credit amount stated in such note, provided that such note was notified to SANUK in the Invoice Notification which relates to the Notified Invoice(s) subject to such note;

**"Delivered"** means that:

- (a) the relevant goods have been physically delivered to (or to the order of), and accepted by, the Client or the Client Group Company, as applicable, or the services have been provided to the Client or the Client Group Company, as applicable, under a Contract of Sale, to the satisfaction of the Client or the Client Group Company, as applicable;
- (b) the Client or the Client Group Company, as applicable, has assumed the risk in the relevant goods; and
- (c) in all other respects, the Contract of Sale has been fully performed by the Supplier in respect of the relevant goods and/or services, to the satisfaction of the Client or the Client Group Company, as applicable;

**"Discount Amount"** means the amount of the discount applicable to the Purchase Price of a Notified Receivable under this Agreement and such amount shall be calculated on the relevant Purchase Date by applying the Discount Rate (depending on the period in which the Maturity Date of such Notified Receivable falls, as specified in Clause 1 (*Discount Rates*) of the Paper Contract or on the Website in respect of Website Transactions) to the Notified Value of such Notified Receivable for the period on and from the Purchase Date until (and excluding) the Maturity Date of such Notified Receivable and on the basis of:

- (a) a 360-day year in respect of Invoices payable in EUR and USD; and
- (b) a 365-day year in respect of Invoices payable in GBP;

**"Discounting"** means the purchase by Us from You of Notified Discount Receivables in accordance with Condition 2 (*Sale and Purchase of Notified Discount Receivables – Offer and Acceptance*) and **"Discount"** shall be construed accordingly. For the avoidance of doubt, the use of the terms "Discounting" or "Discount" in this Agreement shall not be construed to exclude the payment of any applicable Commission or to mean that only a Discount Amount is to be applied to the determination of the Purchase Price of a Notified Discount Receivable;

**"Discount Rate"** means each of the rates specified in respect of an Invoice shown Clause 1 (*Discount Rates*) of the Paper Contract or displayed on the Website, as applicable, which are comprised of:

- (a) the applicable Benchmark Rate, plus a percentage margin; or
- (b) in the event that any Benchmark Rate does not appear on the relevant screen or ceases to be available for any other reason, the Cost of Funds Rate plus a percentage margin, as set out in Condition 9.1;

**"EUR-LIBOR"** or **"LE"** means that the rate for a Purchase Date in respect of a Notified Discount Receivable will be the rate for deposits in Euros for such period as SANUK, acting reasonably, considers most appropriate having regard to the period between the Purchase Date and the Maturity Date of such Notified Discount Receivable (as indicated in the table in Clause 1 or shown on the Website, as applicable), which appears on the Reuters Screen LIBOR01 Page as of 11:00 a.m. London time on the day that is two Business Days preceding that Purchase Date. If such rate does not appear on the Reuters Screen LIBOR01 Page, the rate in respect of that Purchase Date shall be determined in accordance with Condition 9.1 below;

**"EURIBOR"** or **"E"** means that the rate for a Purchase Date in respect of a Notified Discount Receivable will be the rate for deposits in Euros for such period as SANUK, acting reasonably, considers most appropriate having regard to the period between the Purchase Date and the Maturity Date of such Notified Discount Receivable (as indicated in the table in Clause 1 or shown on the Website, as applicable), which appears on the Reuters Screen EURIBOR01 Page as of 11:00 a.m. Brussels time on the day that is two Business Days preceding that Purchase Date. If such rate does not appear on the Reuters Screen EURIBOR01 Page, the rate in respect of that Purchase Date shall be determined in accordance with Condition 9.1;

**"FATCA"** means:

- (a) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations;
- (b) any treaty, law or regulation enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction;

**"GBP-LIBOR"** or **"L"** means that the rate for a Purchase Date in respect of a Notified Discount Receivable will be the rate for deposits in Sterling for a period equal to the period as SANUK, acting reasonably, considers most appropriate having regard to the period between the Purchase Date and the Maturity Date of such Notified Discount Receivable (as indicated in the table in Clause 1 or shown on the Website, as applicable), which appears on the Reuters Screen LIBOR01 Page as of 11:00 a.m. London time on that Purchase Date. If such rate does not appear

on the Reuters Screen LIBOR01 Page, the rate in respect of that Purchase Date shall be determined in accordance with Condition 9.1 below;

**"Insolvency Event"** means, in relation to a person, that such person:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); or
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; or
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors; or
- (d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office or seat, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official; or
- (e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person not described in paragraph (d) above and (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; or
- (f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); or
- (g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; or
- (h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; or
- (i) causes or is subject to any event with respect to it which, under the Applicable Laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) (each inclusive); or
- (j) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts;

**"Invoice"** means an invoice issued by the Supplier to the Client or to a Client Group Company, as applicable, in any written form (including, for the avoidance of doubt, in electronic form), for the provision of goods and/or services under a Contract of Sale which evidences the creation of a Notified Receivable;

**"Invoice Notification"** means a notification from the Client to SANUK in accordance with the terms of the Client Agreement which includes details with respect to Invoices issued by the Supplier to the Client and/or its Client Group Companies, as applicable, and which Invoices and underlying Notified Receivables can thereupon be processed by SANUK in accordance with the terms of this Agreement;

**"Loss"** means each loss, damage, fine, penalty, cost, expense or other liability (including legal and other professional fees);

**"Maturity Date"** means the due date for payment of a Notified Receivable to the Supplier as stated in the corresponding Notified Invoice or as may be agreed separately between the Client or the relevant Client Group Company (as applicable) and the Supplier (provided that such other date is notified in writing to SANUK by the Client at least three (3) Business Days prior to the proposed Maturity Date) and in the event that such due date for payment does not fall on a Business Day, the immediately following Business Day;

**"Money Laundering Laws"** means all money laundering statutes and any rules or regulations thereunder applicable to a Party;

**"Notified Discount Receivable"** has the meaning given to it in Condition 5 (*Assignment of Notified Discount Receivables*);

**"Notified Invoice"** means an Invoice included in an Invoice Notification submitted by the Client to SANUK;

**"Notified Receivable"** means the trade debt generated from sales of goods and/or provision of services by the Supplier to, or to the order of, the Client or a Client Group Company, as applicable, including any and all present, future or contingent obligations of the Client or the relevant Client Group Company, as applicable, to make a payment (including, without limitation, a payment of any applicable Tax) to the Supplier pursuant to, and as evidenced by, a Notified Invoice. The term "Notified Receivable" includes a "Notified Discount Receivable" and a "Notified Remittance Receivable", as the context may require;

**"Notified Remittance Receivable"** has the meaning given to it in Condition 6.1;

**"Notified Value"** means the full face value of each Notified Invoice (including VAT and any other applicable Tax or duty thereon) owed from the Client or from a Client Group Company, as applicable, to the Supplier on the relevant Maturity Date, less any Credit Note(s) applied to such Notified Invoice;

**"Paper Contract"** means Our standard contract entitled "Supplier Finance Facility Agreement" provided to You in hard copy or soft copy (otherwise than being displayed on the Website) which consists of:

- (a) two pages containing various options for selection in respect of the transactions contemplated by such contract,
- (b) the Conditions set out in Annex 1 thereto, and
- (c) the completed Ad-Hoc Invoice List (if the Ad-Hoc Option is selected by the Supplier);

**"Parent"** means the holding company of the Client and/or of the Client Group Companies, as specified and included in the Client Agreement, if applicable;

**"Party"** or **"Parties"** means a party or parties to this Agreement;

**"Permitted Limit"** means the maximum permitted level of aggregate amounts outstanding under all Notified Invoices of the Client and the Client Group Companies, from time to time, and specified under the Client Agreement;

**"Purchase Date"** means the date on which the Purchase Price for a Notified Discount Receivable is paid by Us to You;

**"Purchase Price"** means, in respect of a Notified Discount Receivable, the Notified Value of such Notified Discount Receivable *minus* any Discount Amount and *minus* any Commission applicable to such Notified Discount Receivable;

**"Restricted Person"** means a person or entity that is:

- (a) listed or referred to on, or owned or controlled by a person or entity listed or referred to on, or acting on behalf of a person or entity listed or referred to on, any Sanctions List;

- (b) located in, incorporated under the laws of, or acting on behalf of a person or entity located in or organized under the laws of, any country or territory that is or has been the target of and/or subject to any comprehensive country- or territory-wide Sanctions (being, as at the date of this Agreement, Crimea, Cuba, Iran, North Korea, Sudan and Syria); or
- (c) otherwise a target of Sanctions;

“**Rights**” means, in respect of a Notified Discount Receivable, all of the Supplier’s right, title, interest and benefit in and to such Notified Discount Receivable, including in respect of all monies due to the Supplier from time to time in relation to the corresponding Notified Invoice, together with the Supplier’s rights under such Notified Invoice and the relevant Contract of Sale (including without limitation the Supplier’s right to be indemnified under the relevant Contract of Sale), the benefit of any insurance policy and any security to which the Supplier is entitled in respect of such Notified Discount Receivable, the Supplier’s rights to all returned goods supplied under the relevant Contract of Sale and all rights to demand, receive or dispose of any such monies or claims, all rights to sue for or in relation thereto and all rights of action against any person in connection therewith or otherwise to enforce the same;

“**Sanctions**” means the economic, financial and trade embargoes and sanctions laws, regulations, rules and/or restrictive measures administered, enacted or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, any other U.S. government entity, the United Nations Security Council, any United Nations Security Council Sanctions Committee, the European Union, any Member State of the European Union, the United Kingdom and/or any other government, public or regulatory authority or body (including but not limited to HM Treasury);

“**Sanctions List**” means the “Specially Designated Nationals and Blocked Persons” list maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Consolidated List of Persons and Entities subject to Financial Sanctions maintained by the European Commission or any similar list maintained by, or public announcement of Sanctions designation made by, the United States Department of State or any other U.S. government entity, the United Nations Security Council, any United Nations Security Council Sanctions Committee, the European Union, any Member State of the European Union, the United Kingdom and/or any other government, public or regulatory authority or body (including but not limited to HM Treasury);

“**Security Interest**” means a mortgage, charge of any kind, pledge, lien, assignment, trust, hypothecation or other encumbrance or security interest securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer, trust and retention arrangements) having a similar effect;

“**Supplier Account**” means the account specified in Clause 3 of the Paper Contract or displayed on the Website, as applicable, held in the name of the Supplier into which payments are made by SANUK pursuant to this Agreement;

“**Taxes**” means all present and future taxes, levies, imposts, duties, fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed, including, without limitation, income tax, corporation tax, VAT or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency together with any penalties, fines or interest thereon;

“**USD-LIBOR**” or “**LU**” means that the rate for a Purchase Date in respect of a Notified Discount Receivable will be the rate for deposits in U.S. Dollars for such period as SANUK, acting reasonably, considers most appropriate having regard to the period between the Purchase Date and the Maturity Date of such Notified Discount Receivable, which appears on the Reuters

Screen LIBOR01 Page as of 11:00 a.m., London time, on the day that is two Business Days preceding that Purchase Date. If such rate does not appear on the Reuters Screen LIBOR01 Page, the rate in respect of that Purchase Date shall be determined in accordance with Condition 9.1 below;

“**VAT**” means (a) value added tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112), and (b) any similar turnover tax, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in (a), or imposed elsewhere;

“**We**”, “**Us**”, “**Our**” and “**SANUK**” are references to Santander UK plc and the terms “**We**” and “**SANUK**” are interchangeable;

“**Website**” means (a) Our website with the address www.santandersupplychainfinance.co.uk or any such other modified or replacement website address notified by Us to You, or (b) any website hosted by a third party provider for the purpose of, *inter alia*, providing You with access to Our Discounting services;

“**Website Transaction**” means a Discounting transaction in respect of any Invoices which is entered into by the Supplier via the Website by following the steps set out in Condition 3 (*Website Transactions*); and

“**You**” or “**Your**” are references to the Supplier which has executed the relevant execution block on the execution page of this Agreement and the terms “**Supplier**” and “**You**” are interchangeable.

## 2. SALE AND PURCHASE OF NOTIFIED DISCOUNT RECEIVABLES - OFFER AND ACCEPTANCE

### 2.1 Automatic Option

- (a) If You have selected the Automatic Option in the Paper Contract or via the Website, You offer to sell to Us all present and future Invoices included in Invoice Notifications submitted to Us by the Client.
- (b) In the event that We accept such offer in respect of a Notified Discount Receivable, We will pay the Purchase Price in respect of such Notified Discount Receivable:
- (i) on the Advance Payment Date specified / selected by You; or
  - (ii) if such Advance Payment Date is not a Business Day, on the immediately succeeding Business Day; or
  - (iii) in the event that no Advance Payment Date was specified / selected by you in the Paper Contract or on the Website (as applicable), within two (2) Business Days following the Business Day on which We receive an Invoice Notification from the Client in respect of such Notified Discount Receivable.
- (c) You have the option to change the Advance Payment Date selected by You in respect of the Automatic Option provided that you give Us three (3) clear Business Days’ notice thereof. The new Advance Payment Date(s) will apply to Notified Invoices included in Invoice Notifications submitted to Us after the expiry of such notice period.
- (d) For the avoidance of doubt, for so long as this Agreement is in full force and effect and You have selected the Automatic Option, there is no need for You to enter into any further Paper Contracts or Website Transactions in respect of the Invoices due to You from the Client and/or its Client Group Companies, as applicable.
- (e) Either You or We may, by notice to the other Party, switch from the Automatic Option to the Ad-Hoc Option in respect of Invoices included in Invoice Notifications submitted to Us by the Client after the date of such notice. In the event that either You or Us elects to switch to the Ad-Hoc Option, the provisions of Condition 2.2 (*Ad-Hoc Option*) will apply

to Invoices included in Invoice Notifications submitted to Us by the Client after the date of such notice.

## 2.2 Ad-Hoc Option

- (a) If You have selected the Ad-Hoc Option, We offer to purchase from You those Invoices specifically included in the Ad-Hoc Invoice List in respect of a Paper Contract or displayed by Us on the Website (as applicable), at the Purchase Price displayed on the Website or as described in the Paper Contract (as applicable).
- (b) The completion of a Website Transaction in accordance with Condition 3 (*Website Transactions*) in respect of an Invoice displayed on the Website or, as applicable, the selection of Invoices specifically included in the Ad-Hoc Invoice List in respect of a Paper Contract, together with the execution by You of such Paper Contract, constitutes Your acceptance of Our offer to purchase the Notified Discount Receivables evidenced by such Invoices.
- (c) In the event that You have accepted Our offer in respect of a Notified Discount Receivable, We will pay the Purchase Price in respect of such Notified Discount Receivable:
  - (i) on the Advance Payment Date specified / selected by You in the Ad-Hoc Invoice List in respect of a Paper Contract or on the Website (as applicable); or
  - (ii) if such Advance Payment Date is not a Business Day, on the immediately succeeding Business Day; or
  - (iii) if You do not specify an Advance Payment Date in the Paper Contract or on the Website (as applicable) within two (2) Business Days following the Business Day on which We receive the executed Paper Contract or on which the relevant Website Transaction is entered into, as applicable.
- (d) In the event that any Advance Payment Date specified by You in the Paper Contract or on the Website (as applicable) falls on the same date as the date on which You have returned the executed Paper Contract to Us or the date on which You have entered into the relevant Website Transaction (as applicable), We will pay the Purchase Price in respect of the relevant Notified Discount Receivable(s):
  - (i) in the case of the Paper Contract, within three (3) Business Days following the receipt of the Paper Contract (even though the Advance Payment Date specified in such Paper Contract is the same date as the date of our receipt of the Paper Contract); or
  - (ii) in the case of a Website Transaction, on the Advance Payment Date specified by You on the Website only if the relevant Website Transaction was concluded prior to 11:30 am (London time) on such Advance Payment Date.
- (e) Prior to Your acceptance of Our offer, such offer may be subject to withdrawal by Us by removing the relevant Invoice details from the Website or removing the "advance payment" or "available for Discounting" option from the Website or, in the event that a Paper Contract has been sent to You, by notifying You that the offer constituted by such Paper Contract is withdrawn (as applicable).

## 3. WEBSITE TRANSACTIONS

- 3.1 Instead of executing a Paper Contract in respect of the Automatic Option or the Ad-Hoc Option, You have the option to enter into Discounting transactions in respect of any Notified Invoice(s) via the Website. For the avoidance of doubt, if You choose to enter into such transactions via the Website, there is no need to execute a Paper Contract in respect of the same Notified Invoices separately or additionally.
- 3.2 If You wish to enter into a valid Website Transaction, You are required to take each of the following steps, depending on, and

allowing for variances in, the content of the Website(s) that You may use to access our services from time to time:

- (a) in the section of the Website showing which Notified Invoices are available for Discounting, select / tick the Notified Invoice with respect to which You want to enter into a Discounting transaction with Us, and specify / select an Advance Payment Date with respect to that Notified Invoice;
- (b) after having reviewed the Discount Rate, Commission, Purchase Price and any other payment details shown on the Website in respect of the selected / ticked Notified Invoice and the specified / selected Advance Payment Date, click the button "Accept advance" or "Accept" or "OK" (as applicable, depending on the Website);
- (c) verify the summary shown on the Website in respect of the requested Discount of such Notified Invoice by clicking the button "Accept" or "OK" (as applicable, depending on the Website);
- (d) accept Our Conditions as displayed on the Website and, for the avoidance of doubt, such Conditions shall be deemed to have been read by You upon the carrying out of any Website Transactions; and
- (e) the relevant Authorised Signatory/ies types his/her/their full name into the "Signature" box on the summary screen shown on the Website in respect of the requested Discount of such Notified Invoice, or on the screen of the Website displaying Our Conditions (as applicable, depending on the Website).

3.3 You acknowledge that Condition 3.2 provides a general description of the steps required to be taken to enter into a Website Transaction and that there may be variations in the description or titles of screens or buttons depending on the Website You use to access Our services. However, in any event and regardless of the Website You are using to access Our services, a Website Transaction will only be validly executed and constitute an electronic contract between You and Us, if each of the following steps have been concluded by You:

- (a) You have accepted the payment details shown on the Website in respect of the requested Discount of a Notified Invoice;
- (b) You have accepted Our Conditions as displayed on the Website; and
- (c) the relevant Authorised Signatory/ies has/have typed his/her/their full name into the "Signature" box shown on the Website.

## 4. FORMATION, EXTENT AND VALIDITY OF A CONTRACT BETWEEN YOU AND US

- 4.1 Please note the following points regarding the formation, effectiveness and validity of a contract between You and Us:
  - (a) if You choose to execute a Paper Contract, a valid contract exists between You and Us only if You have made a selection in Clause 4.1 and each of Us and You have duly executed such Paper Contract;
  - (b) a Paper Contract will become effective on and from the date when the last Party duly executes it, regardless if a different date is written on the first page of the Paper Contract;
  - (c) if You choose to enter into Website Transactions, a valid contract exists between You and Us only if and to the extent that You have taken and completed each of the steps set out in Condition 3 (*Website Transactions*);
  - (d) if You have selected the Ad-Hoc Option in the Paper Contract or via the Website, a valid contract exists only in respect of those specifically selected Invoices (whether via the Website or included in the Ad-Hoc Invoice List in respect of a Paper Contract), and no contract can be

inferred in respect of any Invoices which were not specifically selected via the Website or included in the Ad-Hoc Invoice List in respect of a Paper Contract (as applicable);

- (e) a notification from Us to You that Invoices are available on the Website or an email containing an unsigned contract does not constitute or infer a valid contract between You and Us;
- (f) in respect of the Ad-Hoc Option: (i) the display of Invoice details available for selection on the Website, or (ii) the delivery to You by Us of a countersigned Paper Contract (which has not been countersigned by You) constitutes, in each case, an offer only and not a binding contract unless and until such offer has been accepted by You in accordance with Condition 2 (*Sale and Purchase of Notified Discount Receivables - Offer and Acceptance*);
- (g) the mere provision of Invoices by You to the Client and/or its Client Group Companies, as applicable, any assurances in respect of those Invoices made by the Client and/or its Client Group Companies, as applicable, to You, or the entry into any documentation between You and the Client and/or its Client Group Companies, as applicable, (to which We are not a party) in respect of those Invoices does not confer any obligations on Us or imply a contract between You and Us; and
- (h) unless there is a valid and express contract between You and Us in respect of a Notified Discount Invoice (either a duly executed Paper Contract or a validly executed Website Transaction), We are not obliged to make any payment to You in respect of such Invoice.

4.2 You further acknowledge and accept that:

- (a) any Paper Contract needs to be executed by Your Authorised Signatory/ies;
- (b) any Website Transaction needs to be entered into by Your Authorised Signatory/ies;
- (c) We shall not be obliged to verify whether any Paper Contract is executed by, or whether a Website Transaction is entered into by, Your Authorised Signatory/ies; and
- (d) any Paper Contract purporting to be executed by an Authorised Signatory or any Website Transaction purporting to be entered into by an Authorised Signatory following the steps described in Condition 3.2 above shall be valid and binding.

4.3 For the avoidance of doubt:

- (a) We are not responsible for the processing of any Invoices which have not been notified to Us by (or on behalf of) the Client through the process in place between Us and the Client pursuant to the Client Agreement;
- (b) any Invoices submitted by You to the Client and/or its Client Group Companies, as applicable, will not be processed by Us unless they have been notified to Us by the Client in accordance with the Client Agreement; and
- (c) Notified Invoices will be processed by Us in accordance with the terms and conditions set out expressly in this Agreement, not any agreement in place between You and the Client and/or its Client Group Companies, as applicable (to which We are not party).

**5. ASSIGNMENT OF NOTIFIED DISCOUNT RECEIVABLES**

5.1 You agree to sell and to assign absolutely to Us, and We agree to purchase and take an assignment of, those Notified Receivables (the "**Notified Discount Receivables**") which are:

- (a) if the Automatic Option applies, accepted for Discounting by Us by the payment of the Purchase Price in respect of such Notified Discount Receivables; and

- (b) if the Ad-Hoc Option applies, accepted for Discounting by You by (i) the completion of the Website Transaction(s) in respect of such Notified Discount Receivables, or (ii) the selection of Notified Invoices for Discounting in the Ad-Hoc Invoice List in respect of a Paper Contract and the execution of such Paper Contract (as applicable);

in each case at the Purchase Price applicable to each such Notified Discount Receivable and subject to the terms and conditions of this Agreement.

5.2 With effect on and from the Purchase Date of a Notified Discount Receivable, You assign and/or transfer to Us absolutely, irrevocably and with full title guarantee, such Notified Discount Receivable and all of Your Rights to such Notified Discount Receivable (but none of Your obligations) under the Notified Invoice evidencing such Notified Discount Receivable and the Contract of Sale relating to such Notified Discount Receivable.

5.3 On and from the Purchase Date of a Notified Discount Receivable:

- (a) You shall not attempt to collect payment for such Notified Discount Receivable or otherwise agree to settle such Notified Discount Receivable or interfere in the payment of such Notified Discount Receivable by the Client or the relevant Client Group Company, as applicable, or communicate with the Client or the relevant Client Group Company, as applicable, in connection with such Notified Discount Receivable;
- (b) You shall hold on trust or as agent for and to the order of SANUK any and all amounts received in respect of such Notified Discount Receivable from or on behalf of the Client or the relevant Client Group Company, as applicable, and promptly transfer any and all such amounts to SANUK, in such manner and into such account as instructed by SANUK;
- (c) You acknowledge, recognise and agree that an independent, irrevocable, unconditional, legal, valid, transferrable and binding obligation of the Client or the relevant Client Group Company, as applicable, in favour of Us to pay or procure the payment of the Notified Value to Us, without deduction, withholding or counterclaim arises; and
- (d) You shall promptly execute all such documents, perform all such acts and give all further assurances and afford such assistance to Us as We may reasonably request and as may be, in Our opinion, necessary or expedient to protect Our rights and benefits in respect of this Agreement and/or to assign and/or transfer, or perfect the sale and assignment and/or transfer of, such Notified Discount Receivable and the Rights thereto to Us, including, where the Client or the relevant Client Group Company, as applicable, fails to pay to Us any sum due and payable by the Client or the relevant Client Group Company, as applicable, pursuant to the terms and conditions of the Client Agreement, providing all such information and assistance as We may reasonably require pursuant to any debt recovery proceedings.

5.4 For the avoidance of doubt, the title to any Notified Discount Receivable will not pass to Us unless and until We have paid the Purchase Price in respect of such Notified Discount Receivable to You.

**6. REMITTANCE AS PAYING AGENT**

6.1 In the event that an Invoice Notification submitted by the Client to Us includes a Notified Invoice evidencing a Notified Receivable which You and/or We decide not to Discount (a "**Notified Remittance Receivable**") We will remit to You the Notified Value in respect of such Notified Remittance Receivable on the applicable Maturity Date, minus any applicable Commission(s), provided and solely to the extent that We have first received from the Client or the relevant Client Group Company and/or the Parent (as applicable) an amount equal to the Notified Value of

such Notified Remittance Receivable, on or prior to its Maturity Date.

- 6.2 In remitting the Notified Value in respect of a Notified Remittance Receivable, We are solely acting as the agent of the Client or the relevant Client Group Company, as applicable, and any notification by Us to You regarding the payment of a Notified Remittance Receivable is made by Us only for information purposes as paying agent for the Client or the relevant Client Group Company, as applicable, and does not infer any obligation on Us to purchase such Notified Remittance Receivable or make a payment in respect of such Notified Remittance Receivable unless We have been prefunded in respect of such Notified Remittance Receivable by the Client or the relevant Client Group Company and/or the Parent (as applicable).

## 7. METHOD OF PAYMENT BY SANUK

- 7.1 All payments by Us to You in respect of a Notified Receivable shall be made:

- (a) by crediting the Supplier Account in cleared funds for value on or before the relevant date for payment specified in Condition 2 (*Sale and Purchase of Notified Discount Receivables - Offer and Acceptance*) in respect of Notified Discount Receivables or Condition 6 (*Remittance as Paying Agent*) in respect of Notified Remittance Receivables, as applicable;
- (b) in the original currency of such Notified Receivable (as stated in the corresponding Notified Invoice and in the Invoice Notification); and
- (c) in such manner specified by Us to You as being customary for settlement of transactions in the place of payment in the relevant original currency of such Notified Receivable in the place of payment.

## 8. CONDITIONS TO PAYMENTS BY SANUK

- 8.1 Notwithstanding anything to the contrary in this Agreement, we shall not be obliged to make a payment in respect of a Notified Receivable to You if:

- (a) such Notified Receivable has not been included in an Invoice Notification submitted by the Client to Us at least three (3) Business Days before its Maturity Date;
- (b) such payment would cause the Permitted Limit to be exceeded;
- (c) the Client Agreement is not in full force and effect and/or a notice to terminate it and/or a notice of resignation of the Client and/or the Parent (if applicable) with respect to the Client Agreement has been given (i) on the date of the Invoice Notification relating to such Notified Receivable, and (ii) in the case of a Notified Discount Receivable, on the Purchase Date, and, (iii) in the case of a Notified Remittance Receivable, on its Maturity Date;
- (d) You, any third party in whose name the Supplier Account is held and who receives payments from Us on Your behalf, or the financial institution at which the Supplier Account is held is a Restricted Person;
- (e) You have assigned, transferred, sold or otherwise disposed of or created any Security Interest over such Notified Discount Receivable or any amount due thereunder from time to time or Your Rights in respect of such Notified Discount Receivable or purported or offered to do so other than to Us pursuant to this Agreement;
- (f) in the case of a Notified Remittance Receivable, We have not received from the Client or the relevant Client Group Company and/or the Parent (as applicable) in cleared funds and in the original currency of such Notified Remittance Receivable (as stated in the corresponding Notified Invoice and in the Invoice Notification), an amount equal to the Notified Value of such Notified Remittance Receivable, on or prior to its Maturity Date in accordance with the terms of the Client Agreement;

- (g) there are amounts due and payable by the Client and/or the relevant Client Group Company and/or the Parent (as applicable) that remain outstanding under the Client Agreement;
- (h) an Insolvency Event has occurred and is continuing in respect of You and/or the Client and/or the Parent (if applicable);
- (i) the relevant Client Group Company from whom such Notified Receivable is due under the corresponding Notified Invoice ceases to be an Affiliate of the Client and/or the Parent, as applicable, and/or the Client ceases to be a Subsidiary of the Parent and/or any other change of control event, as described in the Client Agreement, has occurred in respect of the Client, the relevant Client Group Company or the Parent, as applicable;
- (j) in Our reasonable opinion, the payment would result in a breach of any Anti-Corruption Laws or any Money Laundering Laws;
- (k) We determine, acting in a commercially reasonable manner, that We are unable to do so as a result of the loss, withdrawal or suspension of any authorisation, passporting right, consent, approval, resolution, licence, exemption, concession or registration required or relied upon by Us under any Applicable Laws in connection with the provision of the Payment Services including as a result of SANUK becoming or being designated a third country financial institution in respect of the European Union under the Applicable Laws of the European Union and/or of the local jurisdiction of the relevant Supplier and/or the Client and/or the financial institution where the account specified for payments to the Supplier is held (as applicable); or
- (l) a material deterioration of the creditworthiness of the Client and/or the Parent (if applicable) has occurred, in Our reasonable opinion, since the date of the Client Agreement.

## 9. UNAVAILABILITY OF BENCHMARK RATE AND NEGATIVE BENCHMARK RATES

- 9.1 In the event that any Benchmark Rate does not appear on the screen specified in the corresponding definition for such rate in Condition 1 (*Definitions and Interpretation*) or ceases to be available for any other reason in respect of the relevant Purchase Date and/or a period equal to the period in which the Maturity Date of the relevant Notified Discount Receivable falls (as indicated in the table in Clause 1 (*Discount Rates*) of the Paper Contract or on the Website, as applicable):
- (a) the Discount Rate in respect of such Notified Discount Receivable shall not be determined by reference to such Benchmark Rate, but shall instead be equal to the percentage margin specified in Clause 1 (*Discount Rates*) plus the Cost of Funds Rate for such period as SANUK, acting reasonably, considers most appropriate having regard to the period between the Purchase Date and the Maturity Date of the relevant Notified Discount Receivable (as indicated in the table in Clause 1 (*Discount Rates*) of the Paper Contract or on the Website, as applicable); and
  - (b) SANUK will notify the Cost of Funds Rate to You as soon as reasonably practicable prior to the relevant Purchase Date.
- 9.2 In the event that any Benchmark Rate falls to a value of less than zero, such Benchmark Rate shall be instead deemed to be equal to 0.000001%.

## 10. VARIATIONS TO DISCOUNT RATES AND COMMISSION PERCENTAGES

From time to time, We may, acting in a commercially reasonable manner, adjust the Discount Rates and/or Commission Percentages, subject to giving three (3) Business Days' notice of such adjustment to You. Any such adjusted Discount Rates and/or Commission Percentages shall only apply to Notified

Discount Receivables included in any Invoice Notification issued after the expiry of such three (3) Business Days' notice period.

## 11. VARIATIONS OF THESE CONDITIONS

11.1 We may change these Conditions (including, for the avoidance of doubt, amending, removing or adding Conditions), by giving notice to You of any such change:

- (a) to conform with or anticipate any changes in Applicable Law (including, without limitation to take account of an order, ruling or decree of any governmental authority, agency or court);
- (b) to provide for the introduction of new or improved systems or methods of operation;
- (c) to reflect general banking practice or to ensure that Our business is run prudently;
- (d) to make them clearer or more favourable to You;
- (e) to rectify any mistake that might be discovered in due course; or
- (f) for any other valid reason.

11.2 Condition 11.1 does not apply to a change to Discount Rates and/or Commission Percentages, which shall only be adjusted in accordance with Condition 10 (*Variations to Discount Rates and Commission Percentages*).

## 12. REPRESENTATIONS AND WARRANTIES

12.1 Each Party makes the following representations and warranties to the other Party on (i) the date of this Agreement, (ii) each Purchase Date in respect of a Notified Discount Receivable, and (iii) each Maturity Date in respect of a Notified Remittance Receivable:

- (a) it has full power and authority to enter into and consummate the transactions contemplated by this Agreement;
- (b) the obligations expressed to be assumed by it under this Agreement constitute its legal, valid, binding and enforceable obligations (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditor's rights generally and subject, as to enforceability, to equitable principles of general application);
- (c) there is no restriction or limitation on it (as may be contained, as the case may be, in its constitutional documents, any partnership agreement or otherwise) which would prevent it from entering into this Agreement or performing the transactions contemplated hereby, and all necessary consents required for it to enter into this Agreement and perform the transactions contemplated hereby have been obtained and are in full force and effect;
- (d) the execution and delivery of this Agreement and the carrying out of the transactions contemplated by this Agreement do not conflict with (i) any Applicable Laws to which it is subject; (ii) its constitutional documents or partnership agreement, as applicable or (iii) any agreement or instrument binding upon it or any of its assets;
- (e) the choice of English law as the governing law of this Agreement will be recognised and enforceable in its jurisdiction of incorporation and any judgment obtained in English courts in relation to this Agreement will be recognised and enforced in its jurisdiction of incorporation;
- (f) no Insolvency Event in respect of it has occurred and is continuing;
- (g) it is acting for its own account and it has made its own independent decisions to enter into this Agreement and transactions hereunder and as to whether the entry into

this Agreement and transactions hereunder is appropriate for it based upon its own judgement and upon advice from such advisers as it has deemed necessary; and

- (h) it is not relying on any communication (written or oral) of the other Party as investment or accounting advice or as a recommendation to enter into this Agreement and the transactions hereunder and no communication (written or oral) received from the other Party is or shall be deemed to be an assurance, guarantee or advice as to the expected results or effects of a transaction under this Agreement.

12.2 In addition to the representations and warranties in Condition 12.1, You make the following representations and warranties to Us in respect of each Notified Discount Receivable, on the Purchase Date of such Notified Discount Receivable:

- (a) You are the sole legal and beneficial owner of such Notified Discount Receivable and such Notified Discount Receivable and all of your Rights in respect of such Notified Discount Receivable are freely assignable;
- (b) You have not assigned, transferred, sold or otherwise disposed of or created any Security Interest over such Notified Discount Receivable or any amount due thereunder from time to time or Your Rights in respect of such Notified Discount Receivable or purported or offered to do so other than to Us pursuant to this Agreement; and
- (c) such Notified Receivable is free of any Adverse Claim.

12.3 You shall indemnify Us on demand against any Loss which We have sustained or incurred as a consequence of any representation and/or warranty made by You in Conditions 12.1 or 12.2 being untrue or incorrect on the date it is made or deemed to have been made. The indemnity in this Condition 12.3 shall survive the termination of this Agreement.

## 13. WEBSITE TERMS AND CONDITIONS

13.1 This Condition 13 (*Website Terms and Conditions*) is applicable only to the use and operation of Our Website ([www.santandersupplychainfinance.co.uk](http://www.santandersupplychainfinance.co.uk) or any other SANUK modified or replacement website address notified by Us to You) and not to the use or operation of any website hosted or provided by any party other than SANUK. In the event that You use a website provided by any such third party for the purposes of, inter alia, accessing and using the Discounting service provided by Us or processing Your Invoices included in an Invoice Notification, the terms and conditions of use in respect of such third party website will be determined by the relevant third party. We are not responsible or liable for any acts or omissions by any such third party or any Losses incurred as a result of the use of a third party website and We cannot advise You on the use of any such third party website. In the event that Our Website contains links to websites which are not controlled by Us, the existence of any such link shall not constitute a recommendation, approval or authorisation by Us to access such website or of the content of such website, or any provider thereof, and We accept no responsibility for the contents of any third party website or for the undertakings of any provider of such third party website.

13.2 SANUK agrees that the Authorised Users notified to it by the Supplier in the Authorised User List may access the Website for so long as such persons are employed and/or authorised by the Supplier for such purpose, provided that We shall not be obliged to verify whether any Authorised User accessing the Website is so authorised at the time of access. The Supplier may request from time to time, and SANUK may agree in its discretion, to add other persons to the Authorised User List (provided that such persons are employed and/or authorised by the Supplier for that purpose).

13.3 The Authorised User List sets out and shall be conclusive as to whether any Authorised User has access only to view certain information, notices and data on the Website ("**Viewing Access**") or, in addition to such Viewing Access, authority to carry out Website Transactions ("**Transactional Access**").

- 13.4 You agree that We are entitled to request a written confirmation from You in respect of any Website Transaction which is attempted to be entered into by an Authorised User before We are obliged to process such Website Transaction, either for security reasons or to ensure compliance with any Applicable Law.
- 13.5 We will provide to each Authorised User any user ID, usernames, passwords and/or any other similar security devices ("**Security Devices**") required by such Authorised User to access the Website. Any Security Devices provided to Authorised Users shall remain Our property and You agree to destroy, delete or return (as applicable), or procure the return, destruction or deletion (as applicable) of, any such Security Devices to Us upon request.
- 13.6 You shall implement and maintain adequate security measures to safeguard the confidentiality of all Security Devices provided to Your Authorised Users and You agree to indemnify Us and hold Us harmless for any and all Losses incurred by Us as a consequence of any sharing or disclosure of any Security Devices to persons who are not Authorised Users or as a consequence of the improper use of such Security Devices by Authorised Users or any persons who are not Authorised Users.
- 13.7 You agree to notify Us promptly if any Security Device is lost or disclosed to a person who is not an Authorised User or if the security of the Website becomes compromised in any other manner.
- 13.8 You shall:
- (a) use the Website only for Your own purposes and for the purposes of accessing and utilising Our Discounting service provided in connection with this Agreement;
  - (b) not make available, in whole or in part, the Website by way of assigning, sub-licensing, renting, reselling, publishing or otherwise to any third party without Our prior written consent;
  - (c) not use the Website (and ensure that no Authorised User will use the Website) in any way inconsistent with Applicable Laws, including without limitation by (i) sending unsolicited messages or communications, (ii) infringing the intellectual property rights of others, (iii) sending, posting or hosting harassing, abusive, libellous, offensive, indecent, menacing or obscene materials, or (iv) modifying or misrepresenting any person's identity or contact information;
  - (d) not interrupt or attempt to interrupt or impair (and ensure that no Authorised User will interrupt or attempt to interrupt or impair) the operation of the Website;
  - (e) perform regular virus scans of Your systems interacting with the Website;
  - (f) take appropriate security measures protecting such systems against unauthorised access by third parties; and
  - (g) report any malfunction of the Website to Us without undue delay.
- 13.9 Any Website Transaction carried out by an Authorised User shall be deemed to be valid and enforceable and You shall be bound by such Website Transaction and be obliged to perform any obligations arising therefrom.
- 13.10 We shall keep a record of all Website Transactions and You and We accept such record as conclusive evidence of all such Website Transactions.
- 13.11 The Website Transactions are not intended to satisfy any legal or tax requirement with respect to maintaining original records or evidence of transactions for tax purposes (e.g. deduction of VAT under any Applicable Laws) and You are required to maintain Your own record keeping and audit controls in order to satisfy any legal and tax requirements applicable to You.
- 13.12 We shall not be liable to You for any Loss incurred by You as a consequence of the improper use of the Website or Security Devices by Authorised Users or by any other persons who have not been authorised by Us to access the Website.
- 13.13 We may vary the content of the Website from time to time and You shall be deemed to have accepted such variations upon the completion of any Website Transaction by an Authorised User after the date on which the relevant variation is made by Us.
- 13.14 We may, from time to time at Our discretion, fully or partially suspend or restrict Transactional Access or Viewing Access to the Website for You or any Authorised User.
- 13.15 Without prejudice to Condition 13.14, We may at any time suspend with immediate effect the use of the Website (in whole or in part) if:
- (a) the suspension is required to comply with any applicable law or regulation or other legal or regulatory requirement (including, but not limited to, any order or requirement of any court, government agency or other authority) in any jurisdiction;
  - (b) the suspension is necessary to avoid material disadvantage and damage to either Party; or
  - (c) We become aware that (i) any Security Devices or any other security feature of the Website has been compromised in any way including, but not limited to, disclosure of any security feature to a person to whom such security feature should not have been disclosed, or access by such person to a security feature, or (ii) an Authorised User has materially failed to adhere to the security measures implemented by You pursuant to Condition 13.8.
- 13.16 We do not guarantee or warrant that the Website, or any content on it, will always be available or be uninterrupted and We shall not be responsible or liable for any Losses occasioned by, any technical failure, suspension, breakdown, manipulation, malfunction or interruption in respect of the Website arising from or caused by:
- (a) the action or omissions of any third party (including, without limitation, any third party providing services to Us from time to time in respect of the Website);
  - (b) any defect or malfunction in the hardware or software upon which the Website operates; or
  - (c) any other action, omission, event or cause outside of Our control and/or Our reasonable contemplation.
- 14. TERMINATION**
- 14.1 This Agreement will terminate automatically if the Client and/or the Parent (if applicable) ceases to be a party to the Client Agreement or upon the termination of the Client Agreement, as applicable, and We undertake to notify You of any such cessation or termination.
- 14.2 Unless terminated previously in accordance with Condition 14.1, either Party may at any time, by giving written notice to the other Party, terminate this Agreement with immediate effect.
- 14.3 Subject to Condition 14.4, the termination of this Agreement under Condition 14.1 or Condition 14.2 (as applicable) shall not affect the rights and obligations of any Party accrued prior to the date of termination including, without limitation:
- (a) Our obligation to remit the Notified Value to You in respect of a Notified Remittance Receivable and/or Our obligation to pay the Purchase Price to You in respect of a Notified Discount Receivable; and
  - (b) Your obligation to assign Notified Discount Receivables to Us in accordance with Condition 5 (*Assignment of Notified Discount Receivables*),

provided that, in each case, the Notified Invoice evidencing each such Notified Receivable was included in an Invoice Notification prior to the date of termination under Condition 14.1 or Condition 14.2, as applicable.

14.4 In addition, We have the right to terminate the Client Agreement with immediate effect upon the occurrence of certain events specified in the Client Agreement. In the event that We exercise the right to terminate the Client Agreement in such manner, We will notify You forthwith and You agree that from the date of such notification, We shall have the right to cease making payments to You in respect of any and all Notified Receivables, including any Notified Receivables under Notified Invoices which were included in an Invoice Notification prior to the date of such notification to You. We shall not be liable for any Losses incurred by You as a result of Us ceasing to make payments in such circumstances.

## 15. NOTICES

15.1 Any communication, notice or submission of data under or in connection with this Agreement shall be in writing and in the English language, and, unless expressly otherwise stated herein or required by mandatory provisions of any Applicable Law, may be made by post, by hand, by courier, by electronic mail or via the Website (in the event that You are using the Website) and shall only be effectively given or served if duly addressed to the recipient (using the details in Condition 15.3) and shall be deemed to have been given or served:

- (a) on the actual date of delivery if delivered by hand or by courier;
- (b) if by way of post, three (3) Business Days after dispatch if sent by prepaid recorded or special delivery post;
- (c) if by electronic mail, when sent unless a delivery failure notification has been received by the sender and/or unless the sender has been notified by the recipient that such electronic mail has been received in unintelligible form; and
- (d) if made via the Website, when it has been uploaded and saved to the Website in full and provided that each Party has Viewing Access to such Website,

provided that if, in accordance with the above provisions, any such communication or notice would be deemed to be given or served on a day which is not a Business Day or after business hours in the place of receipt, such communication shall be deemed to be given or served on the next following Business Day.

15.2 The Parties agree that any communications or notices given under this Agreement via electronic mail or the Website shall be treated as being in writing.

15.3 Subject to Condition 15.3 below, the contact details of (a) the Supplier are its registered or business office address set out at the relevant execution block on the execution page of the Paper Contract or shown on the Website, as applicable, and its email address supplied by the Client to SANUK in the most recent Invoice Notification relating to the Supplier; and (b) SANUK are Santander UK plc, 2 Triton Square, Regent's Place, London NW1 3AN, United Kingdom, for the attention of Head of Supply Chain Finance and the following email address: [confirmingsupplierdeskUK@gruposantander.com](mailto:confirmingsupplierdeskUK@gruposantander.com).

15.4 Any Party may change its contact details for the purposes of this Agreement by giving five (5) Business Days' notice in writing to the other Party.

## 16. CONFIDENTIALITY

16.1 Subject to Conditions 16.2 and 16.3 below, each Party agrees and undertakes not to disclose or use and to keep strictly confidential:

- (a) the terms of this Agreement and the negotiations leading to it; and

- (b) any documents, files and information made available to it (whether orally or in writing) in the course of such negotiations or under, or in connection with, this Agreement.

16.2 The provisions of Condition 16.1 shall not prohibit the disclosure or use by a Party if and to the extent that:

- (a) such disclosure is made to its directors, employees, auditors or professional advisers if relevant to do so and in connection with this Agreement (or any agreement or document entered into pursuant to this Agreement) provided that each such person receives the information or data under an obligation of confidentiality on terms equivalent to the provisions of this Condition 16 (*Confidentiality*);
- (b) such information is or becomes (otherwise than as a result of a breach of this Condition 16 (*Confidentiality*)) generally available to the public;
- (c) the other Party has given prior written consent to the disclosure;
- (d) such disclosure is required by Applicable Law (including, without limitation by the rules of a regulatory or supervisory body having jurisdiction over the disclosing Party), by any court of competent jurisdiction or any governmental, banking, taxation or other similar body, by the rules of any relevant stock exchange or pursuant to any applicable regulation); or
- (e) such disclosure is required in connection with and for the purpose of any judicial proceedings, including any litigation, arbitration, administrative or other investigations, proceedings or disputes, or such disclosure is made to a relevant tax authority in relation to the tax affairs of the disclosing Party,

provided that, in the case of Conditions 16.2(d) and (e), the disclosing Party shall to the extent reasonably practicable and permitted by such law, regulation, rules or body, promptly notify in writing each relevant Party affected by such requirement to disclose and co-operate with such affected Party regarding the timing and content of such disclosure and any action such affected Party may wish to take to challenge the validity of this requirement.

16.3 In addition to the provisions of Condition 16.2, the provisions of Condition 16.1 shall not prohibit the disclosure or use by Us if and to the extent that such disclosure is made to:

- (a) any of Our Affiliates;
- (b) any person to whom any part of Our obligations is delegated pursuant to Condition 18.1(b);
- (c) export credit agencies, credit rating agencies and/or any potential investors, participants and/or third party service providers (including, in each case, their directors, employees and/or professional advisers) or any other entity required by Applicable Law in connection with any securitisation or monetisation involving the Notified Receivables, payment obligations or Our rights under and in relation to this Agreement;
- (d) any person with (or through) whom We enter into (or may potentially enter into) any sub participation in relation to, or any other transaction under which payments are to be made by reference to, this Agreement or the Client Agreement; or
- (e) any potential transferees, assignees or successors to Our rights and/or obligations under this Agreement or to any person to whom any Notified Discount Receivable(s) and any related Rights (or any interest or right therein) is (or may be) assigned, sold or transferred, absolutely or by way of security, including in each case their Affiliates, directors, employees, agents and/or professional advisers,

in each case provided that each such person receives the information or data under an obligation of confidentiality on terms equivalent to the provisions of this Condition 16 (*Confidentiality*) (except as otherwise required by Applicable Law).

## 17. SET-OFF, TAXES, FEES AND EXPENSES

- 17.1 Notwithstanding any other provision of this Agreement, We may at any time set off any matured obligation owed by Us to You under this Agreement against any obligation, whether or not matured, owed by You to Us whether arising under this Agreement or otherwise and regardless of the place of payment, booking branch or currency of either obligation.
- 17.2 We may make any deduction or withholding from a payment under this Agreement which is required by Applicable Law (whether in respect of any Taxes or otherwise and including, for the avoidance of doubt and without limitation, any deduction or withholding in connection with FATCA), and any payment required in connection with that deduction or withholding, and We shall not be required to increase any payment in respect of which We make such a deduction or withholding or otherwise compensate You for that deduction or withholding. However, We shall ensure that any such deduction or withholding does not exceed the minimum legally required and pay to the relevant taxation or other authorities, within the period for payment permitted by the Applicable Law, the full amount of such deduction or withholding. You shall, within ten (10) Business Days of a reasonable request by Us, confirm to Us whether You are entitled to receive payments free from any deduction or withholding required by the relevant Applicable Law (including, without limitation, FATCA), and supply to Us such forms, documentation and other information relating to Your status under such Applicable Law (including, without limitation, FATCA) as We reasonably request for the purposes of Our compliance with such Applicable Law (including, without limitation, FATCA) or any other deduction or withholding obligations.
- 17.3 You shall not be entitled to exercise any set-off, counterclaim, withholding or deduction in respect of any payment obligations owed by You to Us under this Agreement. If any deduction or withholding is required by Applicable Law, Your payment shall be increased so that the net amount received by Us after such deduction or withholding is equal to the amount We would have been entitled to receive in the absence of any requirement to make such deduction or withholding.
- 17.4 All amounts payable under this Agreement by You to Us which, in whole or in part, constitute consideration for any supply for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply. Accordingly, in the event that VAT is chargeable on any supply made by Us to You under this Agreement, then (a) if We (or a member of Our VAT group) are the person required to account for such VAT to the relevant tax authority, We may either require You to pay to Us an amount equal to the amount of the chargeable VAT within five (5) Business Days following delivery of a VAT invoice or treat any such chargeable VAT as having been paid by deducting it from the Purchase Price (in respect of Notified Discount Receivables) or the Notified Value (in respect of Notified Remittance Receivables), as applicable, and (b) if You (or any member of Your VAT group) is the person required to account for such VAT to the relevant tax authority under the "reverse charge" procedure, You shall ensure that such VAT is accounted for within the time limits prescribed by law in addition to paying all amounts payable by You to Us under this Agreement.
- 17.5 Each Party shall bear its own costs and expenses in connection with the preparation and negotiation of this Agreement and You shall pay any Taxes, fees, costs or charges arising in connection with the execution and carrying into effect of this Agreement, the transactions contemplated by this Agreement and all other agreements and documents forming part of the transactions contemplated by this Agreement (except in so far as any such Taxes, fees, costs or charges have already been withheld or deducted by Us pursuant to Condition 17.2).

## 18. GENERAL PROVISIONS (ASSIGNMENT, SEVERABILITY, EXERCISE OF RIGHTS, ETC.)

- 18.1 We may, without Your consent:
- (a) assign novate, transfer, declare a trust over, grant a Security Interest over, or otherwise dispose of any of Our rights, interests, benefits and/or obligations under this Agreement and, for the avoidance of doubt, of any Notified Discount Receivable and the related Rights acquired by Us under this Agreement; and
  - (b) delegate any part of Our obligations under or in connection with this Agreement to a third party, provided that We shall remain liable for the acts and omissions of any such delegate as if they were Our acts or omissions.
- 18.2 You may not assign, transfer, declare a trust over, grant a Security Interest over, or otherwise dispose of or delegate or sub contract any of Your rights, interests, benefits and/or obligations under this Agreement (and for the avoidance of doubt, including in respect of any Notified Discount Receivables) or purport to do so without Our prior written consent.
- 18.3 All calculations and determinations made by Us in connection with this Agreement shall be conclusive in the absence of manifest error or fraud.
- 18.4 Neither Party shall be liable to the other Party for:
- (a) any delay or non-performance of its obligations under this Agreement arising from any cause or causes beyond its reasonable control; and
  - (b) any indirect or consequential or special Loss, whether arising in tort (including negligence), breach of contract or otherwise and whether or not such Loss was foreseeable.
- 18.5 We shall not be responsible or liable for any delay in the transmission or receipt of funds due to circumstances beyond our control, including any failure or delay by any applicable bank in relation to the receipt, processing and execution of electronic funds transfers, failure by the Client or a Client Group Company (as applicable) to pay to You amounts owed, failure by the Client or a Client Group Company and/or the Parent, if applicable, to make payments to Us in respect of Notified Remittance Receivables or disputes between You and the Client or a Client Group Company or any third party.
- 18.6 We shall be entitled to rely upon, without further enquiry, any communication which We believe in good faith to be given or made by You (whether through the Website or by any other means), irrespective of any error or fraud contained in the communication or the identity of the individual who sent the communication and You shall indemnify and hold Us harmless from and against all actions, proceedings, claims, demands, or other Losses of any nature which We may suffer, incur or sustain as a consequence of accepting and/or acting on any such communication.
- 18.7 Notwithstanding any other provision of this Agreement, nothing in this Agreement shall require any Party to take any action or refrain from taking any action or engage in any conduct which may be illegal or contrary to Applicable Law.
- 18.8 Each of the provisions of this Agreement shall be severable and distinct from one another and if at any time any one or more of these provisions (or any part of them) is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.
- 18.9 Failure to exercise or delay in exercising, on the part of a Party, any right or remedy hereunder shall not operate as a waiver hereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

18.10 This Agreement constitutes the entire and only agreement between You and Us in relation to the subject matter of this Agreement and shall supersede any prior agreements or understandings between You and Us in relation to the subject matter of this Agreement.

18.11 Each Party acknowledges that, in entering into this Agreement, it has not relied on any representation or undertaking, whether oral or in writing, save such as are expressly incorporated and included in this Agreement.

18.12 If You are a partnership (other than a limited liability partnership):

- (a) each partner shall be jointly and severally liable for the full, prompt and punctual performance of all Your obligations under this Agreement; and
- (b) its dissolution for any reason shall not affect Your liability under this Agreement until We receive written notice from You to such effect but no notice shall affect Your liability for any transaction made prior to Our receipt of such notice, provided that if the dissolution is due only to the retirement, removal or death of a partner or partners; or to the introduction of a further partner or partners, then (unless We decide otherwise) this Agreement shall continue and apply (in addition to all money and liabilities due, owing or incurred from or by the old partnership to Us) to all money and liabilities due, owing or incurred from or by the new partnership to Us as though there had been no change in the partnership or from or by any partner of the old partnership who carries on the business of the old partnership as a sole trader.

18.13 No term of this Agreement shall be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person who is not a Party to this Agreement.

## 19. GOVERNING LAW AND JURISDICTION

19.1 This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law.

19.2 Each Party:

- (a) irrevocably submits to the exclusive jurisdiction of the courts of England and agrees that such courts shall have exclusive jurisdiction to settle any dispute, claim, difference or controversy between the Parties arising out of, in relation to or having any connection with this Agreement including, without limitation, any dispute relating to the existence, validity, interpretation, performance, breach or termination or the consequences of its nullity or any transactions hereunder and/or the rights and/or obligations of the Parties under this Agreement and any dispute relating to any non-contractual obligations arising out of or in connection with this Agreement (a "**Dispute**"); and
- (b) waives any objection to the submission to the exclusive jurisdiction of the courts of England on the grounds of inconvenient or inappropriate forum or otherwise to settle any Dispute.

**ANNEX 2**  
**Ad-Hoc Invoice List**

The following Notified Invoices are available for Discounting, in accordance with the terms and conditions set out in the Agreement:

Invoice Number	Notified Value	Currency	Issue Date	Maturity Date	Advance Payment Date	Mark (✓)
			/ /	/ /	/ /	
			/ /	/ /	/ /	
			/ /	/ /	/ /	
			/ /	/ /	/ /	
			/ /	/ /	/ /	

*(Please tick the Invoices You want to accept for Discounting in the column "Mark" and populate the table above with Your preferred Advance Payment Dates.)*

**Authorised User List**

Name	Position	Email	User login (*)	ID Number (**)	Access (View / Trans)

*\*Login min 8 – max 10 pos.*

*\*\*Passport number, driving license number or employee number*