

**LEND & BORROW TRUST  
STANDARD LOAN TERMS AND CONDITIONS**

The Lender has agreed to provide the Borrower with a secured term loan on the terms and conditions set out below.

It is agreed as follows:

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In this agreement, unless defined herein or the context otherwise requires, capitalised terms have the meanings given to such terms in the Lend & Borrow Trust Customer Agreement.
- 1.2 The rules of interpretation set out in clause 26 of the Lend & Borrow Trust Customer Agreement apply to this agreement.

**2. THE LOAN**

- 2.1 Subject to the terms and conditions of this agreement, the Lender agrees to advance to the Borrower a sum equal to the amount specified as the "**Loan Amount**" in the Lender Loan Particulars.
- 2.2 The obligations of the Lender under this agreement are several. Any failure of a Lender to perform any of its obligations under this agreement shall not relieve any other party to this agreement of any of its obligations under this agreement. No Lender shall be responsible for the obligations of any other Lender under this agreement.
- 2.3 The rights of the Agent and the Lender against the Borrower under this agreement are separate and independent rights. Subject to the terms and conditions of this agreement, the Lender may separately protect and enforce those rights; and it shall not be necessary for any other Lender or the Agent to be joined as an additional party in any proceedings for such purpose.

**3. PURPOSE**

- 3.1 The Loan shall be used by the Borrower for lawful purposes only.
- 3.2 The Borrower shall not use the Loan for any purpose except that permitted in this clause. However, failure by the Borrower to comply with this clause shall not prejudice any rights of the Agent or the Lender, which shall not be responsible for monitoring or ensuring the use or application by the Borrower of the Loan.

**4. SECURITY**

- 4.1 As security for the Loan, the Borrower will provide pursuant to the Security Document a first ranking right of pledge over Precious Metal owned by the Borrower, which shall be a condition precedent to the advance of the Loan under this agreement.
- 4.2 The Pledged Metal, together with any additional Security provided by way of a pledge of further Precious Metal (but less the value of such Precious Metal as is released from the Security pursuant to clause 4.7 below) must at all times have a sufficient value to ensure that the LTV does not exceed the Maximum Initial LTV, or such other percent as may be required by the Agent from time to time as specified on the Website or as otherwise notified to Customers.
- 4.3 If the Agent determines that the value of the Pledged Metal has reduced so that the LTV has exceeded the Maximum Initial LTV, the Agent will issue a Margin Warning to the Borrower notifying them accordingly.
- 4.4 If the Agent determines that the value of the Pledged Metal has reduced so that the LTV has exceeded the Margin Call LTV, the Agent will notify the Borrower accordingly by issuing a Margin Call and the Borrower must, within 5 Business Days (and irrespective of whether the LTV has reduced to below the Margin Call LTV during such period), either (a) provide additional Security by way of a pledge to the Agent of further Precious Metal pursuant to an additional Security Document and/or (b) partially prepay the Loan, in both cases in such amounts so that the LTV will be equal to or less than the Maximum Initial LTV following such action(s).

4.5 Notwithstanding that a notice may have been served on the Borrower pursuant to clauses 4.3 and/or 4.4, if the Agent determines that the LTV has increased to the Metal Sale LTV or more, the Agent will: (1) automatically sell Pledged Metal in such quantity as is required to reduce the LTV to no more than the Margin Call LTV and (2) notify the Borrower accordingly, at which point the Borrower must act in accordance with clause 4.4 to reduce the LTV to no more than the Maximum Initial LTV.

4.6 If the Borrower fails at any time to comply with the terms of clauses 4.4 and/or 4.5, this will immediately constitute an Event of Default.

4.7 If the value of the Pledged Metal has increased, the Borrower may request that the Agent releases certain of its Pledged Metal from the Security interest constituted by the Security Document to the extent that such release:

4.7.1 is possible and practicable to the extent Pledged Metal is held in whole bars, and

4.7.2 increases the LTV to no more than the Maximum Initial LTV, or the Agreed LTV as set out in the relevant Loan Particulars.

If the Agent agrees that a release is practicable, it will effect the release, subject to the Borrower paying to the Agent a security release fee (or such other fee as may be agreed by the Agent) at the prevailing rate as specified on the Website at the time of the release or as otherwise notified to the Borrower.

4.8 When the Agent becomes aware that a vault operator's insurance becomes void, terminates or otherwise ceases to cover the Pledged Metal for any portion of its full market value, that portion not insured will be excluded from the LTV calculation, which will have an adverse effect on the LTV ratio applying to a Loan and may result in the LTV rising above the Maximum Initial LTV, at which point the Agent will notify the Borrower in accordance with clause 4.3. If the LTV exceeds the Margin Call LTV, the Borrower must act in accordance with clauses 4.4 and 4.5 to reduce the LTV to no more than the Maximum Initial LTV.

4.9 The value of the Pledged Metal will, for all purposes under this agreement and at all times, be determined by the Agent in its sole and absolute discretion using applicable market pricing sources regarded by the Agent in its sole discretion to be most appropriate.

## 5. CONDITIONS

5.1 The Lender shall not be obliged to advance the Loan to the Borrower until the Agent shall have received, in each case in form and substance satisfactory to it, the documents, items and evidence specified in Schedule 1.

5.2 The obligation of the Lender to advance the Loan is subject to the further conditions precedent that on the proposed date of advance of the Loan:

5.2.1 the representations and warranties set out in clause 11 are true and correct on and as of each such time as if each were made with reference to the facts and circumstances existing at such time; and

5.2.2 no Event of Default or Potential Default shall have occurred and be continuing or would result from the making of the Loan.

## 6. ADVANCE

The Loan (less any applicable fees, charges and expenses owing to the Agent) will be advanced to the Borrower in a single amount to the Borrower's Account within one Business Day following fulfilment of the conditions referred to in clause 5 to the satisfaction of the Agent, on which day interest will begin to accrue on the Loan.

## 7. REPAYMENT AND PREPAYMENT

7.1 Repayment

The Borrower shall repay the Loan together with all accrued and unpaid interest, charges and fees owing by the Borrower in full on the Repayment Date.

7.2 Prepayment

7.2.1 The Borrower may prepay the whole or any part of the Loan at any time with one Business Day prior notice to the Agent. If the Borrower elects to prepay the Loan in whole or in part, or if a prepayment in whole or in part is made following an Event of Default, the Borrower will pay the Prepayment Fee as set out in clause 9.2.

7.2.2 No amount prepaid under this agreement may be redrawn by the Borrower.

**8. INTEREST**

8.1 The Borrower shall pay interest on the Loan at the Interest Rate.

8.2 Interest shall accrue daily and shall be payable on each Interest Payment Date.

8.3 All interest shall accrue from day to day and be calculated on the basis of 365 days per year. Other payments of an accruing nature under this agreement shall accrue from day to day and be calculated on the basis of the actual number of days elapsed. Any certificate or determination by the Agent as to any rate of interest payable under this agreement shall, in the absence of manifest error, be conclusive and binding on the Borrower and the Lender.

**9. FEES AND EXPENSES**

9.1 Arrangement fee

The Borrower shall pay to the Agent a Loan Servicing Fee as set out on the Website and in the Borrower Loan Particulars. Such fee shall be payable on each Interest Payment Date and retained by the Agent for its own account.

9.2 Prepayment fee

In the event of prepayment of any amount of the Loan prepaid by the Borrower prior to the Repayment Date pursuant to clauses 7.2 and/or 4.4, the Borrower shall pay a Prepayment Fee, the details of which are set out on the Website and in the Borrower Loan Particulars. The Prepayment Fee is deducted from the Borrower's account when the prepayment is processed

9.3 Expenses

The Borrower shall pay, on demand and on a full indemnity basis, to the Agent and the Lender all costs and expenses (including but not limited to legal and out-of-pocket expenses) respectively incurred by it in connection with any actual or proposed amendment or extension of or any waiver or consent under this agreement and in contemplation of or otherwise in connection with the enforcement (or attempted enforcement) of, or preservation (or attempted preservation) of any rights under, this agreement and/or any other Finance Document or otherwise in respect of any money from time to time owing under this agreement.

9.4 Duties

The Borrower shall pay all stamp, documentary, registration, lodgement or other similar duties or Taxes (including any payable by the Agent or the Lender) imposed on or in connection with this agreement and/or any other document referred to in this agreement (if any) and shall indemnify the Agent and the Lender against any liability arising by reason of any delay or omission by the Borrower to pay such duties or Taxes.

9.5 Payment by deduction

The Agent shall be entitled to effect payment (to the extent not already discharged) of all fees, expenses and other sums due and payable by the Borrower under this agreement out of and by deduction from the Loan or from the sale of pledged Precious Metal as the Agent may choose and the Borrower irrevocably authorises the Agent to do so.

**10. PAYMENTS**

- 10.1 Each repayment or prepayment (in each case whether of principal or interest) under this agreement shall be made in the same currency in which the Loan was advanced to the Borrower.
- 10.2 All payments to be made by the Borrower under this agreement shall be made in full, without any set-off or counterclaim whatsoever and free and clear of any deductions or withholdings, in immediately available, freely transferable, cleared funds in the relevant currency to be received not later than 11.00am on the due date in the Borrower's Account.
- 10.3 The payment of interest in respect of a Loan is deducted by the Agent from the Borrower's Account and credited to the Account of the Lender. If there are insufficient funds to pay the amount of interest due, the Agent is hereby authorised and instructed to sell Pledged Metal in order to pay said interest. The Borrower understands and agrees that this sale of Pledged Metal will have an adverse effect on the LTV ratio and could result in a margin call in respect of the Loan.
- 10.4 Account(s) maintained by LBT in connection with the Loan shall (save for manifest error) be conclusive evidence of the amounts from time to time owing by the Borrower to the Lender under this agreement.
- 10.5 All payments to be made by the Agent under this agreement (whether to the Lender or the Borrower) will be made net of any fees and/or charges owing by the Lender and/or the Borrower to the Agent pursuant to this agreement and/or the Security Document. The Lender and the Borrower hereby authorise and instruct the Agent to deduct such fees and/or charges owing to it from any amounts due to the Lender and/or the Borrower (as applicable) under this agreement.

## 11. REPRESENTATIONS AND WARRANTIES

- 11.1 The Borrower represents and warrants to the Agent and the Lender that:
  - 11.1.1 its obligations under this agreement and any other Finance Document are its direct, general and unconditional obligations;
  - 11.1.2 no Event of Default or Potential Default has occurred and is continuing;
  - 11.1.3 it is not necessary or advisable that this agreement be filed, registered, recorded or enrolled with any court, public office or other authority in any jurisdiction or that any stamp, documentary, registration or similar Tax or duty be paid on or in relation to this agreement or any other Finance Document;
  - 11.1.4 all information supplied by the Borrower to the Agent or the Lender in contemplation or for the purpose of this agreement, was true and accurate in all respects as at its date and not misleading; and such information did not omit anything, nor since the date of such information has anything occurred, which renders that information untrue or misleading in any material respect or which, if disclosed, might/would be likely to adversely affect the decision of a person considering whether to enter into this agreement; and all projections and statements of belief and opinion given by the Borrower to the Agent or the Lender were made honestly and in good faith after due and careful enquiry and remain valid;
  - 11.1.5 all amounts payable by the Borrower under this agreement and any other Finance Document may be made without a deduction or withholding for or on account of Tax;
  - 11.1.6 all authorisations required or desirable by the Borrower in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this agreement and any other Finance Document have been obtained or effected (as appropriate) and are in full force and effect; and
  - 11.1.7 it has obtained and complied with all Material Consents (and the same are in full force and effect); and
  - 11.1.8 it has provided the statements contained in Schedule 2 attached hereto as applicable.
- 11.2 In addition to the representations and warranties given by the Borrower in clause 11.1, if the Borrower is a body corporate, the Borrower represents and warrants to the Agent and the Lender that:
  - 11.2.1 it is a limited liability company duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has power to carry on its business as it is being conducted and to own its property and assets;

- 11.2.2 it has power and authority to execute, deliver and perform its obligations under this agreement and any other Finance Document and to use the Loan; all necessary action has been taken (and not revoked) to authorise the execution, delivery and performance of this agreement and any other Finance Document; and this agreement constitutes, and any other Finance Document is or when executed and delivered will constitute, its valid and legally binding obligation enforceable in accordance with the terms of this agreement or, as the case may be, Finance Document;
- 11.2.3 the execution delivery and performance of this agreement and any other Finance Document and the use of the Loan do not and will not:
- (a) contravene any law, regulation, directive, judgment or order to which it is subject; or
  - (b) result in any Event of Default or Potential Default or actual or potential breach of or default under any obligation, agreement, instrument or Material Consent to which it is a party or by which it is bound or which it requires to carry on its business; or
  - (c) contravene any provision of its memorandum and articles of association and/or statutes and/or constitutional documents; or
  - (d) result in any limitation on its powers to borrow or incur Indebtedness being exceeded; or
  - (e) result in the creation or imposition of or oblige it to create any Encumbrance on its undertaking or any of its assets, rights or revenues;
- 11.2.4 no litigation, arbitration or administrative proceeding and without limitation no dispute with any statutory or governmental authority is current or pending or to its knowledge threatened against it or any of its respective assets;
- 11.2.5 it is not in default in the payment of any due and payable Taxes or in the filing, registration or recording of any document or under any legal or statutory obligation or requirement;
- 11.2.6 it is not (nor/or would with the giving of notice or lapse of time or any certificate or the making of any determination or any combination of them be) in breach of or in default under any agreement relating to Indebtedness to which it or such company is a party or by which it or such company is bound;
- 11.2.7 there exists no Encumbrance over the whole or any part of the present or future undertaking, assets, rights or revenues (including uncalled capital) of itself or any of its Subsidiaries and no obligation to create any such Encumbrance;
- 11.2.8 no stamp or registration duty or similar Tax or charge is payable in its jurisdiction of incorporation in respect of this agreement or any other Finance Document;
- 11.2.9 the execution by it of this agreement or any other Finance Document constitutes, and the exercise by it of its rights and performance of its obligations under this agreement and any other Finance Document will constitute, private and commercial acts performed for private and commercial purposes;
- 11.2.10 it will not be entitled to claim immunity from suit, execution or attachment or other legal process in any proceedings taken in its jurisdiction of incorporation in relation to this agreement or any other Finance Document;
- 11.2.11 it is not necessary under the laws of its jurisdiction of incorporation:
- (a) in order to enable the Agent or any Lender to enforce its rights under this agreement and any other Finance Document; or
  - (b) by reason of the execution of this agreement or any other Finance Document or the performance by it of its obligations under this agreement or any other Finance Document,

that the Agent or any Lender should be licensed, qualified or otherwise entitled to carry on business in its jurisdiction of incorporation;

11.2.12 neither the Agent nor any Lender is or will be deemed to be resident, domiciled or carrying on business in its jurisdiction of incorporation by reason only of the execution, performance and/or enforcement of this agreement or any other Finance Document;

11.2.13 its:

(a) irrevocable submission under this agreement to the jurisdiction of the courts of England;

(b) agreement that this agreement is governed by English law; and

(c) agreement not to claim immunity to which it or its assets may be entitled,

are legal, valid and binding under the laws of its jurisdiction of incorporation; and

11.2.14 any judgment obtained in England will be recognised and be enforceable by the courts of its jurisdiction of incorporation.

11.3 In addition to the representations and warranties given by the Borrower in clause 11.1, if the Borrower is a natural person, the Borrower represents and warrants to the Agent and the Lender that:

11.3.1 he has the capacity to execute, deliver and perform his obligations under this agreement and any other Finance Document and the transactions contemplated by them and to use the Loan;

11.3.2 he is not, by reason of illness or incapacity (whether mental or physical), incapable of managing his own affairs;

11.3.3 a court has not made an order or appointed a deputy under section 16 of the Mental Capacity Act 2005 (or any similar legislation in any another jurisdiction) in respect of the Borrower;

11.3.4 the execution, delivery and performance of the obligations in, and transactions contemplated by, this agreement and any other Finance Document does not and will not contravene any agreement or instrument binding on the Borrower or his assets, or any applicable law or regulation;

11.3.5 his obligations under this agreement and any other Finance Document are, subject to any general principles of law limiting obligations, legal, valid, binding and enforceable;

11.3.6 no litigation, arbitration or administrative proceedings are taking place, pending or, to the Borrower's knowledge, threatened against him or any of his assets;

11.3.7 none of his assets are entitled to immunity on any grounds from any legal action or proceeding (including, without limitation, suit, attachment prior to judgment, execution or other enforcement);

11.3.8 no event or circumstance is outstanding which constitutes a default under any deed or instrument which is binding on the Borrower, or to which his assets are subject, which might have a material adverse effect on his ability to perform his obligations under this agreement or any other Finance Document;

11.3.9 he has not suspended, or threatened to suspend, payment of his debts, is not unable to pay his debts as they fall due, has not admitted inability to pay his debts and is not deemed either unable to pay his debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 (or any similar legislation in any other jurisdiction);

11.3.10 he has not commenced negotiations with all or any class of his creditors with a view to rescheduling any of his debts, and has not made a proposal for or entered into any compromise or arrangement with his creditors;

11.3.11 he is not the subject of a bankruptcy petition or order;

- 11.3.12 no person has become entitled to appoint a receiver over any of his assets, and no receiver has been appointed over any of his assets;
- 11.3.13 no creditor or encumbrancer has attached or taken possession of, and no distress, execution, sequestration or other such process has been levied or enforced on or sued against, any of his assets;
- 11.3.14 no event has occurred and no proceeding has been taken in any jurisdiction to which he is subject which has an effect equivalent or similar to any of the events mentioned in clause 11.3.9 to clause 11.3.13 (inclusive);
- 11.3.15 no stamp or registration duty or similar Tax or charge is payable under the law of his domicile in respect of this agreement or any other Finance Document;
- 11.3.16 neither the Agent nor any Lender is or will be deemed to be resident, domiciled or carrying on business in the Borrower's domiciliation by reason only of the execution, performance and/or enforcement of this agreement or any other Finance Document;
- 11.3.17 the Security Document creates (or once entered into, will create) valid, legally binding and enforceable Security for the obligations expressed to be secured by it in favour of the Lender, having the priority and ranking expressed to be created in the Security Document and ranking ahead of all (if any) Security and rights of third parties except those preferred by law; and
- 11.3.18 the choice of English law as the governing law of this agreement and the other Finance Documents will be recognised and enforced in the jurisdiction of the Borrower's domicile and any judgment obtained in England in relation to this agreement will be recognised and enforced in that jurisdiction.

#### 11.4 Repetition

The representations and warranties in this clause 11 will be deemed to be repeated by the Borrower on and as of the date of the advance of the Loan and on each Interest Payment Date as if made with reference to the facts and circumstances existing at such respective date.

#### 11.5 Effect of investigation

The rights and remedies of the Agent and the Lender in respect of any misrepresentation or breach of warranty on the part of the Borrower shall not be prejudiced or affected by any investigation of the Borrower or any other person by or on behalf of the Agent or the Lender or without limitation any other act or matter which, but for this provision, would or might prejudice or affect any such rights or remedies.

## 12. UNDERTAKINGS

- 12.1 The Borrower undertakes with the Agent and the Lender that, so long as any Loan is in force or any monies or obligations are outstanding under this agreement:
  - 12.1.1 it will ensure that its obligations under this agreement shall at all times rank at least pari passu with all its other present and future Indebtedness;
  - 12.1.2 it will provide the Agent with such financial and other information concerning its business, assets and affairs and, if the Borrower is a body corporate, those of any of its Subsidiaries as the Agent, or any Lender through the Agent, may from time to time reasonably require;
  - 12.1.3 it will obtain, maintain in full force and effect and comply with all Material Consents and any of their conditions;
  - 12.1.4 it will promptly inform the Agent of any occurrence or circumstance which might adversely affect its ability to perform its obligations under this agreement or any other Finance Document and of any Event of Default or Potential Default;

- 12.1.5 if the Borrower is a body corporate, it will from time to time, immediately on request by the Agent, deliver to the Agent a certificate signed by two of its directors (or one director if there is only one) confirming that, save as may be notified in detail in such certificate, no Event of Default or Potential Default has occurred and is then subsisting;
- 12.1.6 it will comply in all respects with all laws to which it is subject where failure to do so is reasonably likely to have a material adverse effect on its business, assets or financial condition or its ability to perform its obligations under this agreement or any other Finance Document.

## 12.2 Identity of Borrower

If under any applicable law or regulation, or under the interpretation, administration or application of any law or regulation, the Agent is obliged to comply with any "**know your customer**" or other procedures concerning the identification of the Borrower, the Borrower shall as soon as practicable on request by or through the Agent supply all such documentation and evidence as is reasonably requested in order that the Agent is satisfied that it has complied with such obligation.

## 13. DEFAULT

### 13.1 Events of Default

There shall be an Event of Default if:

- 13.1.1 the Borrower fails to pay in the currency and manner provided in this agreement, any sum payable by it under this agreement when due; or
- 13.1.2 the Borrower commits any breach of any provision of clauses 4.4, 4.5, 12.1.1 or 12.1.3; or
- 13.1.3 the Borrower commits any material breach of any other provision of this agreement or any other Finance Document, including any failure by the Borrower to comply with the margin requirements set out in clause 4, and either such breach is in the opinion of the Agent not capable of remedy or such breach is in the opinion of the Agent capable of remedy and is not remedied within 5 Business Days after the earlier of the date of notice by the Agent requiring such remedy or the date on which the Borrower first becomes aware of the breach; or
- 13.1.4 any representation or warranty made or deemed to be made or repeated by the Borrower in or pursuant to this agreement or any other Finance Document is or proves to have been untrue or incorrect when made or when deemed to be repeated with reference to the facts and circumstances existing at such time; or
- 13.1.5 any Indebtedness of the Borrower or any Subsidiary of the Borrower is not paid when due or becomes due or capable of being declared due or is placed on demand prior to its stated maturity (and, in the case of a guarantee or an indemnity, is called) and is not, in the opinion of the Agent, being disputed promptly and in good faith or any commitment for its Indebtedness is cancelled or suspended as a result of an event of default (howsoever described); or
- 13.1.6 any Encumbrance to secure any Indebtedness of the Borrower or any Subsidiary of the Borrower becomes enforceable; or
- 13.1.7 an encumbrancer takes possession or a receiver or administrative receiver or manager is appointed of the whole or any part of the undertaking, assets, rights or revenues of the Borrower or any Subsidiary of the Borrower or a distress or other process is levied or enforced upon any of the assets, rights or revenues of the Borrower or any Subsidiary of the Borrower; or
- 13.1.8 a petition is presented to, or any order is made by, any competent court or resolution is passed for the appointment of an administrator in relation to the Borrower or any Subsidiary of the Borrower or any corporate action, procedure or step is taken by any person for the purpose of or with a view to the administration of the Borrower or any Subsidiary of the Borrower; or

- 13.1.9 the Borrower or any Subsidiary of the Borrower is, or is adjudicated or found or deemed to be, insolvent or stops or suspends payment of its respective debts or is (or is deemed to be) unable to or admits inability to pay its respective debts as they fall due or proposes or enters into any voluntary arrangement or any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to the Borrower or any Subsidiary of the Borrower under any law regulation or procedure relating to reconstruction or adjustment of debts; or
- 13.1.10 any petition is presented by any person or any order is made by any competent court or any resolution is passed by the Borrower or any Subsidiary of the Borrower for its winding-up or dissolution or for the appointment of a liquidator of the Borrower or any Subsidiary of the Borrower; or
- 13.1.11 the Borrower or Subsidiary of the Borrower ceases or threatens to cease to carry on the whole or a substantial part of its business; or
- 13.1.12 this agreement or any other Finance Document is or becomes (or is alleged to be) unlawful or unenforceable or ineffective in any respect or is repudiated by the Borrower in any material respect; or
- 13.1.13 any Material Consent is withdrawn or revoked or expires or is modified or made subject to any condition which in the opinion of the Agent may affect the Borrower or any Subsidiary of the Borrower or its respective ability to perform or comply with any of its respective obligations under this agreement or any other Finance Document; or
- 13.1.14 the Borrower becomes a Subsidiary of any other person or one person or more than one person acting in concert (within the meaning of The City Code on Takeovers and Mergers), not having such control at the date of this agreement, obtain(s) control (as defined in section 840 of the Income and Corporation Taxes Act 1988) of the Borrower; or
- 13.1.15 the Borrower or any subsidiary of the Borrower:
- (a) by reason of actual or anticipated financial difficulties, begins negotiations with any creditor for the rescheduling of any of its indebtedness; or
  - (b) a moratorium is declared in respect of any of its indebtedness; or
- 13.1.16 a meeting of the Borrower or any Subsidiary of the Borrower is convened for the purpose of considering any resolution for (or to petition for) its winding-up, administration or dissolution or any such resolution is passed; or
- 13.1.17 any other event or series of events or any circumstances whether related or not (including but without limitation any adverse change in the business, assets or financial condition of the Borrower or any Subsidiary of the Borrower) occur(s) or arise(s) which, in the opinion of the Agent may have a material adverse effect on the Borrower or any such Subsidiary, or its respective ability or willingness to perform or comply with any of its respective obligations under this agreement and/or any other Finance Document.
- 13.2 Default Procedures
- 13.2.1 The margin call principles applied to the Loan are set out in clause 4.
- 13.2.2 The Lender agrees that it will not take any enforcement action or commence any process against any Borrower in its own name but will act only through LBT (as agent of the Lender) in accordance with this agreement and the Customer Agreement.
- 13.2.3 Upon the occurrence of an Event of Default, LBT (as agent for the Lender) will enforce the Security Document and sell Pledged Metal in order to repay the Loan and any interest, fees and charges (as the case may be) payable by the Borrower under this agreement and the Security Document. In selling Pledged Metal, LBT will transfer the required quantity of Pledged Metal to the buyer thereof and the Borrower acknowledges and agrees thereto.

13.2.4 Calculations made by LBT of monies due to the Lender are made available on request by the Lender normally within one Business Day of such request. Save as may be specified in any applicable inter-creditor or priority document to the contrary, all monies arising from the enforcement of any Security Documents will be paid in the following order:

- (a) first, to meet any costs incurred in respect of any enforcement action by LBT and/or by any manager, receiver or administrator appointed by LBT;
- (b) second, to meet the payment of any outstanding fees due to LBT and any brokers or introducers in respect of the relevant Loan;
- (c) third, to meet the payment of outstanding interest on the relevant Loan; and
- (d) fourth, to repay the principal amount outstanding on that Loan.

### 13.3 Rights on a Default

13.3.1 Without prejudice to any rights of the Agent or the Lender, upon and at any time after the happening of an Event of Default, so long as the same is continuing:

- (a) the Loan will become immediately due and payable, whereupon the Borrower shall immediately on written notice from the Agent repay the same together with all interest accrued and all other sums payable under this agreement; and/or
- (b) the Agent will exercise its rights under the Security Documents.

## 14. INDEMNITIES

### 14.1 Indemnities

The Borrower shall on demand indemnify the Agent and the Lender against any liability, loss or expense which the Agent or such Lender shall certify as incurred by it as a consequence of:

- 14.1.1 any default in payment by the Borrower of any sum under this agreement when due;
- 14.1.2 the occurrence of any Event of Default;
- 14.1.3 any statement in, conduct relying on or omission or alleged omission from:
  - (a) any information memorandum, prospectus, offering circular or loan proposal authorised by it; or
  - (b) any other document or information prepared or authorised by it;
- 14.1.4 any repayment or prepayment of the Loan being received otherwise than on an Interest Payment Date;
- 14.1.5 any Loan not being made for any reason (excluding any default by the Agent or a Lender) or not being denominated in the currency originally selected; or
- 14.1.6 the Agent investigating any event which the Agent reasonably believes to be an Event of Default or a Potential Default or, without limitation, the Agent acting or relying on any notice which the Agent reasonably believes to be genuine, correct and appropriately authorised  
including in any such case, but not limited to, any loss of profit and any loss or expense incurred in maintaining or funding the Loan or other sum or in liquidating or re-employing deposits from third parties acquired or contracted for in order to effect or maintain the same.

## 15. TAXES

The Borrower shall indemnify and hold harmless the Agent and the Lender against, and reimburse to each such person within three Business Days of demand, an amount equal to the loss, liability or cost which the Agent or such Lender determines will be or has been (directly or indirectly) suffered for or on account of Taxes by the Agent or such Lender in respect of a Finance Document as a result of the nature of the business of the Borrower or its principal place of business.

## 16. THE AGENT

### 16.1 Appointment of the Agent

16.1.1 The Lender irrevocably appoints the Agent to act as its agent for the purpose of this agreement and irrevocably authorises the Agent on its behalf to exercise the rights, powers and discretions that are specifically delegated to it under or in connection with this agreement and any other incidental rights, powers and discretions. The Agent may act through its directors, officers, employees, attorneys and agents.

16.1.2 The relationship between the Agent and the Lender is that of agent and principal only. The Agent shall not be trustee or fiduciary for any other person and need not hold in trust any monies paid to it for any other party.

### 16.2 Responsibility of the Agent

16.2.1 The Agent shall have only those duties obligations and responsibilities which are expressly specified in this agreement and where duties obligations and responsibilities are expressly specified in this agreement the Agent is authorised by the Lender to perform them and must perform them (without seeking further confirmation from the Lender).

16.2.2 The Agent shall not be responsible to any other party for:

- (a) the execution, authenticity, validity, enforceability or adequacy of this agreement or any other document;
- (b) the sufficiency or accuracy of any representations, warranties or statements made in or in connection with this agreement or any other document;
- (c) whether or not amounts payable under this agreement are actually paid (when due or without limitation otherwise); or
- (d) any other failure of any other person to perform its respective obligations under this agreement or any other document.

16.2.3 The Agent may:

- (a) rely on any original or copy of any notice, document or signature believed by it to be authentic;
- (b) rely on any statement made by any person regarding any matters which may reasonably be assumed to be within his knowledge; and
- (c) select, engage, pay for and (whether or not engaged by it) rely on lawyers, accountants, surveyors or other professional advisers

and shall not be liable to any other party to this agreement for any consequences of such reliance.

### 16.3 Information

The Agent shall not be obliged now or in the future to provide any Lender with any information concerning the business, financial condition, creditworthiness, status or affairs of the Borrower. The Lender acknowledges and agrees that loans they make through the Website or through other facilities provided by LBT are made via the Agent and that the Borrower's personal details remain confidential and not disclosed to any person other than the Agent.

### 16.4 The position of the Agent

16.4.1 The Agent may:

- (a) carry on any banking or other business, with, any Lender or with the Borrower;
- (b) act as agent for or in relation to any financing involving any Lender or the Borrower;
- (c) retain for its own account any fees, profits or other remuneration payable to it as Agent under this agreement or in relation to any of the above matters; and
- (d) if it is also a Lender in accordance with clause 16.4.2, exercise all its rights and powers in such capacity under this agreement.

16.4.2 Services relating to loan transactions that are to be concluded outside of the Marketplace will only be provided by LBT to Customers that are businesses. LBT may from time to time Lend for its own account (as principal) outside of the Marketplace, in addition to performing its other responsibilities as Agent for the Lender. For the avoidance of doubt, LBT will not receive or provide credit for its own account (as principal) under any agreement facilitated through the Marketplace.

#### 16.5 Liability

Neither the Agent nor any director, officer, employee, attorney or agent of the Agent shall be liable to any other person for any action taken or not taken by it or them under or in connection with this agreement or any other Finance Document, unless caused by its or their gross negligence or wilful misconduct.

#### 16.6 Indemnities

16.6.1 The Lender shall immediately on demand indemnify the Agent against any liability, loss, cost or expense incurred by or imposed on or claimed from the Agent in any way relating to or arising out of its acting as the Agent except to the extent that the liability loss or expense arises from the Agent's gross negligence or wilful misconduct or is part of its normal administrative costs and expenses.

16.6.2 The Borrower shall immediately on demand reimburse the Lender (including the Agent, in its capacity when acting for the Lender) for any payment made by it under clause 16.6.1 above. The liability of the Borrower shall not be limited or affected by clause 16.6.1 above.

#### 16.7 Compliance

The Agent shall not be obliged to do anything which would or might, in its opinion, be contrary to any law, regulation or official directive or request of any jurisdiction or render it liable to any person and may do anything which, in its opinion, is necessary or desirable to comply with any such law, regulation, directive or request. Without limitation, the Agent need not disclose any information relating to the Borrower if disclosure would or might, in the opinion of the Agent, be contrary to any duty of secrecy or confidentiality or otherwise render it liable to any person.

#### 16.8 Changes of Agent

16.8.1 The Agent may resign (without stating any reason) by giving notice to the Lender and the Borrower in which case the Agent may immediately appoint as successor Agent any affiliate of the Agent. Failing such appointment, the Lender may, or where a Crowd Lending Group exists, the Majority Crowd Lenders may, appoint a successor Agent.

16.8.2 If the appointment of a successor Agent is to be made by the Lender but it has not, within 30 days after the Agent's notice of resignation, appointed a successor Agent which accepts the appointment, the Agent may appoint a successor Agent.

16.8.3 The resignation of the Agent and the appointment of any successor Agent will both become effective when and only when the successor Agent notifies all the parties that it accepts the appointment, upon which:

- (a) the successor Agent shall succeed to and be vested with all the rights, powers and duties of the retiring Agent as if a party to this agreement in the capacity of the Agent;

- (b) the retiring Agent shall continue to have the benefit and protection of this clause 16 in respect of the period while it was the Agent; and
  - (c) subject to clause 16.8.4 below, the retiring Agent shall have no further obligation as Agent under this agreement.
- 16.8.4 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as the Agent under this agreement.
- 16.8.5 In this clause 16.8, an "**affiliate**" of a person means any subsidiary or holding company of such person or any subsidiary of any such holding company (in each case within the meaning given to such expressions by section 1159 of the Companies Act 2006).

## 17. PROVISIONS APPLICABLE TO CROWD LENDERS

Where a Crowd Lending Group exists, the term "**Loan**" in these Standard Loan Terms and Conditions shall mean the aggregate of all Crowd Loans made to a Borrower by the Crowd Lenders in the Crowd Lending Group or (as the context requires) the principal aggregate amount outstanding for the time being of such Crowd Loans.

### 17.1 Instructions of Majority Crowd Lenders

- 17.1.1 The Agent shall (subject as otherwise provided in this agreement) act or refrain from acting in accordance with any instructions of the Majority Crowd Lenders in connection with any matter, whether or not expressly provided for in this agreement, and shall be fully protected if it so acts or refrains from acting in accordance with any such instructions. However, the Agent shall not be obliged to seek instructions as to the exercise of any right, power or discretion or as to any such matter and, in the absence of instructions, the Agent may act as it sees fit. Any instructions given by the Majority Crowd Lenders shall be binding on all the Crowd Lenders.
- 17.1.2 Before it commences any proceedings or takes any action under or in respect of this agreement, the Agent may require an indemnity and/or security satisfactory to it, whether by way of payment in advance or otherwise, against all liabilities losses costs and expenses which it would or may incur in doing so.

### 17.2 Crowd Lender Arrangements

If any Crowd Lender (the "**Subject Lender**") receives or recovers any payment or satisfaction in respect of any sums due under this agreement in respect of a Crowd Loan (whether by voluntary or involuntary payment or the exercise of any right of set-off or combination of accounts or otherwise) in an amount which, in proportion to that Crowd Lender's respective participation as part of the Crowd Lending Group, is greater than the payment or satisfaction received or recovered by any other Crowd Lender in that Crowd Lending Group (such greater amount being in this clause called the "**Excess**") then:

- 17.2.1 the Subject Lender shall immediately notify the Agent of its receipt or recovery of the Excess;
  - 17.2.2 the Subject Lender shall, within five Business Days after demand by the Agent, pay to the Agent an amount equal to the Excess (in this clause called an "**Excess Payment**");
  - 17.2.3 the amount of the Excess shall, as between the Borrower and the Subject Lender, be treated as not having been paid; and
  - 17.2.4 the Agent shall, as soon as practicable calculate the pro rata share of the Excess due to each Crowd Lender on the basis of the aggregate sums received or recovered by each Crowd Lender (which calculation shall be conclusive in the absence of manifest error), notify the Crowd Lenders accordingly and distribute the amount of the Excess Payment to the Crowd Lenders entitled to it. Such distribution shall be treated as if it had been paid by the Borrower.
- 17.3 LBT shall not implement any of the following proposed courses of action without having the consent or deemed consent of the Majority Crowd Lenders:

- 17.3.1 the issue of any waiver letter in respect of a Crowd Loan; or
- 17.3.2 the restructuring of the Crowd Loan or any Pledged Metal relating thereto.
- 17.4 In relation to a proposed course of action, each Crowd Lender shall be deemed to have given its consent to such proposal if LBT shall have arranged a poll on the proposal and it shall have been approved in that poll by the Majority Crowd Lenders.
- 17.5 Any communication from LBT which requires a Lender to vote on a particular course of action must be responded to by the Lender within three Business Days. If the Lender does not vote within such time period then that Lender and the amount lent by that Lender will be disregarded for that particular vote. There is no quorum required for a valid decision to be made.
- 17.6 Where there are more than two courses of action on which to vote, LBT shall use reasonable endeavours to devise a poll that provides clear alternative choices to the Crowd Lenders.
- 17.7 On a poll, each Crowd Lender shall have one vote for every unit of currency of the nominal value of the Loan held by it. LBT shall be obliged to act in accordance with the alternative that has received the highest number of votes, provided that the vote count represents the number of votes held by the Majority Crowd Lenders.
- 17.8 In the event of a tie because two or more alternatives receive the same number of votes, the winning proposal shall be the one which received its total votes first in order of time, and LBT shall take action accordingly. LBT shall communicate the decision made to all Crowd Lenders as soon as reasonably practicable.
- 17.9 Notwithstanding the fact that all Security Documents are held by LBT as agent for the Crowd Lenders, any enforcement action which is directed by the Crowd Lenders under this clause 17 will be undertaken by LBT acting in accordance with this agreement.
- 17.10 In the case of a prepayment (partial or whole) by the Borrower, the Agent will appropriate such payment towards such of the obligations of the Borrower under this agreement to the Crowd Lenders in amounts pro-rata to their respective Crowd Loans.

## **18. WIND-DOWN PROVISIONS**

- 18.1 In the event that the Agent determines (in its absolute discretion) that it is necessary to wind-down LBT, the Agent will notify the Lender and the Borrower by serving a Wind-Down Notice on each of them. Without prejudice to any rights of the Agent or the Lender and notwithstanding any terms to the contrary contained in any part of the Loan Agreement, upon the issuance of a Wind-Down Notice the Loan will become due and payable by the Borrower on the 30th calendar day following the date of the Wind-Down Notice, whereupon the Borrower shall immediately repay the Loan together with all interest accrued and all other sums payable under this agreement.
- 18.2 If the Borrower fails to comply with its obligations set out in clause 18.1 above, LBT (as agent for the Lender) will enforce the Security Document and sell Pledged Metal in order to repay the Loan and any interest, fees and charges (as the case may be) payable by the Borrower under this agreement and the Security Document. In selling Pledged Metal, LBT will transfer the required quantity of Pledged Metal to the buyer thereof and the Borrower acknowledges and agrees thereto. The provisions of clause 13.2.4 shall apply to this clause.
- 18.3 No Prepayment Fee will arise following any prepayment made by the Borrower pursuant to this clause 18.

## **19. GENERAL**

- 19.1 Set-off
- 19.1.1 The Agent may, without prior notice to the Borrower, apply any credit balance (whether or not then due and in whatever currency), any Pledged Metal and, subject to exhausting the Pledged Metal first, any unpledged Precious Metal, which is at any time held by the Agent for the account of the Borrower in or towards satisfaction of any sum then due and payable from the Borrower under this agreement.

19.1.2 For the purposes of exercising any rights under this clause, or any rights under the general law, the Agent may convert or translate all or any part of such a credit balance or Precious Metal into any currency applying a rate which in its opinion fairly reflects prevailing rates of exchange.

19.1.3 The Agent is not obliged to exercise any of its rights under this clause, which shall be without prejudice and in addition to any rights under the general law.

19.1.4 In this clause "**rights under the general law**" means any right of set-off, combination or consolidation of accounts, lien or similar right which any Lender has under any applicable law.

## 19.2 Assignment

19.2.1 This agreement shall be binding upon, and enure for the benefit of, each of the parties to this agreement and their respective successors and permitted assigns (and any person to whom any Lender shall transfer or novate any rights and/or obligations under this agreement).

19.2.2 The Borrower may not assign or transfer any of its respective rights, benefits or obligations under this agreement.

## 19.3 Language

All notices or communications under or in connection with this agreement (including without limitation documents to be delivered pursuant to clause 4.1) shall be in English or, if in any other language, accompanied by a translation into English certified as the Agent may require. In the event of any conflict between the English text and the text in any other language, the English text shall prevail.

## 19.4 Change of Currency

19.4.1 If at any time more than one currency or currency unit are recognised by the central bank of, or having jurisdiction in, any country as the lawful currency of that country:

- (a) for so long as the currency or currency unit in which the provisions of and obligations under this agreement are expressed (the "**express currency**") shall remain so recognised, those provisions and obligations shall remain denominated and paid or satisfied in that currency or currency unit;
- (b) if the express currency ceases to be so recognised, any reference in this agreement to that currency or currency unit shall be translated into and become payable in the currency or currency unit of that country designated by the Agent; and
- (c) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Agent in the manner officially prescribed in relation to such official rate or, if and to the extent not so recognised or prescribed, in such manner as the Agent may reasonably determine.

19.4.2 If any change in any currency of a country occurs, this agreement will be amended to the extent the Agent, specifies to be necessary in the light of the change in currency and to put the Lender as far as practical in the same position as they would have been but for such change in currency.

19.5 This agreement and the documents referred to in it contain the whole agreement between the parties relating to the transactions contemplated by this agreement and supersede all previous agreements between the parties relating to these transactions.

19.6 Each party acknowledges that in entering into this agreement it has not relied on any representation, warranty, agreement, statement or other assurance (except those set out in this agreement) made by or on behalf of any party and that (in the absence of fraud) it will not have and it hereby explicitly waives any right or remedy arising out of any representation, warranty, agreement, statement or other assurance not set out in this agreement.

- 19.7 No variation or agreed termination of this agreement shall be of any force or effect unless in writing and signed by each party.
- 19.8 Any failure to exercise or any delay in exercising any right or remedy under this agreement shall not constitute a waiver of that right or remedy or a waiver of any other right or remedy and no single or partial exercise of any right or remedy under this agreement will prevent any further exercise of that right or remedy or the exercise of any other right or remedy.
- 19.9 This agreement is personal to the parties and no party shall, without the prior written consent of each other party, assign, declare itself as trustee or otherwise dispose of or sub-contract, delegate, mortgage or charge any interest under this agreement. No party shall sub-contract or delegate in any manner any or all of its obligations under this agreement to any third party or agent. Each party is acting on its own behalf and not for the benefit of any other person.
- 19.10 A person who is not a party to this agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **20. NOTICES**

- 20.1 Any notice or other communication under or in connection with this agreement shall be in writing and shall be sent by the Agent to a Lender or Borrower, by electronic mail to the recipient's online mail account with the Agent, and by a Lender or Borrower to the Agent at the Agent's contact email address at [notices@lendborrowtrust.com](mailto:notices@lendborrowtrust.com).
- 20.2 Any notice or other communication shall be deemed to have been duly given if sent in accordance with the immediately preceding clause, on the Business Day following the day on which it is sent.

## **21. GOVERNING LAW AND JURISDICTION**

- 21.1 This agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 21.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this agreement (including a dispute relating to the existence, validity or termination of this agreement or any non-contractual obligation arising out of or in connection with this agreement) (a "**Dispute**").
- 21.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 21.4 Clauses 21.2, 21.3 and 21.4 are for the benefit of the Agent only. As a result, the Borrower undertakes not to commence proceedings relating to a Dispute in any other jurisdiction other than England. To the extent allowed by law, the Agent may take concurrent proceedings in any number of jurisdictions.

## SCHEDULE 1

### Conditions Precedent

In this Schedule, "certified" means certified by a solicitor, a director or another duly authorised officer of the Borrower or other relevant company in a certificate of a solicitor, director or officer (as the case may be) as being a true and complete copy.

1. Evidence required by the Agent (for itself or any Lender) for the purpose of any "know your customer" requirements.
2. Each fee payable pursuant to clause 9 to the extent due and payable and not deductible from the Loan.
3. The Security Document and any ancillary documents.
4. Any Material Consent (or, if the Agent so agrees, a copy thereof certified as the Agent may require) necessary or expedient, in the opinion of the Agent, for the entering into and performance of this agreement by any person and/or the use of the Loan by the Borrower.
5. A copy, certified to the satisfaction of the Agent, of any other consent, licence, document, opinion or assurance which the Agent considers necessary or desirable in connection with the execution, delivery and performance of this agreement any other Finance Document and the transactions contemplated by this agreement.
6. If the Borrower is a natural person, a statement as defined in Schedule 2.1 of high net worth made in relation to the Borrower as specified in Schedule 2 for the purposes of articles 60H and 60Q of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001. This statement must be signed by a professional accountant as specified in Schedule 2.1.
7. If the Borrower is a company:
  - 7.1 a certified copy of the constitutional documents and the register of members of the Borrower, if the Agent so requests; and
  - 7.2 a certified copy of a resolution of the board of directors of the Borrower approving this agreement and any other Finance Document required to be delivered under this agreement to which it is expressed to be a party, authorising the person(s) executing the same to do so and authorising a person or persons to sign all notices or other communications to be given or made by or on behalf of the Borrower under this agreement or any such Finance Document.

**SCHEDULE 2**

**Statements Provided by the Borrower**

**1. Statement of High Net Worth**

(articles 60H(1) and 60Q of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001)

I/We\*(insert full name) .....

of (insert address and postcode)

.....

confirm that I am/we\* are a person qualified to make a statement of high net worth under rules made by the Financial Conduct Authority, by virtue of the fact that I am/we\* are an accountant who is a member of (tick all that apply):

- the Institute of Chartered Accountants in England and Wales;
- the Institute of Chartered Accountants of Scotland;
- the Institute of Chartered Accountants in Ireland;
- the Association of Chartered Certified Accountants;
- the Chartered Institute of Management Accountants;
- the Chartered Institute of Public Finance and Accountancy;
- the Association of International Accountants; and
- a professional body for accountants established in a jurisdiction outside the United Kingdom.

In my/our\* opinion (insert full name of borrower)

.....

of (insert address and post code of borrower)

.....

is an individual of high net worth because he/she\*

- (a) received during the previous financial year net income totalling an amount of not less than £150,000\*; and/or
- (b) had throughout that year net assets with a total value of not less than £500,000\*.

I/We\* declare that I am/we are\* not connected to any person who is a lender/owner offering credit agreements/consumer hire agreements\*.

\* Delete as appropriate.

In this statement:

- (a) 'financial year' means a period of one year ending with 31st March;
- (b) 'net assets' shall not include:
  - (i) the value of the borrower's primary residence or any loan secured on that residence;
  - (ii) any rights of the borrower under a qualifying contract of insurance within the meaning of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001; and
  - (iii) any benefits (in the form of pensions or otherwise) which are payable on the termination of the service of the borrower or on his retirement and to which he is (or his dependents are), or may be, entitled.
- (c) 'net income' means the total income of the borrower from all sources reduced by the amount of income tax and national insurance contributions payable in respect of it; and
- (d) 'previous financial year' means the financial year immediately preceding the financial year during which the statement is made.

## 2. Declaration by High Net Worth Borrower

(articles 60H(1) and 60Q of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001)

I confirm that I have received a copy of the statement of high net worth made in relation to me for the purposes of article 60H(1)(d) or article 60Q(c) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

I understand that by making this declaration I will not have the benefit of the protection and remedies that would be available to me under the Financial Services and Markets Act 2000 or the Consumer Credit Act 1974 if this agreement were a regulated agreement under those Acts.

I understand that this declaration does not affect the powers of the court to make an order under section 140B of the Consumer Credit Act 1974 in relation to a credit agreement where it determines that the relationship between the lender and the borrower is unfair to the borrower.

I am aware that if I am in any doubt as to the consequences of making this declaration then I should seek independent legal advice.