

STANDARD TERMS FOR SALES FINANCE

1. Notification of Debts

1.1 Upon signing the Agreement you will promptly notify us of every Debt in existence at that time. At least once in each week during the term of the Agreement you shall notify us of every Debt which comes into existence which has not been previously notified to us.

1.2 You will promptly provide all information and documents regarding the Debts as we require.

2. Ownership of Debts

2.1 If we ask you will promptly provide a formal written assignment of any Debt and its Related Rights.

2.2 If the ownership of any Debt shall fail to be transferred effectively to us you will hold that Debt (and its proceeds) in trust for us and separately from your own property and, upon their receipt, you shall immediately pay the proceeds to us.

3. Approval of Debts for Funding, Accounts and Payments to You

3.1 Unless we advise you otherwise every Debt will rank as approved for funding.

3.2 We may at any time classify all or any part of a Debt as disapproved for funding. A Debt will automatically become disapproved if (i) the Debt exceeds your Facility Limit, or (ii) a Customer disputes payment of the Debt, or (iii) the Debt exceeds the Funding Limit for that Customer, or (iv) the Debt is not paid within the Maximum Credit Period or (v) the total Prepayments made in respect of Outstanding Debts owing by any one Debtor exceeds the Debtor Concentration Percentage.

3.3 We may at any time set or vary a Funding Limit.

3.4 The purchase price of each Debt shall be an amount equivalent to the amount we receive from the Customer in payment of the Debt less our Charges.

3.5 We may keep such accounts (and in such

currencies) as we consider are reasonably necessary for the proper performance of the facility. You will be able to access the accounts by using our on-line facility operating system, but we may at any time alter, suspend or withdraw such access without notice or liability. The accounts will include a Client Account, a Current Account and an Available Funds Account.

3.6 Upon its notification to us:

3.6.1 we will credit to your Client Account the amount of each Debt at its notified value; and

3.6.2 subject to condition 3.8, we shall make a Prepayment in respect of such Debt.

3.7 Upon collection of the Debt we shall credit your account with an amount equal to the sum received less any Prepayment made in respect of it.

3.8 We shall not be obliged to make any payment to you if:

3.8.1 the amount of a payment exceeds the balance in your favour as shown on the Available Funds Account or causes the debit balance on your Current Account to exceed your Funding Limit; or

3.8.1 we become entitled under condition 9 to withhold payments to you.

3.9 We shall be entitled to debit to the Client Account all our Service Charges and all other monetary liabilities included in your Obligations. For this purpose, if the amount due to us is not known then we may make a reasonable estimation of any of your Obligations.

3.10 We shall be entitled to make a Reserve against any Debt notified to us. Such Reserve will be deducted from the balance in your favour as shown on the Available Funds Account.

4. Payment of our Service Charges

4.1 You will pay to us (or we may deduct the same from any payment to be made to you at any time) the Charges together with any other amounts due by you to us and which are included in your Obligations.

4.2 All Charges are quoted exclusive of Value Added Tax, where applicable.

5. Sales Ledger Administration and Collection of Debts

5.1 We shall have the sole and exclusive right to enforce payment of and collect the Debts. For such purposes we may use your name and you will give us such co-operation as we require in order to assist us in collecting the Debts.

5.2 If your sales finance facility is Option B then we will appoint you to act as your agent in the collection of the Debts, and if your facility is Option C or Option D then we will appoint you to act as our agent in the management of your Customer accounts and the collection of the Debts. We may at any time terminate your appointment as our agent.

5.3 If your sales finance facility is to be disclosed to your Customers then each of your invoices must contain a notice of assignment in terms approved by us.

5.4 All payments received from your Customers in part or full payment of any Debt must be paid to us or to a bank account as identified by us, and pending such payment held in trust for us and kept separate from your own monies.

6. Warranties and Undertakings

6.1 You warrant that every Debt notified to us (i) will be accepted by the Customer as a legally binding obligation and paid without deduction or set-off and (ii) is free from any charges or other adverse rights or interest.

6.2 You warrant that, in respect of each Debt, you have no obligations to the Customer other than under the Contract of Sale giving rise to the Debt and you have no agreement with the Customer, whether under the Contract of Sale or otherwise, whereby the amount of the Debt may be reduced.

6.3 You warrant that, in relation to any personal data that you may pass on to us concerning any living individual who is, without limitation, a Customer, partner, shareholder, director, employee or guarantor/indemnifier of your Obligations, you

have strictly complied and will, until the termination of this Agreement and the discharge of your Obligations, strictly comply with, the provisions of all relevant data protection legislation.

6.4 Each of your warranties in conditions 6.1 and 6.2 shall be deemed repeated each time you notify any Debt to us.

6.5 You undertake:

6.5.1 not to vary or attempt to vary any Contract of Sale giving rise to any Debt purchased by us after it has been notified to us;

6.5.2 to keep proper books and records of account and to make appropriate entries in them to show the sale to us of the Debts;

6.5.3 promptly to supply to us such financial or other information relating to your business as we may from time to time request;

6.5.4 promptly to pay all taxes, insurance, carriage and freight charges for which you are liable in relation to any Debt or the Contract of Sale giving rise to it;

6.5.5 not to assign or create any charge over any of your rights or benefits under the Agreement, or any of the Debts.

6.5.6 promptly to deliver to us a copy of every credit note issued in connection with any Debt notified to us;

6.5.7 to indemnify us against all losses costs claims charges interest and expenses incurred by us at any time and arising from or in any way connected with (i) our entering into or registering, enforcing, exercising or protecting our rights under the Agreement or any guarantee or indemnity or security created in relation to your Obligations (ii) enforcing or attempting to enforce payment of any Debt or settling or compromising any dispute with or claim by a Customer or any other person in relation to any Debt (whether such action is taken by us or by you as our agent) (iii) the securing by us of any release of any Debt from any trust charge or other encumbrance (iv) any indemnity which we may be required to give to our bankers in

connection with the collection on our behalf of any cheque or other instrument made payable to you (v) any breach by you of any of your Obligations;

6.5.8 to procure for us a refund of any value added tax included in any bad or doubtful Debt;

6.5.9 to comply with all procedures for the operation of the Agreement which we may make known to you from time to time.

7. Recourse and SME Safeguard

7.1 If we disapprove a Debt we may request that you repay to us any payment we have made to you in respect of that Debt, or we may debit the Repurchase Price of the Debt to your account. Once we have received your payment (or we have been able to set off the Repurchase Price against any amount payable by us to you) the Debt will belong to you.

7.2 If you have applied for SME Safeguard in respect of any Debt then we will treat any payment received from our insurer as a payment in respect of that Debt and shall only be entitled to recourse to you the unpaid balance of the Debt, if any.

8. Information and your Accounts and Records

We may supply such information in our possession relating to your affairs (including your financial and other obligations to us) and the Debts purchased by us to any of your bankers, auditors or any guarantor/indemnifier of your Obligations.

9. Default

9.1 Upon or at any time after the occurrence of a breach or threatened breach by you of this Agreement or the SME Safeguard Conditions, or upon your becoming subject to any Insolvency Proceedings, we may do any one or more of the following:

9.1.1 terminate the Agreement;

9.1.2 demand that you repurchase all your Outstanding Debts at their Repurchase Price but so that each such Debt shall continue to belong

to us until you have discharged all your Obligations to us;

9.1.3 withhold payments to you;

9.1.4 reduce the Prepayment Percentage to zero;

9.1.5 combine any two or more accounts held by us in your name and require you to pay any net balance of monies due to us;

9.1.6 require you to pay, or debit to your Client Account, a collection fee equivalent to 10% of the then debit balance on your Current Account to compensate us for our additional costs and expenses in collecting the Debts and/or managing your accounts with us.

9.2 Save as expressly provided in the Agreement to the contrary, termination of the Agreement will not affect the rights or obligations of either you or us in relation to Debts assigned to us prior to termination. Without limitation, we will continue to own the Debts, Charges will continue to accrue under the Agreement, and our authority under condition 10 will continue.

9.3 For the purpose of determining your liability under this Agreement and the amount of your Obligations at any time, you agree that a written certificate from any of our authorised officers or our auditor of the amounts due from you to us under the Agreement shall be binding on you and conclusive evidence (save for manifest error) in any legal proceedings against you.

10. Authority to Perfect and Enforce Debts

As security for the performance of your obligations under the Agreement you hereby irrevocably appoint us and each of our directors and our secretary for the time being jointly and each of us and each of them severally to be your attorney in your name to execute such documents and to complete and endorse such instruments and to institute or defend such proceedings and to perform such other acts as we may in our absolute discretion consider requisite in order to perfect our ownership of any Debt or to obtain payment of it or to secure the performance of any of your obligations under the Agreement or under any Contract of Sale.

11. General Provisions

- 11.1 No person other than you or us will have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.
- 11.2 The Agreement shall be construed and take effect in accordance with English law and you hereby submit to the jurisdiction of the English courts without prejudice to our right to bring proceedings in the courts of any country in which you carry on business.
- 11.3 We may assign or transfer all or any part of our rights and/or obligations under the Agreement and/or under any related guarantee, indemnity or other security.
- 11.4 We may vary the Standard Terms at any time. We will tell you when the change comes into effect. If you do not accept the change, you may at any time up to 30 days from the date we tell you about the change, terminate the Agreement without being bound by the change.

12. Entire Agreement

- 12.1 The Agreement (including the Standard Terms and SME Safeguard Terms) contains all the terms and conditions agreed between you and us. You warrant to us that you have not relied on any commitment, representation or warranty in entering into this Agreement. Nothing in this condition shall limit or exclude any liability for fraud.
- 12.2 If we have been introduced to you by a third party we have no responsibility for their actions even though we may pay them a commission for the introduction.

13. Meanings of Capitalized Terms

In these Standard Conditions the following capitalized terms shall have the meanings attributed to them below. All other capitalized terms are as stated in the Agreement.

"Available Funds Account" a memorandum account maintained by us for the purpose of recording the amount available to you in respect of Debts purchased by us at any time;

"Charges" the Discount Charge, the SME Safeguard Charge, the Service Charge, the Extended Service Charge, the Arrangement Fee and Disbursements;

"Client Account" an account or accounts maintained by us in your name on which are recorded transactions between you and us;

"Contract of Sale" a contract for the supply of goods or services or for hiring by you;

"Current Account" a memorandum account maintained by us to which will be (i) credited all payments received by us in respect of Debts or from you or by reason of recoveries or realisation of any of the Related Rights; and (ii) debited our payments to you and all other amounts debited by us to you on the Client Account except in respect of credit notes or Debts we have asked you to repurchase from us at the Repurchase Price;

"Customer" any person who has incurred or may incur an obligation to you under a Contract of Sale;

"Debt" the amount (or, where the context allows, a part of such amount) of any obligation or indebtedness, including any tax or duty payable, incurred by a Customer under a Contract of Sale;

"Debtor Concentration Percentage" the percentage specified as such in clause 3 of the Agreement;

"Disbursements" all bank charges and other costs, charges and expenses incurred by us in the operation of, or in connection with, this Agreement including legal costs and our standard rate disbursement charges which we will notify in writing to you on signing and from time to time;

"Funding Limit" the limit established under condition 3.3 in relation to any Customer for the purpose of determining which Debts owing by that Customer are to be approved for funding;

"Group Company" any company of which the relation to us is that of "parent undertaking" or "subsidiary undertaking" or any "subsidiary undertaking" of that "parent undertaking" in

accordance with the meanings given to those expressions in section 1162 of the Companies Act 2006;

without limitation, accrued rebates and contra accounts.

"Insolvency Proceedings"

(i) the issue of a petition for winding up or bankruptcy; or (ii) an application to appoint an administrator under paragraph 12 of Schedule B1 to the Insolvency Act 1986 ("the Act"); (iii) the service of a notice of intention to appoint an administrator; or (iv) a proposal for a voluntary arrangement under the Act; or (v) the calling of any meeting of creditors; or (vi) the appointment of a receiver in respect of any part or the whole of your business or property;

"your Obligations" all your present and future monetary and other actual or contingent or prospective obligations incurred at any time to us, or to any Group Company, whether arising under the Agreement or otherwise;

"Outstanding" in relation to any Debt, purchased by us and remaining unpaid;

"Prepayment" a payment by us to you on account of the purchase price of any Debt up to the percentage specified in clause 3 of the amount of the Debt as notified to us;

"Related Rights" in respect of any Debt all of the following: (i) all your rights under the Contract of Sale (other than your rights to any goods) (ii) the benefit of all guarantees indemnities insurances and securities given to or held by you (iii) all cheques bills of exchange and other instruments held by or available to you (iv) all ledgers computer data records and documents on or by which any Debt is recorded or evidenced (v) any goods the subject of a Contract of Sale returned or rejected by the Customer or repossessed by you and any interest to which you become entitled in relation to the Debt as a result of any statutory enactment or any rule or regulation of government;

"Repurchase Price" an amount equivalent to the notified amount of the Debt;

"Reserve" such restriction as we may make against any Prepayment to you on account of any event, circumstance, agreement or right whereby the amount of a Debt may be reduced including,

Who are we?

Metro Bank PLC ("Metro Bank" , "we" or "us"), registered in England and Wales, company number: 6419578.

We are a controller for the processing activities specified in this Privacy Notice that relate to your personal data.

This Privacy Notice also explains how other parties, including companies belonging to the Metro Bank group, may use your personal data excluding any products, applications or services that have separate privacy notices which do not incorporate this Privacy Notice.

If you have any questions about this Privacy Notice, or would like more information about how we use your personal data or to exercise any of your data subject rights (see "Your rights"), please contact our Data Protection Officer:

Write to: Data Protection Officer

Metro Bank PLC

One Southampton Row

London,

WC1B 5HA

Email:

DataProtectionOfficer@metrobank.plc.uk

If you are unhappy with our management of your information, you have the right to lodge a complaint with the Information Commissioner's Office. Please visit www.ico.org.uk for more information.

Our collection and retention of personal data

Personal data includes any information that directly or indirectly (whether alone or in conjunction with other information) identifies you (or someone else). This includes information such as your name, address and contact details, but also includes, for example, any photograph we have of you (e.g. when you provide us with a selfie and a copy of a photo ID as part of the account opening process), online identifiers such as IP address or device ID, and location data.

The personal data we hold about you is limited to information that:

- You have given us directly, for example when you apply for an account or contact us (eg a copy of your ID, a selfie and your contact information, or details of your query or complaint)
- We capture through the use of CCTV when you visit one of our stores
- We record and monitor through our telephone calls to help improve the products and services we offer
- We receive from trusted third parties during eligibility checks
- We collect during the provision of our contracted services to you (e.g. your account details, and details of your transactions and interactions with us)
- We, or third parties acting on our behalf (such as Google Analytics), automatically collect when you use our website or interact with our emails (in each case, with your consent, where necessary). Examples of data collected include your IP address, browser type, referral source, information about which parts of our page you have visited and how long you spent on them, the preferences you have set, and whether you have opened our emails
- We occasionally obtain personal data from publicly available sources, such as social media sites (e.g. we may collect your name and comments where you mention us in a post) and Government registers (e.g. Companies House).

Where we ask you to provide personal data to us on a mandatory basis, we will tell you at the time of collection. In the event that particular personal data is required by the contract or law, this will be made clear. We will also explain the consequences of any failure to provide any mandatory personal data: for example, if you can't show us proof of identity, this will mean that we can't open an account for you.

If you open an account with us and you are under 18, we may also collect personal data that

directly or indirectly identifies your parent or legal guardian who helped you open an account. We may use and keep their personal data only for the purposes of checking your identity. You must not give us personal data about someone else (such as a joint applicant or a parent or guardian) without first getting their permission for it to be used and released. We will assume that that person has given permission, although we may still ask for confirmation.

At the end of your relationship with us (for example, if you decide to close your account), we retain your personal data for as long as required to meet our legal and regulatory obligations. Where retention is based on other reasons, we will retain it for no more than seven years, in line with our data retention policy.

The purposes and lawful basis for our collection of personal data

Your personal data is collected and processed for business and compatible purposes, in accordance with applicable laws and as set out below.

Personal data may occasionally be used for purposes not obvious to you where the circumstances warrant such use (e.g. in fraud investigations or similar).

We generally process your personal data under one of the following legal bases:

- Our legitimate business interests (described in the section below), except where these are overridden by your interests or fundamental rights and freedoms which require protection of personal data ("Legitimate Interests")
- Compliance with our legal obligations ("Legal Obligation")
- For the performance of a contract to which you are a party or in order to take steps at your request prior to entering into such a contract ("Contractual Performance").

We may also rely on other bases (for example, where the processing is necessary in the performance of a task carried out in the public interest or in order to protect your vital interests or those of another person or where you have

given your consent) on an exceptional basis, where none of the above apply.

Sensitive personal data

We may collect a limited amount of Special Category Personal data (revealing racial or ethnic origin, religious or philosophical beliefs, trade union membership, genetic data, biometric data (where that information is used to identify an individual), information concerning physical or mental health, an individual's sex life or sexual orientation (in order to make appropriate accommodations or adjustments), or to provide biometric identification services. When we do so, we will explain to you why we need it, and obtain your consent to use it for the relevant purpose.

To the extent permitted by applicable laws, we may collect and process a limited amount of information regarding criminal convictions and offences and related proceedings (including information relating to allegations and suspicions of criminal offences).

Further processing

If we determine that your personal data is to be used for a new purpose, we will inform you beforehand.

Sharing your information

Your personal information may be shared with third party service providers, including companies belonging to the Metro Bank group, which may provide products or services to you or us.

We will only share your personal data where necessary and where we have a lawful basis for doing so (for the purposes previously outlined).

Recipients of your personal data include:

- Other parties connected to your account (i.e. joint account holders)
- Credit reference agencies (please see section below)
- Our service providers (such as payment processors, IT service providers, email service providers and web analytics providers)
- Specific subcontractors who help to provide you with the services you have requested
- Tax authorities, regulatory authorities, law enforcement agencies and fraud prevention agencies
- Our insurers, lawyers, auditors, consultants and other professional advisers
- Other banks or financial institutions (where you ask us to share your personal data, or where we are asked to confirm your identity for the purposes of preventing or investigating financial crime)
- If you want to use our referral to selected third parties to get discounts for their services, or where you want to take advantage of our functionality to import or export your banking data
- Third parties where you have consented for us to share your data with them.

These recipients may be located in countries around the world (please see "Processing Personal Data outside of the EU (EEA) and UK").

The personal information we have collected from you will be shared with fraud prevention agencies, who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found at www.cifas.org.uk/FPN.

Your rights

You have specific rights over your personal data, as explained below. These may not apply in all circumstances – we will let you know where this is the case.

- Data subject access request
- Rectification of inaccurate personal data
- Erasure of personal data
- Restricting processing of personal data
- Right of portability
- Object to the processing of your personal data
- Right not to be subject to automated decision-making
- Right to withdraw consent.

You can exercise your rights by contacting us on 0345 08 08 500, in writing using the contact details given at the top of this document, or by visiting one of our stores.

We will respond to your request within one calendar month. We may need to confirm your identity before processing your request. If you can't give us satisfactory proof of your identity, we have the right to refuse your request. We also have the right to reject requests that are manifestly unfounded or excessive.

For more information on how we process your personal data, please see our website Privacy Notice

<https://www.metrobankonline.co.uk/about-us/privacy-and-security/>