



## Terms & Conditions

Notice: Under the Credit Reporting Act 2013 lenders are required to provide personal and credit information for credit applications and credit agreements of €500 and above to the Central Credit Register. This information will be held on the Central Credit Register and may be used by other lenders when making decisions on your applications and credit agreements.

The Central Credit Register is maintained and operated by the Central Bank of Ireland. For information on your rights and duties under the Credit Reporting Act 2013 please refer to the factsheet prepared by the Central Bank of Ireland. This factsheet is available on [www.centralcreditregister.ie](http://www.centralcreditregister.ie)

**WARNING:** If you do not meet the repayments on your credit agreement, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.  
**WARNING:** The cost of your repayments may increase.



## Access to the Platform

### Plain English Summary of our basic T&Cs

#### **For Borrowers:**

To register as a borrower, you must be a registered Irish limited company, sole trader, partnership, club or society, your organisation must not have any judgments registered against it and you must satisfy our 'know your customer' requirements. After you are registered as a borrower on the Platform, you can submit loan applications to finance your business funding requirements online through the Platform, for the amount and length of your choice. There are a variety of loan types available on the Platform, including term loans or merchant cash advance loans. You should familiarise yourself with each product, its features and risks before proceeding. By submitting a loan application, you have agreed to our privacy policy (Available on our website) and you confirm you agree to let us use the information you have provided to check your credit history and legal status with third parties such as the ICB, Experian or Vision-Net. You also agree to let GRID display your funding requirement on our online marketplace if we approve your application. If we display your funding requirement in the online marketplace, lenders on the Platform can bid to lend money to your funding requirement at the interest rate of their choice (or fixed pricing/ fees in some instances). Once the bids add up to the total loan amount (or a lower level acceptable to you) you have requested, you will be given the choice to accept or reject the loans. If you accept the loans, you have entered a legally binding loan contract with the lenders, and the loan amount will be transferred from the lenders into your Irish bank account. GRID fees, a percentage of the loan amount (5%-6% excluding VAT) will be deducted from the loan proceeds at disbursement to your nominated bank account (to the satisfaction of GRID) within 7 working days from the date your loan is accepted and drawn down and an invoice will be issued for the GRID Fees. You will be required to set up a direct debit from your nominated Irish bank account for GRID to withdraw your monthly loan repayments for term loans. For Merchant Cash Advance Loans you will be required to direct your Merchant Card Receipts to a clearing account designated by GRID. If you reject the loans, you will be charged a fee for the cost of processing your loan application. If the bids for your funding requirement do not reach the total loan amount you have requested after a reasonable time, your funding requirement will be removed from the online marketplace and you will not be charged any fees. There are certain fees and penalties which you should be aware of below if repayment is not made, delayed or there is any any breach of the terms of the agreement. Peer2Peer Lending is presently an unregulated activity in Ireland. GRID's role is to perform the administrative functions (including Security Trustee) necessary to enable prospective Borrowers and Lenders to negotiate, conclude and complete loans via the Platform in accordance with these GRID Terms and Conditions.

#### **For Lenders:**

To register as a lender, you must be at least 18 years old or a company (as outlined in Section 2). You may only lend your own money on the Platform. After you register as a lender on the Platform, you can add money to your Account by credit/debit card or bank transfer. Once you have money in your account, you can bid to lend that money to one or more of the business borrowers accepting bids for loans on the Platform, at the interest rate of your choice. There are a variety of loan types which may be made available by lenders on the Platform, including term loans or merchant cash advance loans (depending on the type of account you hold). You should familiarise yourself with



each product, its features and risks before proceeding. If your bid is accepted by a borrower, you will have entered a legally binding loan contract with that borrower. The amount of your loan will be transferred from your Account to the borrower, and the borrower must make monthly (or daily) loan repayments which will be transferred back to your Account. We will deduct a fee from amounts paid by a borrower from each repayment received or an Asset Under Management Charge; this fee is dependent on the classification of your account which would be disclosed to you upon signing up or amending the classification of your Account. You can use the balance in your Account to bid on another loan, or you can transfer the money from your Account back to your bank account. Peer2Peer Lending is presently an unregulated activity in Ireland. GRID's role is to perform the administrative functions (including Security Trustee) necessary to enable prospective Borrowers and Lenders to negotiate, conclude and complete loans via the Platform in accordance with these GRID Terms and Conditions.

## Definitions

"Account", has the meaning provided in Clause 1.1.

"Anti-Money Laundering Requirements" means all know-your-customer documentation and information (including any required pursuant to the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 and 2013 as may be amended, substituted or replaced from time to time.

"Asset Under Management Charge" or "AUM" means the fee payable by a Lender to GRID. The value of "AUM" is calculated as Cash balance plus principle outstanding. The charge is 1% per annum applied on a monthly basis at  $1\%/12 \times \text{AUM}$ .

"Assignment Notice" means a notice of assignment to GRID (or its nominee) of Merchant Card Receivables which a Borrower of a Merchant Cash Advance Loan shall send to its Merchant Card Operator in such form as set out in the Security Assignment or as GRID may require at its discretion.

"Borrower", a party registered as a borrower in accordance with the provisions of Clause 6.

"Borrower Fee", has the meaning provided in Clause 9.1.

"Central Credit Register" means the statutory register of credit agreements and credit applications operated by the Central Bank of Ireland.

"Collection Fee", has the meaning provided in Clause 15.4.

"CRO", Irish Companies Registration Office.

"Current Balance", the Lender's lending limit as provided in Clause 4.2.

"eIDAS Regulation" means Regulation No. 910/2014/EU of the European Parliament;



“Event of Default” has the meaning provided in Clause 14.1.

“Existing Retail Lender”, any lender who became a retail lender for the purposes of advancing term loans prior to the 30<sup>th</sup> September 2018.

“Finance Document” means a Loan Contract, any Security, these Standard GRID Terms and Conditions or any document designated as a Finance Document by the Lender and the Borrower.

“GRID”, means Grid Finance Impact Limited, (Company Number 529532) having its registered office at The Tower, Trinity Technology & Enterprise Centre, Grand Canal Quay, Dublin 2 including where the context so requires its’ trading names ‘Grid Business’ & ‘Grid Wealth’.

“GRID Collector”, has the meaning provided in Clause 11.2.

“GRID Provision Fund”, a fund to which a GRID Lender may contribute a set percentage of interest earned on the Lender’s GRID loans, which GRID will use to cover any losses on GRID Loans by lenders which have contributed to the fund for a certain period, up to the full amount of the fund in proportion to the amount lost by each contributing lender.

“GRID Score”, a standardised credit score for a prospective borrower based on GRID’s proprietary credit model.

“GRID Score Fee”, has the meaning provided in clause 9.1.

“GRID Terms & Conditions” means these terms and conditions.

“ICB”, Irish Credit Bureau.

“Lender”, a party or parties registered as a lender in accordance with the provisions of Clause 2 and who enters or intends to enter into a Loan Contract through the Platform which for the avoidance of doubt shall include a Merchant Cash Advance Lender.

“Loan”, a loan which may be advanced by one or more Lenders to a Borrower in accordance with the Loan Contract which term shall include a Merchant Card Advance Loan or a Term Loan or such other product as may be made available on the Platform from time to time.

“Loan Contract”, the loan contract signed by the Borrower accepting a Loan (which for the avoidance of doubt shall include a Merchant Card Advance Loan or Term Loan. Each Loan Contract incorporates these GRID Terms & Conditions and will govern the terms of supplying credit, or other facilities including the Loan to the Borrower.

“Loan Rate”: The interest rate for a term loan or the interest fee in the case of a Merchant Cash Advance Loan. The loan interest rate or fee is the weighted average interest rate or fee that was



bid by each of the individual Lenders on the Borrower's loan request. By accepting the Loan Contract, the Borrower is agreeing to repay to each of the individual Lenders the amount that was lent by them in addition to the agreed interest rate or interest fee as the case may be provided in the Loan Contract. The interest cost is set at the outset of the loan and this is the amount along with the capital which must be repaid to the lenders.

"Majority Lender" means at any time a Lender or Lenders whose commitment or the aggregate balance of whose Loan outstanding exceed 66⅔ per cent of the total Loan commitment or aggregate Loan advanced whichever shall be the greater where all Lenders provide instructions within the relevant time period stipulated by GRID or in the event that not all Lenders confirm their instructions within the relevant time period, 66⅔ per cent in value of Loan commitments of those Lenders which have confirmed their instructions within the relevant time period.

"Merchant Card Operator" means such payment services provider with whom the Borrower has entered or may enter into any agreement with from time to time in respect of the operation by the Borrower of any electronic payment terminal or other payment process or protocol in respect of the Borrowers' business and its Merchant Card Receivables.

"Merchant Card Receivables" means all present and future customer payments made to a Borrower by credit card or debit card or other electronic means to or for the benefit or account of the Borrower as merchant arising from or in connection with the operation and carrying on of its business, provision of services or supply of goods and in particular the proceeds of all sales (or any part thereof) but excluding any VAT on any sum mentioned in this definition.

"Merchant Card Receivable Terms" means the terms set out in clause 8 and which in addition to the GRID Terms & Conditions (save in the event of conflict) shall apply to Merchant Cash Advance Loans.

"Merchant Card Repayment Instalment" means the retained portion of Merchant Cash Receivables received by GRID and payable to the Merchant Cash Advance Lender pursuant to the Merchant Cash Advance Loan Contract (such percentage portion a "Lenders Share").

"Merchant Cash Advance Lender" means the party described as Lender in the Merchant Cash Advance Loan Contract

"Merchant Cash Advance Loan" means a loan, credit or advance made by the Merchant Cash Advance Lender to the Borrower pursuant to the Merchant Cash Advance Loan Contract within the meaning of Clause 8.

"Merchant Cash Advance Loan Contract" means the loan contract to be or which may be entered into from time to time between a Borrower and a Lender in respect of a Merchant Cash Advance Loan in such form as GRID may require.

"Nominated Bank Account", has the meaning provided in Clause 1.4 and Clause 6.5.

"Organisation" refers to 'for profit' and 'not for profit' enterprises. This includes sole traders, partnerships, clubs and societies.



“Platform” means the proprietary technology platform owned and operated by GRID through which Borrowers may list their business proposal or funding requirement and Lenders can bid or make available Loans.

“Receiver” shall have the same meaning as provided in Part 8 Companies Act 2014.

“Restructuring Fee”, has the meaning provided in Clause 9.4.

“Security” means a mortgage, charge, pledge, lien, guarantee or other security interest securing any obligation of any organisation or person or any other agreement or arrangement having a similar effect including without limitation a Security Assignment or a debenture.

“Security Assignment” means a deed of assignment of Merchant Card Receivables to be entered into between the Borrower and GRID in respect of a Merchant Cash Advance Loan in such form as GRID may require.

“Security Trustee” means GRID acting in its capacity as trustee for each Lender.

“Segregated Client Account”, the segregated client account maintained by GRID with AIB in accordance with the provisions of Clause 3.

“Subsidiary” shall have the same meaning as provided in Section 7 Companies Act 2014.

“You” or “Your” refers to the users of the GRID platform which are either lenders or borrowers depending on how they have registered on the platform.

“We”, “us”, “our”, “the Company”, refers to GRID.

“Website” or “Platform” refers to the website and platform operated by GRID at [www.gridfinance.ie](http://www.gridfinance.ie) or other associated addresses registered to the GRID name.

“Withdrawal Fee”, has the meaning provided in Clause 9.3.

References to the “Borrower”, “GRID”, and “Lender”, “the Security Trustee” or any other person shall be construed so as to refer to its successors in title, permitted assigns and permitted transferees.

These GRID Terms and Conditions are in addition to and are incorporated into the Loan Contract save where expressly modified or varied by the Loan Contract.



These GRID Terms and Conditions govern the use of the Platform. By agreeing to these GRID Terms & Conditions and/or by continued use of the Platform, you are bound by the entirety of these GRID Terms and Conditions and any other document that is incorporated by reference to these GRID Terms & Conditions. If there is any inconsistency between these GRID Terms & Conditions and any document referenced, these GRID Terms & Conditions will prevail.

If you are using the Platform and the services provided by our Platform on behalf of a limited company, partnership, sole trader or not-for-profit enterprise, you are agreeing to abide by these GRID Terms and Conditions and you warrant that you are fully authorised to act on its behalf.

If you do not agree in full with these GRID Terms and Conditions you must cease using the Platform and Website.

These GRID Terms and Conditions should be read alongside, and are in addition to, our privacy policy (accessible online at <https://www.gridfinance.ie/privacy/>)

## About us

GRID operates a business financing platform aiming to help small and medium sized companies access the finance they need for their continued development and expansion. The Platform is an online community putting Lenders and Borrowers (SME and social enterprises) in touch with each other. GRID is not a party to any Loan Contracts between Lenders and Borrowers. Our function is purely an administrative function, which is to access the Platform and the administration, collection and recovery of loans as necessary and appropriate. GRID owns the Platform.

## Registering with GRID as a Borrower

- 1.1. In advance of completing any borrowing on the Platform, you or an authorised third party or representative will be required to register with us to create your "**Account**".
- 1.2. When you register with GRID, you agree to provide complete and accurate registration information, including but not limited to your correct name, date of birth, e-mail address and current home address. Should any of your registration information change, you agree to inform us promptly of these changes.
- 1.3. For us to comply with all Anti-Money Laundering Requirements, we are required to verify the information that you have provided as part of the registration process. You authorise us, at any time, to use any means that we consider necessary to verify your identity with any third-party providers of information.
- 1.4. You agree to provide us with the IBAN of the Irish bank account and routing numbers of the bank account (your "**Nominated Bank Account**") that you wish to use to pay money to, and receive money from GRID. If your Nominated Bank Account is located outside the Euro zone, then you will not be able to use that account to pay money to or receive money from GRID until we will complete the Anti-Money Laundering Requirements check as described in Clause 1.3 and Clause 2.6.
- 1.5. Upon completion of our registration process, we will confirm by e-mail, to the address you have supplied, that your Account is open.



- 1.6. Your login details may include some of the information that you have provided during your registration process along with the password that you have chosen. You agree to keep your login details strictly confidential, and provide them only to us and only when requested. You are responsible for any misuse of your account details. You will protect your login details and any failure to do so shall be at your sole risk and expense.
- 1.7. You should change your password on a regular basis. Passwords should contain a mixture of upper and lower case letters and/or numbers. Passwords are case sensitive and we recommend the use of passwords that combine a combination of numbers and letters in different cases. This will help to prevent the risk of an unauthorised use of your account.
- 1.8. We are entitled to assume that all correspondence, orders, transfers and instructions made by reference to your login code, password or Account number are made by you. In the case where you have authorised an employee, other individual or organisation to use your Account you are responsible for any activity that has been processed on your Account. You agree to inform us at once by e-mail and by telephone if you believe that any of your Account information is being misused by a different person so that we may suspend your Account.
- 1.9. You agree not to use GRID for any of the following purposes and we may terminate your Account with GRID if you engage or we suspect that you are engaging in any of the following;
  - a. illegal or fraudulent activities that are linked to criminal activities;
  - b. publishing any illegal, indecent material on your Account page;
  - c. sending inappropriate communications to other members which may cause unnecessary stress or concern to our members;
  - d. publishing, distributing or using any material that is illegal, offensive, abusive, indecent, libellous, obscene or intimidating; or in breach of copyright, trademark, confidence, privacy or any other right;
  - e. distributing material to our members or third parties that is objectionable or consists of or contains software viruses, political campaigning, commercial solicitation, chain letters, mass mailings or any "spam"; or
  - f. Breach of the privacy policy or sharing information publicly (including without limitation on internet forums or on public boards) which you are not authorised to share.
- 1.10. If we suspect that the person logged into your Account is not you, we reserve the right not to act on your instruction until we are satisfied that you have issued the instruction.

#### **How to register as a Lender**

- 2.1. To register as a Lender, you must have completed the initial registration as outlined in section 1 of these GRID Terms and Conditions.
- 2.2. To register as a Lender on the Platform, you must be an individual, partnership, fund or other body corporate.
- 2.3. If you are lending as an **individual**;
  - a. you must be over 18 years old; and
  - b. you must only lend your own money.
- 2.4. If you are lending as a limited company;





- a. the limited company must be registered with the Irish Companies Registration Office (the “CRO”) or other registry to the satisfaction of GRID;
  - b. the Directors’ must be at least 18 years old;
  - c. the individual/director/manager lending on behalf of the limited company must have the authority to lend on the company’s behalf; and
  - d. you must only lend the company’s money
- 2.5. All Lenders are required to have a Nominated Bank Account, which will be used to transfer funds to GRID and receive funds from GRID. The details of the Nominated Bank Account are included in Clause 1.4.
- 2.6. GRID will carry out the relevant Anti-Money Laundering Requirements checks on its Lenders. You agree to provide all the relevant documentation and you authorise us to verify this information with third party providers of information.
- 2.7. If we are unable to complete any steps in your registration process, we will not register you as a Lender on the Platform.
- 2.8. You agree to abide by the GRID privacy policy and not to share information publicly in any manner (including without limitation on internet forums or on public boards) which you are not authorised to share.

#### **Client Asset Management**

- 3.1. Once you have been accepted onto the Platform you will be required to transfer funds into the Segregated Client Account before you make a Loan, which is managed by GRID. It is possible to transfer money through your online banking portal to the Platform client account, or lodging funds by debit. Once these funds have been received into the account you will receive a notification within 24 hours and the funds will be visible in your Account. You will only be able to bid on loans on the Platform once your funds have been received.
- 3.2. All funds that are transferred into the Segregated Client Account are segregated funds that do not form part of the assets of GRID. In the event of a cessation of GRID, these funds will remain available to each of the Lenders who are entitled to these funds.
- 3.3. The Segregated Client Account funds are held on deposit with a regulated credit institution
- 3.4. GRID holds client assets in trust in its Segregated Client Account and will use reasonable endeavours to voluntarily abide by the Central Bank of Ireland regulations on client asset management. Currently no interest is accrued in the Segregated Client Account. If in the future interest is accrued in the Segregated Client Account, it will be used to cover the costs of managing the Segregated Client Account.
- 3.5. GRID pools client funds into one Segregated Client Account held with a regulated Credit Institution. Detailed records are kept and reconciled daily which clearly outlines each Lender’s share of the Segregated Client Account.



## Lending on the GRID Platform

- 4.1. To lend, a Lender must have first placed funds into the Segregated Client Account and have received confirmation that the funds have cleared. Funds deposited by that Lender to the Segregated Client Account will be held and administered by GRID pursuant to these GRID Terms and Conditions.
- 4.2. A Lender's lending limit is represented by its "**Current Balance**" which will be shown on the dashboard page of the Website. This will be the money that the Lender has individually deposited into and that has cleared in the Segregated Client Account but which it has not offered to lend or have loaned via the Platform. The available funds to lend will be reduced by the amounts that are offered on the Platform.
- 4.3. A Lender may submit an offer to lend funds to any Borrower that is disclosed on the Platform. This bid is then offered at a value of funds that the Lender wishes to lend and at an interest rate that it wants to charge.
- 4.4. We can refuse to act on any instruction that we believe:
  - a. was unclear;
  - b. was not given by the Lender;
  - c. might cause us to breach our legal or statutory duties; or
  - d. is using GRID for an illegal purpose.
- 4.5. By posting a bid on the marketplace a Lender is offering to enter a Loan Contract with a Borrower who meets its lending criteria. A Lender must have deposited sufficient cleared funds to its Account to be eligible to bid on a Loan (except where a provisional offer can be made for some customer types). The amount bid by a Lender for any Loan shall be blocked on its Account until such time as the Loan is accepted or rejected by a Borrower, or if not fully funded until the Loan offer expires, at such time it will be credited back to a Lender's Account. Once a Lender makes the bid it will be deemed to have electronically signed the loan conditions with the details of the bid that has been made. Each offer is open to be accepted by a Borrower. A Lender will not be asked to re-confirm its offer once the Borrower has accepted the offer. The Loan Contract will be formed automatically at that point.
- 4.6. In a situation where two Lenders make a bid at the same interest rate for the full amount of the Loan then the Lender who has bid first will have their bid ranked in preference of the second and subsequent bids.
- 4.7. Once each Loan is fully funded in advance of the deadline for further offers, additional offers for that specific loan may reduce the average loan rate.
- 4.8. If the amount that a Lender bids exceeds the amount required by the Borrower to fully fund the Loan, the Borrower will be able to borrow part of the amount that the Lender has bid. This will create a Loan part for an amount less than the original bid and effectively means that your bid has partially won.
- 4.9. All offers made onto the Platform are final offers capable of acceptance by a Borrower and cannot be withdrawn unless:
  - a. the loan request period expires (without being extended at the discretion of GRID) and/or the loan request is not funded sufficiently;
  - b. the Borrower declines to proceed (or withdraws the loan request) with a loan that includes the active bid;



- c. we discontinue the bidding process for a loan request at our sole and absolute discretion; or
  - d. the loan request has been fully funded by other active bids that have the lowest interest rate.
- 4.10. GRID's primary role is to perform administrative functions on behalf of Borrowers and Lenders, to bring prospective Borrowers and Lenders together, by providing access to the Platform, an efficient process for entering loans and to coordinate and facilitate the payment and collection of sums due under or in connection with those loans (including taking any legal actions on behalf of Lenders upon a Borrower's default or if the Borrower becomes, or is likely to become, insolvent, this is at the sole discretion of GRID).
- 4.11. The Lender retains complete control and discretion over whether or not to offer a Loan to a Borrower and on what terms the Loan is made. Nothing GRID does and nothing on the Platform is intended to operate or be construed as advice or a recommendation by GRID to enter a particular Loan. In some instances, GRID will administer a Lenders account following receipt of explicit instructions.
- 4.12. GRID also assigns each Borrower a GRID Score and may display this GRID Score on the Platform in the format of a credit grade via letter. This GRID Score is based on GRID's proprietary credit model using financial information provided by the Borrower. GRID will attempt to validate information where possible but is not liable or responsible for the accuracy of the information provided by the Borrower.
- 4.13. While GRID adds value to the credit analysis as part of our underwriting exercise, the provision of a risk rating and/or GRID Score is intended to be informative only and a Lender must form its own opinion regarding the creditworthiness of a Borrower and undertake its own research, analysis and assessment of each Borrower for each Loan, and where appropriate, seek independent financial advice.
- 4.14. GRID accepts no responsibility and disclaims all liability for any information about a Borrower made available to prospective Lenders through the Platform or for the risk rating or for the GRID Score. GRID may, when further information becomes available, but accepts no obligation to, update or amend any Borrower's information, risk rating and/or GRID Score (including between when the loan request is first made and when it is entered).
- 4.15. Your usernames will form part of the loan contract between Lenders and Borrowers, in some instances this may include personal information depending on how you have labelled your account.
- 4.16. All attempts will be made to draw down facilities made available to Borrowers in a timely manner however in some instances depending on the complexity of the security arrangements and availability of Borrowers and third parties this can take some time. GRID accept no liability in relation to delays of drawdown of facilities.

#### **Lender Fees and Charges**

- 5.1. The fee applicable on your GRID account is determined by the type of GRID account you have. Please see Clause 9.8 (Lender Fees and Charges) per account to determine the structure.
- 5.2. From time to time we may give Lenders the option of contributing a certain percentage of the interest earned on all loans to a GRID Provision Fund.



- 5.3. We reserve the right to introduce new fees under these GRID Terms and Conditions from time to time, but we will only do so by giving you appropriate notice and we will make reasonable efforts to display this in a prominent part of our Website. We, in our sole and absolute discretion, reserve the right to waive, reduce or eliminate any of our fees under the GRID Terms and Conditions.
- 5.4. In the case of the cessation of GRID, a third-party credit servicing firm would be appointed to manage the loan portfolio. In such event there may be a change to the fee structure, notice of which would be provided to you at the relevant time. Should you wish to know more about the contingency plan please contact our customer support.

#### **Becoming a Borrower**

- 6.1. To become a Borrower on the Platform, you must be a registered Irish limited company, sole trader, partnership, club or society, and your organisation must not have any judgments registered against it.
- 6.2. You must not be a consumer within the meaning of that term in the Consumer Credit Act 1995.
- 6.3. If you are a Limited Company (Ltd) or Designated Activity Company:
  - a. the company must be registered with the CRO (the “CRO”);
  - b. the Directors must be at least 18 years old;
  - c. There must be no judgments registered against the limited company;
  - d. at least 50% of the directors must be residents of the Republic of Ireland;
  - e. all filings with the CRO must be up to date; and
  - f. your limited company must have been actively trading (not dormant) for the past two years;
  - g. You have a valid tax clearance certificate or explanation of tax position/ arrangement.
  - h. Your constitution allows for the borrowing of funds.
- 6.4. If you are a sole trader, partnership club or society
  - a. you must be resident in the Republic of Ireland;
  - b. you have not been convicted of a criminal offence;
  - c. there must be no judgments registered against you;
  - d. At least 50% of the management must be residents of the Republic of Ireland;
  - e. All individuals must be at least 18 years old; and
  - f. The partnership or individual(s) have a valid tax clearance certificate.
- 6.5. All Borrowers are required to have an Irish bank account, which will be used to make loan repayments to Lenders and receive funds from Lenders. Each Borrower agrees to provide GRID with your Nominated Bank Account that it wishes to use to pay money to and receive money from GRID. A Borrower’s Nominated Bank Account must be in the Republic of Ireland.
- 6.6. Grid will carry out anti-money laundering checks on its Borrowers. Each Borrower agrees to provide all the relevant documentation in line with the Anti-Money Laundering Requirements and you authorise us to verify this information with third party information providers.
- 6.7. If we are unable to complete any steps in your registration, we will not register a Borrower on the Platform.



- 6.8. When submitting a loan application, each Borrower must submit details of its organisation for publication on the Website, which can be disclosed to Lenders. There are certain privacy settings that a Borrower can select but there will be a minimum amount of information that must be disclosed. Each Borrower hereby confirms that all information provided to GRID in the registration, application and borrowing processes is true and accurate in all respects. Borrowers are required to update GRID immediately if any of the information they provide to us changes.
- 6.9. The directors, shareholders or senior management of the Borrower may be required to provide a personal guarantee on behalf of the Borrower's loan application. The partners of those providing the guarantee may be required to provide joint and several guarantees on the Borrower's loan application.

### **Borrowing on the Platform**

- 7.1. For a Borrower to apply for a Loan it must complete the application form and provide all the information that is requested during the underwriting process which includes but is not limited to the amount requested and the period of the loan that a Borrower wishes to apply for.
- 7.2. Once a Borrower has been registered on the Platform and has submitted a loan application to borrow, GRID will carry out relevant credit and fraud checks on each Borrower and your partners as the proprietors, partners, members or directors of the Borrower organisation (as applicable). We will use one or more of our credit reference agencies, which includes but is not limited to Experian and Vision-net.
- 7.3. By submitting a loan application, each Borrower automatically gives its consent for GRID to post its loan request to the Platform and complete the auction process. A Borrower can request the withdrawal of its loan application from the Platform subject to 10 working days' notice to GRID and payment by the Borrower of any outstanding fees due by the Borrower.
- 7.4. When a Borrower submits a loan application it automatically gives its consent for GRID to send information about its application and repayment history to a credit reference agency such as the ICB, Central Credit Register etc. and to seek information about its credit history.
- 7.5. GRID uses its own internal review system which uses the information provided by the credit reference agencies when assessing applications. GRID has complete discretion as to whether it allows a Borrower's loan request to be published on the Platform.
- 7.6. Using our proprietary credit model, GRID will use the information provided to calculate a GRID Score for each Borrower and will provide that GRID Score to the Borrower and Lenders on the Platform. The GRID Score Fee (up to €199 excl VAT) is due and payable by the Borrower immediately when we provide your GRID Score to you.
- 7.7. Once we have decided to allow your application onto the Platform, a loan request page will be displayed on the **"Marketplace"** page, which is visible to the Lenders. There is the option for you to remain anonymous or restrict the level of information that is displayed which will depend on the security setting that you select when submitting your application. However, we will provide information about a Borrower's GRID score rating and other information it provides in its application to all Lenders. Regardless of the security setting selected the Loan Contract will contain the name of the Borrower's business. GRID may amend details a Borrower provides on its loan request page at our



discretion. GRID does not check or edit the information submitted or uploaded by a Borrower. If you would like to update your information you must contact us directly through customer care.

- 7.8. Once the loan request page is posted to the Platform, the auction process will start and prospective Lenders may start bidding on the loan request. The auction process will determine the interest rate for each loan. The information on the loan request page can be edited at any time before the auction begins and any updates are to be emailed to customer care. Once the auction has started a Borrower will not be able to amend the loan request page until the auction period expires, if a Borrower accepts a loan it will not be able to amend the loan request page. If there are details that a Borrower believes are incorrect it can contact GRID directly and GRID will endeavour to address any issues that it may have at [info@gridfinance.ie](mailto:info@gridfinance.ie) provided such would not in the opinion of GRID, at its sole discretion prejudice any contractual relationship established.
- 7.9. GRID gives each Borrower a risk rating at the time a loan request is processed which is based on information provided by external credit reference agencies and its scoring model. We may display this risk rating on the Platform. GRID does not check or edit the information submitted or uploaded by a Borrower. GRID is not liable or responsible for the accuracy of the online check made with external credit rating agencies.
- 7.10. While GRID adds value to the credit assessments as part of its credit review process, the provision of a GRID Score is intended to be for the Lender's information only. A Lender must form its own opinion regarding the creditworthiness of a Borrower and undertake its own research, analysis and assessment of each Borrower for each loan, and where appropriate, seek its own independent financial advice.
- 7.11. GRID accepts no responsibility and disclaims all liability for any information about a Borrower made available to prospective Lenders through the Platform or for the risk rating or for the GRID Score. GRID may, if further information becomes available, but accepts no obligation to, update or amend any Borrower's information, risk rating and/or GRID Score (including between when the loan request is first made and when it is entered into).
- 7.12. Once the loan is fully funded and you accept the results of the offer process, you automatically enter a Loan Contract with the Lender for each Loan and GRID as Security Trustee. A Loan Contract comprises of the following;
  - a. our standard loan conditions which are detailed in these GRID Terms and Conditions;
  - b. the loan application submitted, which is a legal document; and
  - c. the specific terms of the loan which are outlined when you accept the loan.
- 7.13. A Borrower shall have 3 working days from the end of the successful auction period to accept a fully funded Loan. Once the Loan is accepted, the Borrower has entered a Loan Contract with the underlying Lenders, with GRID as Security Trustee which, for the avoidance of doubt, is solely to perform administrative functions set out in these terms and conditions. The Loan monies shall then be transferred subject to satisfying any outstanding conditions from each of the relevant Lender Accounts by GRID to the Borrower's Nominated Bank Account. Before the funds are released you will be required to set up a direct debit.





- 7.14. If a Borrower has accepted its loan offer and arranged for its direct debit to be set up, GRID may transfer the funds into the Borrower's Nominated Bank Account. GRID will collect and deduct the Borrower Fee from the loan monies to be disbursed and an invoice issued. The Borrower's Fee is set out in Clause 9.2 and specifically referred to in your Loan Contract.
- 7.15. If a Borrower's loan request is fully funded (or to a level acceptable to the Borrower)
- a. there is no obligation to enter a Loan Contract,
  - b. you will have 3 working days to either accept or reject the Loan Contract; and
  - c. No interest will be charged until you have signed the Loan Contract.
- 7.16. Once a Borrower signs the Loan Contract it will not have the opportunity to withdraw from the Loan Contract. For the avoidance of doubt, a Borrower will be able to repay the full loan amount (including the interest due to lenders) subject to the terms of the Loan Contract.
- 7.17. If a Borrower's loan request has not been fully funded by the end of the auction period, GRID will remove its application from the Platform or consider whether a lower amount of funding is suitable and acceptable to the Borrower.
- 7.18. Upon completion of a successful term loan the Borrower will be required to set up a direct debit to facilitate the monthly repayments. The loan funds will not be transferred to the Borrower's Nominated Bank Account until the direct debit has been set up and all requirements are satisfied.
- 7.19. Securitisation: A Lender (or Lenders) may sell their interest(s) in your facilities at any stage. This does not impact upon your rights or amend the underlying terms of the contract.
- 7.20. In all Loan Contracts and loan part transfer documentation we will quote a Lender's address as being c/o GRID Finance Impact Limited, Trinity Enterprise Centre, Grand Canal, Dublin 2. Each Borrower agrees that all notices and communications that require to be given to a Lender will be sent to GRID on that Lender's behalf and that this is sufficient to identify the Lenders for the purposes of the Loan Contracts.
- 7.21. Where the Borrower does not accept the Loan or where it allows the offer to lapse (which will happen 3 working days after the auction period expires), no Loan will be made. If a Borrower does not accept the aggregated loan offer within this period its loan request will be cancelled, and any funds bid will be released back to the Lenders. There is no obligation on a Borrower to accept the bids. No interest will accrue until you have accepted the aggregated loan offer, though a fee is chargeable for not proceeding (clause 9.3).
- 7.22. By accepting a loan offer on the Platform, the Borrower will have been deemed to have signed the Loan Contract via an electronic signature.
- 7.23. Should any additional information come to light regarding a Borrower's financial circumstances during this process prior to advancement on the Loan, GRID reserves its rights to remove the loan facility from the Platform.
- 7.24. GRID reserves the right to and may request Borrowers to provide interim financial information and in such event the Borrowers shall provide such information within 5 business days of request they must comply with same.
- 7.25. GRID are authorised to and may carry out or request credit checks against the company, its directors and beneficial shareholders, sole traders at application or subsequent to or during the course of any Loan (this shall cease after a Loan is repaid)



### Merchant Cash Advance Loans

The provisions of this Clause 8 apply to Merchant Cash Advance Loans. Choosing a Merchant Cash Advance Loan secured by Merchant Card Receivables:

- 8.1. From time to time, GRID may give a Borrower the option of choosing a Merchant Cash Advance Loan during the application process. Clause 8 (Merchant Cash Advances), applies specifically only to Borrowers who choose the Merchant Cash Advance Loan option and to the resulting loans. All other clauses of these GRID Terms and Conditions shall continue to apply to such Borrowers and to Merchant Cash Advance Loans save where they are expressly varied by this Clause 8 or where they conflict with the provisions of this Clause 8 (Merchant Cash Advance Loans).
- 8.2. If you accept a Merchant Cash Advance Loan through the Platform, you agree to assign 100 (one hundred) per cent of your Merchant Card Receivables to GRID as security for the duration of the Merchant Cash Advance Loan and to instruct your Merchant Card Operator to pay all of your Merchant Card Receivables to GRID or its nominated payment services provider for the duration of the Merchant Cash Advance Loan until the Loan is repaid in full to the Merchant Card Advance Lender. For the avoidance of doubt assignment of your Merchant Card Receivables to GRID means that the legal ownership and entitlement to the Merchant Card Receivables transfers to GRID as Security Trustee for the duration of your Loan. (Merchant Cash Advance Lender)
- 8.3. It is entirely at the discretion of GRID to determine what percentage of your Merchant Card Receivables, are applied in discharge of your Merchant Card Repayment Instalments ("Lender's Share"). The Lender's Share will range from 1% to 100% and shall be calculated and communicated to you in advance of your accepting the Merchant Cash Advance Loan. GRID may increase the Lender's Share as required to ensure that the Merchant Cash Advance Loan is repaid in full on the final repayment date in the event that it appears to GRID, at its sole discretion, that (i) the projected Merchant Card Receivables will not be sufficient to discharge the Merchant Cash Advance Loan in full in accordance with the Merchant Cash Advance Loan Contract or (ii) in the event of non-payment of any sum under the Merchant Cash Advance Loan Contract.
- 8.4. If GRID and a Merchant Cash Advance Lender agree to provide you with a Merchant Cash Advance Loan you will be required to execute a Merchant Cash Advance Loan Contract and/or Security Assignment of your Merchant Card Receivables or such other security as the Merchant Cash Advance Lender may require together with such other documents as GRID or the Merchant Cash Advance Lender may require including but not limited to a notice of assignment to your Merchant Cash Operator of the assignment of receivables and the existence of the Merchant Cash Advance Loan Contract (in each case in a form and substance satisfactory to GRID and/or the Merchant Cash Advance Lender (as appropriate) (collectively the "**Merchant Cash Advance Loan Documents**").





- 8.5. The Merchant Cash Advance Lender or Lenders agree to accept the payment of your Merchant Card Receivables to GRID in repayment of the Merchant Cash Advance Loan, for so long as you comply with the terms of the Merchant Cash Advance Loan Documents and these GRID Terms and Conditions.
- 8.6. Your Merchant Card Receivables for each month must not fall below 90 (ninety) per cent of your Merchant Card Receivables for the same month in the previous year. If your Merchant Card Receivables for two consecutive months during the Merchant Cash Advance Loan period fall below 90% of your Merchant Card Receivables for the same two months in the previous year, you agree that GRID may, in addition to altering the percentage being received from your Merchant Card Repayment Instalment, may also begin collecting regular monthly repayments from your Nominated Bank Account by direct debit until the Merchant Cash Advance Loan and interest/fees are fully repaid. Such Instalments shall be calculated by GRID based on its estimate of the amount required to repay the Loan by its maturity date.
- 8.7. You agree to use one Merchant Card Operator to process all your Merchant Card Receivables and not to change from one Merchant Card Operator to another during the Merchant Cash Advance Loan term or without the consent of GRID (at its sole discretion) for the avoidance of doubt you the Borrower shall be responsible for any costs of such consent. You also agree not to revoke your Assignment Notice to any Merchant Card Operator to pay all of your Merchant Card Receivables to GRID or its nominated payment services provider.
- 8.8. You agree, and your servants and agents agree, not to take any action, make any omission or otherwise do anything which is likely to or has the effect of reducing your Merchant Card Receivables during the Merchant Cash Advance Loan term. If you are found to have intentionally diverted funds from the Merchant Card Receivables or your Merchant Card Receivables are not being paid to GRID an additional administration charge to the equivalent of 10% of the outstanding balance will be applied and payable immediately to cover, amongst other things, our anticipated additional operating expenses in our getting in of the Merchant Card Receivables (including but not limited to liaising with any new Merchant Card Operator). You expressly acknowledge that such additional charge constitutes a fair and reasonable pre-estimate of our likely costs and expenses in performing this service on your behalf and is not a penalty.
- 8.9. If your aggregate Merchant Card Receivables paid to GRID cover the full repayment of the Merchant Cash Advance Loan and interest/fees before the end of the Merchant Cash Advance Loan term, we will stop accepting receipts from your Merchant Card Operator and will refund any excess receipts to your Nominated Bank Account.
- 8.10. If your total Merchant Card Repayment Instalments of Merchant Card Receivables paid to GRID do not cover the full repayment of the Merchant Cash Advance Loan and interest/fees at the end of the Merchant Cash Advance Loan term, the remaining balance shall be due 5 days from the end of the loan term in one bullet repayment. We will collect this remaining balance from your Nominated Bank Account by direct debit unless otherwise agreed. Should any balance remain outstanding 5 days from the end



of the loan term the remaining balance will begin to accrue a default rate of 2.0% per month.

- 8.11. All efforts will be made to transfer net Merchant Card Receivables to the Borrowers nominated account in as timely a manner as possible. There may be instances where delays from Merchant Card Operators, bank clearing systems and other banking partners may result in unexpected temporary delays. GRID accept no responsibility or liability for any delays in transmission of these funds. All efforts will be made to advise Borrowers of any issues or delays as they arise.
- 8.12. The Borrower makes the following representations to the Merchant Card Advance Lender and to GRID as at the date of the Loan and on each quarter date being 30 March, 30 June, 30 September and 31 December:
- (a) It has full power, authority and legal right to utilise perform and comply with the terms and provisions of the Merchant Cash Advance Loan;
  - (b) The execution and performance of the Merchant Cash Advance Loan Contract shall not contravene any agreement indenture or other instrument which is binding upon the Borrower;
  - (c) It is not in default of any of the terms and conditions of this or any other agreement;
  - (d) No material litigation is pending or threatened in relation to its business or likely to have an adverse effect on its business;
  - (e) None of the assets including but not limited to the Merchant Card Receivables over which security has been given to support the Merchant Cash Advance Loan are the subject of any security, pledge, lien, encumbrance or other security interest;
  - (f) The tax affairs of the Borrower are up to date and in order; and
  - (g) Full disclosure has been made to the Merchant Cash Advance Lender of all facts in relation to the Borrower and its business and affairs as is material and ought to properly be made known to any person proposing to provide financial facilities to the Borrower.
- 8.13. The Borrower indemnifies and shall keep indemnified GRID against all costs, liabilities, losses and expenses it may suffer as a result of a breach of any of the provisions of this clause 8 or in respect of GRID enforcing or attempting to enforce any of its rights pursuant to this clause 8 including but not limited to GRID's collection of Merchant Card Receivables or enforcement of any security.
- 8.14. The Borrower hereby irrevocably authorises GRID to set-off by whatever means the whole or any part of the Borrower's liability from time to time and without notice whether before or after demand under or pursuant to a Merchant Cash Advance Loan (whether such liability is present or future, actual or contingent and irrespective of the currency of its denomination) against its Merchant Card Receivables any sums in the Borrower's Nominated Bank Account. Any credit balance will not be repayable, or capable of being disposed of, charged or dealt with by the Borrower until its liabilities under the Merchant Cash Advance Loan have been discharged in full.



## Borrower Fees

- 9.1. The GRID Score Fee is up to €199 +VAT .
- 9.2. The Borrower Fee is 5% or 6% of the principal amount of the loan (excluding VAT). When you accept a loan, GRID will invoice you for our Borrower Fee and the amount will be collected from the loan proceeds at disbursement.
- 9.3. If your loan request is fully funded, but you do not accept the loan offer, we will charge you a fee (the “**Withdrawal Fee**”) covering the cost to GRID of processing your application. This will be payable ten working days after the loan offer expires and an invoice will be issued immediately. This amount will be €200 or 1% (excl VAT) of the amount available for funding (whichever is the higher)
- 9.4. If you request and we agree to restructure your debt, there is a restructuring charge payable to GRID (the “**Restructuring Fee**”). The amount of the Restructuring Fee is to be agreed at the time of the request for restructuring. This fee will be payable ten working days after the restructuring has been requested and an invoice will be issued immediately.
- 9.5. GRID reserves the right to change or waive any of the GRID Score Fee, the Borrower Fee, the Withdrawal Fee or the Restructuring Fee.
- 9.6. Any effect of rounding payments will be rounded up for the account of the Borrower.
- 9.7. Transfer fees: - the cost of administering the operational account to receive Merchant Card Receivables is for the account of the Borrower. These Costs are determined by our third party provider.

By way of indication only, these costs are currently (and may be changed by the provider):

- Bank Transfer In per transaction €0.49
- Bank Transfer Out per transaction €0.49
- 1% for transfers under €49
- Minimum fee: €0.10

## Lender Fees:

- 9.8. Lenders will have fees (and separate features) associated with the type of account they hold.
  - Existing Retail Lenders will be charged a 15% fee from the interest paid by the Borrower each month (or other repayment frequency)
  - Existing Retail Lenders will be charged a 1% Placement fee from 23/10/2018

Account Type:	Brick:	Block:	Beam :
Placement Fee	1%	1%	0.5%
Annual Account Administration	1% Assets Under Management (AUM)	1% AUM	1% AUM
Managed Account Services	N/A	0.5% AUM	0.5% AUM



### **The Role of GRID in Lending and Borrowing**

- 10.1 GRID's role is to perform the administrative functions necessary to enable prospective Borrowers and Lenders to negotiate, conclude and complete Loans via the Platform in accordance with these GRID Terms and Conditions.
- 10.2 The Lenders retain complete control and discretion over whether or not to make an offer to lend funds to a Borrower and on what terms. Nothing GRID does and nothing on our Website or the Platform shall be construed, or is intended to operate or be construed, as advice or a recommendation by us.
- 10.3 We accept no responsibility for the terms of any Loan Contract. You should seek your own independent legal advice prior to entering a Loan Contract or any other transaction on or in connection with GRID.
- 10.4 GRID does not credit check businesses that use the private lending functionality and it is at the discretion of the individual lenders to review the loan applications of any borrower that they lend to.

### **Acceptance of Loans**

- 11.1 You can obtain details of the available offers to lend and borrow by visiting the relevant loan details on the Platform.
- 11.2 Acceptance of an offer to lend or borrow, once received by us, will represent and confirm that:
  - a. both parties agree to be bound, and will be bound, by the Loan Contract;
  - b. the Borrower agrees to have their Merchant Card Receivables and/or direct debit payments processed in relation to the repayment of amounts under each Loan Contract; and
  - c. each Lender agrees to sub-contract the collection of any missed payments due from Borrowers to any collection agency as may be appointed by GRID from time to time (a "**GRID Collector**") in accordance with our collection's procedure.
  - d. GRID may seek to demand repayment and enforce the Loan or Security on behalf of Lenders if an event of default occurs.
- 11.3 We will display all accepted Loans in **the Portfolio Management** area of the Platform.
- 11.4 You can check Portfolio Management are on the Platform which shows details of your offers to lend or borrow which either remain outstanding or have been accepted.
- 11.5 You may only accept offers to lend or borrow using the Platform in accordance with these GRID Terms and Conditions. Any purported acceptance made by means other than by completing the "Offer" screen for the relevant loan on the Platform will be ineffective.

### **Cancellation of an Offer for a Loan**

- 12.1 The cancellation of an outstanding offer to borrow becomes effective when your instruction to cancel is successfully received and processed by us. If we do not receive and process the cancellation in good time, you acknowledge that your offer may remain outstanding and available for acceptance.



- 12.2 If you attempt to cancel an offer to borrow that is outstanding, you may not be able to do so if any counterparty has partially or wholly accepted your offer before your cancellation request has been processed by us. In this case, your original offer, or part thereof, will be validly accepted and settled.

### **Interest/Fees and Repayments**

- 13.1. The Borrower agrees to pay the Lender interest or fees on the Loan in the amount agreed by the Borrower in the Loan Contract. Interest on the Loan shall accrue at the agreed interest rate from the date the Borrower draws the Loan offer until the loan is fully repaid. The interest/fees shall be calculated at the outset for the whole period of the Loan and be stated in the Loan Contract. Interest shall be paid in regular instalments as specified in the Loan Contract.
- 13.2. Each of the Borrower's repayments must be made to GRID's Segregated Client Account, where the funds will be held on each relevant Lender's behalf. Once funds have been allocated to each of the relevant Lender Accounts, GRID will await further electronic instructions on behalf of each Lender and will execute such instructions when received.
- 13.3. The Borrower's repayment schedule is included in the Loan Contract and in the "Payments" section of the Platform. We will collect each of the repayments using direct debits or other relevant collection methods.
- 13.4. The Borrower may, subject to the terms of the Loan Contract, repay an entire Loan early at any time with the total interest payable. The Borrower is obliged to pay the full remaining capital and all interest/fees identified in the Loan Contract and any fees to release security to their lenders.
- 13.5. Any tax obligations or reliefs that are due to or from Lenders or Borrowers in relation to loans that are facilitated are for the sole responsibility of the Borrowers or Lenders. GRID Finance will accept no responsibility either in whole or part for the return of tax information or their associated payments.
- 13.6. Rebates: A rebate or refund on the "Cost of Capital" is available for GRID Express Loans that are repaid early from the Borrowers own resources by the direct repayment of balance from a customer by transferring into Grid client account or through the natural early repayment of a facility due to increased income levels or seasonality of a business
- For Instance : If you have a GRID Express 9 Loan which has a nine month fixed term and you repaid your loan in six and a half months, the Cost of Capital for your 8th and 9th month would be refunded (being 2/9<sup>ths</sup> of the Cost of Capital). If you have a GRID Express 6 Loan which has a six month term and you repaid your loan in four and a half months, the Cost of Capital for your 6th month would be refunded (being 1/6<sup>th</sup> of the Cost of Capital)
  - No rebates are provided where a residual balance of a loan is redeemed into a new facility being advanced via the GRID platform
  - A maximum of 2 months refund is available for GRID Express Loans and only applies to the Capital Provider Fee and not the GRID Arrangement Fee
  - Customers seeking a rebate should apply within 6 months of repayment of their facility via their online account on the Platform or by emailing Repayments@gridfinance.ie. Any refunds will be processed within 10 working days of the calendar month end from when the receipt is received (if



the request is eligible), the transfer of the rebate will be made back to the Nominated Bank account connected with the customer.

#### **Termination of the Loan**

- 14.1. GRID as Security Trustee on behalf of the Lenders can terminate any Loan, demand repayment of the Loan, sue on behalf of the lenders and enforce any item of security at its sole discretion (or not based on the commercial viability of same). This is with or without notice in the occurrence of any of the following events, each an “**Event of Default**”;
- a. on the failure by the Borrower to make any repayment of principal and/or interest on the date it is due;
  - b. in the case of a Merchant Cash Advance Loan, the Borrower ceases to make payments in respect of its Merchant Card Receivables from its Merchant Card Operator directly to GRID for a period of 5 days;
  - c. on the Borrower ceasing or threatening to cease to carry on business or any substantial part thereof;
  - d. on the death of the Borrower or of any guarantor for the Borrower;
  - e. if any guarantor notifies GRID that they no longer wish to act as guarantor or that the guarantee is to be terminated (subject to the conditions of the guarantee);
  - f. on the bankruptcy of, or commission of any act of bankruptcy by, the Borrower;
  - g. in respect of a Borrowers organisation, if there is a petition for winding up, appointment of an examiner, receiver or liquidator;
  - h. on distress being levied against the goods of the Borrower or on the same being taken in execution pursuant to any decree, judgment or order of a court of competent jurisdiction;
  - i. on judgment being obtained against the Borrower and remaining unpaid for a period of fourteen days from the date of such judgment;
  - j. on a material change relevant to the Borrower occurring which in the opinion of GRID is prejudicial to the Lender’s interests;
  - k. on the breach, non-performance or non-observance by the Borrower of any of the Terms and Conditions, of the Loan Contract and/or these GRID Terms and Conditions;
  - l. on discovery by GRID that any information supplied by the Borrower was false, misleading or inaccurate; and
  - m. on any change in the shareholding, management or control of a Borrower which, in the opinion of GRID, is prejudicial to the Lender’s interests.

#### **Missed Repayments (Borrower)**

- 15.1. As a Borrower, if you believe that you will miss your next payment or will not be able to make your next repayment in full you should contact us immediately.
- 15.2. As a borrower, if you miss, fail to pay, or only make partial repayment, you will be charged a direct debit representation fee of €99 immediately. This fee will be applied on all direct debits which need to be re-presented. We will contact you to inform you that we will complete another attempt to collect the outstanding payment. If the payment is not received within 10 working days, GRID may engage a debt collector to



recover the funds. Any fees that the debt collector charges are added to the loan value outstanding.

- 15.3. If you fail to pay any amount due under these GRID Terms and Conditions on its due date, you will be liable for interest, charged at a default rate of 2% per annum above the Loan Rate ("**Default Rate**"), on such amount from the date of such default until the date of actual payment. Interest at the Default Rate on an unpaid amount shall be payable immediately payable by you on demand by GRID and if unpaid may be compounded with the overdue amount.  
You acknowledge that this default rate represents a fair and reasonable pre-estimate of our additional administrative and funding costs in the event of your failure to pay any sum due to us and is not a penalty.
- 15.4. As a Borrower, if you miss, fail to pay, or only make partial repayments your Loan will be placed in default and handed over to a GRID Collector. GRID Collector will deploy their resources to collect the outstanding balances. The GRID Collector will charge up to 30% of the balances collected and this will be added to the balance outstanding (the "**Collection Fee**"). For the avoidance of doubt the Collection Fee is added to the outstanding debt that is repayable by the Borrower.
- 15.5. If further action is necessary in relation to missed payments, it is likely that significant costs will be incurred via the legal recovery process this will be debited to the defaulting Borrower and form part of the debt due by the Borrower.
- 15.6. Without prejudice to Clause 22.24 (Instructions) of these GRID Terms and Conditions GRID as Security Trustee may take such steps as it considers necessary or desirable in its absolute discretion to collect the outstanding debt including, without limitation, pursuing guarantors, enforcing security, assigning the debt to a debt purchaser, and commencing formal legal action or insolvency processes through the courts. If further action is necessary a GRID Collector fee, further third party legal and other costs may apply, and the Borrower or guarantor will be liable to pay all such costs. In the event that the Borrower does not pay such costs on demand or such costs are not recoverable from the Borrower due to insolvency or otherwise, the Lenders hereby indemnify and shall keep GRID indemnified in respect of such costs which it may incur in respect of a Loan and shall pay to GRID such amount of costs within 5 Business Days of demand or in advance of incurring such costs, if in GRID's sole opinion it is appropriate.
- 15.7. GRID will always keep you up to date with the progress of any efforts to collect missed payments. We will issue communications where relevant and the information should be shown on your "**Dashboard**" when you sign into the Platform.
- 15.8. If payments are delayed or missed the context, rationale and efforts made to collect money and recover any amount via collections agents or legal process may be disclosed to Lenders involved in the Loan.

#### **Missed Repayments (Lender)**

- 16.1. If the Borrower misses a payment or only makes a partial repayment of the amounts due, GRID or GRID's Collector will contact the Borrower to inform them that we will re-attempt to collect the outstanding payment in respect of that Loan the working day after the payment was due. If our reattempt to collect the funds fails 3 working days after the payment was due, the Borrower's account will be treated as an overdue account and we will continue to attempt to collect the funds. We may refer the missed





payment to a GRID Collector, who will attempt to collect the money on the Lender's and any other Lender's behalf and you authorise us to use a GRID Collector on your behalf. Any third-party fees for recovery of debts (via GRID Collector or the legal recovery process) incurred by GRID will endeavour to be recovered by GRID in full from that Borrower. However, there may be shortfall in such circumstances, where only part recovery is received this will be disbursed between the Lenders having deducted any third party or collection fees on a pro-rata basis.

- 16.2. Where a Borrower has multiple debts with different Lenders that are in distress or in a legal recovery process any proceeds available for distribution to lenders will be completed on a pro rata basis on the basis of the balance outstanding per Loan.
- 16.3. Without prejudice to Clause 22.24 (Instructions), if GRID deem it appropriate to restructure the debt in order to fully recover the debt it may do so at its sole discretion and will seek to complete such restructure in a manner it deems it appropriate having regard to the interests of all Lenders.
- 16.4. If GRID deems that the debt is irrecoverable it will communicate with each of the individual Lenders to advise them.
- 16.5. If GRID deems that the debt is part-recoverable it will communicate with each of the individual Lenders.
- 16.6. GRID may enforce any Security held by it as Security Trustee at its sole discretion. GRID as Security Trustee may decide (in its absolute discretion) not to pursue the Borrower or guarantor for non-payment or after an Event of Default if it considers it to be in the best interests of the relevant Lenders as a whole not to do so.

### **Business Continuity**

- 17.1. If GRID should cease to operate, we will arrange for an orderly administration of contracts.
- 17.2. We, at our sole discretion, may engage a third-party service organization to manage our loan servicing obligations through our continuity plan.

### **Dispute Resolution**

- 18.1. If you want to make a complaint about GRID or any of the products offered by GRID, you can e-mail customer care with brief details of your complaint and your customer username.

### **Terminating your Membership**

- 19.1. If you want to cease to be a member of the Platform, and provided you have no Loan Contracts currently in force, you should inform us in writing by post and we will terminate your membership. If you have Loan Contracts that are in force, then you will not be able to terminate your membership until all the Loan Contracts are fully repaid.
- 19.2. We may terminate your membership of the Platform at any time and for any reason, including but not limited to the following:
  - a. if you breach these terms and conditions;





- b. if you breach any Loan Contract;
- c. if we suspect that you have committed fraud, been involved in money laundering or other criminal activities;
- d. if you use the Platform or any information accessible on or obtained from it for the purpose of canvassing or soliciting any person or enticing any person away from the Platform;
- e. if you use the Platform in any of the following ways:
  - i. if you cause any damage to the Platform which may lead to access being interrupted or cause any way that the service is likely to be interrupted or damaged;
  - ii. for fraudulent purposes, or in connection with a criminal offence;
  - iii. to distribute any material that is illegal, offensive, abusive, indecent, defamatory, obscene or menacing; or in breach of copyright, trademark, confidence, privacy or any other right; or is otherwise injurious to third parties; or objectionable; or which consists of or contains software viruses, political campaigning, commercial solicitation, chain letters, mass mailings or any “spam”; and
  - iv. to cause annoyance, inconvenience or needless anxiety.

19.3. In the case of a Lender if your membership has been terminated, we will credit your Nominated Bank Account with any funds remaining in your Account.

## **Intellectual Property**

- 20.1 You shall retain ownership and copyright of all data you upload or submit to the Platform. We may however, use this information as we see fit, which may involve copying, distributing or transmitting this information. If we use this information you / your organisation provides us with an international exclusive, royalty-free, non-terminable rights to the data. Our privacy policy is available on our website for review and we have outlined the various uses of personal information and your consent regarding same.
- 20.2 [www.gridfinance.ie](http://www.gridfinance.ie) is the URL of the Platform and any other URL which GRID may migrate to or utilise in the future. You will not use this URL on any other website or digital platform without our prior consent.
- 20.3 You agree not to copy any of our web pages or any of the information that is included on our Platform. Any unauthorised use or reproduction may result in prosecution.
- 20.4 Subject to Clause 20.1, we own all present and future copyright, registered and unregistered trademarks, registered and unregistered designs and design rights in relation to the Website and the Platform.
- 20.5 Database rights and all other present and future intellectual property rights existing in or in relation to the Platform are retained by GRID.



## **Amendments to the Terms and Conditions**

- 21.1 We may make changes to these GRID Terms and Conditions from time to time and will take steps to bring any such changes to your attention). It is your responsibility to check these GRID Terms & Conditions from time to time to ensure that you agree with them, and your continued use of the Platform after any change to these GRID Terms & Conditions will be deemed to be your acceptance of the change. If we make a change to these GRID Terms & Conditions between the time you make an offer to lend or borrow through the Platform and the time that offer is accepted, the offer and any Loan made further to it will be subject to these GRID Terms and Conditions as they were before we made that change.

## **The Loan Contract**

### Scope of the loan contract

- 22.1. The Loan Contract is a legally enforceable contract between the Borrower and the Lenders that were successful in the online auction process. Successful bids are determined by the lowest interest rate offered by the Lenders. Unsuccessful bids are returned to the individual Lender's Accounts.

### Loan Value

- 22.2. The loan value is the amount that was successfully raised in the market place by the Borrower.

### Loan Rate

- 22.3. The loan interest rate or fee is the weighted average interest rate or fee that was bid by each of the individual Lenders on the Borrower's loan request. By accepting the Loan Contract, the Borrower is agreeing to repay each of the individual Lenders the amount that was lent in addition to interest at the Loan Rate together with any costs and expenses payable.  
The interest cost is set at the outset of the Loan and this is the amount along with the capital which must be repaid to the Lenders.

### Loan Term

- 22.4. The Borrower sets the loan term when the loan application is initially submitted however the term may be amended to a more appropriate term during the underwriting process. When a Lender submits a bid the Lender is agreeing to the loan term that is set out. The term of the facility shall be set from a minimum of 2 years though there will be a range of different repayment terms depending on each individual funding requirement.



#### Acceptance

- 22.5. When the Borrower accepts the Loan, this will constitute acceptance by the Borrower of the terms and conditions of the Loan.
- 22.6. The Loan Contract between the Borrower and Lender's incorporates these GRID Terms and Conditions.

#### Cancellation

- 22.7. GRID may at its absolute discretion cancel a Loan before it is drawn down if there occurs a material change relevant to the Borrower (or any guarantor for the Borrower) or the Loan which is in GRID's opinion prejudicial to its or the Lender's interests.

#### Loan Modification

- 22.8. In the exceptional event that a Borrower requests to restructure the term of the loan after signing of the Loan Contract, the Lenders hereby authorise GRID having regard to the interests of the Lenders as a whole, to negotiate and agree such a request at its sole discretion on behalf of the Lenders. Where GRID has agreed to facilitate the extension of a loan contract:
  - a. an increase in the loan term of up to twelve months will result in an increase in the interest rate to the higher of 15% or 5% above each of the individual Lender's interest rate; and
  - b. a loan extension greater than eighteen months will not be facilitated.
  - c. a Restructuring Fee will be charged to the Borrower, as described in Clause 9.4. (Borrowers' Fees)

#### Operation of the Loan

- 22.9. The Borrower must ensure that adequate arrangements are in place to meet all repayments in respect of Loan Contracts, whether of principal, interest or otherwise.
- 22.10. For term loans the first monthly repayment will be stated within your Loan Contract and if it is amended for any reason it will be communicated to you. The direct debit will be called three days before the repayment is due so that the funds are collected on the expected day in a timely manner. The Borrower is responsible for ensuring adequate funds for the repayment are available in the Nominated Bank Account three days before the repayment is due.
- 22.11. For Term Loans: Each of the equal repayments are required to be paid by direct debit.
- 22.12. A direct debit mandate is required to be completed before the Borrower can draw down the Loan.
- 22.13. GRID reserves the right to reverse any entry on a Borrower's account if any item credited to the account is not paid or if a payment credited to the account is subsequently recalled.



#### Fees and Charges

22.14. GRID's fees and charges in relation to Loan Contracts and the operation of accounts will be subtracted from the Customer's account. Details of current fees and charges are outlined in the terms and conditions above.

#### Joint and Several Liability

22.15. Each party to a Loan Contract (other than the Lenders) is jointly and severally liable to the Lenders for repayment of the Loan and is subject to all our GRID Terms and Conditions.

#### Borrower's Representations and Warranties

22.16. The Borrower represents and warrants to the Lender and to GRID in respect of the Borrower and in respect of each guarantor of the Borrower (if any), to the best of the Borrower's knowledge, information and belief having made due and careful enquiries that:

- a. the Borrower has made full disclosure to GRID of all information relating to the Borrower, each guarantor of the Borrower (if any) and their respective businesses that would-be material to or should be made known to any organisation that is proposing to lend or has lent money to the Borrower; and
- b. he/she/it has not breached any term or condition applicable to any loan and is not in breach of or in default under any agreement or document to which he/she/it is a party or by which he/she/it or any part of his/her/its assets may be bound which could have a material adverse impact on him/her/it or on his/her/its ability to perform his/her/its obligations under the Loan Contract or any guarantees for the facility to which he/she/ it is a party or will be party; and
- c. he/she/it has been advised to take, and has been given full opportunity to take, independent legal advice on the Loan Contract and the actual and potential consequences of his/her/its execution of the Loan Contract, all guarantees for the Loan Contract and any other document specified in or contemplated by the letter of sanction to which he/she/it is or will be a party, including these GRID Terms and Conditions; and
- d. all information supplied by the Borrower to GRID is true, complete and accurate in all material respects and is not or will not be misleading in any respect; and
- e. no litigation, arbitration or other proceedings have been started or threatened against him/her/it which could have a material adverse impact on him/her/it or on his/her/its ability to perform his/her/its obligations under the Loan Contract or any guarantee for the Loan to which he/she/it is a party or will be party; and
- f. where applicable, the organisation is duly incorporated (or constituted where applicable) and validly existing under the laws of its jurisdiction of incorporation (or establishment where applicable) and it has the power to own its assets and carry on its business as it is being conducted; and
- g. he/she/it has the power to enter into, perform and deliver (and has taken all necessary action required to authorise his/her/its entry into, performance and delivery of) the loan details and all personal guarantees for the Loan to which



he/she/it is or will be a party and the transactions contemplated by those documents; and

- h. he/she/it is in compliance with all applicable laws, regulations and practices and he/she/it holds and will keep in full force and effect and will comply with all authorisations, consents, approvals, waivers, resolutions, licences, permits, exemptions or registrations to ensure the loan contract and all guarantees for the loan to which he/she/it is a party or will be party is legal, valid, binding and enforceable and to enable him/her/it to validly perform his/her/its obligations thereunder.

#### Severability

- 22.17. In case any one or more of the terms and conditions relating to a Loan Contract should be invalid, illegal or unenforceable in any respect under any law the validity, legality or enforceability of the remaining provisions will not in any way be affected or impaired thereby.

#### Further Assurance

- 22.18. The Borrower shall from time to time, at the request of GRID as Security Trustee but at the Borrower's cost, take whatever action GRID may reasonably require for:
  - a. Creating, perfecting, improving, maintaining or protecting security intended to be created by or pursuant to these GRID Terms and Conditions or the Loan Contract.
  - b. Facilitating the realisation of any Security after the occurrence of an Event of Default.
  - c. Facilitating the exercise of any right, power or discretion exercisable by GRID in respect of these GRID Terms and Conditions, the Loan Contract or any Security; or
  - d. Vesting or enabling to vest title to any Security in GRID or its' nominee, including
    - i. Re-execution of any documents
    - ii. the execution of any legal or other assignment, transfer mortgage, charge or encumbrance or other document in such form as GRID as Security Trustee may reasonably require;
    - iii. the giving of any notice order or direction;
    - iv. the making of any filing or registration.

#### Counterparts

- 22.19. All Loan Contracts may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument.
- 22.20. Transmission of an executed counterpart of the Loan Contracts by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of the Agreement/Deed and each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.



#### Electronic Execution

22.21. Pursuant to the Electronic Commerce Act 2000 and eIDAS Regulation, the Loan Contracts shall be executed under seal including by an electronic signature.

22.22. Whatever form the electronic signature takes, this method of signature is conclusive of each parties' intention to be bound by the Loan Contracts as if signed under hand by each of the Parties or by affixing their respective company seals

#### Applicable Law

22.23. All Loan Contracts and these GRID Terms and Conditions will be governed and construed in accordance with the laws of Ireland.

#### Conflicts of Interest

22.24. It is a feature of GRID's business that a conflict of interest may arise in a transaction, whether due to an interest of GRID or a related party of GRID, in the transaction. By accepting any Loan, the Borrower acknowledges the general nature of such conflict and that the Borrower still wishes to proceed with the transaction.

#### Guarantor Execution

22.25. The Borrower and each guarantor of the Borrower acknowledge and agree that the Borrower's liability to the Lenders under the relevant Loan Contract.

#### Security Trustee Role

22.26. The Security Trustee

- (a) Each Lender appoints GRID to act as Security Trustee of the Security under and in connection with each Loan Contract. GRID does not form part of the Loan Contract between the Borrowers and Lenders but is simply facilitating an agreement between the Borrowers and the Lenders from an administrative perspective and simplicity of enforcement if required under a trustee arrangement.
- (b) GRID declares that it holds the Security on trust for the Lenders on the terms contained in the Finance Documents.
- (c) Each Lender authorises GRID to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to GRID as Security Trustee under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

22.27. Enforcement through Security Trustee only

The Lenders shall not have any independent power to enforce or have recourse to any of the Security or to exercise any right, power, authority or discretion arising under except through the Security Trustee.

22.28. Instructions

- (a) The Security Trustee shall, unless a contrary indication appears in a Finance document, exercise or refrain from exercising any right, power, authority, or discretion vested in it as Security Trustee at its sole discretion. It shall not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with such instructions.
- (b) The Security Trustee shall be entitled to seek instructions, from the Majority Lenders if for some reason it believes it should refrain from demand or claim notice against the Borrower and/or guarantor for any loan balance in excess of €75,000.00. The Security Trustee may refrain from acting unless and until it receives those instructions or that clarification it has requested and shall not be liable for any loss resulting from any delay (or not acting) while seeking instructions or clarifications.
- (c) Unless a contrary indication appears in a Finance Document, any instructions given to the Security Trustee by the Majority Lenders (where sought) shall override any conflicting instructions given by any other parties and shall be binding on all Lenders.
- (d) Paragraph (b) above shall not apply:
  - (i) where a contrary indication appears in a Finance Document;
  - (ii) where a Finance Document requires the Security Trustee to act in a specified manner or to take a specified action;
  - (iii) in respect of any provision which protects Security Trustee's own position in its personal capacity as opposed to its role of Security Trustee for the relevant Lenders;
  - (iv) in respect of the exercise of the Security Trustee's discretion to exercise a right, power or authority under any of clause 22.27 (*Rights and Discretions*)
- (e) In exercising any discretion to exercise a right, power or authority under the Finance Documents where either:
  - (i) it has not received any instructions as to the exercise of that discretion; or
  - (ii) the exercise of that discretion is subject to paragraph (d)(iv) above,the Security Trustee shall do so having regard to the interests of all the Lenders.

- (f) The Security Trustee may refrain from acting in accordance with any instructions of any person until it has received any indemnification and/or security that it may in its discretion require for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions and it shall not be liable for any loss resulting from and delay in acting (or not acting) whilst seeking such indemnification.
- (g) Without prejudice to the remainder of this clause [22.24] (*Instructions*), in the absence of instructions, the Security Trustee may act (or refrain from acting) as it considers to be in its discretion to be appropriate.
- (h) The Security Trustee shall not be liable for any action taken by it under or in connection with any Finance Document unless directly caused by its gross negligence, fraud or wilful misconduct.

22.29. Duties of the Security Trustee

- (a) The duties of the Security Trustee under the Finance Documents are solely mechanical and administrative in nature.
- (b) Except where the Finance Documents specifically provides otherwise, the Security Trustee is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party.
- (c) If the Security Trustee receives notice from a party referring to any Finance Document, describing an Event of Default and stating that the circumstance described is an Event of Default, it shall promptly notify the other Lenders.
- (d) The Security Trustee shall have only those duties, obligations and responsibilities expressly specified in these GRID Terms and Contracts (and no others shall be implied).

22.30. No fiduciary duties or duty to account

- (a) Nothing in any Finance Documents constitutes the Security Trustee as an agent, trustee or fiduciary of the Borrower.
- (b) The Security Trustee shall not be bound to account to any other Lender for any sum or the profit element of any sum received by it for its own account.

22.31. Rights and discretions

- (a) The Security Trustee may:
  - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
  - (ii) assume that:
    - (A) any instructions received by it from the Majority Lenders (where sought) are duly given; and





(B) unless it has received notice of revocation, that those instructions have not been revoked; and

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.

(b) The Security Trustee may assume (unless it has received notice to the contrary) that:

(i) no Event of Default has occurred; and

(ii) any right, power, authority or discretion vested in any party has not been exercised.

(c) The Security Trustee may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.

(d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Security Trustee may at any time engage and pay for the services of any lawyers to act as independent counsel to the Security Trustee, (and so separate from any lawyers instructed by any other Lender) if the Security Trustee, in its reasonable opinion deems this to be desirable.

(e) The Security Trustee may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Trustee or by any other Lender) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

(f) The Security Trustee, and any Receiver may act in relation to the Finance Documents and the Security through its officers, employees and agents and shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person,

unless such error or such loss was directly caused by the Security Trustee's gross negligence or wilful misconduct.



- (g) Unless a Finance Document expressly provides otherwise, the Security Trustee may disclose to any other party any information it receives as security trustee under the Finance Documents.
- (h) Notwithstanding any other provision of any Finance Document to the contrary, the Security Trustee is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality and the Security Trustee may do anything based on legal advice which it is advised to be necessary to comply with any law direction or regulation.
- (i) Notwithstanding any provision of any Finance Documents to the contrary, the Security Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.
- (j) The Security Trustee shall be entitled, in its discretion:
  - (i) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under any Finance Document; and
  - (ii) to pay all taxes which may be assessed against it in respect of any of the Security, or as a consequence of performing its duties, or by virtue of its capacity as Security Trustee under any Finance Document or otherwise (other than in connection with its remuneration for performing its duties under any Finance Document).

#### 22.32. Majority Lenders' Instructions

- (a) Unless a contrary indication appears in a Finance Document, the Security Trustee shall
  - (i) exercise any right, power, authority or discretion vested in it as Security Trustee in accordance with any instructions given to it by the Majority Lenders (where sought) (or, if so instructed by the Majority Lenders, refrain from exercising any right, power, authority or discretion vested in it); and
  - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with an instruction of the Majority Lenders.
- (b) Unless a contrary intention appears in a Finance Document, any instructions given by the Majority Lenders will be binding on all parties.



22.33. Responsibility for documentation

The Security Trustee is not responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Security Trustee or any other person in or in connection with any Finance Document or the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or the Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security; or
- (c) any determination as to whether any information provided or to be provided to any other party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

22.34. No duty to monitor

The Security Trustee shall not be bound to enquire:

- (a) whether or not any Event of Default has occurred;
- (b) as to the performance, default or any breach by any party of its obligations under any Finance Document; or
- (c) whether any other event specified in any Finance Document has occurred.

22.35. Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to any other provision of these GRID Terms and Conditions excluding or limiting the liability of the Security Trustee or any Receiver or Delegate), neither the Security Trustee nor any Receiver will be liable for:
  - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under

or in connection with any Finance Document or the Security, unless directly caused by its gross negligence or wilful misconduct;

- (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document, the Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document or the Security;
- (iii) any shortfall which arises on the enforcement or realisation of any Security; or
- (iv) without prejudice to the generality of paragraphs (i) to (iii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

- (b) No party (other than the Security Trustee, or Receiver (as applicable)) may take any proceedings against any officer, employee or agent of the Security Trustee, or a Receiver, in respect of any claim it might have against the Security Trustee, or a Receiver or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Security.
- (c) The Security Trustee will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Security Trustee if the Security Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Security Trustee for that purpose.
- (d) Without prejudice to any provision of any Finance Document excluding or limiting the liability of the Security Trustee, or Receiver, any liability of the Security Trustee, or Receiver arising under or in connection with any Finance Document or the Security shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of

default of the Security Trustee, or Receiver or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Trustee, or any Receiver at any time which increase the amount of that loss. In no event shall the Security Trustee, or any Receiver be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Trustee, or the Receiver has been advised of the possibility of such loss or damages.

22.36. Lender's indemnity to the Security Trustee

- (a) Each Lender shall (in proportion to its holding of the aggregate principal amount outstanding on the Loan) indemnify the Security Trustee and every Receiver, within three Business Days of demand, against any cost, loss or liability incurred by any of them (otherwise than by reason of Security Trustee's, or Receiver's gross negligence or wilful misconduct) in acting as Security Trustee, or Receiver under the Finance Documents (unless the relevant Security Trustee, Receiver or Delegate has been reimbursed by the Borrower pursuant to these GRID Terms & Conditions).
- (b) Subject to paragraph (c) below, the Borrower shall immediately on demand reimburse any Lender for any payment that Lender makes to the Security Trustee pursuant to paragraph (a) above.
- (c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Security Trustee to the Borrower.
- (d) The indemnity set out in paragraph (a) above shall survive termination of the Loan Contract in relation to any rights that have accrued in relation to the same prior to termination of the Loan Contract.

22.37. Resignation of the Security Trustee

- (a) The Security Trustee may resign and appoint one of its subsidiaries acting through an office in Ireland as successor by giving notice to the Lenders.
- (b) Alternatively, the Security Trustee may resign by giving 30 days' notice to the Lenders and the Borrower, in which case the Majority Lenders (after consultation with the Borrower) may appoint a successor Security Trustee.
- (c) If the Majority Lenders have not appointed a successor Security Trustee in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Security Trustee (after consultation with the Borrower) may appoint a successor Security Trustee (acting through an office in Ireland).
- (d) The retiring Security Trustee shall, make available to the successor Security Trustee such documents and records and provide such assistance as the successor Security



Trustee may reasonably request for the purposes of performing its functions as Security Trustee under the Finance Documents. The Borrower shall, within three Business Days of demand, reimburse the retiring Security Trustee for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.

- (e) The resignation notice of the Security Trustee (as applicable) shall only take effect upon:
  - (i) the appointment of a successor; and
  - (ii) the transfer of the Security to that successor.
- (f) Upon the appointment of a successor, the retiring Security Trustee shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) of clause 22.44 (*Winding up of trust*) and (d) above but shall remain entitled to the benefit of this clause 22.33 (and any fees for the account of the retiring Security Trustee shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original party.
- (g) After consultation with the Borrower, the Majority Lender may, by giving 30 days' notice to the Security Trustee, require it to resign in accordance with paragraph (b) above. In this event, the Security Trustee shall resign in accordance with paragraph (b) above, but the cost referred to in paragraph (f) above shall be for the account of the Lender.

#### 22.38. Confidentiality

- (a) In acting as trustee for the Lenders, the Security Trustee shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Security Trustee, it may be treated as confidential to that division or department and the Security Trustee shall not be deemed to have notice of it.
- (c) Notwithstanding any other provision of these GRID Terms and Conditions to the contrary, the Security Trustee is not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

#### 22.39. Relationship with the Lenders

- (a) The Security Trustee may treat the persons shown in the Loan Contract as the Lenders for the purposes of the Finance Documents.



- (b) Each Lender shall supply the Security Trustee with any information that the Security Trustee may reasonably specify as being necessary or desirable to enable the Security Trustee to perform its functions as Security Trustee.

22.40. Credit appraisal by the Lenders

Without affecting the responsibility of the Borrower for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Security Trustee that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

- (a) the financial condition, status and nature of the Borrower;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document, the Security and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security;
- (c) whether that Lender has recourse, and the nature and extent of that recourse, against any party or any of its respective assets under or in connection with any Finance Document, the Security, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security;
- (d) the adequacy, accuracy or completeness of any information provided by the Security Trustee, any party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and
- (e) the right or title of any person in or to, or the value or sufficiency of any part of, the Security, the priority of any of the Security or the existence of any third-party security affecting the Security.

22.41. Security Trustee's management time

- (a) Any amount payable to the Security Trustee shall include the cost of utilising the management time or other resources of the Security Trustee (as applicable) and will be calculated on the basis of such reasonable daily or hourly rates as the Security Trustee may notify to the Borrower and the Lenders, and is in addition to any fee paid or payable to the Security Trustee under clause 9 (*Lender Fees*) and (*Borrower Fees*).
- (b) Without prejudice to paragraph (a) above, in the event of:

- (i) an Event of Default;
- (ii) the Security Trustee being requested by the Borrower or the Majority Lenders to undertake duties which the Security Trustee and the Borrower agree to be of an exceptional nature or outside the scope of the normal duties of the Security Trustee under the Finance Documents; or
- (iii) the Security Trustee and the Borrower agreeing that it is otherwise appropriate in the circumstances,

the Borrower shall pay to the Security Trustee any additional remuneration that may be agreed between them or determined pursuant to paragraph (c) below.

- (c) If the Security Trustee and the Borrower fail to agree upon the nature of the duties, or upon the additional remuneration referred to in paragraph (b) above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Trustee and approved by the Borrower or, failing approval, nominated (on the application of the Security Trustee) by the President for the time being of the Law Society of Ireland (the costs of the nomination and of the investment bank being payable by the Borrower) and the determination of any investment bank shall be final and binding upon the parties.

**22.42. No responsibility to perfect Security**

The Security Trustee shall not be liable for any failure to:

- (a) require the deposit with it of any deed or document certifying, representing or constituting the title of the Borrower to any of the Security;
- (b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Finance Document or the Security;
- (c) register, file or record or otherwise protect any of the Security (or the priority of any of the Security) under any law or regulation or to give notice to any person of the execution of any Finance Document or of the Security;
- (d) take, or to require any of the Borrower to take, any step to perfect its title to any of the Security or to render the Security effective or to secure the creation of any ancillary Security under any law or regulation; or
- (e) require any further assurance.





22.43. Insurance by Security Trustee

(a) The Security Trustee shall not be obliged:

- (i) to insure any of the Security;
- (ii) to require any other person to maintain any insurance; or
- (iii) to verify any obligation to arrange or maintain insurance contained in any Finance Document

and the Security Trustee shall not be liable for any damages, costs or losses to any person as a result of the lack of any such insurance.

(b) Where the Security Trustee is named on any insurance policy as an insured party, it shall not be liable for any damages, costs or losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless the Lenders request it to do so in writing and the Security Trustee fails to do so within fourteen days after receipt of that request.

22.44. Custodians and nominees

The Security Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Security Trustee may determine, including for the purpose of depositing with a custodian the Loan Contract or any document relating to the trust created under the Loan Contract and the Security Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under the Loan Contract or be bound to supervise the proceedings or acts of any person.

22.45. Delegation by the Security Trustee

- (a) Each of the Security Trustee, and any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.
- (b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Trustee, or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Lenders.
- (c) No Security Trustee, or Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

22.46. Additional Security Trustees

- (a) The Security Trustee may at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it:

- (i) if it considers that appointment to be in the interests of the Lenders;
- (ii) for the purposes of conforming to any legal requirement, restriction or condition which the Security Trustee deems to be relevant; or
- (iii) for obtaining or enforcing any judgment in any jurisdiction,

and the Security Trustee shall give prior notice to the Borrower and the Lenders of that appointment.

- (b) Any person so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Security Trustee under or in connection with the Finance Documents) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.
- (c) The remuneration that the Security Trustee may pay to that person, and any costs and expenses (together with any applicable VAT) incurred by that person in performing its functions pursuant to that appointment shall, for the purposes of the Finance Documents, be treated as costs and expenses incurred by the Security Trustee.

22.47. Acceptance of title

The Security Trustee shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that the Lender may have to any of the Security and shall not be liable for, or bound to require the Lender to remedy, any defect in its right or title.

22.48. Winding up of trust

If the Security Trustee determines that:

- (a) all of the Secured Obligations and all other obligations secured by the Finance Documents have been fully and finally discharged; and
- (b) no Lender is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to the Lender or the Borrower pursuant to the Finance Documents,

then:

- (i) the trusts set out in these GRID Terms and Conditions shall be wound up and the Security Trustee shall release, without recourse or warranty, all of the Security and the rights of the Security Trustee under these GRID Terms and Conditions; and
- (ii) any Security Trustee which has resigned pursuant to clause 22.33 (*Resignation of the Security Trustee*) shall release, without recourse or warranty, all of its rights under the Finance Documents.



22.49. Powers supplemental to Trustee Acts

The rights, powers, authorities and discretions given to the Security Trustee under or in connection with the Finance Documents shall be supplemental to the Trustee Acts 1893 to 2009 (as amended)(the “**Trustee Acts**”) and in addition to any which may be vested in the Security Trustee by law or regulation or otherwise. The Security Trustee shall be competent to act for all purposes including the receipt of capital monies and notices.

22.50. Disapplication of Trustee Acts

Where there are any inconsistencies between the Trustee Acts and the provisions of these GRID Terms and Conditions, the provisions of these GRID Terms and Conditions shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Acts, the provisions of these GRID Terms and Conditions shall constitute a restriction or exclusion for the purposes of the Trustee Acts.

**ENDS**