

Portman Asset Finance Ltd  
1 Pavilion Court  
600 Pavilion Drive  
Northampton Business Park  
Northampton NN4 7SL

Dear

## Engagement Letter

Thank you for your recent enquiry with Portman Asset Finance Limited to act as a broker in order to procure so far we are able to do so an offer of finance from one or more of our panel of lenders ("Lenders") for you.

We are therefore writing to you to set out the terms of our relationship and provide key information in respect of our finance products. This letter and its Appendix 1 – Additional Terms of Business – (together, the "Engagement Letter") sets out the terms on which Portman will provide its services, subject to any amendments from time to time as agreed between both parties in writing, and constitutes a legally binding agreement between us.

There are, of course, some Lenders in the market that we do not deal with. Portman Asset Finance Limited is part of the wider Portman Finance Group Limited, and therefore is associated with two of our Lenders, Portman Leasing Limited and Portman Commercial Finance Limited.

**We may not be able to make proposals to Lenders for finance prior to receiving confirmation that you accept the terms of this Engagement Letter. Please therefore confirm, as soon as possible and as set out in paragraph 8 below, that you accept the terms of this Engagement Letter.**

**Notwithstanding the above, your instructions to Portman, sent subsequently to your receipt of this Engagement Letter, to act on your behalf to provide Broker Services, will be deemed to amount to an acceptance of the terms contained herein in full.**

References in this Engagement Letter to "we", "our", "the firm" and "Portman" are references to Portman Asset Finance Limited and references to 'you', 'customer', or 'the Client' are to you as named above unless otherwise stated. Any other references used in this letter as defined terms will be construed in accordance with those set out in Appendix 1 unless otherwise stated.

## 1 CLIENT IDENTIFICATION (FRAUD PREVENTION) AND CREDIT REFERENCES

- 1.1 The Firm and our Lenders are subject to Anti-Money Laundering and Know Your Customer regulations which require us to have formal, satisfactory evidence of the identities and addresses of our clients before any Finance Offer can be made. We will always comply with our legal obligations, and therefore may require you to supply documentary proof of your address and identification. These documents will be requested from you, but a comprehensive list is included in Section 2 of Appendix 1. As is industry standard, we may carry out online e-verification checks against the documents provided which may leave a 'soft footprint' on your credit file.
- 1.2 Where you have applied for credit or where we have agreed to provide credit to you, we and/or our Lenders may from time to time make searches of your record at a credit reference agency ('CRA'). You hereby consent to the processing of your personal data in this manner and warrant and confirm that if you are a joint applicant, such as a partnership, unincorporated association or if you are a body corporate, such as a limited company or LLP or charity, you have obtained specific and relevant consent and authority to authorise us and/or our Lenders to create an identity search against any partner/trustee/officer/director/shareholder or beneficial owner (as so required) at the credit reference agencies. If the beneficial owners of your business are not the partners or directors of your business, you hereby confirm that you have notified the beneficial owners that we will also conduct due diligence checks on them to prevent fraud and money laundering. Your record includes searches made and information given by other businesses. Details of our searches will be kept by the agency and will be seen by other organisations that make searches with the agency for the purposes of credit assessment, debt recovery, management of your accounts, prevention of money laundering and fraud, and statistical analysis.
- 1.3 The three main credit reference agencies ("CRAs") in the UK (Callcredit, Equifax and Experian) have produced a Credit Reference Agency Information Notice which explains how these agencies use and share personal data which they receive about you. The identities of the CRAs, and the ways in which they use and share personal information, are explained in more detail at [www.equifax.co.uk/crain](http://www.equifax.co.uk/crain)

## **2 STATUS DISCLOSURE**

- 2.1 Portman Asset Finance Limited, registered at 1 Pavilion Court, 600 Pavilion Drive, Northampton, NN4 7SL (Company Registration number 06226530). We are authorised and regulated by the Financial Conduct Authority (“FCA”) for our credit broking activities (FRN 719988). We are a credit broker not a Lender. The FCA regulates financial services in the United Kingdom and you can check our authorisation and permitted activities on the Financial Services Register by visiting the FCA’s website (<https://register.fca.org.uk/>). Portman has due regard for the FCA’s Principles of Business, its regulations and guidance and the business strives to satisfy these through its operational practices.
- 2.2 Lease, Loan and Hire Purchase Agreements with sole traders, partnerships with only 2 or 3 partners and / or unincorporated associations are likely to be regulated by the Consumer Credit Act 1974 unless (i) the total credit or rentals (including VAT) payable over the minimum term is £25,000 or more; and (ii) the goods are wholly or predominantly for business purposes. If you are a “high net worth” individual, your finance agreement might not be regulated. Agreements with incorporated bodies (e.g. limited companies) will not be regulated.

## **3 SCOPE OF SERVICES**

- 3.1 Portman Asset Finance Limited is part of the wider Portman Finance Group Limited that assists business customers as both a Lender and commercial finance broker. As part of this activity, Portman Asset Finance will typically introduce businesses to a group company, namely Portman Leasing Limited and Portman Commercial Finance Limited (together “Portman Lending”), for initial consideration who will decide if they can support the customer with a competitive hire or credit agreement. If a customer’s requirements falls outside of Portman Lendings risk or credit appetite, we will seek to obtain finance through a range of providers across the market and assist those businesses by undertaking preparatory work and submitting finance applications. Portman Asset Finance maintain a panel of Lenders who are reputable and experienced and who can offer products and services which suit a variety of credit strengths and business needs.
- 3.2 We can introduce you to a limited number of Lenders and their finance products which may have different interest rates and charges. We are not an independent financial advisor. We will provide details of products available from the Lenders we work with, but no advice or recommendation will be made. You must decide whether the finance product is right for you. Whichever Lender we introduce you to, we will receive commission from them.
- 3.3 Portman Asset Finance may provide a quotation as part of the application process. Any quotation provided is an accurate reflection of this assessment at the time of publication, however it is subject to full underwriting and fluctuations in interest rates, terms fee, facility type and other factors which may be unforeseen at this initial stage.
- 3.4 In order for us to fulfil our responsibilities to you, you must (i) read the documentation we give to you and let us know if there is anything that is unclear or that does not represent your requirements; and (ii) comply with the terms and conditions of any agreement we arrange for you.

### **Lender Selection**

- 3.5 When considering suitable providers of finance, Portman Asset Finance will take into consideration the specific circumstances and requirements, including but not limited to:
- i. Pricing
  - ii. Requested funding amount
  - iii. Speed of decision
  - iv. Product range
  - v. Credit Strength
  - vi. Availability of Security

- 3.6 Portman Asset Finance will endeavour to gain acceptance from a single finance provider where possible, however on occasions, it may be necessary to split a larger transaction into smaller amounts to obtain funding.

### **Commissions**

- 3.7 **We receive commission on lending arranged for you. We are paid commission by Lenders only if a Finance Offer is made by a Lender to you, and you accept and draw down the Finance Offer, following our submission to the Lender of a Lending Proposal. The commission we receive is a difference in charge commission and the cost of finance will vary in accordance with the commission that we receive, save for in respect of a Recovery Loan Scheme product where we receive a fixed commission. In respect of a credit agreement (as defined in Article 60B of the Regulated Activities Order (“RAO”)) where you are an individual or ‘relevant recipient of credit’ (as defined in the RAO), if the commission we will receive is of a different nature we will disclose the nature of the commission payable to us when providing a finance offer to you and prior to you entering into any finance agreement.**
- 3.8 **If you have been introduced to us by a third party, we may pay commission to that third party for the introduction once you have agreed to and activated the finance agreement. Any commission paid to an introducer is taken from the commission we receive from Lenders detailed in section 3.7 above and does not increase the cost of the agreement.**

## **4 PRODUCTS**

4.1 We provide access to leasing products, hire purchase and commercial loans. More details about specific products can be found in the suitability section below.

### **Product Suitability**

4.2 It is important that the finance product is suitable for your requirements.

4.3 Whilst we will endeavour to understand your needs and assist you in looking for an appropriate product, we would encourage you to use the information below to ensure that the facility is suitable for your requirements. You will not receive advice or a recommendation on which product is most suitable, however details of the products available to you from our lending panel will be provided.

4.4 If you require further information you should seek advice from your accountants or other professional advisors. For the avoidance of doubt, Portman is not an IFA or tax advisor and you should always take your own tax advice from your own accountant or other professional advisors and place no reliance on any information or commentary provided by Portman in respect of taxes.

### **LEASING**

4.5 Finance Lease involve the hire of equipment and may also be known by other names such as Lease Rental, a Rental Agreement or a Minimum or Fixed Term Hire Agreement.

4.6 The lessee (customer or borrower) will select an asset which the lessor (the Lender) will then purchase.

4.7 The lessor retains ownership of the asset, but the lessee gets exclusive use of the asset (providing it observes the terms of the lease) giving the customer the benefits and risks of (economic) ownership.

4.8 The lessee will make rental payments for the duration of the lease. The lessee is committed to paying these rentals over the term of the lease and technically, a finance lease is defined as non-cancellable although it may be possible to terminate early by paying the future rentals less a discount

### **The Benefits of Leasing**

4.9 There are several benefits of using leasing to finance new or used assets / equipment, and we have listed some of these below. Of course, we would recommend you seek independent professional advice if you wish to understand in more detail the benefits and how they may apply to you:

- i. Available on nearly all equipment purchases;
- ii. Spreads the cost of the purchase;
- iii. Interest rate and payments are fixed throughout the term so that you can plan your finances;
- iv. Leasing enables you to acquire equipment even if you can't afford to buy it outright;
- v. VAT is paid on each rental, so you do not need to pay VAT upfront; and
- vi. Potential tax advantages.

### **At the end of the Lease**

4.10 What happens at the end of the primary lease period will vary and depends on the actual agreement, but the following options are usually possible:

- i. Continue to rent the equipment;
- ii. Return the equipment to the lessor; or
- iii. Terminate the lease.

4.11 If upon terminating the lease you would like to acquire ownership of the equipment this can usually be arranged by us following the payment of an appropriate fee which typically is three monthly rentals.

4.12 Our Lender panel typically will use a Minimum Term Hire Agreement which means all the options detailed above would be available to you. It is important that you contact us before the end of your primary lease period to discuss your desired option as otherwise a secondary period of rentals will automatically begin.

### **HIRE PURCHASE**

4.13 Hire Purchase is a credit agreement linked to a specific equipment purchase and is a way of obtaining the use of an asset before payment is completed.

4.14 The payments of the Hire Purchase are in regular (typically monthly) instalments which includes a capital repayment plus interest followed by an option to purchase fee at the end of the term of the agreement which will give the customer ownership of the asset. The payment of the VAT is generally required upfront, at the beginning of the agreement.

- 4.15 The customer selects an asset and the finance company purchases the asset whilst agreeing to sell the asset on credit to the customer by way of the hire purchase agreement.
- 4.16 The customer must make the agreed regular payments for the term of the agreement. However, the customer can buy the asset at any time by giving notice to the owner (the Lender) and paying the balance of the Hire Purchase price less a rebate.

### **The Benefits of Hire Purchase**

- 4.17 There are several benefits of using hire purchase to finance new or used assets / equipment, and we have listed some of these below. Of course, we would recommend you seek independent professional advice if you wish to understand in more detail the benefits and how they may apply to you:
- i. Spreads the cost of the purchase of the equipment;
  - ii. Interest rate and payments are fixed throughout the term so that you can plan your finances;
  - iii. In some instances you can pay off a larger sum or 'balloon payment' at the end of the term;
  - iv. Hire purchase enables you to acquire equipment even if you can't afford to buy it outright;
  - v. Confirmed title to the goods; and
  - vi. Potential tax advantages.

### **At the end of the Hire Purchase Agreement**

- 4.18 Ownership will pass to you once an option to purchase fee is paid. The fee varies dependant on the Lender and is disclosed on the Hire Purchase agreement which you should check before signing.

### **UNSECURED LOAN**

- 4.19 An unsecured loan is money lent from one party to another without any security over a specific asset to secure its repayment. Note, a personal guarantee is not considered security, and may be required with an unsecured loan by a Lender.
- 4.20 The finance company advances funds to the customer for a specific purpose.
- 4.21 The customer must make the agreed regular payments for the term of the agreement that cover the cost of the funds advanced plus interest.
- 4.22 The customer can terminate the agreement at any time by giving notice to the finance company and paying the balance of the agreement (which may be reduced by a rebate).

### **The Benefits of An Unsecured Loan**

- 4.23 There are several benefits of using an unsecured loan facility, and we have listed some of these below. Of course, we would recommend you seek independent professional advice if you wish to understand in more detail the benefits and how they may apply to you:
- i. Funding can be used to fund a wide variety of purposes without the requirement for security of a specific asset;
  - ii. Spreads the cost of expenses;
  - iii. Certain products available could be restricted due to the finance purpose, business structure or credit appetite of certain Lenders; and
  - iv. If you have used a loan to fund the acquisition of goods or equipment, you will own the product from the outset.

### **At the end of an Unsecured Loan**

- 4.24 If you have used the loan to purchase any assets or equipment, you will retain ownership of the same at the end of an unsecured loan term and nothing further will be payable. If you have used the loan for working capital, at the expiration of the loan term nothing further will be payable.

### **General Considerations**

- 4.25 For both Leasing and Hire Purchase there will be a requirement to insure the assets and to maintain and keep the assets in working order.
- 4.26 All finance products will typically include a Documentation Fee which is determined by the Lender and usually collected with the first payment.
- 4.27 If a personal guarantee is required, the guarantor will be jointly and severally liable for the full balance of the outstanding debt which they have guaranteed.

## **SUITABILITY OF FINANCE**

- 4.28 When deciding to proceed with a finance product, it is important to consider some key factors:
- i. Is this the right product?
  - ii. How quickly can it be delivered?
  - iii. What are their service standards and reputation?
  - iv. What rates are available to you?
- 4.29 When considering costs, always consider the rental and repayment costs, the frequency of this and the total amount that you are being asked to repay. This will help you to compare costs and to ensure that the repayments meet with any budgeting requirements you may have.
- 4.30 Asset finance (leasing and hire purchase) may not be suitable in certain circumstances. You should be aware:
- i. You will have to continue to pay for the equipment for the agreed period even if you no longer need the equipment or it cannot be used. If your financial situation changes and you can't afford the agreed month repayments, you may lose the asset;
  - ii. If you change equipment during the agreed period, this could lead to higher charges;
  - iii. You will pay more for the asset overall compared to buying it outright; and
  - iv. Asset finance is unlikely to be suitable if you are not sure that the equipment will be maintained and kept in usable condition for the agreed period.
- 4.31 An Unsecured Loan may not be suitable in certain circumstances. You should be aware:
- i. You may have limited access to Lenders as a material number of our Lenders do not offer unsecured Loan products;
  - ii. You will not be able to benefit from the tax advantages which may be available to you if using asset finance (leasing); and
  - iii. You will incur additional expenses compared to the use of available cash.

## **5 CUSTOMER CHECKLIST**

- 5.1 We recommend that customers taking out business finance agreements follow these steps:
- i. Read your business finance agreement carefully before signing it. Never sign a business finance agreement which is not fully complete. Retain copies of all documentation.
  - ii. Ensure that the final contract:
    - a. corresponds with any verbal or written quotation on the rental amount and period of hire;
    - b. accurately reflects what you are agreeing to pay for, including any maintenance or services included in the repayments;
    - c. accurately describes the equipment you are expecting to receive (e.g. whether it is new or used) and that its working life is appropriate to the length of the finance agreement.
  - iii. Make it clear who has the authority within your own organisation to sign the agreement.
  - iv. Make sure you understand and agree with all terms and conditions of the business finance agreement and, if you are unsure, ask for these to be explained or seek advice.
  - v. Make sure you understand all the costs involved and whether these will change during the course of the business finance agreement.
  - vi. Check that the supplier of the equipment is reputable.
  - vii. Understand whether there are any notice period or settlement terms required to terminate the agreement.
  - viii. If there is a maintenance or service contract which is separate to the finance agreement, check that the length, start date, notice period and settlement terms of the two agreements is the same, and if not, that you are happy with this.
  - ix. If the name of the leasing company contracting with you is not shown on the agreement ensure that you are informed at the earliest possible time.
  - x. Check whether the Lender is a member of the FLA, as all asset finance members adhere to the FLA Business Finance Code.
  - xi. If any amendments are made to the business finance agreement or a further agreement is required to replace an existing agreement, do not sign it until you have made the same checks as you did for the original agreement.
  - xii. If a new business finance agreement includes an element of refinancing from a previous agreement with a different provider, check that the settlement figure provided by the former provider matches the refinancing figure used by the new provider.

## **6 COMPLAINTS PROCEDURE**

- 6.1 We see complaints management as integral to providing the best service levels possible and a way to further improve services and systems.
- 6.2 Your complaint will be fully investigated by Portman Asset Finance and you will be dealt with fairly and promptly.

## **Complaints Handling Procedure**

- 6.3 The following is a summary of how Portman Asset Finance deals with complaints:
- 6.4 Complaints should be managed quickly and fairly. Where possible, complaints will be resolved within 3 business days using the Early Resolution Procedure. For a complaint to be regarded as resolved we must be satisfied that your complaint has been addressed and resolved to your satisfaction. If this is the case, we will close the complaint and provide you with a Summary Resolution letter confirming the details and contact information for the Financial Ombudsman Service should you subsequently decide that the resolution is not satisfactory.
- 6.5 If it is not possible to resolve your complaint through the Early Resolution Procedure, you will be sent an acknowledgement in writing as soon as possible, and at the latest after 5 business days. Your complaint will be referred to senior management, who will investigate the complaint promptly, thoroughly and impartially.
- 6.6 If your complaint refers to the actions of a third party, that party will be asked to investigate and report back. If this occurs, you shall be notified of this and kept updated. In some circumstances where the third party is solely responsible for the complaint, the complaint will be referred to the third party who will respond directly to you. We will notify you in writing that the complaint has been referred. In these circumstances Portman Asset Finance will have no further obligation to deal with your complaint in accordance with its complaints procedure.
- 6.7 You will receive a response as soon as possible, and in any event, within 8 weeks of complaint receipt.
- 6.8 In the unlikely event your complaint remains unresolved within eight weeks; Portman Asset Finance will advise you in writing why a final response cannot be provided and when they expect to be able to do so. Details of the Financial Ombudsman Service will be provided. This will enable you, if you wish; to refer your complaint to the Financial Ombudsman Service should you be dissatisfied with the delay or the handling of your complaint

## **Contact**

- 6.9 Here is how you can contact us should you have a complaint:
- i. By phone: 01604 761 276
  - ii. By post: Complaints Officer  
Portman Asset Finance Ltd  
Unit 1 Pavilion Court  
600 Pavilion Drive  
Northampton Business Park  
Northampton  
NN4 7SL
  - iii. By email: [complaints@portmanassetfinance.co.uk](mailto:complaints@portmanassetfinance.co.uk)
- 6.10 When you write to us, please tell us:
- i. Your name and address, or the name and address of the complainant if you are complaining on someone else's behalf and your relationship to them;
  - ii. Your daytime phone number (where we can contact you if we need to) and any times you would prefer us to contact you;
  - iii. A clear description of your concerns or complaint; and
  - iv. Details of what you would like us to do to put things right.

## **Independent Review of your Complaint**

- 6.11 Should you be dissatisfied with our final response, you may, if you wish, refer the matter to the Financial Ombudsman Service. Any referral must be made within six months of the date of our final response. The Financial Ombudsman Service provides a free, independent and impartial service for customers to resolve disputes with financial firms.
- 6.12 The Financial Ombudsman Services say that they will only deal with your complaint if you have given us the opportunity to put matters right, so please contact us first and we will do all we can to help you.
- 6.13 The contact details for the Financial Ombudsman Service are set out below:
- i. Post: The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR
  - ii. Telephone: 0800 0234 567
  - iii. On-line: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

- 6.14 Portman Leasing Limited are members of the Finance and Leasing Association (FLA). If you would like to make a complaint directly to the FLA about Portman Leasing Limited, you may send your complaint to them at [business.finance@fla.org.uk](mailto:business.finance@fla.org.uk)
- 6.15 More information can be found at the following:  
<https://www.fla.org.uk/business-information/how-to-make-a-complaint/>
- 6.16 As a first step, the FLA will refer your complaint back to us to review and respond. If you are still not satisfied, the FLA will try to conciliate up to the time the matter is resolved or is decided by the Financial Ombudsman Service or a court.
- 6.17 You will not be entitled to use the FLA conciliation scheme if your complaint has been decided by the Financial Ombudsman Service or a court.
- 6.18 Portman Asset Finance voluntarily complies with the NACFB Code of Practice and a copy is available on request from the NACFB or on its website at the following address: [www.nacfb.org](http://www.nacfb.org).

**7 PRIVACY NOTICE**

- 7.1 The Portman Asset Finance Privacy Notice which advises You of Your rights in relation to Your Personal Data can be found on the website at the following link <https://www.portmanassetfinance.co.uk/wp-content/uploads/2021/08/Privacy-Policy.pdf>. Alternatively, if you require a hard copy of the notice, please write to the Data team, 1 Pavilion Court, 600 Pavilion Drive, Northampton Business Park, Northampton, NN4 7SL or send an email to [info@portmanassetfinance.co.uk](mailto:info@portmanassetfinance.co.uk), or call 01604 761276.
- 7.2 A link to the privacy notices of our funders can be found at the following address:  
<https://www.portmanassetfinance.co.uk/lenders-privacy-policy/>

**8 ACCEPTING THIS ENGAGEMENT LETTER**

- 8.1 We hope you find the contents of this letter satisfactory. If so, please could you return a signed copy to us.
- 8.2 By providing application information and supporting documents, you consent to Portman Asset Finance making applications for finance for your business. If you do not want Portman Asset Finance to make the applications following the provision of the information or supporting documents, please confirm this in writing to your account manager at the time of provision of the aforementioned information and documentation.
- 8.3 By this means you are bringing a contract into existence between us and indicating your acknowledgment of, and agreement to, the terms set out or referred to in this letter and its appendices. If you ask us to provide you with our Broker Services before you have signed this Engagement Letter, this letter and its appendices will be treated as applicable to such services.

Yours sincerely



Alex Read  
Managing Director for and on behalf of Portman Asset Finance Limited

You agree to the instruction of Portman Asset Finance on the terms set out above, and by signing this agreement warrant that you are an authorised signatory capable of binding the named business below.

Signed by \_\_\_\_\_)

For and on behalf of \_\_\_\_\_)

Date

**PLEASE RETURN AS SOON AS POSSIBLE**

This Agreement explains the basis on which we will provide our Broker Services to you and constitutes our Additional Terms of Business ("Additional Terms"). These Additional Terms will supplement the terms set out in the engagement letter above and taken together form the Engagement Letter, containing the terms governing the relationship between You and Portman, forming a legally binding contract. You are, of course, at liberty and encouraged to obtain independent legal advice before proceeding with your engagement of Portman on the basis of these terms. The terms set out in the Engagement Letter supersede any earlier terms of business we may have agreed with You and, in the absence of express agreement to the contrary, will apply to all subsequent services we may provide to you whether in relation to the Broker Services or otherwise.

## 1 Definitions and Interpretation

### 1.1 Definitions

In this Agreement unless the context requires otherwise the following words shall have the following meanings:

<b>Advance Amount</b>	the amount to be advanced to you by way of credit under a Finance Agreement following your acceptance of a Finance Offer and in relation to a Finance Agreement which is a hire agreement the total amount of the rentals due from you to the Lender under the Finance Agreement.
<b>Agreement</b>	means the Engagement Letter including the Additional Terms together with any other schedules and any other documents specifically referred to herein as being incorporated within this agreement between the Parties and as may be updated or amended from time to time in accordance with the terms of this agreement.
<b>Broker Services</b>	the Broker's agreement to submit Lending Proposals to Lenders for you in order to procure so far as it is able to do so from such Lenders an offer of finance to you.
<b>Business Client</b>	means any Client who is not an individual or relevant recipient of credit as defined in the RAO.
<b>Code of Practice</b>	means the Code of Practice of any industry or trade body that Portman are a member of as may be amended or updated from time to time.
<b>Commission</b>	Commission paid by a Lender to Portman in consideration of Portman introducing suitable business to the Lender.
<b>Completion</b>	the date of the Client's Finance Agreement with a Lender.
<b>Completion Levy</b>	Means a sum equal to or less than 3% of the Advance Amount payable by the Client to Portman.
<b>Credit Agreement</b>	as defined in Article 60B of the RAO.
<b>Data Protection Legislation</b>	means the UK Data Protection Legislation and any other European Union legislation relating to personal data and all other legislation and regulatory requirements in force from time to time which apply to a party relating to the use of personal data (including, without limitation, the privacy of electronic communications and the guidance and codes of practice issued by the relevant data protection or supervisory authority and applicable to a party.

<b>FCA</b>	means the Financial Conduct Authority.
<b>Finance Agreement</b>	a credit or hire agreement of any type which is entered into by the Client with a Lender following the provision by the Broker of the Broker Services.
<b>Finance Offer</b>	an offer by the Lender to enter into a Finance Agreement with the Client including where such an offer is conditional or unconditional or a replacement of any Finance Offer previously made.
<b>FLA</b>	the Finance and Leasing Association.
<b>Lender</b>	any creditor or owner to whom the Broker has presented a Lending Proposal or has on its lending panel.
<b>Lending Proposal</b>	a proposal presented by the Broker to the Lender containing details of the Client and the Client's finance needs.
<b>ML Regulations</b>	means the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as may be updated or amended from time to time and any other relevant Directives, legislation or regulations which may be in place from time to time to prevent financial crime including the Bribery Act 2010.
<b>NACFB Parties</b>	National Association of Commercial Finance Brokers. the Broker and the Client.
<b>Privacy Notice</b>	Refers to the notice in Clause 7.1 of the Engagement Letter, as required by UK Data Protection Legislation, informing the Client how their Personal Data will be dealt with and informing them of their rights under UK Data Protection Legislation as may be amended or updated from time to time.
<b>RAO</b>	the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.
<b>UK Data Protection</b>	means all applicable data protection and privacy legislation in force from time to time in the UK including the General Data Protection Regulation (EU) 2016/679; the Data Protection Act 2018; the Privacy and Electronic Communications Directive (2002/58/EC) (as updated by Directive 2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended).

### 1.2 Interpretation

1.2.1	A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
1.2.2	A reference to a Party includes third parties to which it has outsourced activities, agents, successors and permitted assigns.
1.2.3	A reference to a statute or statutory provision is a reference to it as amended or re-enacted or updated. A reference to a statute or statutory provision includes all subordinate legislation made under that statute or statutory provision.
1.2.4	Any words following the terms 'including, include, in particular, for example' or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
1.2.5	A reference to writing or written includes fax and email.
1.2.6	References to clauses, schedules, appendices are, unless specified otherwise, references to clauses found in, schedules attached to or appendices attached to this Agreement.
1.2.7	Data Controller, Data Processor, Data Subject, European Economic Area, Personal Data, Sensitive Personal Data and Processing shall have the same meanings as in the Data Protection Legislation and Processed and Process shall be construed in accordance with the definition of Processing in such Data Protection Legislation.

## 2 Client Identification

2.1	The Firm/our Lenders are subject to Anti-Money Laundering and Know Your Customer regulations which require us/our Lenders to have formal, satisfactory evidence of the identities and addresses of our clients before any Finance Offer can be made. We will always comply with our legal obligations which require us to obtain this information from you. If you have not already done so, we kindly ask that you provide us with the following:
2.1.1	Identification (One of the following is required):
a.	Passport
b.	Photographic Driving Licence
2.1.2	Address (At least one of the following, in addition to the ID set out in paragraph 2.1.1, are required):
a.	Passport (if not provided under paragraph 2.1.1)
b.	Utility Bill (not more than 3 months' old)
c.	Bank / Credit Card Statement (not more than 3 months' old)
d.	Council Tax Bill (not more than 3 months' old)
e.	Mortgage Statement (not more than 3 months' old)
f.	House or Motor Insurance Certificate (not more than 3 months' old)
g.	Electoral Roll register confirmation letter

As is industry standard, we may carry out online e-verification checks against the

2.2	documents provided which may leave a 'soft footprint' on your credit file. The Client agrees to provide the Firm with any documents it and/or a Lender requires in order to comply with the requirements of the ML Regulations including any identity documents.
2.3	The Client agrees to comply with any other financial crime requirements that the Firm or the Lender or any relevant authority or regulator may require from time to time.
<b>3 Status Disclosure</b>	
3.1	The Broker is authorised and regulated by the Financial Conduct Authority ("FCA") for its credit broking activities (FRN 719988). The Broker is a credit broker not a lender. The FCA regulates financial services in the United Kingdom and You can check our authorisation and permitted activities on the Financial Services Register by visiting the FCA's website ( <a href="https://register.fca.org.uk/">https://register.fca.org.uk/</a> ).
3.2	The Broker voluntarily complies with the FLA's and NACFB's Code of Practice and Minimum Standards.
<b>4 Data Protection</b>	
4.1	The Firm will comply with all applicable requirements of the Data Protection Legislation. This clause is in addition to and does not relieve, remove or replace the Firm's obligations or rights under the Data Protection Legislation. The Firm acknowledges that for the purposes of the UK Data Protection Legislation when the Firm is carrying out the Broker Services it is doing so as a Controller of the Client's Personal Data and will act accordingly.
4.2	The Firm's detailed Privacy Notice is referenced within Clause 7.1 of the Engagement Letter, which complies with the UK Data Protection Legislation and which advises You of Your rights in relation to Your Personal Data. Being transparent about how We will use Your personal data is a key element of the UK General Data Protection Regulation ("GDPR").
4.3	The Privacy Notice details the lawful basis for processing data, who we are, how we use the information about You, marketing consent, what information is collected, why the personal data is required, Our data retention periods and individuals' rights to personal data. More detailed information can, of course, be obtained upon request.
4.4	You must be confident that You understand how Your data will be processed. If You require any further clarification, please contact us before entering into this Agreement to instruct us in the provision of Broker Services.
4.5	

## 5 Assignment and Third-Party Rights

- 5.1 Pursuant to the Contracts (Rights of Third Parties) Act 1999 no person shall be entitled to enforce the terms of this Agreement other than the Parties.
- 5.2 The Firm may assign, sub-contract, novate, mortgage, declare a trust in or otherwise transfer or deal with in any manner this Agreement or any of its rights or obligations under this Agreement and shall give reasonable notice to the Client upon any such occurrence. The Client may not make any assignment, sub-contract, novation, mortgage, trust or otherwise transfer its rights or obligations under this Agreement.

## 6 Amendments and Variations to this Agreement

- 6.1 Any amendment or variation to this Agreement proposed by the Firm shall take effect on the date specified unless in the meantime the Client notifies the Firm of any objection to the amendment or variation or requests an extension of time before such amendment or variation take effect, in which case, any such amendment or variation will only take effect when the Parties have agreed it in writing.
- 6.2 Any amendment or variation to this Agreement proposed by the Client shall take effect only when accepted by a Director of the Firm in writing.

## 7 Termination

- 7.1 The Firm may terminate this Agreement immediately at its reasonable discretion if the Client:
- 7.1.1 has provided false, fraudulent or misleading information to the Broker or any Lender at any point in their communications with the same;
- 7.1.2 has breached any of the material terms of this Agreement;
- 7.1.3 has committed a minor breach of this Agreement but has failed to remedy such breach within 10 days of it occurring;
- 7.1.4 is made bankrupt or enters into any arrangements with its creditors;
- 7.1.5 dies;
- 7.1.6 fails to pay any of the Fees due to be paid to the Broker pursuant to the terms of this Agreement;
- 7.1.7 refuses to accept on three or more occasions any reasonable Finance Offers which satisfy the Clients initial finance requirements and instructions;
- 7.1.8 breaches the ML Regulations or any other financial crime legislation or regulation.
- 7.2 Either Party may terminate this agreement on not less than one weeks written notice.

## 8 Client's Representations and Acknowledgements

- 8.1 The Client represents and acknowledges that:
- 8.1.1 it has been advised by Portman to seek independent legal and/ or tax advice before proceedings with the instruction under the terms of this Agreement.
- 8.1.2 the Broker sources Lending Proposals from a panel of Lenders;
- 8.1.3 Portman is not an IFA or tax advisor and that you have been advised to seek your own independent tax advice in respect of any Finance Agreement you enter and will place no reliance on any information or commentary provided by Portman in respect of the same;
- 8.1.4 You are aware that we receive Commission from a Lender for the arrangement of a Finance Agreement for you and you have no objections to us receiving this Commission (in respect of a Recovery Loan Scheme product we receive between 2.4% - 3% of the Advance Amount as commission). We receive Commission from the Lender and may also receive a Completion Levy separately from you pursuant to Clause 9.1.1 of this Agreement; for the avoidance of doubt, the Completion Levy is not subject to the terms of our arrangements with the Lender who pays us Commission.
- 8.1.5 You are entitled at any time to request information in respect of any Commission which we may receive as a result of placing your finance requirement with a Lender.
- 8.1.6 You have read the terms and conditions of this Agreement and by proceeding to provide instructions and engage Portman to provide Broker Services hereby confirms that it wishes to do so under these terms.
- 8.2 The Client agrees to pay the Levy's which may become due and payable pursuant to the terms of this Agreement.
- 8.3 The Client agrees to act with the utmost good faith in the provision of information to the Broker so as to enable the Broker to accurately complete any Lending Proposal. In addition, the Client acknowledges that:
- 8.3.1 the Lender is likely to make a Finance Offer relying on the information which is submitted to the Lender in the Lending Proposal by Portman, such information being given to Portman by the Client;
- 8.3.2 should such information be false, it may render any Finance Offer void and any Finance Agreement entered into terminated;
- 8.3.3 it will not withhold any information from the Broker which it knows, or ought reasonably know, would affect the Lender's view of the Lending Proposal or the Client themselves; and
- 8.3.4 the Broker will ask questions in order to narrow down the selection of products that it will provide the Client with details on. The Client will then need to make its own choice about how to proceed. The Client will not receive advice or a recommendation from the Broker and will decide whether to proceed with any finance application themselves.
- 8.4 The Client agrees to take all reasonable steps and use all reasonable endeavours to comply with and satisfy any condition imposed by the Lender.
- 8.5 The Client agrees to notify Portman if at any time they have appointed or intend to appoint an additional or alternative broker or intermediary to obtain an offer of finance for them whereupon Portman will be entitled, but not obliged, to terminate this Agreement and engagement forthwith.

## 9 Commission and Levy's

- 9.1 Portman has committed to fairness and transparency with regards to all costs. As such, the Firm has set out in section 3.7 of the Engagement Letter how it is remunerated by a Lender for the provision of Broking Services:
- 9.1.1 The Firm may also charge a Completion Levy to a Business Client in consideration of the provision of Broking Services. A Completion Levy will only become due and payable by a Business Client if, following our submission to the Lender of a Lending Proposal, a Finance Offer is made by a Lender to the Client, and the Client accepts the Finance Offer and funds are drawn down. The Completion Levy must be paid by the Business Client to us on or

before the date falling five business days after the Completion date.

## 10 Miscellaneous

- 10.1 The release or the failure to enforce any of the provisions in this Agreement by the Firm at any time or for any period will not release or exonerate or in any way affect the liability of the Client or constitute a waiver of any term of this Agreement, nor shall any waiver by the Firm of any breach thereof operate as a waiver of any subsequent or any continuation of any breach thereof.
- 10.2 Headings are inserted for reference only and shall not affect the construction of this Agreement.
- 10.3 This Agreement and any Schedules hereto constitute the entire agreement between the Parties.
- 10.4 The Firm does not act as agent for the Client and nothing contained within this Agreement shall constitute, or be deemed to constitute, partnership or joint venture between the Parties hereto.
- 10.5 The Firm will maintain professional indemnity insurance cover in respect of its business with and on standard terms offered by reputable insurers.
- 10.6 If the Firm holds Client money, it will be kept in a separate designated client account for the benefit of the Client.
- 10.7 All Business Clients agree that the Firm shall have no liability for any economic loss (whether direct, indirect or consequential) insofar as it relates in any way to loss of business, loss of Client data, interruption of business or loss of profits or goodwill because of the manner or performance by the Firm of the Broker Services or any obligations arising under this Agreement. This exclusion of liability will not, however, otherwise affect any statutory rights of the Client.
- 10.8 The Client agrees, to the extent such agreement is enforceable under applicable laws and regulation, that there is no assumption of a personal duty of care by, and you will not bring any claim against, any Director or other member, shareholder or employee of or consultant to Portman. If we and another party are liable to you in respect of the same loss, our liability will not increase by reason of any limitation of liability that you have agreed with that party, or your inability to recover from that party (e.g. because of its insolvency), beyond what it would have been if no such limitation had been agreed and if that other party had paid its share in full. Nor can we accept liability for the acts or omissions of any third party we may instruct on your behalf.
- 10.9 The Client agrees to keep this Agreement and all their dealings with the firm strictly confidential. If the Client has any issue or dispute with the Firm, these should be raised in accordance with these terms.
- 10.10 The Agreement shall be governed by and construed in accordance with the laws of England and Wales and the Parties irrevocably agree that in the event of any dispute between the Parties the courts of England and Wales shall have exclusive jurisdiction.
- 10.11 If any term or provision of this Agreement shall to any extent be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining terms or provisions (and any other application of the said terms and provisions) shall not in any way be affected or impaired as a result and any invalid or unenforceable provision will be deemed to be severed from this Agreement.
- 10.12 This Agreement contains all the terms agreed between the parties except such variations as shall be made in accordance with Clause 6.