



Wholesale Funding Agreement

Conister Finance & Leasing Ltd (Conister) can provide a facility to the Borrower in order to fund lending and debt purchase activities.

Customer loans

The underlying agreements will reside on the Borrower's paper and systems. There will only be one facility between the Borrower and Conister. The underlying agreements will be assigned against the Wholesale Funding Agreement (WFA) facility to Conister.

Security over assets and the collections account

A collection account will be set up jointly between the Borrower and Conister with a legal charge over the account by Conister. All direct debits for the underlying loans are expected to be called into this collection account and this must be segregated from opex accounts. Conister will also expect to take a debenture/charge over the company's assets.

Repayment reserve

At all times a minimum of 3% up to 10% of the principle amount borrowed will need to be included within an account held with Conister.

Interest only repayments with capital payment on expiry/termination of loan

The key feature of this product is that the Borrower will only make interest repayments during the term of the loan and repay the capital element as the term ends (termination date). This allows a potential Borrower greater liquidity during the term of the facility.

Borrowing base schedules

Conister will fund the full advance of the debt, as long as the gross receivable is 125%-300% of the advance. A security over the underlying agreements will be taken; this fundamentally means that on drawdown of the facility the underlying agreements will be assigned to Conister. This percentage can vary between 125%-300% and is based on gross receivables.

Precedent documents

The Borrower will be requested to provide a number of satisfactory documents to Conister which constitutes the precedent conditions to be met before the agreement goes live.

Audits and pre-lend audit

A pre-lend audit will be undertaken by an independent firm during the on boarding process which entails a review of the Borrower's processes. Quarterly audits will be carried out through both remote and site visits. This will look at all aspects of the Borrower but focus on a review of underlying agreements, regulatory compliance and financial performance.

Collateral report/compliance certificate and borrowing base schedule

These reports and schedules are how Conister will review and monitor information regularly in respect of the Borrower, and looks at underlying loans and financial/borrowing base covenants. The WFA facility has a number of reports that are expected to be sent to Conister on a regular basis to ensure that the Borrower is compliant.

Financial covenants applicable (asset cover ratio's/interest cover and tangible net worth)

Financial covenants will be agreed at the outset of the agreement, this will ensure that Conister can monitor the Borrower's performance during the term of the facility. These covenants will be based on both current and forecasted financial data.

Legal opinion required (enforceability of loans)

Conister will take legal advice on whether the Borrower's underlying regulated/unregulated loans are enforceable.

Costs and expenses

Pre-lend audit fees and legal fees will be payable by the Borrower. An arrangement fee of 1% of the facility will be payable on signing of the agreement. All other fees will be incorporated within the WFA facility and discussed between parties during the on boarding process.

- Commitment fee applicable.
- Tripartite agreement with SaaS provider/s.
- Open Banking required.
- Read only access to the lending system.



To find out more:

Call us on **+44 (0)1635 890000** or visit us at **conister.co.uk**