

Dealer Terms of Business with MotoNovo Finance, a division of FirstRand Bank Limited (London Branch), a branch of FirstRand Bank Limited.

By submitting applications to, and accepting advances, commissions, bonuses or any other remuneration from MotoNovo Finance ("MNF"), the Dealer accepts and agrees to be bound by the full terms and conditions as laid out in this Dealer Terms of Business which is available on request at any time when entering into the MNF Rates and Terms Agreement, notwithstanding that this Dealer Terms of Business and/or the MNF Rates and Terms Agreement may not have been signed by the Dealer.

WHEREAS

- A. The Dealer carries on the business of a motor vehicle dealer and shall from time to time introduce to MNF persons seeking credit in accordance with the terms of this Dealer Terms of Business.
- B. MNF carries on the business of a credit provider and credit broker. MNF is under no obligation to accept any Proposal put to it by the Dealer. MNF shall pay to the Dealer commission, and where applicable, any bonus, or other remuneration on the terms set out in the MNF Rates and Terms Agreement which may be varied from time to time by MNF, in respect of Proposals accepted and paid out by MNF.

DEFINITIONS

Adequate Explanations means the adequate explanations that are required to be provided to applicants for credit under CONC 4.2.5R;

Advance means each advance under a Credit Agreement;

Applicable Laws means any law, legislation, instrument, rule, order, regulation, code, standard, directive, bye-law, guidance, requirements, or decision of any Regulator which concerns or may affect the Dealer's obligations under this Agreement as the same may be amended or varied from time to time including, without limitation, the CCA, FSMA, the FCA Handbook, Money Laundering Regulations, any financial crime guidance issued by any Regulator and/or any DPA Law;

Applicant means a person, legal or natural, who wishes to obtain finance through the Dealer;

Business Day means a day on which clearing banks are open for business in London;

CCA means the Consumer Credit Act 1974 and all regulations or secondary legislation made under it as amended or re-enacted from time to time;

Consumer Rights Act means the Consumer Rights Act 2015;

CONC means the Financial Conduct Authority Consumer Credit Sourcebook as amended or re-enacted from time to time;

Credit Agreement means an agreement for the provision of credit entered into by MNF and the Customer;

Customer means an Applicant whom the Dealer has introduced to MNF and with whom MNF enters into a Credit Agreement;

Data Controller shall have the meaning ascribed to it in DPA Law;

Data Notice(s) means the form(s) prescribed by MNF from time to time for the disclosure of information to, and/or the obtaining of consent(s) from, a Data Subject in accordance with clause 7.4;

Data Policy means the framework set out in Schedule 1 for the lawful disclosure to, and use by, MNF of Personal Data in accordance with the arrangements envisaged by this Dealer Terms of Business;

Data Subject shall have the meaning ascribed to it in DPA Law;

Dealer Terms of Business means this agreement including any Schedules and/or MNF Rates and Terms Agreement;

Dealer means a reputable supplier of Motor Vehicles who is recognised in the trade for the sale of goods of the particular kind to be purchased by MNF;

DPA Law means the Data Protection Act 1998, the Data Protection Directive (95/46/EC), the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive (2002/58/EC), the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003) and any laws that replace or amend any of these (including without limitation the General Data Protection

Regulation 2016 (Regulation (EU) 2016/679)) together with all Applicable laws in any jurisdiction relating to the processing or protection of personal data and privacy, including where applicable the guidance and codes;

FCA means the Financial Conduct Authority, and its successors or assigns;

FCA Handbook means the Handbook issued by the FCA as amended or re-enacted from time to time, including but not limited to CONC

FOS means the Financial Ombudsman Service or such statutory or other body designated under FSMA or any other Applicable Laws to adjudicate on consumer or other disputes within any relevant FOS jurisdiction;

FSMA means the Financial Services and Markets Act 2000 and all regulations or secondary legislation made under it, including without limitation, the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 as amended or re-enacted from time to time;

MNF Rates and Terms Agreement means an agreement made between MNF and the Dealer setting out, among other things, commission rates and terms for the introduction of applicants;

Motor Vehicle means a Motor Vehicle to be (i) sold to MNF by the Dealer, (ii) supplied by the Dealer to a Customer and (iii) hired and/or sold by MNF to a Customer under a Credit Agreement;

Money Laundering Regulations means the Money Laundering Regulations 2007 (SI 2007 No.2157) and/or such other lawful requirement as may from time to time be made in respect of money laundering;

Personal Data shall have the meaning ascribed to it in DPA Law

Proposal means a proposal submitted in accordance with clause 2.1 and which shall contain such information as MNF requires, including but not limited to details of the Applicant and the Credit Agreement, the Motor Vehicle the subject of the Credit Agreement, the purchase price of the Motor Vehicle, the amount of deposit and/or part exchange amount, the amount of credit advance, the period of the Credit Agreement, the payments, interest rate applied for and frequency of payments due under the Credit Agreement and any security to be provided in relation to the Credit Agreement;

Regulator means any government department, regulatory, statutory or other entities, committees and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate; (i) any matters within this Agreement or (ii) any decision, consent or licence which is required in order for the Dealer to fulfil its obligations under this Agreement; and

SQD Issue means any issue, dispute or complaint concerning whether a Motor Vehicle is of satisfactory quality, fit for its purpose, corresponds with its description or with any model shown or demonstrated to the Customer (where the Motor Vehicle is supplied in accordance with a model shown or demonstrated to the Customer) and, notwithstanding that the Dealer may not be the trader as defined in the Consumer Rights Act i.e. the legal supplier of the Vehicle, is otherwise in conformity with the contract, again as defined in the Consumer Rights Act, such conformity to be determined as if the Dealer were the trader in accordance with the Consumer Rights Act (even if that in fact is not the case)

- 1.1 Unless this document otherwise requires, words in the singular shall include the plural and vice versa and words in the masculine gender shall include the feminine and neutral genders. Headings are for convenience only and shall not affect the interpretation of any provision.
- 1.2 References to a clause are to a clause in this Dealer Terms of Business.

2. PROVIDING CREDIT

- 2.1. The Dealer shall introduce Applicants to MNF by submitting Proposals to MNF using the online system, or by using the Self-Serve module within the online system, or by fax or by any other agreed means (solely at the discretion of MNF). The Dealer agrees not to refer any Applicant to any party other than MNF unless the Dealer has first submitted a Proposal in relation to the Applicant to MNF and MNF has declined to accept such Proposal.
The Dealer shall use reasonable endeavours to introduce Applicants to MNF in line with the rates and terms agreed from time to time. Where the Dealer introduces Applicants to MNF using the Self-Serve module within the online system, only then will MNF take responsibility for advice given by MNF in relation to MNF products.
- 2.2. MNF may, at its absolute discretion, accept a Proposal and agree to enter into a Credit Agreement with an Applicant on such terms as MNF may from time to time stipulate.
- 2.3. If MNF accepts a Proposal, the Dealer shall, within one month of the date of such acceptance, send to MNF:
 - (i) a correctly completed Credit Agreement duly executed by a Customer in respect of the relevant transaction, accompanied by a copy of a document signed by the Customer to confirm that the oral

disclosure of Adequate Explanations has been given, and a duly executed direct debit mandate in respect of the payments due thereunder;

- (ii) an original VAT invoice from the Dealer in the form of MNF's standard vendor's invoice and warranty, as the same may be varied from time to time;
- (iii) any guarantees, indemnities or other securities required by MNF duly executed by the parties thereto; and
- (iv) any other documentation required by MNF from time to time,

provided that if, in MNF's opinion, a material adverse change has occurred in the Applicant's or the Dealer's financial or business position or any direct or indirect change of ownership or control of the Applicant or the Dealer has occurred since the date on which the Dealer introduced the Applicant to MNF, or MNF discovers that details provided were inaccurate in any way, MNF shall not be obliged to enter into the Credit Agreement with the Applicant.

- 2.4. MNF may refer a proposal for credit to a third-party lender for assessment where MNF is unable to offer credit terms to the Customer within MNF's own lending criteria.
- 2.5. The Dealer acknowledges that MNF is entitled to validate a proportion of all business introduced to it. In undertaking this validation, MNF will use reasonable endeavours to exercise discretion when contacting the relevant Applicant.
- 2.6. The Dealer acknowledges that MNF may contact MNF's customers on any occasion in relation to the permitted activities within the fair processing notice contained in the Customer's Credit Agreement.

3. WARRANTIES AND UNDERTAKINGS

3.1 The Dealer warrants to MNF that:

- i) as at the date of this Dealer Terms of Business; and
- ii) whenever the Dealer introduces an Applicant to MNF; and
- iii) on each occasion that the Dealer tenders to MNF for acceptance a Credit Agreement executed by the Customer; and
- iv) on each occasion that a Credit Agreement is executed by MNF; that:
 - a) the Dealer is able to pay its debts as they fall due and the Dealer's assets exceed the Dealer's liabilities;
 - b) the Dealer is validly licensed under FSMA in each of the regulated activities applicable to the Dealer's type of business; and
 - c) the Dealer is not the subject of any dispute with, or investigation by, any regulatory authority;

and on ii); iii) and iv) only that:

- a) all information provided by the Dealer to MNF in relation to the Applicant is correct;
- b) all matters known to the Dealer which may affect MNF's assessment of the creditworthiness of the Applicant and its assessment of the Proposal have been disclosed to MNF in writing;
- c) the Dealer has verbally provided the Applicant with the Adequate Explanations in accordance with Applicable Laws and that the Applicant has signed an acknowledgement of such;
- d) the Dealer has not made or given any representations or warranties to the Applicant in relation to MNF;
- e) to the best of the Dealer's knowledge and belief the Applicant is able to repay all monies advanced and all other sums payable under the Credit Agreement in a sustainable and affordable manner;
- f) the Dealer has verified the identity of the Applicant and checked the driving licence, including counterparts, and other acceptable proofs of identification of the Applicant, in accordance with appropriate systems and controls and signed and dated the proofs to confirm the fact;
 - i) the Dealer has complied with all Money Laundering Regulations applicable to MNF and the Dealer in respect of the Applicant;

- ii) the Credit Agreement and supporting documentation was fully and accurately completed when the Customer signed it;
- iii) the Dealer has in place appropriate systems and controls and adequate resources to comply with, and has in fact complied with, all Applicable Laws, including but not limited to DPA Law and the provisions of clause 7;
- iv) the Credit Agreement delivered to MNF contains all the terms and conditions (written or otherwise) with respect to the hiring of the Motor Vehicle to the Customer, and the Dealer has not consented and will not consent to any amendments or extensions of any of the terms of the Credit Agreement except as agreed in advance in writing by MNF;
- g) the Credit Agreement has been executed by persons duly authorised to sign it on behalf of the Customer and the Credit Agreement will, when executed on behalf of MNF, constitute valid, legal and binding obligations of the Customer in accordance with its terms;
- h) the Motor Vehicle has been delivered to and accepted by the Customer and/or the Customer has taken possession of and accepted the Motor Vehicle;
- i) the Motor Vehicle is not a grey import, a kit car, a left hand drive vehicle, a vehicle appearing on the VCAR register, a vehicle which have accumulated 120,000 miles or more, or a vehicle which is over fourteen years of age, unless specifically agreed in writing on an individual basis by MNF at inception;
- j) when advertising Motor Vehicles the Dealer must ensure that the Vehicle specifications and Vehicle history is accurate and also include whether the Vehicle has been previously used for rental or business purposes.
- k) the Dealer is the owner of the Motor Vehicle and that the Motor Vehicle is free from any charge or encumbrance and holds good clear title to the Motor Vehicle;
- l) title to the Motor Vehicle shall pass to MNF with full title guarantee immediately on payment by MNF to the Dealer of the purchase price for the Motor Vehicle;
- m) there are, and will be, no SQD issues in relation to the Motor Vehicle i and that it shall perform in accordance with any warranties (express or implied), specifications, guarantees, undertakings and representations made or given to the Customer by the Dealer, any manufacturer or distributor;
- n) the Dealer has not made any representation or warranty, express or implied, with respect to the Motor Vehicle other than as specified in the Credit Agreement; and
- o) the Applicant has been permanently resident in the UK mainland for at least the last three years and has the right to reside in the UK.

3.2 The Dealer undertakes to MNF: to act in accordance with all Applicable Laws in introducing Applicants to MNF, including, without limitation, the FCA Handbook rules and guidance on treating customers fairly;

- 3.2.1 to only introduce Applicants to MNF using the documentation most recently provided to the Dealer (including the proposal form) approved by MNF, containing such information as MNF may from time to time require;
- 3.2.2 to verify the mileage details for each Motor Vehicle and confirm to MNF that the mileage recorded on the relevant Proposal is accurate and correct;
- 3.2.3 to ensure that any information provided to MNF under clause 3.2.2 is correct at the time that it is presented to MNF and if the Dealer subsequently discovers that any such information is incorrect, to immediately disclose this to MNF by telephone and in writing;
- 3.2.4 not to make any warranty or representation in relation to MNF's business or, without limitation, the provision of credit by MNF, unless approved in writing by MNF in advance;
- 3.2.5 not to make any charge to the Customer for arranging the Credit Agreement, and that, if for any reason MNF makes any payment to the Customer in relation to or connected with any commission or any bonus paid by MNF to the Dealer, the Dealer shall reimburse to MNF an amount equal to such payment;
- 3.2.6 not to amend, alter or supplement any Credit Agreement after it has been signed by or on behalf of a Customer;
- 3.2.7 to notify MNF immediately if any Applicant appears to the Dealer (acting reasonably) not to understand the Adequate Explanations provided, or if any Applicant requests further information in respect of a prospective Credit Agreement;

- 3.2.8 to notify MNF immediately of any notification that it receives of a Customer's withdrawal from a Credit Agreement;
- 3.2.9 to notify MNF immediately of any SQD Issue or other dispute in respect of any Credit Agreement or any Vehicle financed by any Credit Agreement;
- 3.2.10 to notify MNF immediately if the Dealer becomes aware of any possibility that the Customer has a mental capacity limitation but only once the Customer has given the Dealer consent to make such notification to MNF;
- 3.2.11 to provide MNF with all reasonable assistance in connection with any dispute in respect of any Credit Agreement;
- 3.2.12 to ensure that the price of any Motor Vehicle purchased by MNF from a Dealer shall be net of any discount offered by the Dealer and shall not exceed the fair market value of such Motor Vehicle;
- 3.2.13 to provide to MNF on request copies of all its verification records relating to the Applicants;
- 3.2.14 to disclose the fact of a commission payment from MNF to the Dealer, to the Applicant;
- 3.2.15 to disclose the amount of commission from MNF to the Dealer to the Applicant or Customer on request;
- 3.2.16 to issue the pre-contract information to the Customer in a timely manner, in accordance with all Applicable Laws;
- 3.2.17 to pass on to any Applicant who MNF has declined for credit, confirmation of that decline and associated information, in the form and at the time required by MNF; and
- 3.2.18 Where the Applicant does not produce a full UK Driving Licence at the current address, to contact MNF before releasing the Motor Vehicle to the Applicant for guidance and advice on alternative documentation's validity;
- 3.2.19 to provide MNF with a certified copy of the original documentation relating to the Customer's identification prior to MNF paying any Advance where the execution of the Agreement is not completed using the MotoClick signing system in full;
- 3.2.20 to hold copies of any Customer identification for a period of five years from the date of submitting the finance proposal to MNF, in line with all Applicable Laws, this evidence to be available on request for inspection by MNF; and
- 3.2.21 to maintain appropriate systems and controls and adequate resources to comply with all Applicable Laws at all times.

3.3 The Dealer further undertakes to MNF that:

- 3.3.1 the Dealer's operating procedures and all documentation, correspondence, notices and advertisements used or issued by the Dealer in connection with any Credit Agreement shall comply with the provisions of the CCA, CONC, the FCA Handbook, the DPA Law, the Money Laundering Regulations and all regulations and orders made under them, each as amended from time to time, and all other applicable law, regulations and applicable codes of practice from time to time, including without limitation the Finance and Leasing Association Lending Code;
- 3.3.2 the Dealer shall notify MNF immediately on becoming aware of any concern or investigation by the FCA regarding the Dealer's business;
- 3.3.3 the Dealer shall hold and maintain in full force and effect all licences, approvals, authorisations and consents which may be required in connection with its business and the performance of its obligations in this Dealer Terms of Business including, without limitation, any applicable authorisation for regulated activities –under FSMA and shall perform its obligations under this Dealer Terms of Business in such manner so as not to prejudice the continuation of any such approval, consent, authorisation or regulation;
- 3.3.4 the Dealer shall notify MNF of any changes to its authorisation in relation to undertaking regulated activities;
- 3.3.5 the Dealer, where it is a principal firm, will notify MNF immediately should it appoint or remove appointed representatives;
- 3.3.6 the Dealer, where it is a principal firm, will provide MNF with true copies of:

- (i) contracts it has in place with its appointed representatives;
- (ii) monitoring plans it has in place for each of its appointed representatives;

3.3.7 the Dealer shall at all times comply with the requirements of the FCA Handbook in relation to financial promotions, and all other relevant advertising and promotional regulations and legislation;

3.3.8 the Dealer shall at all times, only use the MNF name or services and mark, with permission from MNF, and the Dealer will not, under any circumstances, sell point of sale items bearing the MNF name or logo, either privately or commercially. MNF retains ownership of such point of sale items bearing the MNF name and logo and will be entitled to the immediate return of such items upon request in writing;

3.3.9 the Dealer shall at all times during the term of this Agreement:

- (i) perform its obligations in a professional manner and with all reasonable skill, care and diligence;
- (ii) carry out all lawful and reasonable instructions from MNF in relation to this Agreement;
- (iii) supply to MNF all information reasonably requested by MNF from time to time;
- (iv) employ a sufficient number of suitably qualified personnel to ensure the proper fulfilment of the Dealer's obligations under this Agreement;

3.3.10 the Dealer shall use all reasonable endeavours to ensure that its information technology and computer systems are free from viruses and shall inform MNF immediately by telephone of any virus that may be present on its system and use its best endeavours to minimise the risk of any such virus being passed to MNF;

3.3.11 the Dealer shall meet with MNF on a minimum six monthly basis for an informal review of this arrangement and on a minimum yearly basis for a formal review of this arrangement to review, without limitation, the quality, quantity and performance of business introduced by the Dealer; and

3.3.12 the Dealer shall as soon as practicable after the end of its financial year provide to MNF its accounts (including a profit and loss account and a balance sheet), prepared in accordance with generally accepted accounting principles as required by law or requested by MNF, and such other accounts, financial information and documentation as MNF may reasonably require from time to time; and

3.3.13 the Dealer shall immediately notify MNF on it becoming aware of any fact or circumstance relating to the Dealer that may impact on MNF or the terms of this Agreement including any change of control of the Dealer or the Dealer suffering from any of those events set out at clause 8.2.2;

3.4 The Dealer accepts that the right to appeal to the Financial Ombudsman in respect of any adjudication made in relation to a Customer, is solely at the discretion of MNF.

4. INDEMNITY

4.1. The Dealer agrees to indemnify MNF and keep MNF fully indemnified on demand against all and any loss, liability, cost, charge, demand or expense (including legal costs) arising out of or in connection with:

4.1.1 any breach of this Dealer Terms of Business by the Dealer or any breach or non-fulfilment of any representation or warranty given by the Dealer hereunder;

4.1.2 any failure by the Dealer to comply with the Money Laundering Regulations;

4.1.3 any act of fraud carried out via the Dealer, regardless of the source of the fraudulent activity;

4.1.4 any breach or non-fulfilment of any terms of the MNF Rates and Terms Agreement;

4.1.5 any misrepresentation or statement made by the Dealer or any of its servants or its agents to any Applicant or Customer, or any guarantor, indemnifier or surety under a Credit Agreement;

4.1.6 any act of mis-selling by the Dealer or any of its servants or its agents to any Applicant or Customer, or any guarantor, indemnifier or surety under a Credit Agreement;

4.1.7 any act or omission of the Dealer; or

4.1.8 any claim, action, demand or complaint in respect of the sale terms and supply of any Motor Vehicle and/or any SQD Issue, including without limitation, any claims or complaints that a Customer is entitled to refer to FOS about the supply of the Vehicle whether relating to the Vehicle or the Credit Agreement in relation to the Vehicle and whether referred to FOS or not;

- 4.1.9 any complaint in respect of the advice or services provided by the Dealer to the Customer whilst advising on and arranging a finance product for the Customer, whether referred to FOS or not;
- 4.1.10 any payment MNF is required to make to a Customer in relation to the advice given or error made by the Dealer.
- 4.1.11 Any action by the Dealer of which the Dealer knows or should reasonably expect that MNF would disapprove, including, without limitation, setting up separate Customer loans or finance for deposits to be paid.
- 4.2 It is expressly provided by these terms that:
 - 4.2.1 MNF shall have complete discretion to deal with any matters raised by a Customer which fall within the terms of the indemnity provided under clause 4.1 above, without seeking the Dealer's consent;
 - 4.2.2 any right of the Dealer to defend or challenge a determination by MNF that, to comply with its obligation to treat its Customers fairly, it should pay the Customer compensation, or meet its obligations to the Customer under the Consumer Rights Act, is hereby excluded;
 - 4.2.3 Without prejudice to the generality of the above, should MNF determine any claim, action, demand or complaint (including but not limited to an SQD Issue) against a Customer which is subsequently adjudicated by FOS in favour of MNF the Dealer will reimburse MNF on demand any fee payable to FOS by MNF.

5 COMMISSION, ANY BONUS, DISTRIBUTION SUPPORT OR OTHER REMUNERATION PAYMENT FREQUENCY AND METHODS OF PAYMENT

- 5.1 Subject to the provisions of this Dealer Terms of Business, where MNF has entered into a Credit Agreement, MNF shall pay all sums due and owing by MNF to the Dealer by way of commission and, where applicable, any bonus:
 - 5.1.1 on such dates; and
 - 5.1.2 at such rates; and
 - 5.1.3 in such amounts;as are agreed between the parties to this Dealer Terms of Business from time to time.

- 5.2 Where:
 - 5.2.1 the Credit Agreement is settled early within the meaning of the CCA; or
 - 5.2.2 the Customer withdraws from the Credit Agreement under section 66A of the CCA; or
 - 5.2.3 the Customer makes either an early settlement or partial settlement;

then MNF shall be entitled, at its option, (i) to repayment of a proportionate amount (as explained in clause 5.3) of any commission, any bonus or any other remuneration paid by MNF to the Dealer under clause 5.1 (the Commission Clawback) or (ii) to set off the Commission Clawback against future commission and/or any bonus payable by MNF to the Dealer.

- 5.3 The Commission Clawback that MNF may claim or set off under clause 5.2 is the commission and any bonus paid by MNF to the Dealer under clause 5.1 in its entirety in the case of the event specified in clause 5.2.2 at the date of occurrence of the event specified in clause 5.2.1, unless the MNF Rates and Terms Agreement states otherwise.
- 5.4 In the event that the Dealer or any Applicant makes any fraudulent statement or action in relation to the relevant Applicant, Motor Vehicle or Credit Agreement; if a Motor Vehicle is of a type described in clause 3.1(i); or if the recorded mileage of a Motor Vehicle that is advised to MNF is inaccurate (for any reason), MNF shall be entitled to recover from the Dealer all advances, commissions, any bonuses and all other sums paid in relation to the relevant Motor Vehicle, Applicant or Credit Agreement in full, unless the MNF Rates and Terms Agreement states otherwise.
- 5.5 Where the Credit Agreement terminates due to default, voluntary termination, dishonesty, breach of contract, bankruptcy, ceasing to trade or dissolution of a company during the lifetime of the agreement the Dealer will repay to MNF the full amount of commission and any bonus and all other sums paid in relation to the relevant Motor Vehicle, Applicant or Credit Agreement, unless the MNF Rates and Terms agreement states otherwise.
- 5.6 Where the Customer exercises any statutory rejection rights due to any SQD Issue the Dealer will repay to MNF the full amount of commission and any bonus and all other sums paid in relation to the relevant Motor Vehicle, Customer or Credit Agreement, unless the MNF Rates and Terms agreement states otherwise.
- 5.7 The Dealer agrees that any Commission Clawback will be due to MNF from the current Dealer, and subsequent incarnations of the Dealer, whether in the same trading style or not, including its directors, partners or sole trader or controllers.

6 AGENCY

- 6.1 The Dealer is not, and shall not represent or hold itself out to be, an agent of the Applicant.

- 6.2 The Dealer is not, and shall not represent or hold itself out to be, an agent, a partner, employee or representative of MNF, nor as having any power or authority to bind MNF or to incur any obligation of any nature, express or implied, on behalf of MNF.
- 6.3 Where an SQD Issue arises and the Customer seeks to exercise any rights to repair or replacement pursuant to the Consumer Rights Act, even where it is MNF who is deemed to be the trader for the purposes of the Consumer Rights Act, the Dealer is not authorised to offer a repair or replacement pursuant to any obligation owed by MNF to the Customer without MNF's express consent.

7 DATA PROTECTION

- 7.1. For the purposes of DPA Law it is the understanding of the Parties that the Dealer and MNF are each a Data Controller in respect of all such Personal Data as each may hold, and each will perform its obligations under the Dealer Terms of Business in such a way as to be compliant with DPA Law and so that it does not cause the other party to breach any of its applicable obligations under DPA Law.
- 7.2 The Dealer shall be responsible for ensuring that, prior to or as part of the submission of any Proposal to MNF, it will ensure that any relevant Data Subjects have been given the fair processing information required to be given in order that the Dealer may disclose that individual's Personal Data to MNF as part of that Proposal.
- 7.3 The Dealer shall in addition be responsible for ensuring that, prior to the submission of any Proposal to MNF, it will ensure that any relevant Data Subjects have been given the fair processing information required to be given in order that MNF may lawfully use, obtain and process that individual's Personal Data in the manner set out in the Dealer Terms of Business and/or the Data Policy, or as may otherwise be notified to the Broker by MN from time to time;
- 7.4 The fair processing information and/or consent wording (where appropriate) to be provided by the Dealer to any Applicant or other Data Subject, whether as part of any Application or otherwise, shall be in such form as may be notified to the Dealer by MNF from time to time. The current forms of information and wording are set out in the Data Notices which form part of the Data Policy
- 7.5 MNF may give notice at any time to amend the Data Policy and/or the Data Notices ; if it does so, the amended Data Policy and/or Data Notices will apply to all Applications submitted to MNF by the Dealer after such date as may be specified by MNF;
- 7.6 Each party will ensure that it has all necessary appropriate consents and notices in place to enable lawful processing, including transfer of the Personal Data to the other, for the duration and purposes of this Dealer Terms of Business .
- 7.7 The Dealer shall:
- 7.7.1 maintain a record of all of its DPA Law activities under or in connection with this Dealer Terms of Business ; and
 - 7.7.2 provide MNF with such information as MNF requests from time to time to enable MNF to satisfy itself that the Dealer is complying with its obligations under this clause 7;

8. TERMINATION

- 8.1. Either party may terminate this Dealer Terms of Business immediately, by either email or letter for any reason, at any time.
- 8.2. MNF may terminate this Dealer Terms of Business with immediate effect by notice to the Dealer if:
- 8.2.1. the Dealer is in breach of this Dealer Terms of Business and/or the MNF Rates and Terms Agreement;
 - 8.2.2. the Dealer:
 - 8.2.2.1. if he is an individual (or, if the Dealer is a partnership, any partner) who appears to be unable to pay his debts within the meaning of Section 268 of the Insolvency Act 1986 or presents, or has presented against him, a bankruptcy petition or a bankruptcy order is made against him; or
 - 8.2.2.2. if it is a company, which is deemed to be unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986, or calls a meeting for the purpose of passing a resolution to wind it up, or such a resolution is passed or the Dealer presents, or has presented against it, a petition for a winding up order, or presents or has presented against it a petition to appoint an administrator, or any steps are taken with a view to the appointment of an administrator, or has an administrative receiver or receiver appointed over all or any part of its business, undertaking, property or assets;
 - 8.2.2.3. if it is a partnership, is dissolved;
 - 8.2.3. the Dealer or any partner in the Dealer proposes a voluntary agreement, or has an interim order made against him, or any steps are taken or negotiations commenced by the Dealer or any creditor of the

Dealer with a view to proposing any composition, compromise or arrangement involving the Dealer or any of his creditors;

8.2.4. the Dealer has distress or execution levied on his assets which is not discharged within seven days of its being levied;

8.2.5. in MNF's reasonable opinion, the number of Customers who have defaulted on or cancelled Credit Agreements is unacceptable to MNF, to include where a Customer's complaint regarding any SQD Issue is not dealt with promptly or at all by the Dealer, or where the number of SQD Issues is higher than MNF would reasonably expect of a Dealer;

8.2.6. MNF reasonably believes that the Dealer's conduct of business might place at risk MNF's reputation or FCA authorisation or other authority to continue all or any part of MNF's business;

8.2.7. any authorisation required by law to operate the Dealer's business is withdrawn, revoked, suspended or otherwise invalidated, whether permanently or otherwise, unless by the passage of time where the licence is immediately renewed;

8.2.8. there is any direct or indirect change in the ownership or control of the Dealer;

8.2.9. there is, in MNF's opinion, a material adverse change in the financial or business position of the Dealer;

8.2.10. there is any material omission, mis-statement or misrepresentation by the Dealer in respect of this Dealer Terms of Business or the business introduced by the Dealer to MNF under it; or

8.2.11. any other reason that MNF consider to be detrimental to MNF's trading.

8.3. Termination of this Dealer Terms of Business shall not affect:

8.3.1. the rights and remedies of either the Dealer or MNF which have accrued up to the date of termination; or

8.3.2. the Dealer's obligation to fulfil his duties in respect of Credit Agreements (including, but not limited to, the repayment of commission and any bonus) which shall continue until the outstanding balance under the Credit Agreements have been repaid to MNF in full.

9. CONSEQUENCES OF BREACH

9.1. If the Dealer shall breach this Dealer Terms of Business, and the breach is capable of being remedied, MNF shall give the Dealer written notice requesting the Dealer to remedy the breach within 10 working days.

9.2. If the Dealer does not remedy the breach within 10 working days, MNF shall be entitled to exercise its right under clause 8.2 to terminate this Dealer Terms of Business.

9.3. If the Dealer's breach of this Dealer Terms of Business is irremediable, MNF shall be entitled to terminate this Dealer Terms of Business from the date of the breach.

9.4. MNF may but shall not be obliged to enter into Credit Agreements with Applicants already introduced to MNF by the Dealer. No commission or any bonus shall be payable by MNF to the Dealer in respect of any Credit Agreements executed by MNF after the date of termination:

9.4.1. the Dealer shall immediately pay to MNF (i) any and all sums due and payable to MNF as at the date of termination or expiry and (ii) any sums held by the Dealer that have as at the date of termination yet to be paid to the ~~Supplier~~supplier of the Motor Vehicle; and

9.4.2. the Dealer shall return to MNF all information, materials and documents supplied to it by MNF.

10. AUDIT

10.1. The Dealer shall keep true and accurate accounts and records of all matters connected with each Proposal submitted to MNF under these Dealer Terms of Business and shall allow MNF's representatives, professional advisers, or any employee or agent of a Regulator to have access to those accounts and records on reasonable notice at any time between 9.00 am and 5.30 pm on any Business Day (an "Audit").

10.2. The Dealer shall:

10.2.1. on a monthly basis, or more frequently on request by MNF, provide MNF with (i) access to each file relating to each Customer and (ii) copies of monthly bank account statements showing all credits to the

bank account into which all Advances are paid by MNF (allowing the taking of copies of such files and bank statements as MNF shall consider reasonable);

10.2.2. co-operate with any of MNF's representatives and those of any Regulator undertaking any audit or investigation into matters relating to business conducted pursuant to this Dealer Terms of Business; and

10.2.3. provide all reasonable facilities at the Dealer's premises to allow such audit or investigation (and procure the same in respect of each Supplier)-

10.3. The Parties shall bear their own costs and expenses incurred in respect of compliance with their obligations under this clause 10, unless the Audit identifies a breach by the Dealer or the supplier of the Motor Vehicle, in which case the Dealer shall reimburse MNF for all its reasonable costs incurred in the course of the Audit.

10.4. If an Audit identifies that:

10.4.1. the Dealer has failed to perform its obligations under this Dealer Terms of Business, then (without prejudice or limitation to any rights and remedies available to MNF in relation to such failure) MNF shall be entitled to terminate this Dealer Terms of Business pursuant to Clause 8.2.1 or require the Dealer to take all necessary steps to comply with its obligations at no additional cost to MNF; or

10.4.2. MNF has paid to the supplier of the Motor Vehicle or the Dealer any sums that were not properly due, the Dealer shall pay to MNF any amount overpaid, or shall issue a credit note (in respect of any such amount invoiced but not then paid), within seven (7) days from the date of receipt of notice from MNF to do so.

11. ANTI-BRIBERY

11.1. Each party to these Dealer Terms of Business shall:

11.1.1. comply with all Applicable Law relating to anti-bribery and anti-corruption including the Bribery Act 2010 (Relevant Requirements);

11.1.2. not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;

11.1.3. have and shall maintain in place throughout the term of this Dealer Terms of Business its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with the Relevant Requirements, and will enforce them where appropriate;

11.1.4. promptly report to the other party any request or demand for any undue financial or other advantage of any kind received by it in connection with the performance of this Agreement; and

11.1.5. upon request of the other party or any Regulator, certify to the other party in writing signed by an officer of it, compliance with this clause 11 by the supplier of the Motor Vehicle and all persons associated with it under clause 11.2, together with such supporting evidence of compliance as the other party may reasonably request.

11.2. Each party shall ensure that any person associated with it who is performing services in connection with this Dealer Terms of Business does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on it in this clause 11 (Relevant Terms). Each party shall be responsible for the observance and performance by such persons of the Relevant Terms, and shall be directly liable to the other party for any breach by such persons of any of the Relevant Terms.

11.3. Breach of this clause 11 shall entitle the non-breaching party to terminate this Dealer Terms of Business with immediate effect on notice as a material breach incapable of remedy pursuant to clause 8.2.

11.4. For the purpose of this clause 11, the meaning of adequate procedures and foreign public official and whether a person is associated with another person shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of that Act), sections 6(5) and 6(6) of that Act and section 8 of that Act respectively. For the purposes of this clause 12, a person associated with a party includes any subcontractor of that party.

12. SET OFF

- 12.1. The Dealer hereby acknowledges and agrees that MNF shall have the right to set off (i) any and all amounts owing (whether actually, contingently, prospectively, liquidated or unliquidated) by MNF to the Dealer under this Dealer Terms of Business against (ii) any sum due or owing (whether actually, contingently, prospectively, liquidated or unliquidated) to MNF by the Dealer.
- 12.2. The Dealer shall have no rights of set off against any sum due to it from MNF whether under this Dealer Terms of Business or otherwise.

13. GENERAL

- 13.1. The Dealer shall maintain in place all insurance policies required by, or which should properly be maintained in order to comply with Applicable Laws and any Regulator and shall make such policies available for inspection by MNF on request.
- 13.2. This Dealer Terms of Business:
- 13.2.1. supercedes and replaces all prior agreements, negotiations and discussions between MNF and the Dealer which relate to any Credit Agreement entered into by MNF after the date of this Dealer Terms of Business; and
- 13.2.2. can only be amended by an addendum in writing signed by an authorised representative of, or by, each party.
- 13.4. MNF may at any time assign or transfer all or any part of its rights and/or obligations under this Dealer Terms of Business to any third party. The Dealer shall not assign or transfer any of its rights or obligations under this Dealer Terms of Business.
- 13.5. MNF shall be entitled to communicate directly with the Customer and/or any third party, where appropriate with regards to all the circumstances.

14. DELINQUENCY & DEFAULT

- 14.1. The Dealer shall notify MNF immediately of any information that it becomes aware of indicating that a Customer may have difficulty in repaying monies due under a Credit Agreement or may default on his obligations under a Credit Agreement.
- 14.2. Interest shall be charged on any sums owing to MNF by the Dealer under this Dealer Terms of Business but not paid within 30 days of the due date for payment, at a rate of 4% above Finance House Base Rate from time to time.

15. NOTICES

- 15.1. Any notice served under this Dealer Terms of Business shall be in writing and may be served on the relevant party by personal delivery or by first class post or facsimile transmission at the address given or such party's last known business address and shall be deemed to have been served upon delivery if served by hand, or 72 hours after despatch of the same if delivered by first class post, or at 10am on the next business day following despatch if sent by facsimile transmission.
- 15.2. In providing service it shall be sufficient to show, in the case of a notice delivered by hand, that it was duly addressed and delivered by hand, in the case of a notice served by post that it was duly addressed, prepaid and posted in the manner set out above and in the case of a notice given by facsimile transmission, that it was dispatched in a legible form to the correct facsimile number.

16. JURISDICTION

This Dealer Terms of Business shall be governed by and construed in accordance with the laws of England and Wales. MNF and the Dealer shall submit to the exclusive jurisdiction of the courts of England and Wales in respect of any dispute arising in connection with this Dealer Terms of Business.

17. CONFIDENTIALITY

17.1. The Dealer shall not disclose to any person (except with the consent of MNF) any details of the arrangements set out in this Dealer Terms of Business nor the knowledge which the Dealer has derived of MNF's business practices by virtue of entering into this Dealer Terms of Business or any Credit Agreement, except where such disclosure is to the Dealer's professional advisers for the purpose of seeking legal advice on the Dealer's rights and obligations under this Dealer Terms of Business.

17.2. If MNF shall experience an event that shall require MNF's invocation procedure in respect of business continuity management disaster recovery to be followed, if deemed significant, MNF shall notify the Dealer, but the Dealer shall not communicate this information to any other person.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

18.1.1. The parties to this Dealer Terms of Business do not intend that any terms of this Dealer Terms of Business shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this Dealer Terms of Business.

18.1.2. Calls with MotoNovo Finance may be recorded and monitored for training and quality purposes.

SCHEDULE 1

Data Policy

1. Overview

- 1.1 The aim of this Policy is to provide a framework for the lawful disclosure of customers' personal data to, and use by, MNF in accordance with the terms of the Dealer Terms of Business .
- 1.2 Both MN and the Dealer will each be data controllers for the purposes of this Policy and agree to comply with their separate obligations under DPA Law.

2. Use of Customer data

- 2.1 MNF provides consumer credit finance to consumers in respect of the purchase of motor vehicles.
- 2.2 The Dealer provides brokerage services to consumers for the purposes of seeking and obtaining credit finance for the purchase of motor vehicles.
- 2.3 MNF require the disclosure of the personal data of Applicants and other Data Subjects for the following purposes:
 - 2.3.1 Credit Introducing – the Dealer will provide customer data to MNF for the purposes of introducing its customers to MNF as a potential provider of finance to the customer.
 - 2.3.2 Processing of Applications – MNF requires data from the Dealer and from third parties in respect of customers introduced by the Dealer in order to make a decision on offering finance to such potential customers, and for the purposes of processing any Application.
 - 2.3.3 Identity Checking – As part of the Application process MNF will need certain customer details from the Dealer and from third parties in order to confirm the identity of customers and potential customers.
 - 2.3.4 Account Processing and Administration – should an Application be successful, MNF and the Dealer will exchange data between them in order to arrange for the completion of the proposed finance agreement.
 - 2.3.5 Analytics – MNF requires transaction data from the Dealer in order to produce reports on transactions to enable customer research and sales analysis.
 - 2.3.6 Marketing – MNF requires data for on-going marketing purposes, where the Data Subject concerned has given consent.
 - 2.3.7 Research – MNF may use data provided by the Dealer for customer research.

3. Further disclosure by MNF

- 3.1 Personal Data controlled by MNF may be disclosed to:
 - 3.1.1 credit reference agencies;
 - 3.1.2 fraud prevention agencies;
 - 3.1.3 services providers for MNF, including:
 - 3.1.3.1 IT and hosting service providers;
 - 3.1.3.2 Securitisation Administrators for funding purposes;
 - 3.1.3.3 Insurance Providers in relation to suitable products;
 - 3.1.3.4 Anti-money laundering and anti-terrorist screening providers;
 - 3.1.3.5 Legal advisers;
 - 3.1.3.6 Auditors, regulatory bodies, accountants;
 - 3.1.3.7 Data profiling providers
 - 3.1.4 The Broker

4. Basis for data processing by MNF

Where a Customer's personal data is used for operational purposes, MNF will rely on legitimate interest (i.e. processing is necessary for the purposes of the legitimate interests pursued by MNF, and such processing will not prejudice the rights and freedoms or legitimate interests of data subjects) and/or fulfilment of contract (i.e. processing is necessary for the performance of a contract to which the data subject is a party, or in order to take steps at the request of a data subject prior to entering a contract) as the relevant ground for processing.

5. Data Notices

Whenever it is required under the terms of the Dealer Terms of Business to ensure that information is given to, or consents obtained from, a Data Subject, the Dealer will ensure that the Data Notices specified by MNF are provided to the Data Subject, complete and without amendment. The current versions of the Data Notices are attached to this Data Policy, but are subject to amendment in accordance with clause 7.5. Where appropriate, the Dealer may comply with this provision by ensuring that the Data Subject reads, and has confirmed that he/she has no queries regarding, the Data Notice that is displayed as part of the online system.