

PLATFORM TERMS: FACTORING TERMS AND CONDITIONS

Updated and Effective for Funding Requests Listed on Minterest Platform from 1 November 2021

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The Factoring Terms and Conditions will be incorporated by reference into the relevant Factoring Arrangement. The applicable final terms in relation to any Loan Arrangement will be specified in the Factoring Facility Agreement, which may specify other terms and conditions which will replace or modify the Factoring Terms and Conditions for the purposes of such Factoring Arrangement. The applicable Factoring Facility Agreement will be available on the Platform for inspection by the Participating Members of the relevant Factoring Arrangement.

PART I: FACTORING ARRANGEMENT BETWEEN THE CLIENT, PARTICIPATING MEMBERS AND MINTEREST

1. SUBMISSION OF FACTORING REQUEST

- 1.1. Once registered, a Client may submit a Factoring Request, in the prescribed manner, to Minterest to offer to sell Eligible Receivables which are owing to the Client from the Third Party Debtor in respect of goods or services supplied to the Third Party Debtor by the Client.
- 1.2. Every Factoring Request will be accompanied by:
 - (a) a copy of the relevant Invoice(s), which will be in standard commercial form containing the brief particulars of the goods sold or services rendered by the Client to the Third Party Debtor; and
 - (b) evidence of such delivery of goods or performance of services in respect of the Invoice(s).
- 1.3. Upon submission of a Factoring Request, the Client will engage in discussions with Minterest to mutually agree on the specific particulars of the Factoring Arrangement (the “**Factoring Particulars**”) including:
 - (a) Client Data;
 - (b) information in the Factoring Request;
 - (c) whether the Factoring Arrangement will be with or without recourse;
 - (d) the Purchase Price and the First Payment (where applicable);
 - (e) the Platform Fee, the Administration Fee, the Factoring Fee and the Agency Fee (where applicable);
 - (f) where applicable, the persons and/or entities required to execute the Short Form Repurchase Guarantee;
 - (g) the maximum period that the Factoring Request will remain open for Members to submit an Offer to Participate; and
 - (h) where applicable, the terms of the Factoring Facility Agreement.
- 1.4. The Client will further furnish such other documents as Minterest may request in its absolute discretion, including the relevant Contract.

2. POSTING OF FACTORING REQUESTS

- 2.1. Once the Factoring Particulars have been finalised, the Client will deliver to Minterest:
- (a) a copy of a resolution from its board of directors, or other governing body, in the prescribed form, duly certified by one of its directors or its managing partner, approving the Client's request for and acceptance of a Factoring Arrangement on such terms;
 - (b) the original Deed of Assignment, duly executed by the Client, in blank and undated, to be held by Minterest in escrow pending issuance of a Factoring Notification;
 - (c) the original Notice of Assignment, duly executed by the Client, in blank and undated, to be held by Minterest in escrow pending issuance of a Factoring Notification and in accordance with the terms of the Factoring Arrangement;
 - (d) where applicable, the original Deed of Guarantee, duly executed by the Guarantor, in blank and undated, to be held by Minterest in escrow pending issuance of a Factoring Notification and in accordance with the terms of the Factoring Arrangement;
 - (e) where applicable, the original Repurchase Guarantee, duly executed by the Client's shareholders and directors, in blank and undated, to be held by Minterest pending issuance of a Factoring Notification and in accordance with the terms of the Factoring Arrangement;
 - (f) where applicable, the original Factoring Facility Agreement, duly executed by the Client and other Obligors (if applicable); and
 - (g) such other documents as Minterest may request at its absolute discretion.
- 2.2. Upon receipt of all the relevant documents, Minterest will proceed to post the Factoring Request, based on the finalised Factoring Particulars, on the Platform.
- 2.3. All Clients acknowledge and agree that there is no assurance that the posting of any Factoring Request will result in a Factoring Arrangement.

3. VALIDITY OF FACTORING REQUESTS

- 3.1. Factoring Requests will remain open for Members to submit an Offer to Participate until the earlier occurrence of:
- (a) such time when the aggregate Member Commitment submitted match or equal the Purchase Price; and
 - (b) the expiry of the period prescribed for submissions; and
 - (c) if extended in accordance with Clause 3.2, at the expiry of the extended period.

(For ease of reference, each of (a) and (b) is an "Initial Submission Window"; and each (a), (b) and (c) is a "Submission Window".)

- 3.2. Before the expiry of the Initial Submission Window and at the Client's request to be submitted on the Platform, Minterest may, at its absolute discretion, extend such Initial Submission Window for 7 Business Days. The Initial Submission Window for each Loan Request may only be extended once.

4. WITHDRAWAL OF FACTORING REQUESTS

- 4.1. Once posted, a Factoring Request may not be withdrawn by the Client, except as expressly agreed otherwise with Minterest.
- 4.2. A Factoring Request will be deemed withdrawn immediately upon:
- (a) the occurrence of any Client Event of Default; or
 - (b) the expiry of the Submission Window, if the aggregate amount of Member Commitment submitted is less than the Purchase Price.

5. PARTICIPATION IN FACTORING REQUESTS

- 5.1. Members who wish to participate in a Factoring Request (the "**Interested Member**") must submit an Offer to Participate, in the prescribed form, within the Submission Window, specifying their intended participation amount (the "**Member Commitment**"), together with:
- (a) a general risk disclosure acknowledgement, in the form prescribed by the MAS; and
 - (b) a confirmation of no change to any of the information that was previously provided by the Interested Member in connection with the Knowledge or Experience Test or the Suitability Assessment Test.
- 5.2. All Member Commitments:
- (a) will comprise one or more multiples of the prescribed minimum investment amount;
 - (b) will be on a first-come-first-serve basis; and
 - (c) may not exceed the balance unfulfilled amount of the Purchase Price, as indicated on the Platform from time to time.
- 5.3. For the avoidance of doubt, the last Member to make an Offer to Participate immediately before the amount of the Purchase Price is fulfilled may have its Member Commitment reduced to an amount so that the aggregate of the Offers to Participate will not exceed the Purchase Price. Any subsequent Member Commitments received after the fulfilment of the Purchase Price will be made redundant.
- 5.4. Before submitting an Offer to Participate, each Interested Member must ensure that:
- (a) it has freely available funds (the "**Reserved Amount**") standing to its credit in the Escrow Account that are equal to or in excess of:
 - (i) ***in the case of a "Without Recourse" Factoring Arrangement***, its Member Commitment; or

- (ii) ***in the case of a “With Recourse” Factoring Arrangement***, X% of its Member Commitment, where $X\% = \text{First Payment} / \text{Purchase Price} \times 100\%$.

- 5.5. The Reserved Amount will be earmarked for potential payment to the Client and may not be withdrawn, except if the Offer to Participate is otherwise deemed to lapse in accordance with the Platform Terms.
- 5.6. In a ***“With Recourse” Factoring Arrangement***, the difference between the First Payment and Reserved Amount will only need to be funded by the Member when required.

6. LAPSE OF OFFER TO PARTICIPATE

- 6.1. An Offer to Participate will be deemed to lapse, without any further claims by any party, if the Factoring Request is withdrawn, or deemed withdrawn, in accordance with the Platform Terms.
- 6.2. Upon the lapse of an Offer to Participate, the Reserved Amount will (subject to any accrued claims Minterest may have in connection with the withdrawn Factoring Request) become available for further participation in Funding Requests or withdrawal by the Interested Member in accordance with the Platform Terms.

7. FACTORING NOTIFICATION

- 7.1. Contemporaneously when the aggregate Member Commitment submitted equals to the Purchase Price (the **“Confirmed Factoring”**), Minterest will issue a Factoring Notification to the Client, all Participating Members and the Escrow Agent.
- 7.2. When the Factoring Notification is issued, all of the followings will be effective as of the date of the Factoring Notification (where applicable):
- (a) the Factoring Arrangement between the Client and each Participating Member, in respect of its Member Participation;
 - (b) the Factoring Facility Agreement between the Client, Minterest (acting as the Facility Agent and the Security Agent as the case may be) and such other Obligors;
 - (c) the Risk Participation Arrangement between each Participating Member and the Risk Participant;
 - (d) the Security Agent Terms between each Participating Member and Minterest;
 - (e) the Security Documents (including, the Debenture, Deed of Guarantee and Repurchase Guarantee) granted in favour of Minterest as the Security Agent; and
 - (f) all the other terms and conditions entered into amongst the Client, each Participating Member and Minterest will be effective as of the date of the Loan Notification.
- 7.3. Following the date of the Factoring Notification, Minterest will provide all Participating Members with a copy of all the relevant transaction documents in connection with the Factoring Arrangement.

8. PAYMENT OF PURCHASE PRICE

8.1. **“Without Recourse” Factoring Arrangement.** Contemporaneously when the Factoring Notification is issued, the Escrow Agent will be authorised to release to the Client the Purchase Price (subject to any applicable bank transfer fees and after deducting fees (including, the Platform Fee, Administration Fee, Factoring Fee and Agency Fee plus any GST chargeable) and other payment payable to Minterest).

8.2. **“With Recourse” Factoring Arrangement.**

- (a) Contemporaneously when the Factoring Notification is issued, the Escrow Agent will be authorised to release:
 - (i) to the Client the First Payment (subject to any applicable bank transfer fees and after deducting fees (including, the Platform Fee and Administration Fee plus any GST chargeable) and other payment payable to Minterest); and
 - (ii) to Minterest the Platform Fee, Administration Fee, Agency Fee and other amount payable (including, any GST payable).
- (b) Subject to and upon receipt of all the Purchased Receivables in the Collection Account, Minterest will release, subject to any applicable bank transfer fees:
 - (i) 15% of the Factoring Fee to Minterest;
 - (ii) the Balance Purchase Price less the Factoring Fee (including, any GST) to the Client; and
 - (iii) the remaining funds to the Participating Members.
- (c) Where the Client has been appointed as the Collecting Agent, the Client may forward the sum of First Payment and Factoring Fee directly into the bank account as designated by Minterest. For avoidance of doubt, any amounts owing from the Participating Members to the Client in relation to Clause 8.2(b)(ii) above will be deemed fully paid once the Client forwards the sum of First Payment and Factoring Fee on or before the original maturity date.
- (d) Upon the expiry of 60 days after the maturity of the Invoice(s), if any of the Purchased Receivables are not received in the Collection Account, Minterest may, at its absolute discretion, elect to require the Client to repurchase the Purchased Receivables or release, subject to any applicable bank transfer fees, the funds in receipt in the following manner:
 - (i) If the funds in receipt are less than or equal to the First Payment, Minterest may release such funds to the Participating Members.
 - (ii) If the funds in receipt are more than the First Payment but less than the sum of the First Payment and the Factoring Fee, Minterest may release:
 - (1) funds amounting to the First Payment to the Participating Members;
 - (2) 15% of the remaining funds to Minterest; and

- (3) the remaining funds to the Participating Members.
 - (iii) If the funds in receipt are more than the sum of the First Payment and the Factoring Fee, Minterest may release:
 - (1) funds amounting to the sum of the First Payment and 85% of the Factoring Fee to the Participating Members; and
 - (2) funds amounting to 15% of the Factoring Fee to Minterest.
 - (e) No funds will be released to the Client until and unless the Purchased Receivables have been fully received in the Collection Account.
- 8.3. **Condition precedent.** The Client's right to receive the Purchase Price will be subject to the satisfaction of:
 - (a) the Client's obligation to pay the Platform Fee, Administration Fee, Factoring Fee, Agency Fee and any other payments to be made by the Client under the Factoring Arrangement; and
 - (b) such other conditions to be stipulated in the Factoring Facility Agreement for the Factoring Arrangement.
- 8.4. **Set-off.** The Participating Members will be entitled to set off any sum payable by the Client to the Participating Members under the Factoring Arrangement against the Purchase Price for that Factoring Arrangement.

9. ASSIGNMENT

- 9.1. Upon issuance of a Factoring Notification, the Client will be deemed to have unconditionally, irrevocably and absolutely (and not by way of charge) assigned all of its rights, title, interest and benefits in and to the Purchased Receivables to Minterest (as the Security Agent for the Participating Members) and Minterest will hold such assigned rights, title, interest and benefits in and to the Purchased Receivables on trust for the Participating Members on a *pari passu* basis (i.e. rank equally) in proportionate to the Participating Members' respective Member Commitment.

10. NOTICE OF ASSIGNMENT AND ACKNOWLEDGEMENT

- 10.1. If the Factoring Arrangement is with notification (i.e. the Third Party Debtor is made aware of the Factoring Arrangement), Minterest will upon the issuance of the Factoring Notification:
 - (a) insert the date of the Factoring Notification on the Notice of Assignment and deliver the dated Notice of Assignment to the relevant Third Party Debtor; and
 - (b) provide the Client and all Participating Members with a copy of the Notice of Assignment delivered to the Third Party Debtor.
- 10.2. Once the Notice of Assignment has been delivered to the relevant Third Party Debtor, the Client will use its best endeavours to procure that Minterest receives an acknowledgement from the Third Party Debtor.

11. COLLECTION OF PURCHASED RECEIVABLES

- 11.1. The Participating Members appoint the Client as its Collecting Agent for the collection of the Purchased Receivables. The Client accepts such appointment and agrees to perform all necessary and appropriate commercial collection activities in procuring the timely payment of the Purchased Receivables by the Third Party Debtor.
- 11.2. The Client will:
- (a) procure that the payment of the Purchased Receivables by the Third Party Debtor will be remitted to the Collection Account (which can be an account maintained by Minterest or, if agreed by Minterest, an account maintained by the Client);
 - (b) ensure that the Third Party Debtor makes payment of the Purchased Receivables with reference to the Invoice so that such payment can be earmarked; and
 - (c) segregate any Purchased Receivables received by the Client, hold such sums on trust for the benefit of the Participating Members; and
 - (d) promptly and within 3 Business Days of such receipt transfer the proceeds to the Collection Account.
- 11.3. For the avoidance of doubt, the Client must not use any proceeds received from the Third Party Obligor arising from the Purchased Receivables for any other purpose, except for the transfer to the Collection Account. A Client Event of Default will be deemed to have occurred if any of the proceeds is used by the Client for any other purpose.

12. RECOURSE

- 12.1. In the case of a “With Recourse” Factoring Arrangement:
- (a) the Client will guarantee the Third Party Debtor’s performance of its payment obligations in accordance with the terms of the Invoice and, where applicable, the Contract; and
 - (b) the Client will repurchase, upon the occurrence of any Recourse Event and on demand by Minterest, the Purchased Receivables at the Repurchase Price in accordance with Clause 12.2.
- 12.2. In the event of a repurchase under Clause 12.1(b):
- (a) the Client will promptly (and within 3 Business Days from Minterest’s written demand (the “**Due Date**”)) pay into the Collection Account the Repurchase Price, or such sum determined by Minterest after setting off the Balance Purchase Price and any Purchased Receivables received from the Third Party Debtor against the Repurchase Price (the “**Repurchase Settlement Amount**”);
 - (b) Minterest will be deemed to have reassigned the repurchased Purchased Receivables to the Client upon receipt in the Collection Account of the Repurchase Price or the Repurchase Settlement Amount; and

- (c) Minterest will execute such documents and instruments as may be necessary to give effect to the reassignment of the repurchased Purchased Receivables; and
 - (d) the Client will reimburse Minterest on a full indemnity basis for all costs and losses (including legal fees) incurred in connection with the reassignment.
- 12.3. If the Client fails to pay the Repurchase Price or the Repurchase Settlement Amount (each the “**Outstanding Sum**”) by the Due Date in accordance with Clause 12.2(a), the Client will be in default and interest will accrue on the Outstanding Sum at 4% per month calculated on a 365 days basis from the Due Date until the Outstanding Sum and all accrued interest are received in the Collection Account.
- 12.4. For the avoidance of doubt, time is of the essence in respect of the Client’s obligation to pay the Outstanding Sum and any interest accrued on such Outstanding Sum. In addition, the Client will pay to Minterest a fee in the amount equal to the higher of (a) 3% of the Outstanding Sum and (b) S\$25,000 and this fee will be applied towards defraying Minterest’s administrative costs in connection with the Client’s default.

13. RETURN OF MONEYS TO THE CLIENT

- 13.1. Minterest will hold on trust for the benefit of the Client any sums received or recovered from the Third Party Debtor in respect of:
- (a) any Purchased Receivables already repurchased by the Client; or
 - (b) any Receivables not already purchased by the Participating Members,
- and will return such sums to the Client on demand by the Client.

14. NO ASSUMPTION OF OBLIGATIONS

- 14.1. Nothing in the Factoring Terms and Conditions will result in the assumption by the Participating Members, Minterest and Escrow Agent of any obligation of the Client or any other person in connection with the Contract, the Purchased Receivables and any other agreement or instrument relating to the commercial arrangement between the Client and the relevant Third Party Debtor.

15. REPRESENTATIONS AND WARRANTIES

- 15.1. The Client makes the following representations and warranties to the Participating Members, Minterest and Escrow Agent (in addition to all and any other representations and warranties by the Client in the other Platform Terms).
- 15.2. **Status.** It is duly incorporated, registered and validly existing under the laws of its place of incorporation and registration and has the power and all necessary governmental and other consents, approvals, licences and authorities under any applicable jurisdiction to own its assets and carry on its business.
- 15.3. **Power and authority.** It has the power and authority to enter into the Factoring Arrangement on the Factoring Terms and Conditions and (where applicable) has taken all necessary action to authorise its entry into the Factoring Arrangement on the Factoring Terms and Conditions.

- 15.4. **Binding obligations.** The obligations expressed to be assumed by the Client under the Factoring Terms and Conditions in relation to the Factoring Arrangement are legal, valid, binding and enforceable obligations of the Client.
- 15.5. **No conflict.** The entry into and performance by it of the Factoring Arrangement on the Factoring Terms and Conditions do not and will not conflict with:
- (a) any law or regulation applicable to the Client;
 - (b) where the Client is a company, its articles of association or other constitutional documents;
 - (c) where the Client is a limited liability partnership, its limited liability partnership agreement; and
 - (d) any agreement or instrument binding upon Client or any of the Client's assets.
- 15.6. **Compliance.** The Client is in compliance in all material respects with the laws and regulations applicable to it in the countries in which it carries on its business in respect of each Contract.
- 15.7. **No filing or stamp taxes.** Under the law of the jurisdiction of incorporation or establishment of the Client, it is not necessary that the any document relating to the Factoring Arrangement be filed, recorded or registered with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Factoring Arrangement or any related documents. If the filing or stamp taxes are required, the Client will file, record and register all such documents with such court or other authority and pay all stamp, registration or similar tax as may be necessary to give effect to the Factoring Arrangement.
- 15.8. **No Recourse Event.** No Recourse Event has occurred and is continuing or may reasonably be expected to result from the Client's entry into and performance of the Factoring Arrangement.
- 15.9. **No immunity.** Neither the Client nor any of its assets is entitled to immunity from suit, execution, attachment or other legal process and in any proceedings taken in any jurisdiction in relation to the Factoring Arrangement. It will not be entitled to claim immunity for itself or any of its assets arising from suit, execution or other legal process.
- 15.10. **No proceedings.** To the best of the Client's knowledge and belief, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been started or threatened against it.
- 15.11. **No winding-up.** No meeting has been convened for the winding-up of the Client or for the appointment of a receiver, trustee, judicial manager, administrator, administrative receiver, compulsory manager or other similar officer of the Client or any of its assets, no such step is intended by the Client, and in so far as it is aware, no petition, application or the like is outstanding for its winding-up or for the appointment of a receiver, trustee, judicial manager, administrator, administrative receiver, compulsory manager or other similar office of the Client, or any of its assets;

- 15.12. **No misleading information.** All information, including Factoring Particulars, provided by the Client or on its behalf in connection with the Factoring Arrangement are true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.
- 15.13. **Contract.** The Contract:
- (a) was entered into at arm's length;
 - (b) is legal, valid, binding and enforceable against each of the parties to the Contract; and
 - (c) the Client has not waived, modified or altered any terms of the Contract that relate to the Purchased Receivables.
- 15.14. **Purchased Receivables.**
- (a) The Purchased Receivables are Eligible Receivables.
 - (b) The assignment of the Purchased Receivables is not prohibited, whether by law or by contract.
 - (c) The Invoice in connection with the Purchased Receivables has not been paid and the Client has not and will not obtain any other financing pertaining to the underlying transaction from any other party.
 - (d) No credit note or waiver has been made or will be made in respect of the Purchased Receivables.
- 15.15. Each of the representations and warranties contained in the Factoring Terms and Conditions will survive and continue to have full force and effect. The Client represents and warrants to the Participating Members, Minterest and Escrow Agent that such representations and warranties will be true and correct and fully observed as if each is repeated on each day with reference to the circumstances then existing until the Factoring Arrangement is terminated in accordance with the Factoring Terms and Conditions.
- 16. UNDERTAKINGS**
- 16.1. The undertakings in this Clause 16 will remain in force until the Factoring Arrangement is terminated in accordance with the Factoring Terms and Conditions.
- 16.2. **Negative pledge.** The Client will not create or permit to arise or subsist any encumbrance over any of the Purchased Receivables.
- 16.3. **Invoice.** The Client will not vary, amend, supplement or otherwise modify the terms or provisions of any Invoice.
- 16.4. **Preservation of Purchased Receivables.** The Client will not:
- (a) agree with the Third Party Debtor to extend the due date for payment of the Purchased Receivables;
 - (b) extend, amend or modify the terms of the Invoice (or any terms of the Contract) which will extend the due date for payment of the Purchased Receivables;
 - (c) compromise or reduce the amount of the Purchased Receivables; or
 - (d) do, or omit to do, anything which enables the Third Party Debtor to deny payment of all or any of the Purchased Receivables for any reason whatsoever, or to make the

Third Party Debtor entitled to any right of set-off, counterclaim, deduction, withholding or defence to the full payment of the Purchased Receivables.

- 16.5. **Performance of Contract.** The Client will perform, comply with and fulfil all and any of its undertakings or obligations under the Contract and use its best endeavours to procure the Third Party Debtor's performance of all and any of the Third Party Debtor's undertakings and obligations under the Contract.
- 16.6. **No interference.** The Client will not in any manner deal, compromise or interfere with the Participating Members' rights, title, interest and benefits in and to the Purchased Receivables.
- 16.7. **Assistance.** The Client will, at Minterest's request:
- (a) take all reasonable steps, actions and proceedings as may be necessary, in its own name, to:
 - (i) prevent or minimise any losses caused by any actual or potential payment default by the Third Party Debtor;
 - (ii) recover the Purchased Receivables; and
 - (iii) protect the Participating Members' rights, title, interest and benefits in and to the Purchased Receivables;
 - (b) provide all reasonable assistance to Minterest in any administrative action or judicial proceedings which Minterest deems necessary for the purposes of protecting, exercising and enforcing the Participating Members' rights, title, interest and benefits in and to the Purchased Receivables; and
 - (c) cooperate with Minterest and undertake all such actions as Minterest may require in the event of the Third Party Debtor's payment default in respect of the Purchased Receivables.
- 16.8. **Collection of Purchased Receivables.** The Client will comply with its obligations to collect the Purchased Receivables and:
- (a) give appropriate instructions to the Third Party Debtor to ensure that all and any payment by the Third Party Debtor in respect of the Purchased Receivables are made in accordance with the Factoring Terms and Conditions;
 - (b) notify Minterest immediately following the occurrence of:
 - (i) any Recourse Event;
 - (ii) any delay on the part of the Third Party Debtor in relation to the payment of any Purchased Receivables;
 - (iii) the Client's failure to procure the Third Party Debtor's cooperation to ensure compliance with the Platform Terms;

- (iv) any fact or circumstance which may have an adverse effect on the ability of the Third Party Debtor to make payment of the Purchased Receivables;
- (v) any fact or circumstance which may affect the Client's ability to perform the Contract or, as the case may be, the Factoring Arrangement;
- (vi) the commencement of any moratorium or other proceedings relating to the payment of any Purchased Receivables; and
- (vii) any fact or circumstance which is likely to affect the full and timely receipt of payment of any Purchased Receivables in accordance with the Factoring Terms and Conditions.

16.9. **Information and documents.** The Client will, with 5 Business Days of Minterest's request, provide Minterest with all information and documents so requested in connection with the Factoring Arrangement.

17. CONCLUSIVE EVIDENCE

17.1. For the avoidance of doubt and in the absence of manifest error, Minterest's notification to the Client and the Participating Members of the sums owing to and owed by the Client and the Participating Members will be final and conclusive.

PART II: MINTEREST ACTING AS FACILITY AGENT

18. CLIENT'S INSTRUCTIONS

18.1. The Client acknowledges and agrees that Minterest may and Minterest agrees to act as Facility Agent on the Client's instructions given or purportedly given by the Client or any of the Client's authorised persons by email, by fax or in any other mode or manner in connection with the Factoring Arrangement.

18.2. The Client will notify Minterest promptly in writing of any change in:

- (a) the authorised persons;
- (b) the authorised manner of signing;
- (c) the signature requirements; and
- (d) the Client's address or other relevant particulars including the Client's shareholders, partners, directors, constitution and partnership agreement, where applicable.

18.3. In consideration of Minterest accepting and acting on instructions given by the Client by email, by fax or in any other mode or manner, the Client agrees:

- (a) not to dispute any instruction or communication so given;
- (b) acknowledge and accept the risks of given such instructions (including the risk of fraud, forgery, delay and misunderstanding, and the risk that the information transmitted may not be secure);

- (c) not to hold Minterest liable in the event that any instruction is delayed, intercepted, lost and/or failed to be received during delivery, transmission or dispatch or if the content of such instruction is disclosed to any third party during transit; and
- (d) indemnify and hold harmless Minterest (on a full indemnity basis) from and against all actions, proceedings, liabilities, losses, damage, claims, demands and expenses (including legal fees) which Minterest may incur as a result of acting as Facility Agent on the Client's instructions or purported instructions in accordance with the Factoring Facility Agreement or such other agreement entered into by the Client.

19. COMMUNICATIONS

19.1. Notices and Communications to the Client.

- (a) Notices and communications to the Client will be sent in the mode and manner Minterest deems appropriate to the last known address, fax number, mobile phone number or email in Minterest's records. Minterest may also notify and communicate with the Client electronically via the Platform.
- (b) Minterest's notices and communications to the Client will be effective:
 - (i) if sent by post to an address within Singapore, the following business day after posting;
 - (ii) if sent by post to an address outside Singapore, three business days after posting;
 - (iii) if sent by fax, email or SMS, at the time of transmission;
 - (iv) if sent by hand, at the time of delivery; and
 - (v) if posted on the Platform, on the date of posting.
- (c) Minterest will not be responsible for what may happen to notices and communications after they are sent, including if such notice or communication is delayed, intercepted, lost or otherwise fails to reach the Client, or is disclosed to any one during transit.

19.2. Notices and Communications to Minterest. The Client's notices and communications to Minterest will be effective when actually received by Minterest in a legible form.

19.3. For the avoidance of doubt, this Clause 19 is applicable only when Minterest is acting in its capacity as Facility Agent for and on behalf of the Client under the Factoring Facility Agreement. Any other notices or other communications required or permitted to be provided in relation to Factoring Arrangements entered or to be entered into will be delivered in accordance with the Platform Terms.

20. AGENCY FEE

- 20.1. In consideration of the services rendered by Minterest as Facility Agent under the Factoring Facility Agreement, the Client agrees to pay the Agency Fee to Minterest.
- 20.2. Following the issuance of a Factoring Notification, the Escrow Agent will be authorised and will proceed to release the Agency Fee to Minterest, and to deduct the Agency Fee from the Purchase Price (for “Without Recourse” Factoring Arrangements) or the First Payment (for “With Recourse” Factoring Arrangements) before releasing the Purchase Price or the First Payment to the Client.

21. MINTEREST’S DUTIES AND STANDARD OF CARE

- 21.1. Minterest will not be obliged to submit a Factoring Request via the Platform unless and until the Client has complied with all the requisite provisions of the Platform Terms relating to the submission of Factoring Requests.
- 21.2. Nothing in the Factoring Facility Agreement is intended to deviate from or will be construed as deviating from the Platform Terms in requiring Minterest to post any Factoring Requests submitted by Minterest for and of behalf of the Client.
- 21.3. Minterest will not owe or have, by reason of the Factoring Facility Agreement, any fiduciary relationship to or in respect of the Client.
- 21.4. Minterest will not have any duties or responsibilities to the Client, except those as expressly set out under the Factoring Facility Agreement and no implied covenants, functions, responsibilities, duties, obligations or liabilities will be read into the Factoring Facility Agreement, or otherwise exist against Minterest.
- 21.5. In performing its duties and obligations, Minterest will act in good faith and with such degree of care as an ordinary prudent person in a like position would use under similar circumstances.
- 21.6. Minterest may exercise or otherwise enforce any of its rights, powers, privileges, remedies and interests or perform any of its duties and obligations under the Factoring Facility Agreement and applicable law by or through its officers, employees, attorneys or agents.
- 21.7. Minterest will be entitled to rely upon any notice, consent, certificate, affidavit, statement, paper, document, writing or communication, verbal or written, reasonably believed by it to be genuine and to have been signed, sent or made by the proper person or persons, and upon the opinions and advice of its own legal counsel and other experts selected by Minterest, as may reasonably be required for the proper discharge of its duties and obligations

22. TERMINATION

- 22.1. The Factoring Facility Agreement may be terminated by agreement in writing and on such terms as Minterest and the Client may agree.

23. EXCLUSION OF LIABILITY

- 23.1. Minterest will have no obligation to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the Factoring Facility Agreement.

- 23.2. Minterest and its officers, employees, attorneys and agents (each, an “**Exculpated Person**”), will not incur any liability whatsoever for the holding or delivery of documents or the taking of any other action in accordance with the terms and provisions of the Factoring Facility Agreement, for any mistakes or error in judgment, for compliance with any applicable law or any attachment, order or other directive of any court or other authority (irrespective of any conflicting term or provision of the Factoring Facility Agreement), or for any act or omission of any other person engaged by Minterest in connection with the Factoring Facility Agreement. This exclusion of liability will not apply in the case where such liability is caused by fraud or wilful misconduct of the Exculpated Person.
- 23.3. The Client waives any and all claims and actions whatsoever against the Exculpated Persons, arising out of or related directly or indirectly to any or all of the foregoing acts, omissions and circumstances.
- 23.4. Minterest will in no event be responsible or liable for any special, indirect or consequential loss or damage of any kind whatsoever (including loss of profit) irrespective of whether Minterest has been advised of the likelihood of such loss or damage and regardless of the form of action.

PART IV: REPURCHASE GUARANTEE AND CLIENT GUARANTEE TERMS

24. REPURCHASE GUARANTEE

- 24.1. In consideration of the Participating Members’ provision of the Factoring Arrangements to the Client, the Guarantor unconditionally and irrevocably:
- (a) guarantees the due and full performance by the Client of the Guaranteed Obligation pursuant to the terms of the Contract and for the payment to the Financing Parties of amounts collected from the Third Party Obligor if the Client is collecting the proceeds into the Client’s bank account on behalf of the Participating Members;
 - (b) guarantees and ensures that the Client does not apply the proceeds received from the Third Party Obligor for any purpose, other than to pay the Security Agent, acting on behalf of the Participating Members and other Financing Parties (if any); and
 - (c) agrees as a separate undertaking to be liable as principal and primary debtor (in so far as practicable) to the Financing Parties for the performance of the Guaranteed Obligation.
- 24.2. The Guarantor waives any right it may have of first requiring the Security Agent (or any of the Financing Parties) to proceed against or enforce any guarantee or security of or claim payment from the Client or any other person before calling upon the Repurchase Guarantee.

25. CLIENT GUARANTEE

- 25.1. In consideration of the Participating Members’ provision of the Factoring Arrangements to the Client, the Client unconditionally and irrevocably:

- (a) guarantees the due and full performance by the Third Party Debtor of the Guaranteed Obligation in accordance with the terms of the Invoice and, where applicable, the Contract; and
 - (b) agrees as a separate undertaking to be liable as principal and primary debtor (in so far as practicable) to the Financing Parties for the performance of the Guaranteed Obligation.
- 25.2. The Client waives any right that it may have of first requiring the Security Agent (or any of the Financing Parties) to proceed against or enforce any guarantee or security of or claim payment from the Client or any other person before demanding payment.

26. CONTINUING GUARANTEE

26.1. Each of:

- (a) the Repurchase Guarantee is a continuing guarantee of the Guarantor; and
- (b) the Client Guarantee is a continuing guarantee of the Client,

and will not be considered as satisfied or discharged by any intermediate performance or discharge of part of the Guaranteed Obligation or any other matter or thing whatsoever including the insolvency, liquidation or administration of the Client or the Third Party Debtor and will be binding until the whole of the Guaranteed Obligation has been unconditionally and irrevocably performed and discharged in full.

26.2. Neither the Repurchase Guarantee nor the Client Guarantee will be abrogated, released, affected, diminished or discharged by:

- (a) the Participating Member granting to the Guarantor or the Client any forbearance, concession, indulgence or waiver, whether past, present or in future, in respect of any obligation or liability under the Factoring Arrangement or any agreement or document entered or to be entered into in connection with the Factoring Arrangement;
- (b) any change, including variations and amendments, to any Platform Terms;
- (c) the occurrence of any termination event under the Platform Terms or any Participating Member ceasing to be a Member;
- (d) any transfer or assignment of any rights under the Platform Terms;
- (e) any failure of, or defect in, any agreement given by or on behalf of the Client or the Guarantor in respect of the Client's indebtedness in respect of the Purchased Receivables (the "**Indebtedness**") nor by any legal limitation of the Client or the Guarantor or lack of any authority of any person appearing to be acting for the Client or the Guarantor in any matter in respect of the Indebtedness or by any other fact or circumstances (whether known or not to the Client or the Guarantor) as a result of which the Guaranteed Obligation may be rendered illegal, void or unenforceable by Minterest (as factoring agent for the Participating Members); or

- (f) any reconstruction, re-organisation, merger, amalgamation, sale, transfer or other material change in the structure or financial condition of the Client or the Guarantor, as the case may be.

PART IV: DEFINITIONS

27. DEFINITIONS

Terms defined or incorporated by reference in the Platform Terms will, unless otherwise defined, have the same meanings when used in the Factoring Terms and Conditions. In addition:

Agency Fee	means the fee payable to Minterest by the Client in consideration for Minterest acting as agent for and on behalf of the Client on the terms of the Facility Agreement, at such rate to be agreed between the Client and Minterest.
Additional Administration Fee	means the additional administration fee to be paid by the Client to Minterest in the event: <ul style="list-style-type: none">(a) that the Purchased Receivables are not fully collected and paid into the Collection Account on or before the Maturity Date, computed at S\$500 per week or part thereof, up to S\$3,500; and(b) of a repurchase, 6% of the Purchase Price or S\$6,000, whichever is higher.
Administration Fee	means the administration fee to be paid to Minterest in such amount to be agreed between Minterest and the Client.
Balance Purchase Price	means the Purchase Price less the First Payment.
Client Guarantee	Means the Client Guarantee set out in Clause 25 above.
Collection Account	means the account maintained by Minterest or another account designated by Minterest into which the Purchased Receivables are to be paid.
Confirmed Factoring	has meaning given to is in Clause 7.1 above.
Contract	means the contract between the Client and the Third Party Debtor giving rise to the Eligible Receivables.
Deed of Assignment	means a deed of assignment executed and delivered by the Client in favour of Minterest as the Security Agent in respect of the Purchased Receivables.
Eligible Receivables	means Receivables owing by the Third Party Debtor to the Client under a Contract and satisfying all of the following criteria: <ul style="list-style-type: none">(a) the goods related to it will have been shipped or delivered and the services related to it will have been performed

and such Receivable will have been billed to such Third Party Debtor;

- (b) the Invoice under which that Receivable arises is valid, genuine and undisputed and represents the actual and genuine sale of goods or services in the ordinary course of business of the Client;
- (c) it does not contravene any applicable law, rule or regulation and the Client is not in violation of any law, rule or regulation in connection with it, in each case which in any way renders such Receivable unenforceable or would otherwise impair in any respect of the collectability of such Receivable;
- (d) the Client has legal and beneficial title to the Receivables without any restriction or limitation;
- (e) the Receivables are freely assignable or where:
- (f) there is any restriction on assignment, such restriction has been waived;
- (g) any approval or consent is required for the assignment, such approval or consent has been obtained;
- (h) the Receivables are free from encumbrances or any other adverse claims of any nature; and
- (i) there is an invoice evidencing such Receivables, which will have a credit term which is acceptable to Minterest in its absolute discretion.

Factoring Fee

means the fee to be retained by the Participating Members in consideration for their entry into the Factoring Arrangement, calculated as follows:

For “Without Recourse” Factoring Arrangements:

Factoring Fee = Purchase Price x FF%

For “With Recourse” Factoring Arrangements:

Factoring Fee = First Payment x (W/X) x FF%

where:

FF%: rate to be agreed between Minterest and the Client

W: the number of months or part thereof from and including the date of the Factoring Notification to and including the Maturity Date or the date of

receipt of payment of the Purchased Receivables
(whichever is later)

X: 12 months

Factoring Notification	means the notification to be issued by Minterest to the Client, all Participating Members and the Escrow Agent upon the aggregate of Member Commitment is in the amount equal to the Purchased Price.
Financing Parties	means in respect of a Factoring Arrangement, the Participating Members, Minterest acting as the Security Agent and the Facility Agent (where applicable).
First Payment	means the payment to be made in accordance with Clause 8.2(a)(i) in such amount to be agreed between Minterest and the Client.
GST	means goods and services tax at the prevailing rate, payable pursuant to the Goods and Services Tax Act (Chapter 117A) of Singapore.
Guarantee	means any and all of the: <ul style="list-style-type: none">(a) Deed of Guarantee (incorporating the Guarantee Terms) granted by the Client's shareholders or directors; and(b) Repurchase Guarantee; and(c) Client Guarantee, in favour of Minterest as the Security Agent (acting for the Financing Parties).
Guaranteed Amount	means all the amount owing (including, the Purchased Receivables, Repurchase Price, interest any applicable interest, late interest, late fees, costs and expenses accrued up to the date of payment) as set out in the Factoring Facility Agreement which is or may at any time become due and payable by the Client to the Financing Parties.
Guarantor	means in respect of a Factoring Arrangement the person and entity who grant the Guarantee in favour of Minterest as the Security Agent.
Invoice	means the invoice giving rise to and evidencing the Eligible Receivables.
Maturity Date	means the maturity date of the Purchased Receivables.
Member Commitment	means Interested Members' participation amount.

Minterest	means Minterest Private Limited.
Notice of Assignment	means a notice of assignment to be given to the Third Party Obligor by the Client in respect of the Deed of Assignment.
Purchase Price	means the purchase price at which the Participating Members purchase the Purchased Receivables from the Client.
Purchased Receivables	means the Eligible Receivables or any part thereof offered by the Client and accepted by the Participating Members in accordance with the Factoring Terms and Conditions.
Receivable	means the indebtedness and payment obligations (including, obligations evidenced by an account, note, instrument, contract, security agreement or other evidence of indebtedness) of the Third Party Debtor to the Borrower, arising from the sale of goods or services by the Borrower. For the avoidance of doubt, it includes the indebtedness and payment obligations as may be evidenced by any invoice issued as a re-invoicing or substitute invoicing of the original invoice relating to the same payment obligations and the right to payment of any interest, sales tax, goods and services tax, value added tax or similar tax, finance charges, returned cheque or late charges and other obligations of such Third Party Debtor.
Recourse Event	means the occurrence of one or more of the following: <ul style="list-style-type: none">(a) the Invoice, the Contract and the Purchased Receivables become illegal or unenforceable against the Client or the Third Party Debtor;(b) any dispute under the Invoice and the Contract relating to the Purchased Receivables, including assertions by the Third Party Debtor that the Client failed to perform the Contract in accordance with its terms;(c) the Client sells, assigns or otherwise disposes of or creates any encumbrance over, or attempts to sell, assign or otherwise dispose of or create any encumbrance over, any Purchased Receivables to any person other than in accordance with the Factoring Terms and Conditions;(d) the Client grants to the Third Party Debtor any set-off, credit adjustment, allowance, discount or any other similar indulgence in relation to the Purchased Receivables such that the resulting amount owing from the Third Party Debtor is reduced;(e) the Client instructs the Third Party Debtor to make payment of any Purchased Receivables into any account

other than in accordance with the Factoring Terms and Conditions;

- (f) the Third Party Debtor refuses, neglects or otherwise fails to pay the Purchased Receivables in full into the Collection Account, for any reason whatsoever, for more than 60 days after the maturity date of the relevant Invoice;
- (g) the Client receives the proceeds of the Purchased Receivables from the Third Party Obligor and does not transfer the said proceeds into the Collection Account;
- (h) the Third Party Obligor has made a partial payment on the Invoice and does not intend to make the balance payment stipulated in the Invoice within ten (10) days of the Maturity Date or the day the partial payment is made, whichever is the later; and
- (i) Client Event of Default.

Repurchase Price	means the sum of the Purchase Price and the Additional Administration Fee and Factoring Fee.
Repurchase Guarantee	means the repurchase guarantee set out under Clause 24 above.
Repurchase Guaranteed Obligation	means the Client's obligation to repurchase the Purchased Receivables in accordance with the Factoring Terms and Conditions, including to pay into the Collection Account the Guaranteed Amount and any amounts collected by the Client in respect of the Purchased Receivables.
Reserved Amount	has the meaning ascribed to it in Clause 5.3.
Security Document	means (where applicable) each and all of the Guarantee, Deed of Assignment, Debenture and such other security document as Minterest may require the Client to execute and deliver from time to time.
Submission Window	has the meaning ascribed to it in Clause 4.1(b).
Third Party Debtor	means the party to whom the Client had delivered goods or rendered services pursuant to the Contract, and from whom the Eligible Receivables are owing.
"With Recourse" Factoring Arrangement	means a factoring arrangement provided to the Client where the Client will be required to repurchase the Invoices that remain unfulfilled or uncollected from the Third Party Debtor.
"Without Recourse" Factoring Arrangement	means a factoring arrangement provided to the Client where once the Eligible Receivables are purchased, the recourse will

depend on the due settlement by the Third Party Debtor in accordance with the Invoice and the Client will not be required to repurchase such Invoice.