

38. EXPORT DEBT MODULE

In addition to all other terms of your debt purchase facility with us, the following provisions shall apply to Export Debts:

- 38.1. You hereby warrant and undertake that if you create an Export Debt that you will Notify that Debt as if it were a Non-Compliant Debt. We may treat any Export Debt in the same way as a Non-Compliant Debt.
- 38.2. When you Notify an Export Debt you will be treated as giving additional warranties to us in respect of it that:
- payment of that Debt will be legally enforceable against the Debtor to whom and in the country the invoice is addressed;
 - the Debtor has all authorities, licenses and permits necessary to lawfully purchase and import the Goods and to pay for them in the United Kingdom or the country referred to in the relevant invoice, by their due date for payment either to you or, following a notice of sale, to us;
 - the exportation of the Goods and the payment by the Debtor for such Goods does not breach the laws of or any sanctions imposed by the United Kingdom, the country in which the Debtor is located or any other country or territory.
- 38.3. We may require you at any time to deliver to us and not to the Debtor, the original (and any copies that we may require) of each invoice, credit note, bill of lading, airway bill, customs form, commercial and consular invoice, certificate of origin, insurance document, bill of exchange (drawn to our order and/or blank endorsed), draft or negotiable instrument, and all and any such other documents as we may require for the enforcement of our rights in relation

to any Export Debt. Upon receipt we shall forward them at your expense to the Debtor (or such other persons or organisations as are appropriate).

- 38.4. We may, in our sole discretion:
- pay the Purchase Price (and/or any Advance) in the currency in which the Export Debt is expressed, or Sterling;
 - if we receive funds from any Debtor on account of an Export Debt in a currency other than Sterling, convert such monies to Sterling;
 - for the purpose of calculating the Repurchase Price of an Export Debt expressed in a currency other than Sterling, convert the Notified Value of that Debt to Sterling;
 - for the purpose of calculating the Discount, Administration Charge, Beyond Reassignment Charge or other fees and charges (if any) in respect of an Export Debt expressed in a currency other than Sterling (for calculation purposes only) convert the Notified Value of the Export Debt to Sterling; and
 - whenever we shall be required to convert currency for any of the purposes in subconditions (a) to (d) above (or to calculate a Sterling or other currency equivalent) we shall undertake such conversion at the spot rate of exchange as our bankers (from time to time) may offer us at the appropriate time.
- 38.5. We may, without reference to you, debit all bank charges, fees and commissions incurred in any currency conversion, together with any resulting exchange rate losses, to your Current Account. Where the cost of the same is not immediately ascertainable, we may make a reasonable estimate thereof and make the appropriate adjustment to your Current Account when the actual cost is known by us.

- 38.6. Any disagreement as to the conversion and costs of conversion shall be conclusively determined by a certificate issued in accordance with condition 10.2 of the General Conditions Module forming part of this Agreement.
- 38.7. We may in our sole discretion establish an Export Limit. All of our rights and remedies in respect of any breach by you of a Funding Limit shall apply mutatis mutandis to any breach of any Export Limit.
- 38.8. Without prejudice to conditions 21.6 and 21.7 of the Debt Purchase Module, we may classify any Export Debt as Disapproved if it exceeds (in whole or in part) any Export Concentration Percentage.