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intelligent lending

**The Amicus Loans:**  
Information Brochure



## The Amicus Loans: Disclaimer

**This disclaimer is important and requires your immediate attention.**

This document (the "Brochure" or "Document") constitutes the basis upon which you may make a loan offer to Amicus Finance plc ("Amicus") which Amicus may accept ("Amicus Loans" or "Loans") on the terms and conditions set out in this Document.

You should not make an offer to lend to Amicus as set out in this Document except on the basis of the information published in this Document and the key commercial terms as set out on page 25.

Your attention is particularly drawn to the "Risk Factors" which are set out on pages 22, 23 and 24 of this Document. You should consider carefully whether Amicus Loans is a suitable financial commitment for you to make in the light of your personal circumstances. Amicus Loans will become a secured debt of Amicus but may not be a suitable financial commitment for all recipients of this Document. Your Capital is at risk.

Making a loan of this nature involves a degree of risk. It may not be possible to sell or realise the Amicus Loans before they mature or to obtain reliable information about the risks to which they are exposed.

Amicus Loans will be a debt of Amicus secured over all of its assets under a debenture constituting a fixed and floating charge. However, there can be no certainty or guarantee that any realisation of such assets through the enforcement of such security will be sufficient to enable Amicus to repay the Loans or Amicus's liabilities thereunder.

This Document, which is a financial promotion for the purposes of Section 21 of the Financial Services and Markets Act 2000 ("FSMA"), is issued by **Amicus**, which accepts responsibility for the information contained herein. This Document has been approved as a financial promotion for UK publication by Crowdstacker Limited of 154-160 Fleet Street, London, EC4A 2DQ, which is authorised and regulated by the Financial Conduct Authority to conduct investment business. Crowdstacker is registered on the Financial Conduct Authority's Register with registered number 648742.

This Document does not constitute a prospectus to which the Prospectus Rules of the Financial Conduct Authority apply. Therefore, this Document and the Loan have not been approved by the Financial Conduct Authority or any other regulatory body, and does not give rise to any rights to claim compensation under the Financial Services Compensation Scheme.

You should ensure that you have read and understood this Document in its entirety before agreeing to offer to Amicus the Loans. If you are in any doubt as to the contents of this Document, or whether making the Loans is a suitable financial commitment for you, you should seek your own independent advice from an appropriately qualified adviser authorised under the Financial Services and Markets Act 2000 and who specialises in advising on loans, financial commitments and other such debt instruments.

This Document does not constitute an offer to make a loan or other financial commitment or the solicitation of an offer to make a loan or other financial commitment in any jurisdiction in which such offer or solicitation is unlawful. The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

Communications sent by you to the Custodian shall be treated as delivered to it on the day of actual receipt by the Custodian. All documents, payments or electronic information and communications sent by, to or from you or on your behalf will be sent entirely at your own risk.



## The Amicus Loans: Definitions

<b>Definition</b>	<b>Description</b>
<b>Amicus</b>	Amicus Finance plc
<b>Loans</b>	The Loans to be made under Loan Contracts following acceptance by Amicus
<b>Brochure or Document</b>	This document
<b>Crowdstacker</b>	Crowdstacker Limited, an electronic lending platform that is authorised and regulated by the FCA
<b>Custodian</b>	Reyker Securities plc
<b>Debenture</b>	A debt that constitutes a fixed and floating charge secured over all of the assets of Amicus
<b>FCA</b>	Financial Conduct Authority
<b>Key Commercial Terms</b>	The key commercial terms set out in this Document page 25
<b>Lenders</b>	All those individuals who enter into Loan Contracts with Amicus
<b>Loan T&amp;C's</b>	The loan terms and conditions set out in this Document
<b>Loan Contracts</b>	The loan contracts consisting of the Loan T&Cs and the Key Commercial Terms between Lenders and Amicus
<b>Security</b>	The Debenture
<b>Security Trustee</b>	Crowdstacker Corporate Services or such other person as is appointed as trustee under the Security Trust Deed
<b>Security Trustee Deed</b>	The deed by which the Security Trustee holds the Security for the benefit of Lenders



## The Amicus Loans: Contents



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## The Amicus Loans: A word from our CEO

### Thanks for taking a closer look...

Here at Amicus we offer short-term property loans, known in our industry as bridging to hundreds of UK landlords, developers and property professionals, helping them to finance purchases and/or refurbishment of residential and commercial property.



Over the past 6 years, we have lent over £500 million to our customers in more than 1,000 separate loans, all backed by property. This is an achievement by anyone's standards.

We have put together a management team with well over 100 years' combined experience in lending and have built our business on a reputation of providing dependable, quick decisions by specialist underwriters. In recognition of our teams' outstanding performance we are proud to have been awarded the Bridging Lender of the Year 2015 at the Bridging and Commercial Awards.

We now want to offer you the ability to share in our success. You can lend to Amicus and receive a 5.43% per annum return over 18 months. Your money will enable us to continue to do what we do best while offering you a market beating return.

Our commitment to you is that we will protect your money as we do our own. The core of our business relies on making the right lending decisions and making sure we get back the money we lend.

**Out of 1,015 loans, we have only lost money on 11 loans, which accounts for less than 0.15% of capital lent out.**

We aim to protect your money by securing it against all the assets of Amicus, and using your money to make loans secured against our customers' property.

This Information Brochure – by necessity a detailed read – will explain in more detail what we are offering and I hope you will see why we are excited by the next chapter in our company's future and why this could be a great opportunity for you.

**John Jenkins, CEO**



## The Amicus Loans: Summary

### Amicus

Amicus are property finance specialists who lend short-term to developers, landlords, and property professionals to enable them to finance purchases and/or refurbishment of residential and commercial property.

Our focus is on helping our customers to act quickly by reaching financing decisions promptly. We can do this because we are short-term lending experts and understand the property market.

The foundation of our business is assessing credit risk. Since we began in 2009 we have made more than 1,000 loans totalling over £500 million where only 11 loans have defaulted representing less than 0.15% of capital lent out.

We take security over all the property that we lend against and personal guarantees from directors when we lend to companies.

### The Loan

Lend from £1,000 and receive 5.43% per annum paid quarterly over 18 months. We are seeking to raise £5 million which will be used by us to make loans to our customers.

**5.43%**  
per annum  
over an 18  
month term.



## Amicus - The Market Opportunity

Demand for UK short-term lending in the property market has grown from around £1.4 billion in 2013 to an estimated £3 billion annually this is a 100% increase over 2 years.<sup>1</sup> Historically, this demand was met primarily by traditional banks, supported by alternative lenders.

Many traditional banks have shifted their focus to building capital reserves and have tightened their underwriting requirements for short-term lending. Where traditional banks remain in this market, the loan approval process is generally slow and bureaucratic so those who require speed and certainty of execution are turning to the alternative lending markets to source short-term finance.

Specialist alternative lenders like Amicus have a streamlined lending process and are able to reach decisions within days, enabling customers to proceed quickly with their property purchases, taking advantage of opportunities in the property market.



The UK short-term mortgage market has grown to an estimated **£3 billion** annually.<sup>1</sup>



## **Amicus - Who we are and what we do**

Amicus operate in the property-lending sector and provide short-term loans to our customers, who use their short-term loans typically to acquire buy-to-let properties, or for development and refurbishment projects.

Once the property has been acquired or refurbished and the owner has sufficient time, the owner will normally either refinance with a long-term mortgage or sell the property.



### **Key facts**

**Geographical coverage - around 40 discrete brokerage relationships across the UK;**

**Quality control – we seek to continuously educate our brokers about acceptable risk profiles and the characteristics of desired business;**

**We actively engage with two short-term lending professional bodies in the UK;**

**The Association of Short-term Lenders (ASTL); and The Association of Bridging Professionals (AOBP);**

**We are also a patron of the National Association of Commercial Financial Brokers (NACFB).**





## Amicus – Finding our customers

### How do we find our customers?

We have our own network of around 40 specialist brokers, developed over many years, that source the majority of our customers. To keep our brokers up-to-date with the evolving market and the characteristics of desired business including acceptable risk profiles, we continually engage and work closely with them. As a member of the National Association of Commercial Financial Brokers (NACFB) we build relationships and strengthen our ties with brokers.

In addition to our broker network, leads are generated through referrals from service providers and repeat business from existing borrowers.

### Assessing the risks of each loan we make

At the heart of our short-term lending business is thorough credit risk assessment of the potential customer and the underlying property. Strict adherence to strong risk management protocols during the loan application and risk assessment process is key to Amicus's lending approach.

**The core components are:**

#### 1 Security Verification

- We maintain a panel of reputable independent property valuers.
- All properties offered as security are valued by a panel valuer.
- Additional internal due diligence is conducted by Amicus's credit risk team to verify external valuations (i.e. desktop valuations), and where relevant and appropriate, loans in excess of £1 million require independent audit valuation.
- Loans to companies require personal guarantees from one or more directors.
- All loans have full recourse to the individual borrower or the individual behind the company.

#### 2 Credit & Property Due Diligence

- We maintain a panel of approved independent solicitors to prepare all loan documents.
- We conduct a face-to-face meeting with every customer to discuss the loan, the property opportunity and the intended exit strategy.
- We undertake our own credit checks (using Equifax), AML checks (via Veriphy) and fraud checks (using SIRA) on customers.
- Approved solicitors prepare a report on title of the property and ensure the security is being properly implemented.
- Experienced underwriters assess the borrower, the security and the proposed exit of the loan.

#### 3 Credit Committee Approval

- The Credit Committee reviews the due diligence and risk assessment reports prepared by the credit risk team for material transactions and must give approval before any loan is funded.



## Amicus – Our Loan Portfolio

Once the credit risk team have approved the loan and our solicitors have completed the property due diligence and security arrangements, the customer may draw down the loan.

Our loan portfolio is made up of 90% residential properties and 10% commercial properties with 60% located in London or the South East and 40% in other regional areas. On average loans are repaid in around 8.5 months and we typically lend between £50,000 and £5 million.

### Typical loan characteristics are:

- Maximum loan to value (LTV) of the property is strictly defined and does not exceed 70% of the open market value of the property.
- Loan durations range from 6 – 18 months.
- All loans are “asset backed” – secured by way of either a first or second legal charge against the property.
- We take personal guarantees from one or more directors and/or shareholders where we lend to companies.





## Amicus – Monitoring our Loans

### Loan monitoring is essential to identify and rectify potential problems promptly.

- Our servicing team is responsible for on-going monitoring of the loan and the customer. They also confirm that all special conditions if applicable have been satisfied.
- During the early stages of each loan we conduct formal reviews.
- For each loan, contact is initiated periodically with the customer to check that there are no problems with repayment and to ascertain the timing of the exit.

### Loan Recovery

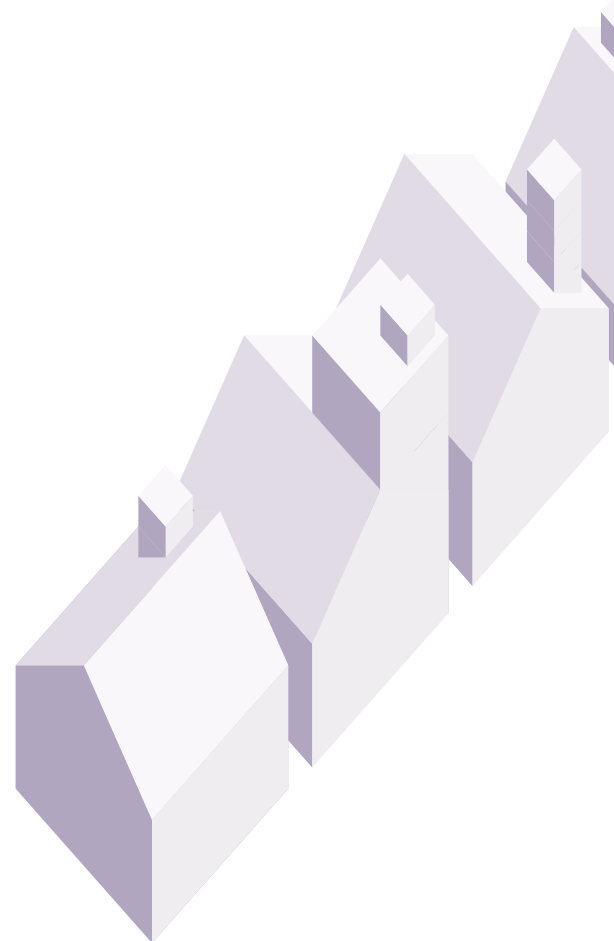
The majority of loans repay on time or even early. If a loan is not repaid on time, the Risk Committee convenes to discuss the most appropriate of the three options available.

#### The options are:

**1** Extend the loan: the loan is extended for an agreed period to give the customer more time to sell or refinance the property, - a higher rate of interest is sometimes charged.

**2** Renew the loan: customer pays all interest and fees due at the repayment date, and the fees incurred in renewing the loan on the same terms (valuation, legal, and underwriting due diligence costs).

**3** Call in the loan: Where it is not appropriate to extend or renew the loan, we enforce the security and this results in a sale of the customer's property. We avoid having to take such steps wherever possible, but have extensive expertise and experience to do so where necessary.





## The Amicus Loans: Who's behind Amicus?

Amicus was set up in 2009 by Keith Aldridge with seed capital support from a successful hedge fund investment manager Steve Clark. The business has grown steadily, now enjoying a 12.5% share of this fast growing market with over £240m advanced annually.



### John Jenkins

John is an experienced CEO. He joined Amicus in 2014 after 8 years as CEO of GE Capital in the UK. He has spent his career in specialist commercial lending, with experience of asset and equipment finance, factoring and invoice discounting, specialist leasing and fleet finance, aircraft, healthcare and distribution finance. He looks after business development, and ensures that the business runs smoothly.



### Keith Aldridge

Keith is the Managing Director and public face of Amicus having founded Capital Bridging Finance Limited (now known as Amicus) in 2009.

He has over 20 years' experience in financial services, both as a broker and a lender. Respected for his natural ability to forge successful business relationships, he prides himself on being very approachable, and on the end of his phone 24/7.



### James Weaver

James serves as the COO of Amicus, and General Counsel to the Omni Partners LLP group. Prior to joining the group in 2011, James spent six years at international law firm Pinsent Masons representing UK and international clients in commercial disputes. James focuses on legal, compliance, risk and operations, ensuring that there are robust processes in all areas of the business.



### John Ryan

Before John joined Amicus in early 2012, he spent 10 years at Merrill Lynch / BAML, including a 5-year spell as Head of Finance for their UK, non-conforming mortgage platforms. As CFO, John ensures that we operate within a robust internal control framework, and are adequately funded and transparently reported. He oversees the execution of our strategic vision in a controlled and sustainable manner.



## The Amicus Loans: Your loan to Amicus

The Key Commercial Terms set out the main financial terms, parties and security that forms part of your loan to Amicus. You need to familiarise yourself with these Key Commercial Terms, the Loan terms and conditions and the Lender Terms & Conditions which can be found on the Crowdstacker website. [www.crowdstacker.com](http://www.crowdstacker.com).

Amicus draws your attention to the following key terms:

- Target raise of £5 million
- Minimum raise of £500,000
- Interest rate of 5.43% per annum paid quarterly
- Minimum loan amount £1,000
- Term of 18 months

The Loan can be held in:

- a Small Self-Administered Scheme ('SSAS')
- a Self-Invested Personal Pension ('SIPP')
- A new Innovative Finance Individual Savings Account from April 2016

### So what could you be earning over the next 18 months?

Loan amount	Total interest per annum	Total interest quarterly	Total interest over 18 months
<b>£1,500.00</b>	<b>£81.45</b>	<b>£20.36</b>	<b>£122.18</b>
<b>£5,000.00</b>	<b>£271.50</b>	<b>£67.88</b>	<b>£407.25</b>
<b>£10,000.00</b>	<b>£543.00</b>	<b>£135.75</b>	<b>£814.50</b>
<b>£50,000.00</b>	<b>£2,715.00</b>	<b>£678.75</b>	<b>£4,072.50</b>
<b>£100,000.00</b>	<b>£5,430.00</b>	<b>£1,357.50</b>	<b>£8,145.00</b>



## The Amicus Loans: Security - Double Protection

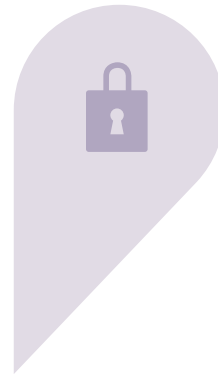
Amicus aims to protect the money you lend to us because we are in the business of lending and protecting our own money.

We are specialists at managing risk, but if the unforeseen happens, we have put in place measures to provide you with two levels of security.



### First Level of Security:

- Amicus gives the Security Trustee on your behalf a first ranking charge over all our assets and business (known as a debenture) as security for your loan. These assets include our loan receivables valued at £30 million as of 4<sup>th</sup> of September 2015.



### Second Level of Security:

- We use your money to lend to our customers so that they can finance their purchases and/or refurbishment of property. We take a first or second charge (mortgage) over that property to secure the loan that we make where we only lend up to 70% of the value of that property.

**We aim to protect your money** by securing it against the assets of Amicus, and using your money to make loans secured against our customers' property.



## The Amicus Loans: Crowdstacker

Crowdstacker Limited is an electronic lending platform that is authorised and regulated by the FCA.

We are different from other platforms. Our goal is to save you time by filtering through the many opportunities out there, leaving you with what we consider to be the best.

We achieve this through our carefully designed selection process. We carry out bespoke, independent due diligence on each potential company. We reject many along the way. We negotiate additional levels of protection for our lenders' and organise the documentation so that it is easy to understand the benefits and risks of each opportunity. Our due diligence includes three key steps. Only the best investment opportunities will make it to the third. The three key steps are:

**1.** Pre-screening. This initial assessment includes:

**1.a** Verification - confirming the identity of the potential company and its directors, including checking for County Court Judgements, directors that have been disqualified and other red flags, as well as Anti

Money Laundering checks performed in line with Financial Action Task Force (FATF) guidelines.

**1.b** Automated credit analysis - using a credit scoring model to provide an initial assessment of credit worthiness. The model is one used by the majority of credit insurers and claims to predict around 70% of the defaults in the next 12 months.

**2.** In depth analysis. This uses 'Big 4' accountancy best practices and is performed by a commercial lawyer and chartered accountants with experience of analysing companies of all sizes. This includes:

**2.a** Financial health – an assessment of current and projected financial performance and position. Management and statutory accounts, cash flows, business plans, repayment strategy and existing debt are all considered.

**2.b** Management team – we meet senior management teams at their premises and assess the quality of the team and its operations.

**2.c** Loan structure and conditions– a recommendation is made regarding the loan structure and associated conditions to protect investors.

**3.** Credit committee - our committee is responsible for reviewing all level 2 reports and approving each new business proposal.

Once a loan is approved, we work with the company to produce informative documentation that outlines the key benefits and key risks for the loan.

We also co-ordinate with the Custodian over the payment of interest and the return of investors' capital at the end of the loan. Crowdstacker also acts as Security Trustee. This gives us the authority to take action if we become aware of any issues that could your investment at risk.

### The Custodian Reyker Securities Plc, first established in 1983, acts as the Custodian.

The Custodian holds in a "client" bank account all monies originally received from lenders, like you, which are protected under the Financial Services Compensation Scheme ('FSCS') until the relevant Commencement Date for the Loans as set out in the Key Commercial Terms.

Following the relevant closing date, the Custodian transfers the full amount of the Loans to Amicus. If the Loans do not complete, the Custodian will return your money to you.

Finally the Custodian is also responsible for the payment of interest to you once it has received payment from Amicus.

Reyker Securities Plc is authorised and regulated by the Financial Conduct Authority (frm.115308). It provides a unique and extensive range of bespoke services to banks and financial institutions, including safe custody and discretionary wealth management services. Reyker Securities Plc is a member of the London Stock Exchange and Euroclear.



## The Amicus Loans: Financials

Your loan will be secured on the assets of Amicus, totalling **over £30 million.**

### Profit and Loss

	Period Ended 31st October 2014	Period Ended 31st December 2013
<b>Turnover</b>	£9,420,710	£9,392,517
<b>Gross Profit</b>	£3,364,467	£2,480,780
<b>Operating Profit</b>	£690,084	£1,085,690
<b>Net Profit</b>	£514,975	£830,698

### Balance Sheet

	Period Ended 31st October 2014	Period Ended 31st December 2013
<b>Fixed Assets</b>	£227,660	£135,080
<b>Current Assets</b>	£34,707,277	£30,674,765
<b>Current Liabilities</b>	£32,526,830	£28,909,378
<b>Deferred Tax</b>	£11,703	£19,036
<b>Net Assets</b>	£2,396,404	£1,881,431
<b>Shareholder's Funds</b>	£2,396,404	£1,881,431





## The Amicus Loan: Two minute FAQs

We are more than happy to answer any questions you may have.

If your question is not covered by the FAQs below, please contact us on [info@crowdstacker.com](mailto:info@crowdstacker.com).



### What return can I expect?

You will receive 5.43% gross per annum.

### How often will interest be paid?

Your interest will be paid quarterly.

### How much can I lend?

The minimum amount you can lend is £1,000.

### When do the Amicus Loans mature?

The Amicus Loans are for an 18 month fixed term. On maturity, you are entitled to the return of the original Loan in full.

### What about Pensions?

You can hold Amicus Loans within a Small Self-Administered Scheme (SSAS) or a Self-Invested Personal Pension (SIPP).

### What about ISAs?

From April 2016 you may be able to transfer what you lend into a new type of ISA called an Innovative Finance ISA.

### What is the fundraising target?

£5,000,000. The Loans will be allocated on a 'first come, first served' basis, with a maximum target of £10,000,000.

### What is the minimum raise?

£500,000.

### What happens if the minimum is not achieved?

The Custodian will return your money to you in full.

**How will your investment be used?** Investments will be used to make loans to property owners, with each loan secured via a first or second charge against property.

### Who is the Borrower?

Amicus Finance plc.

### What is Crowdstacker?

Crowdstacker is a peer to peer lending platform authorised and regulated by the FCA. We match companies such as Amicus Finance plc that are seeking to raise finance with lenders.

### Is Crowdstacker covered by the Financial Services Compensation Scheme?

Lending through the Crowdstacker platform is not covered by the Financial Services Compensation Scheme.

### What happens if Crowdstacker goes out of business?

In the unlikely event that Crowdstacker goes out of business, your Loan would be administered by the Custodian and you would continue to receive interest payments until maturity when your capital will be repaid.

### What is the Custodian?

The Custodian is an independent party that will primarily hold your money in a segregated client account during the loan offer period, covered by the Financial Services Compensation Scheme, and organises the payment of interest. If the Custodian becomes insolvent, the funds held are covered by the Financial Services Compensation Scheme up to £50,000.

### What security do I have if Amicus becomes insolvent?

Please refer to page 14 above.





## The Amicus Loans: Case Studies

Our loan portfolio is made up of 90% residential properties and 10% commercial properties with 60% located in London or the South East and 40% in other regional areas.

On average, loans are repaid in around 8.5 months and we typically lend between £50,000 and £5 million.

**Case Study 1** **19**  
Greater London development

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**Case Study 2** **20**  
London development

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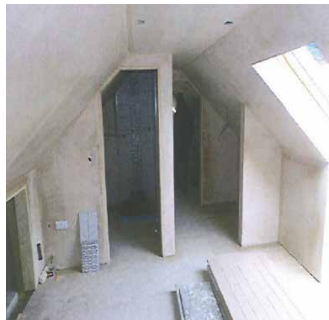




## The Amicus Loan: Case Study

Constructive Approach Ltd is a family run building company based in Essex specialising in new builds and conversions for home owners and developers. They have a strong track record and reputation for delivering high quality work in a timely manner across the Saffron Walden area and further afield. The purpose of this loan was to purchase a plot of land with planning for a 5 bedroomed detached house. The area has strong demand for such property which supports our clients exit strategy to sell on completion.

**Positive commentary from our surveyor in terms of local demand. Strong valuation with a low LTV. Strong track record in delivering similar projects on time and to budget**



A strong relationship was built as Amicus worked to speedily deliver a short term funding solution to enable build and completion supporting Constructive Approach's positive track record.

Client name

**Constructive Approach Limited**

Application type

**Development residential**

Value Before Work

**£325,000**

Loan size

**£195,000**

Value - after works

**£825,000**

% LTV

**60% (net) day 1**

Location

**Essex**



## The Amicus Loan: Case Study

Seán Mc Grath is passionate about this project and has carried out extensive development work funding it personally to date. To ensure he is able to complete the final fit out, Amicus has been working closely with Mr Mc Grath to facilitate the required funding. Our loan is secured against a semi-detached freehold building consisting of ground floor retail and 6 residential above. The property is a few minutes' walk from Archway tube station in Zone 2, an area with strong rental appetite.

**Good security**  
**Location undergoing regeneration**  
**Passion of developer**  
**Quality of works carried out to date**



The development works increased the value of the property generating strong rental income



Client name  
**Seán Mc Grath**

Application type  
**Residential**

Value before works  
**£1,300,000**

Loan size  
**£910,000**

Value after works  
**£2,855,000**

% LTV  
**70% (net)**

Location  
**London**  
**N19 5HE**



# The Amicus Loans: Legals

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## The Amicus Loans: Risk Factors

In addition to the other relevant information set out in this Information Brochure, the following specific risk factors should be considered carefully when evaluating whether to make a loan to Amicus. If you are in any doubt about the contents of this Brochure or the action you should take, you are strongly recommended to consult a professional adviser who specialises in advising on loans, financial commitments and other such debt instruments.

The directors of Amicus (the "Directors") believe the following risks to be significant for potential lenders. The risks listed, however, do not necessarily comprise all those associated with Amicus Loans and are not intended to be presented in any assumed order or priority. In particular, Amicus's performance may be affected by changes in legal, regulatory and tax requirements as well as overall global financial conditions.

### **PARTICULAR COMPANY RELATED RISKS**

Not protected by the Financial Services Compensation Scheme  
**Risk -** As with stocks and bonds, Amicus Loans are not protected by the Financial Services Compensation Scheme against loss.

**Risk -** No assurances can be given as to the future performance of Amicus and whether Amicus will continue to achieve its business objectives. Prospective lenders should be aware when considering the prior performance, that past performance is not necessarily indicative of future results, and there can be no guarantee that Amicus will remain profitable. Performance depends on many factors including the value of the assets, market conditions, any related costs, the timing and management of the disposition, all of which may change over time.

**Mitigation –** Since its inception in 2009, Amicus Finance plc has underwritten more than 1,000 loans with a total value of £500 million. Over this period principal has been lost on 11 loans representing less than 0.15% of the total funds lent out. Amicus has been awarded Bridging Lender of the Year 2015 at the Bridging and Commercial Awards held on 11 June 2015.

### **Management Risk -**

Lenders will not have the opportunity to evaluate fully for themselves relevant economic, financial and other information regarding Amicus, and will be dependent on the judgment and abilities of Amicus's management. There is no assurance that Amicus's management will not make mistakes or take the best course of action in all the circumstances. Accordingly, no

person should lend to Amicus unless it is willing to entrust all aspects of the conduct of the business of Amicus to the Directors, and senior management. Lenders do not have any right to participate in the day-to-day management of Amicus or business decisions. Additionally funds advanced to Amicus are at risk of employee or management misappropriation.

**Mitigation –** The Directors of Amicus are experienced professionals with over 100 years in the finance industry, working for top tier banks and advisory firms. Amicus has been awarded Bridging Lender of the Year 2015 at the Bridging and Commercial Awards held on 11 June 2015

**Risk Factors  
continued  
next page.**



## The Amicus Loan: Risk Factors (2)

**Illiquid asset Risk** - The Loans are not available for sale on any market so the loans are an illiquid asset. There is a risk that Lenders will not be able to dispose of their loans to third parties. Therefore it may not be possible to sell or realise Amicus Loans until they are repaid by Amicus when the Loans mature.

**Mitigation** - Crowdstacker will endeavour to make available a facility on its platform that gives Lenders the ability to sell their Loans to other members of the Crowdstacker community. However, there is no certainty or guarantee that Lenders will find willing buyers for the Loans at a price that Lenders will find acceptable, and Lenders may suffer a loss on a disposal of their Loans.

### No certainty that Lenders will be repaid at maturity:

**Risk** - If Amicus were to become insolvent, there is a risk that (a) the Amicus Loans will not be repaid in full, and (b) some or all of the interest due on the Amicus Loans will not be paid. There is no certainty or guarantee that any realisation of assets or the debenture security will be sufficient to enable Amicus or, as the case may be the Security Trustee, to repay the Amicus Loans or Amicus's liabilities thereunder.

**Mitigation** - Amicus Loans are a debt of Amicus secured over all of its assets and undertakings. Amicus lends responsibly up to a maximum of 70% loan to value on origination of the loan.

### Property owner is unable to repay the principal

**Risk** - The property owner is unable to repay to Amicus its loan on maturity because it has not been able to sell the property or refinance its loan.

**Mitigation** - In the event that the property owner is working towards a viable exit of the property, penalty interest is charged during the period of default. However, holding a first or second charge on the property enables Amicus to appoint solicitors and/or receivers in order to repossess the property offered as security where this is necessary.

### Inaccurate valuations

**Risk** - sale or refinancing of property doesn't realise sufficient funds to repay the principal.

**Mitigation** - In order to protect against negligent valuations, Amicus maintains a panel of experienced valuers who must have adequate professional indemnity insurance to provide valuations.

Furthermore, adequate security backing is taken, with lending capped at a maximum of 70% of the property value. The principal has been lost on 11 loans representing less than 0.15% of the total funds lent out during the last 6 years.

### Increase in UK interest rates

**Risk** - An increase in UK interest rates may result in a fall in UK house prices, increasing the risk that if the charged property must be sold or refinanced, the funds realised are not sufficient to repay the principal.

**Mitigation** - The risk is mitigated due to the short duration of the loans underwritten (6 - 18 months).

**Risk Factors continued next page.**



## The Amicus Loan: Risk Factors (3)

**Insurance Risk** – The business and its assets will be subject to damage and loss by the usual insurable risks of fire, theft and climatic events and by uninsurable risks such as loss of profit due to fall in demand or poor management or third party competition and there is no certainty that Amicus will not suffer loss and damage by such risks from time to time.

**Mitigation** - Amicus where economically practicable and available, endeavour to mitigate insurable business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable, or the policy provisions and exclusions may render a particular claim by Amicus outside the scope of the insurance cover.

### GENERAL RISKS

Macro-economic risks and changes in the general economic outlook, both in the UK and globally, may impact the performance of Amicus and the property market.

Such changes may include (but are not limited to):

Contractions in the UK economy or increases in the rate of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);

Property market fluctuations that will affect market prices for properties;

New or increased government taxes, duties or changes in taxation laws; and

A prolonged and significant downturn in general economic conditions may have a material adverse impact on Amicus's trading and financial performance.

### Summary

The above risk factors are not exhaustive and they do not purport to be a complete explanation of all the risks and significant considerations involved in lending to Amicus. Accordingly, and as noted above, additional risks and uncertainties not presently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on Amicus's business and prospects.

Amicus Loans may not be a suitable investment for all who review this Information Brochure.

Lenders should take their own tax advice as to the consequences of owning Amicus Loans as well as receiving interest payments from them.

The value of a Loan may go down and you may receive back less than the full amount invested. In extreme circumstances you may not receive any capital back. Losses may arise due to a combination of lower sales prices achieved, a lack of sales and higher costs, inability to raise borrowings or an inability to meet debt payments.

Other than the obligations and other covenants of Amicus and in this legal documentation, no representation or warranty, express or implied herein, is given to the Lenders by either Amicus or the Directors and officers of Amicus. In particular but without limitation, no representation or warranty is given by any such person or entity as to (i) the tax consequences; (ii) the regulatory consequences; and (iii) the business and investment risks associated with acquiring, holding or disposing of the Loans.





## The Amicus Loans: Key Commercial Terms

### NAME OF LENDER

[Your name]

### ADDRESS OF LENDER

[Your address]

### EMAIL ADDRESS OF LENDER

[Your email address]

### NAME OF BORROWER

Amicus Finance plc

### ADDRESS OF BORROWER

Grafton House,  
2-3 Golden Square,  
London, W1F 9HR

### CLOSING DATES

- Early bird offer -  
6<sup>th</sup> November 2015
- Otherwise -  
11<sup>th</sup> December 2015

### COMMENCEMENT DATE

- Early bird offer -  
13<sup>th</sup> November 2015
- Otherwise -  
18<sup>th</sup> December 2015

### EARLY REPAYMENT CHARGE

None

### REPAYMENT DATE

18 months from the relevant  
Commencement Date

### TERM OF LOAN

18 months

### MINIMUM AMOUNT

£1,000

### MINIMUM LOAN RAISE

£500,000

### LOAN AMOUNT

[The amount you lend]

### INSTALMENT

(If applicable)

### TARGET LOAN RAISE

£5,000,000

### LOAN VARIATION TERM

No change to loan variation  
Provisions in clause 8.1 of the  
Loan T&Cs

### INTEREST PAYMENT DATE

3 business days from the end  
of each Interest Period

### INTEREST PERIOD

Quarterly

### INTEREST RATE

5.43% gross per annum

### CUSTODIAN

Reyker Securities plc

### SECURITY DOCUMENT(S)

- Debenture from Amicus

### COMPARABLE LOANS NUMBER

AMI

### LOAN REFERENCE NUMBER

[Your loan reference number]

### WAIVER

A waiver of the Borrower's  
obligation under clause 14.2 of  
the Loan T&Cs

### ACCEPTANCE PROCESS

The Borrower accepts the  
Lender's Loan Offer on the  
relevant Commencement Date  
provided that the following  
conditions are all satisfied:

- 1** Loan Offers have been received from lenders that at least equal the Minimum Loan Raise of £500,000 by the relevant Commencement Date;
- 2** The Borrower has not notified Crowdstacker that it does not wish to proceed with the Loan;
- 3** Crowdstacker has not withdrawn the loan transaction with the Borrower from the Platform.



# The Amicus Loan: Loan Terms & Conditions

## 1. Definitions & Interpretation

**1.1** The following words have these meanings in the Loan T&Cs unless a contrary intention appears:

### **DEFINITION**

Meaning.

**ACCEPTANCE** the process of acceptance by the Borrower as it is specified in the Key Commercial Terms;

**BORROWER** a member of Crowdstacker identified as a borrower in the Key Commercial Terms;

**BORROWER'S DEBT** all the Borrowers' liabilities to the Lender (and where relevant to the Security Trustee) present, future, actual or contingent and will include (i) Interest (ii) the Loan and (iii) related costs and expenses;

**BORROWER T&CS** the Borrower terms and conditions available on the Website, as amended or replaced from time to time;

**BUSINESS DAY** a day other than a Saturday or a Sunday on which clearing banks are open for business in London;

**CLIENT ACCOUNT** the segregated client account(s) with the Custodian used for the purpose of holding funds on behalf of the members of Crowdstacker;

**COMMENCEMENT DATE** as defined in the Key Commercial Terms;

**COMPARABLE LOANS** all loans (present and future) made by multiple lenders to the Borrower which are identified as having Key Commercial Terms with the same Comparable Loans Number as the Loan;

**COMPARABLE LOANS NUMBER** as defined in the Key Commercial Terms;

**CROWDSTACKER** Crowdstacker Limited (UK company registration number 09056449) of 154 – 160 Fleet Street, London EC4A 2DQ;

**CROWDSTACKER PLATFORM** the Crowdstacker Platform operated by Crowdstacker for the purpose of facilitating Loans between Lenders and Borrowers;

**CUSTODIAN** as defined in the Key Commercial Terms;

**EARLY REPAYMENT CHARGE** as defined in the Key Commercial Terms;

**INSTALMENT** as defined in the Key Commercial Terms;

**INTEREST PAYMENT DATE** as defined in the Key Commercial Terms;

**INTEREST PERIOD** as defined in the Key Commercial Terms;

**INTEREST RATE** as defined in

the Key Commercial Terms or varied by clause 8.1;

### **KEY COMMERCIAL TERMS**

the key commercial terms (as set out on the Website) for a particular Borrower together with details of the Lender, the relevant Commencement Date and the Loan Amount for that Lender;

**LENDER** the member of Crowdstacker identified as a Lender in the Key Commercial Terms;

**LENDER T&CS** the Lender terms and conditions available on the Website, as amended or replaced from time to time;

**LOAN** the individual loan transaction entered into between the Borrower and the Lender following Acceptance;

**LOAN AMOUNT** the principal amount of the Loan as defined in the Key Commercial Terms;

**LOAN CONTRACT** the loan contract consists of (i) the Loan T&Cs and (ii) the Key Commercial Terms having its own Loan Reference Number;

**LOAN OFFER** a loan offer which a potential Lender makes on the Crowdstacker Platform or in a written application;

**LOAN SUMMARY** the summary of a particular loan set out on the Crowdstacker Platform;

**LOAN T&CS** these loan terms and conditions – version 2/2015;

**MY ACCOUNT** the section of the Crowdstacker Platform which may be accessed by a member of the Crowdstacker Platform using his/her own secure login details;

**REPAYMENT DATE** as defined in the Key Commercial Terms;

**SECURITY** the security created by any Security Document;

**SECURITY DOCUMENT(S)** the security document(s) effecting security over the assets of the Borrower or other party granted to the Security Trustee and as set out in the Key Commercial Terms before the Commencement Date;

**SECURITY TRUSTEE** Crowdstacker Corporate Services Limited or such other person as is appointed as trustee under the Security Trust Deed;

**SECURITY TRUST DEED** the deed by which the Security Trustee is appointed to hold the Security for the benefit of the Lender and the lenders of Comparable Loans on the terms set out in that deed;

**WEBSITE** the Crowdstacker website at: [www.crowdstacker.com](http://www.crowdstacker.com)



# The Amicus Loans: Loan Terms & Conditions

**1.2** In these Loan T&Cs, unless the contrary intention appears:

**1.2.1** the singular includes the plural and vice versa and any gender includes the other gender;

**1.2.2** 'person' unless the context otherwise requires includes a natural person, a firm, a partnership, a body corporate, an unincorporated association or body, a state or agency of state, trust or foundation (whether or not having separate legal personality);

**1.2.3** a 'natural person' unless the context otherwise requires shall mean a human being, as opposed to a juridical person created by law;

**1.2.4** a reference to:

**1.2.4.1** a document means that document as amended, replaced or Novated;

**1.2.4.2** a statute or other law means that statute or other law as amended or replaced, whether before or after the date of this Loan Contract and includes regulations and other instruments made under it;

**1.2.4.3** a clause or schedule is a reference to a clause or a schedule in these Loan T&Cs; and

**1.2.4.4** a month means a calendar month;

**1.2.5** where the word 'including' or 'includes' is used, it is to be taken to be followed by the words: 'but not limited to' or 'but is not limited to', as the case requires;

**1.2.6** where a period of time is expressed to be calculated from or after a specified day, that day is included in the period;

**1.2.7** headings are inserted for convenience and do not affect the interpretation of these Loan T&Cs.

## 2. The Loan

**2.1.** The Key Commercial Terms that govern a Loan Contract are agreed between the Borrower and the Lender during the Loan Offer and Acceptance process.

**2.2.** Where a Lender makes a Loan Offer which results in an Acceptance by the Borrower this gives rise to a Loan. The date of the Loan Contract shall be the relevant Commencement Date.

**2.3.** These Loan T&Cs set out the terms and conditions which apply in respect to a Loan made by the Lender to the Borrower.

**2.4.** Before Acceptance the Lender will have made payment of the Loan Amount to the Client Account held by the Custodian.

**2.5.** After Acceptance the Custodian will pay the Loan Amount from the Client Account to the Borrower within 7 Business Days of the Commencement Date. For the avoidance of doubt the Custodian is only obliged to pay from the Client Account what sum it receives in respect of the Loan Amount from the Lender and no more.

**2.6.** A Borrower may enter into multiple loans with a number of Lenders where all loans are on similar terms.

## 3. Repayment

**3.1.** The Borrower agrees to repay the Lender the Loan Amount at the times and in the Instalments if any shown in the Key Commercial Terms and in any event by the Repayment Date.

**3.2.** The Borrower agrees to make all payments due under the Loan on time.

**3.3.** If the Borrower is late in paying an interest payment or Instalment, or repaying the Loan Amount the Lender and Crowdstacker will have the rights detailed in clause 9.

**3.4.** The Borrower will effect repayment of the Loan Amount by crediting the Client Account with the Loan Amount. On receipt of the Loan Amount the Custodian will pay the Loan Amount from the Client Account to the Lender within 8 days of the Repayment Date. For the avoidance of doubt the Custodian is only obliged to pay from the Client Account what sum it receives in respect of the Loan Amount from the Borrower and no more.

**3.5.** All payments by the Borrower will be made without deduction of tax.

**3.6.** All payments by the Borrower to the Lender will be in the following order of priority:

**3.6.1.** first towards paying any arrears on the Loan;

**3.6.2.** second towards paying the current interest and principal due in respect of the Loan.

## 4. Interest

**4.1.** The Borrower agrees to pay the Lender interest on the Loan at the Interest Rate.

**4.2.** The Borrower shall pay interest on the Loan on the Interest Payment Date in arrears for each Interest Period.

**4.3.** Interest on the Loan shall accrue at the Interest Rate from the Commencement Date to the Repayment Date or if earlier the date of actual repayment of the Loan.

**4.4.** Where the Interest Period is monthly each Interest Period will begin on the same calendar day in each month as the Commencement Date and end on the day before such calendar day in the next month.

**4.5.** Where the Interest Period is quarterly each Interest Period will begin on the same calendar day in each quarter as the Commencement Date and end on the day before such calendar day every three calendar months thereafter.

**4.6.** Where the Interest Period is semi-annual each Interest Period will begin on the same calendar day in each semi-annual period as the Commencement Date and end on the day before such calendar day every six calendar months thereafter.

**4.7.** If the Interest Payment Date falls on a day which is not a Business Day, it shall instead be paid on the next Business Date in that calendar month if there is one or the preceding Business Day if there is not.

**4.8.** If the Loan is not repaid in full within 14 days of the Repayment Date, interest shall continue to accrue on the Loan at the Interest Rate and be immediately due and payable as it accrues.



# The Amicus Loans: Loan Terms & Conditions

## 5. Early Repayment

**5.1.** The Borrower may repay a Loan early (i.e. before the Repayment Date), but it has to repay the entire Loan Amount and the entire loan amount of all Comparable Loans.

**5.2.** Where the Borrower repays a Loan early the Borrower may be subject to paying an Early Repayment Charge to the Lender.

## 6. Transfer by Novation

**6.1.** Each Lender may transfer by novation its right, title and interest in any Loan Contract and all associated rights under the Lender T&Cs to any other registered lender on the Crowdstacker Platform (or to the Security Trustee if a Loan goes into default as set out in the Lender T&Cs and the Borrower T&Cs, which may subsequently assign or transfer all such rights, title and interest to a third party).

**6.2.** The Borrower's rights and obligations under a Loan Contract that have been transferred shall not be adversely affected in any way whatsoever.

**6.3.** A Borrower shall not be entitled to assign or transfer its rights or obligations under any Loan Contract.

**6.4.** A transfer by novation shall be effected by electronic means upon the acceptance by the new lender of an offer by the transferring Lender to sell a Loan Contract in accordance with the transfer provisions as set out on the Website. The new lender shall make payment of the agreed transfer amount to

the Custodian who will collect payment on behalf of the Lender in accordance with the transfer provisions as set out on the Website.

**6.5.** At the time of entry into a transfer by novation (the "Transfer Time") the Borrower and the transferring Lender shall be released from further obligations towards one another under the relevant Loan Contract (being the "Discharged Obligations"). The Borrower and the new lender shall at the Transfer Time assume those Discharged Obligations towards one another, as if the new lender's details originally appeared in the Key Commercial Terms in place of the transferring Lender. The new lender will then become the Lender under that Loan Contract. The Borrower confirms its agreement to these arrangements and waives any requirement for it to be a party to such transfer. A transfer by novation will not otherwise have any effect on the Key Commercial Terms applicable to that Loan Contract.

**6.6.** Any fees charged by Crowdstacker for administering a transfer by novation shall be paid by the relevant Lenders in accordance with the Lender T&Cs, and the Borrower shall not be liable for any fees in connection with the transfer.

## 7. Information

**7.1.** If the Borrower is, or at any time becomes aware of any of the following circumstances, then the Borrower will promptly provide to Crowdstacker full written details of such circumstances, claims or potential claims:

**7.1.1.** circumstances (including without limitation any claims, undisclosed liabilities, litigation,

arbitration, court proceedings or investigations which are current, threatened, pending or otherwise reasonably likely to occur against the Borrower by any third party) which could or might result in a material adverse change in the Borrower's financial condition, business or assets; and/or

**7.1.2.** any current or future claim (or potential claim) by HM Revenue & Customs (or any other governmental department or agency or other public body) against the Borrower.

**7.2.** The Borrower shall, from time to time, on request from Crowdstacker, provide Crowdstacker with such information as it may reasonably require about the Borrower's financial condition, business and affairs, and compliance with the terms of the Loan Contract.

## 8. Variation

**8.1.** Notwithstanding any other clause in the Loan T&Cs, in certain circumstances and in its absolute discretion, Crowdstacker (acting as agent on behalf of the Lenders) may agree with the Borrower to restructure the Loan and amend the Loan Contract so as to increase the term by one year, with a corresponding increase in the interest rate to 1.5 times the Interest Rate unless otherwise specified in the Key Commercial Terms under the "Loan Variation Term" section.

**8.2.** For the avoidance of doubt, no such restructuring can take place without the written agreement of the Borrower. The Borrower acknowledges and agrees that Crowdstacker may require additional and/or restated security documentation to be executed

by the Borrower (and any third party or guarantor as the case may be), or independent advice to be taken by the Borrower, each as a precondition to any restructuring.

## 9. Termination Event of Default

**9.1.** The Borrower agrees that Crowdstacker may, on the Lender's behalf terminate the Loan and all Comparable Loans on behalf of all lenders and demand repayment of the full Loan Amount owed by the Borrower under the Loan and each Comparable Loan if:

**9.1.1.** the Borrower or any guarantor misses, fails to pay or only partially pays any amount that is due under the Loan Contract;

**9.1.2.** the Borrower has provided false information (including without limitation the purpose for which the loan has been requested) in a way which affects the decision to allow the Borrower to register as a member of Crowdstacker, the decision to list details of the loan on the Website, or the information that is provided to lenders in contemplation of their lending to the Borrower;

**9.1.3.** the Borrower has breached the terms of this Loan Contract and/or any other loan contract that it is a party to (including those relating to a different loan on Crowdstacker) and, in respect of other loan contracts only, either notice has been given to the Borrower ending that loan contract or Crowdstacker has reasonable grounds to believe that as a result:



# The Amicus Loans: Loan Terms & Conditions

## 9. Termination Event of Default

- continued

**9.1.3.1.** the Borrower will also breach the terms of this Loan Contract; or

**9.1.3.2.** any of the other events of termination stated in this clause will occur;

**9.1.4.** the Borrower has breached the terms of any Security Document or any Security Trust Deed that it is a party to or any future security which the Borrower has provided to the Security Trustee or for the benefit of the Lender;

**9.1.5.** the Borrower's membership of Crowdstacker is terminated for any reason under the Borrower T&Cs;

**9.1.6.** a petition is presented which is not discharged within 10 business days, or an order made or an effective resolution passed for the winding up or dissolution or for the appointment of a liquidator of the Borrower;

**9.1.7.** the Borrower ceases to pay its debts or is unable to pay its debts as they fall due or is deemed by legislation, contractually or by a competent court unable or admits its inability to do so or makes a general assignment for the benefit of or a composition with its creditors;

**9.1.8.** the Borrower ceases to carry on its business or a substantial part of its business;

**9.1.9.** notice is given of an intention to appoint an administrator, a petition is filed or a competent court makes an

order for the appointment of an administrator in relation to the Borrower;

**9.1.10.** an encumbrancer takes possession or steps are taken for the appointment of an administrator or receiver or administrative receiver or manager or supervisor or sequestrator over the whole or any substantial part of the undertaking or assets of the Borrower;

**9.1.11.** any person who has provided a guarantee for the Loan or any Comparable Loans breaches the terms of any guarantee or other Crowdstacker document that it is a party to, or disputes or threatens to dispute the enforceability of that guarantee or other document, or suffers or is likely to suffer a material adverse change to their financial position, or Crowdstacker has any reason to believe that a guarantee or security document has become unenforceable, and in any case, a replacement guarantee or security document has not been provided to Crowdstacker's reasonable satisfaction within 14 days of a request from Crowdstacker;

**9.1.12.** the Borrower (or if any person who has provided a guarantee for the Loan) dies, becomes of unsound mind, becomes bankrupt or makes a voluntary arrangement with anyone that they owe money to;

**9.1.13.** where the Borrower is a partnership, the composition of the partnership materially, in the reasonable opinion of Crowdstacker, changes following the date of any Loan Contract or any partner dies, becomes of unsound mind, becomes bankrupt or makes a

voluntary arrangement with anyone that they owe money to; or

**9.1.14.** if a claim by HM Revenue & Customs (or any other governmental department of agency or other public body) is, or is reasonably likely to be adversely decided against the Borrower and the Borrower does not meet any payment obligation relating to that claim within the required period.

## 10. Security & Enforcement

**10.1.** Where indicated in the Key Commercial Terms, the Security shall be held for the benefit of the Lender and all lenders of Comparable Loans by the Security Trustee on the terms of the Security Trust Deed.

**10.2.** If an event of default has occurred under any Security Document the Security Trustee is entitled to enforce the Security on the terms of the Security Trust Deed.

## 11. Waiver

**11.1.** A waiver of any right under the Loan Contract and Loan T&Cs is only effective if it is in writing and it applies only to the party to whom the waiver is addressed and to the circumstances for which it is given or is set out in the Key Commercial Terms.

**11.2.** Unless specifically provided otherwise, rights arising under the Loan Contract and the Loan T&Cs are cumulative and do not exclude rights provided by law.

**11.3.** Any waiver by either party of a breach of any provision of the Loan Contract or the Loan T&Cs shall not be considered to

be a waiver of any other or later breach of the same, of any other provision.

## 12. Severability

**12.1.** Notwithstanding that the whole or any part of any provision of the Loan Contract or the Loan T&Cs may prove to be illegal or unenforceable, the other provisions of the Loan Contract or the Loan T&Cs and the remainder of the provision in question shall continue in full force and effect. In relation to any illegal or unenforceable part of the Loan Contract or the Loan T&Cs, the parties hereto agree to amend such part in such manner as may be requested from time to time by any of the parties hereto provided that such proposed amendment is legal and enforceable and to the maximum extent possible carries out the original intent of the parties in relation to that part.

## 13. Representations

**13.1.** The Borrower confirms that, in entering into this Loan Contract, it has not relied on any representation made by or on behalf of Crowdstacker or any of the lenders or on any written statement, advice, opinion or information given to the Borrower in good faith by or on behalf of Crowdstacker or any of the lenders; and has been and will continue to be solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with this Loan Contract.





# The Amicus Loans: Loan Terms & Conditions

## 14. Restrictions

**14.1.** In entering into this Loan Contract, the Borrower agrees that it will not borrow any monies from its directors, officers, members, partners, shareholders or any other third party that ranks in priority of recovery to the Loan. In the event that the Borrower does enter into any such loan, the rights to payment of that loan will be subordinated behind the Loan, except to the extent otherwise required by insolvency law.

**14.2.** In entering into this Loan Contract, the Borrower agrees that it will not enter into any other new borrowing arrangement (or any arrangement having the effect of a borrowing) with any third party where the total amount of external finance raised from third parties would as a result exceed 30% of the total amount lent to the Borrower through the Crowdstacker Platform without the prior written consent of Crowdstacker. Such consent shall not be unreasonably withheld. This clause shall not restrict the Borrower from entering into asset-specific financing or invoice purchasing arrangements.

## 15. Limited Liability Partnerships

**15.1.** In the event that the Borrower is a partnership, by entering into the Loan Contract the Borrower makes the following declaration:

"I confirm that I am authorised by the partnership to enter into this agreement for and on behalf of the partnership and that I am authorised by the partnership upon entering into this agreement to bind the partnership to the terms of this agreement."

## 16. Third Parties

**16.1.** The Borrower and Lender agree that, while Crowdstacker is not a party to the Loan Contract, Crowdstacker may take the benefit of and specifically enforce each express term of the Loan Contract and any term implied under it pursuant to the Contracts (Rights of Third Parties) Act 1999 on behalf of the Lender.

**16.2.** The records kept by Crowdstacker shall be conclusive of the facts and matters they purport to record except where there is an obvious error.

## 17. Notice

**17.1.** Any notice or other communication to be given under the Loan Contract or the Loan T&Cs must be in writing and will be served by delivering it personally or by email and for the attention of the relevant party mentioned below (or as otherwise notified by that party). Any notice will be deemed to have been received:

**17.1.1.** if delivered personally, at the time of delivery;

**17.1.2.** in the case of email, at the time of transmission.

**17.2.** The addresses of the parties for the purposes of Loan Contract or the Loan T&Cs are as set out in the Key Commercial Terms, or such other address as may be notified in writing from time to time by the relevant party to the other party.

## 18. Governing Law & Jurisdiction

**18.1.** The Loan Contract and the Loan T&Cs and any disputes or claims arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) are governed by, and construed in accordance with, the law of England.

**18.2.** The Lender and the Borrower irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Loan Contract and the Loan T&Cs or their subject matter or formation (including non-contractual disputes or claims).



## The Amicus Loan: Risk Warning

### Risk Warnings

The Crowdstacker platform matches businesses looking to borrow with investors looking to lend.

Although lending to businesses can be rewarding, it may involve a number of risks. If you choose to lend through Crowdstacker, you need to be aware of four important considerations:

#### 1. Loss of capital

All investment in businesses involves an element of risk. Past performance of any company, including those with good cash flow and a healthy balance sheet, may not be a good guide to their successful performance in the future. Lending to businesses can lead to a loss of your capital as a lender if they default. You should not lend more money than you can afford to lose.

#### 2. Illiquidity

Any lending you carry out through Crowdstacker will be highly illiquid (inability to sell assets quickly or without substantial loss in value). There is currently no active secondary market for the loans you take part in, although they

are transferable if you are able to find a willing transferee. Even for a successful loan that is being repaid on time by the borrower, the underlying principal debt you have lent will not be accessible to you until the loan expires. In particular, if you are over the age of 60 at the time of lending you should consider the effect this illiquidity could have on your lifestyle.

#### 3. Diversification

Lending to businesses should be done as part of a diversified portfolio. This means that you should invest small amounts in multiple asset classes as opposed to a large amount in one or a few. You should also invest only a small proportion of your investable capital in this asset class, with the majority of your investable capital invested in safer, more liquid assets. You are able to further diversify by lending to multiple businesses on the Crowdstacker platform as opposed to just one.

#### 4. Tax

You are responsible for the administering of your own tax affairs, which may include capital gains and/or income tax. We do not provide tax advice and you should seek this independently before lending if you are unsure of your position. It is your responsibility to ensure that your tax return is correct and is filed by the deadline and any tax owing is paid on time. If you are unsure how this investment will affect your tax status you must seek professional advice before you lend.

Please note that lending through Crowdstacker is not covered by the Financial Services Compensation Scheme.



