

# *Master Securities Lending & Borrowing Agreement*

## *Red. № ITM-SWC-SBLC05.2018*

*Date y 28, 2018*

*This Agreement is issued in respect of the statutory of ISO 15022,*

*\*\**

**TRANSFERWISE LTD**

*Between*

**Signatory Name**

**Mr.**

**Title**

**Director**

*Legally incorporated in \_\_\_\_\_, Certificate № \_\_\_\_\_, hereinafter referred to as **Lender***

*and*

**Signatory Name**

**CEO**

**Title**

*Legally incorporated in \_\_\_\_\_, Certificate № \_\_\_\_\_, hereinafter referred to as **Borrower***

### **1. Loan of Securities**

- 1.1. *The Lender will lend Securities to Borrower, and Borrower will borrow Securities from Lender in accordance with terms and conditions of this Agreement.*
- 1.2. *The Lender provides to the Borrower the opportunity to receive and use the Bank Instrument in the form of a STANDBY LETTER OF CREDITSBLC (hereinafter the SBLC), in accordance with the Uniform Customs and Practice for Documentary Credits UCP of the International Chamber of Commerce Paris. This Agreement is following to the terms "Application to use Bank Instrument", submitted from Borrower to Lender, under the conditions that stated below.*
- 1.3. *The specific purpose of the use of the said Bank Instrument is the purpose of Credit Enhancement, to help the businesses of the Borrower.*
- 1.4. **Details of Security:**  
*The Borrower orders the Bank Instrument by signing this Lending and borrowing agreement, in the form of tradable Certificate of Debt with the following details and description:*

<i>Instruments</i>	<b>STANDBY LETTER OF CREDITSBLC (ICC 758)</b>
<i>Currency</i>	<b>Euros</b>
<i>Issuer Bank</i>	<b>HSBC LONDON (UK)</b>
<i>Contract Amount</i>	<b>450 (Four Hundred Fifty) Million</b>
<i>Tranches</i>	<b>One - 450 (Four Hundred Fifty) Million</b>

Lender's initial:

Borrower's initial:

<i>Denomination</i>	<i>To be advised</i>
<i>Term</i>	<i>One (1) Year and One (1) Month</i>
<i>Age</i>	<i>Fresh Cut</i>
<i>Invoice Price</i>	<i>10% (Ten percent) of face value Bank Instrument</i>
<i>Commission</i>	<i>2% (Two percent)</i>
<i>Total Price</i>	<i>12% (Twelve percent)</i>
<i>Transaction Mode</i>	<i>MT199/799 : Pre-Advice **</i> <i>MT760 : SBLC</i> <i>MT199/799 : Confirmation **</i>

*\*\* MT199 or MT799 - by the decision of the Issuing and Receiving (Beneficiary) banks*

### ***1.5. Procedure:***

- (I) Borrower/Lender shall sign this Master Securities Lending Agreement, which shall become a formal and enforceable agreement between both Parties.***
- (II) After signed this Master Securities Lending Agreement, Lender and Borrower will meet in the office of the Lender, with the presence of the respective bank officers of the Lender.***
- (III) After agreed all details in the meeting and received the respective confirmation about the delivery of the SBLC and payments of the Fees, the Borrower will effect payment of processing, delivery and handling fee for issuance of fresh cut SBLC (“Performance Bond”) in amount of €450,000.00 (Four Hundred Fifty Thousand Euro) to the representative of the Lender***
- (IV) This Master Securities Lending Agreement shall take effect after receipt the advance payment from the Borrower.***
- (V) With the period not more 10 (Ten) international banking days after received the payment “Performance Bond”, the Investor’s Issuing bank will send a Pre-advice by SWIFT MT199 to the Beneficiary’s Receiving bank.***
- (VI) The Beneficiary’s Receiving bank transmit to the Investor’s Issuing bank SWIFT MT 199 confirmation of the willingness to accept a STANDBY LETTER OF CREDIT (SBLC) and to pay the invoice price.***
- (VII) After receiving the swift confirmation from the Beneficiary bank's readiness to accept the Bank Guarantee, the Lender shall cause Issuing (Investor) Bank to transmit Operative SBLC via SWIFT MT-760 to Beneficiary Bank in the period not exceeding 3 (three) international banking days.***
- (VIII) The Investor’s Issuing bank transmit in the period not exceeding 5 (five) banking days confirmation of delivery STANDBY LETTER OF CREDIT (SBLC) via SWIFT MT199.***
- (IX) Within 3 (Three) Banking Day after issued SWIFT MT-760 to Borrower’s Bank, Issuing Bank issues verification SWIFT MT-199 to Borrower’s Bank confirming issuance of SWIFT MT-760.***
- (X) Within 10 (Ten) Banking Days after verification of SBLC Borrower’s Bank effect payment by Unconditional SWIFT MT-103 in amount of 12,0% (twelve percent) in favor of the Lender: sum of payment – €54,000, 000.00 (Fifty Four Million Euro).***

Lender’s initial:

Borrower’s initial:

*Note: If the Borrower's (beneficiary's) bank does not accept, not credited to the account of his client (in this contract the Borrower) the Bank instrument ( in this contract Bank Guarantee) and does not accept SWIFT MT199/799, Swift MT760 , Swift MT799 then payment by the Borrower in the amount of €450,000.00 (Four Hundred Fifty Thousand Euro) will be not refundable ( as the lender side is not responsible for receiving bank of the Borrower).*

**2. Rates Applicable to Loan Securities**

- 2.1. Borrower shall pay to the Lender, the agreed total service fee of **12% (twelve percent)** of the face value of the Instrument for a period of one year and one day.
- 2.2. The Lender shall pay the commission 2% (two percent) in the size of €9,800,000.00 (Nine Million Eight Hundred Thousand Euro) to the account indicated additionally after total service fee will be paid.

**3. Ownership of the Bank Instrument**

- 3.1. Except as specifically, set forth in a future writing signed by LENDER, the Bank Instrument is and at all times shall remain personal property owned by LENDER and not by BORROWER or any other person or entity.
- 3.2. BORROWER has a right of free use of the Bank Instrument.
- 3.3. Neither any Bank nor any person or entity claiming on behalf of, or through Bank shall have, or claim, any right, title or interest in any of the Bank Instrument.

**4. Borrower's Right to Terminate the Agreement:**

Borrower may terminate this Agreement at any time, by sending a written notice to Lender. Borrower will return the Bank Instrument immediately till termination of the Agreement.

**5. Borrower's Obligation to Re-Delivery:**

The Borrower must return the Bank Instrument unencumbered to the Lender 15 days after his maturity date. If Borrower fails to return the Bank Instrument 10 days after maturity in accordance with this Agreement, Borrower is liable for any damages caused thereby and this Agreement will be null and void. The Borrower will have the possibility to extend the using period for another 1 -6 years as be agreed.

**6. Substitution of Collateral:**

Borrower, prior to the date of maturity of the Bank Instrument lent, may have delivered or delivers Alternative Collateral acceptable to Lender or cash in the amount of the aggregate market value of the lent Instrument on the same business day.

**7. Assignment of the Agreement:**

This Agreement may not be assigned to any third party without prior written consent from the Lender.

**8. Lender's Warranties:**

- 8.1. The Lender hereby warrants and undertakes to the Borrower on a continuing basis to the intent that such warrants shall survive the completion of any transaction contemplated herein that, where acting as a Lender.
- 8.2. The Lender hereby warrants and undertakes to provide to the Borrower the opportunity to receive and use the Bank Instrument in the form of a STANDBY LETTER OF CREDITSBLC(hereinafter the SBLC), in accordance with the Uniform Customs and Practice

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Lender's initial:

Borrower's initial:

*for Documentary Credits UCP of the International Chamber of Commerce Paris following the terms submitted from Borrower to Lender.*

**9. Borrower's Warranties:**

- 9.1. *The Borrower hereby warrants and undertakes to the Lender on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower.*
- 9.2. *Borrower also grants that he has the capability in funds or credit facility, to pay the lending/borrowing fees at the moment of signature of this Agreement and within the moment of the successful conclusion of this transaction.*
- 9.3. *Borrower presents and warrants that no provision of this Agreement is in violation of or contradicts any Agreement or contract between Borrower and his Designated Bank.*

**10. Banking Coordinates and payment details**

**10.1. Lender's Data and Banking Coordinates**

<i>Company (Provider) Name :</i>
<i>Company Registration:</i>
<i>Company Address:</i>
<i>Company Office Address:</i>
<i>Signatory Name:</i>
<i>Passport</i>
<i>Bank Name:</i>
<i>Bank Address:</i>
<i>Account Name:</i>
<i>SWIFT Code:</i>
<i>SORT Code:</i>
<i>Bank account:</i>
<i>IBAN:</i>

**10.2. Lender charges the control the execution of this Agreement to the *Consultant* – the company “*SWISS CENTRON I AG*”:**

<i>Company (Provider) Name :</i>
<i>Company Registration:</i>
<i>Company Address:</i>
<i>Company Office Address:</i>
<i>Phone:</i>
<i>E-mail:</i>
<i>Signatory Name:</i>
<i>Signatory Title</i>
<i>Passport</i>

Lender's initial:

Borrower's initial:

**10.3. Lender** indicates the next Banking Coordinates for receive the SWIFT transmission charges and invoices payments:

Bank Name :

Bank Address:

Account Name:

SWIFT Code:

IBAN:

Bank officer name :

Bank officer tel.:

**10.4. Borrower's Data and Banking Coordinates for receive MT199 and MT760**

Company (Provider) Name :

Company Registration:

Company Address:

Company Office Address:

Phone:

E-mail:

Signatory Name:

Passport

**Bank Name:**

**Branch:**

Bank Address:

Account Name:

SWIFT Code:

Bank account in EURO:

Bank officer Name:

Bank officer Phone:

Bank officer E-mail:

**11. Modification to Legislation:**

*Any reference in this Agreement to an act, regulation or other legislation shall include a reference to any statutory modification or reenactment thereof for the time being in force. Grammatical mistakes, printing errors, if any, in this document will generally be the case, should not be understood as a contradiction and so forth.*

**12. Event of Default:**

*Non-observance of one or more of the above-mentioned articles will render this Agreement null and void.*

*12.1. SBLC shall be issued and received within a maximum of 5-7 (Five-Seven) days after the sign of this Master Securities Lending Agreement and shall take effect after receipt the advance payment from the Borrower.*

Lender's initial:

Borrower's initial:

- 12.2 *Failure of Lender to issue SBLC within a maximum of 10 days after sign of this Master Securities Lending Agreement, Borrower shall be entitled to 3% of the Face Value of the intended SBLC which shall be paid to Borrower by Lender and such inability to issue and provide the SBLC shall render the signed Agreement null and void.*
- 12.3 *Failure of Borrower to pay service charges within a maximum of 10 days after the Lender's bank issued SBLC via SWIFT MT-760, the signed contract shall become null and void. And processing, delivery and handling fee for issuance of fresh cut SBLC by SWIFT MT-103 in amount **€450,000.00 (Four Hundred Fifty Thousand Euro)** is not refund to Borrower and the issuing SBLC will be cancel.*

**13. Severance:**

*In any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise non enforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect.*

**14. Notices:** *Any notice or other communication in respect of this Agreement could be given in any manner set forth below:*

- 14.1. *if in writing and delivered by courier, on the date it is delivered;*
- 14.2. *if sent by telex or by telegram, on the date the recipient's answerback is received;*
- 14.3. *if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted;*
- 14.4. *if sent by electronically messaging system, on the date that electronic message is received.*

**15. Governing Law and Jurisdiction:**

*This Agreement is governed by, and should be construed in accordance with, English law. The Courts of United Kingdom have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Agreement, and, for those purposes, each party irrevocably submits to the jurisdiction of the court of United Kingdom.*

**16. Time:** *Time shall be of the essence of the Agreement.*

**17. Communication and Recording:**

*All communications will be by the appointed and designated mandate from both borrower and lender. Without written consent from appointed and designated mandates, any direct communication between Borrower and Lender (strictly prohibited).*

*The Parties agree that each may record all telephone conversation between them.*

**18. Miscellaneous:**

- 18.1. *This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.*
- 18.2. *No amendment in respect of this Agreement will be effective unless in writing and executed by each of the Parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.*
- 18.3. *Except as provided on this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.*
- 18.4. *A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Agreement.*
- 18.5. *The referenced Instrument is to be no callable prior to maturity and unconditionally guaranteed by the Issuing Bank.*

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Lender's initial:

Borrower's initial:

*For and On Behalf of Lender*

*For and On Behalf of Borrower*

\_\_\_\_\_  
*Signatory Name* \_\_\_\_\_

*Title* \_\_\_\_\_  
*Passport Number* \_\_\_\_\_  
*Country of Issue* \_\_\_\_\_  
*Date of Issue* ++++++  
*Expiry Date* ++++++

\_\_\_\_\_  
*Signatory Name* \_\_\_\_\_

*Title* \_\_\_\_\_  
*Passport Number* \_\_\_\_\_  
*Country of Issue* \_\_\_\_\_  
*Date of Issue* \_\_\_\_\_  
*Expiry Date* \_\_\_\_\_

*Seal*

*Seal*

**APPENDIX "A"**

**BANK INSTRUMENT PRE-ADVICE (SBLC)**  
***(SPECIMEN COPY – FINAL VERBIAGE AS PER ISSUING BANK STANDARD FORMAT)***  
***VIA SWIFT MT-199***

FROM:  
BANK NAME:  
BANK ADDRESS:  
BANK OFFICER:  
SWIFT CODE:

TO:  
BANK NAME:  
BANK ADDRESS:  
ACCOUNT HOLDER:  
ACCOUNT NUMBER:  
BANK OFFICER:  
SWIFT CODE:

TEXT OF MESSAGE:

WE, THE UNDERSIGNED HSBC BANK PLC, LOCATED AT 8 CANADA SQUARE, LONDON, E14 5HQ, UNITED KINGDOM, HEREBY CONFIRM THAT WE ARE READY TO DELIVER ON BEHALF

Lender's initial: \_\_\_\_\_

Borrower's initial: \_\_\_\_\_



OF OUR CLIENT GRAND NEW STAR LIMITED BY SWIFT MT760, THIS STANDBY LETTER OF CREDITSBLCISSUED BY OUR BANK (SEE THE ENCLOSED TEXT BELOW), TO YOUR CLIENT AND BENEFICIARY: [xxxxxxxx] ACCOUNT NUMBER: [xxxxxxxx], ISSUED IN THE AMOUNT OF EUROS FOUR HUNDRED AND FIFTY MILLION ONLY (€450,000,000.00), UNDER TRANSACTION CODE: [xxxxxxxx].

SAMPLE TEXT OF STANDBY LETTER OF CREDITSBLCAS FOLLOWS:

QUOTE

WE, THE UNDERSIGNED HSBC BANK PLC, LOCATED AT 8 CANADA SQUARE, LONDON, E14 5HQ, UNITED KINGDOM, WITH FULL BANK RESPONSIBILITY AND AUTHORITY, HEREBY IRREVOCABLY AND UNCONDITIONALLY WITHOUT PROTEST OR NOTIFICATION PROMISE TO PAY AGAINST THIS STANDBY LETTER OF CREDITSBLCTO THE ORDER OF THE BENEFICIARY THE SUM OF EUROS FOUR HUNDRED AND FIFTY MILLION ONLY (€450,000,000.00),

PAYMENT IS AVAILABLE AT SIGHT AGAINST BENEFICIARY'S FIRST WRITTEN DEMAND TRANSMITTED WITHOUT EXAMINING AND TAKING INTO CONSIDERATION ANY OBJECTION ON THE PART OF THE APPLICANT VIA BANK WIRE SYSTEM ON OR BEFORE THE EXPIRY DATE [DD-MM-YY]

DEMAND HEREUNDER MUST BE MARKED 'DRAWN UNDER STANDBY LETTER OF CREDITSBLCNUMBER [xxxxxxxxxxx] ISSUING DATE [DD-MM-YY]

SUCH PAYMENT SHALL BE MADE WITHOUT SETOFF, FREE AND CLEAR OF ANY DEDUCTION OR CHARGES, FEES OR WITHHOLDING OF ANY NATURE NEW OR HEREAFTER IMPOSED, LEVIED, COLLECTED, WITHHELD OR ASSESSED BY ANY GOVERNMENT SUBDIVISION OF AUTHORITY THEREOF OR THEREIN.

THIS STANDBY LETTER OF CREDITSBLCIS TRANSFERABLE, ASSIGNABLE, EXPIRES ON [DD-MM-YY]

ALL CLAIMS HEREUNDER MUST BE SUBMITTED TO US NOT LATER THAN THE ABOVE EXPIRY DATE. AFTER WHICH DATE THIS STANDBY LETTER OF CREDIT SBLC AUTOMATICALLY BECOMES NULL AND VOID.

THIS STANDBY LETTER OF CREDITSBLCIS SUBJECT TO ICP (1993 REVISION) ICC PUBLICATION NO. 758 AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE UNITED KINGDOM.

PLEASE CONFIRM YOUR READINESS TO RECEIVE THIS STANDBY LETTER OF CREDITSBLCACCORDINLGY.

FOR AND ON BEHALF OF HSBC BANK PLC,  
AT 8 CANADA SQUARE CANARY WHARF LONDON E14 5HQ, UNITED KINGDOM.

BANK OFFICER #1  
BANK OFFICER #2

Lender's initial:

Borrower's initial:



**APPENDIX "B"**

**SAMPLE TEXT SWIFT MT-799 READINESS TO PROCEED AND UNDERTAKING TO PAY**  
*(To be issued and delivered by Borrower's Bank to Lender's Designated Receiving Bank)*

FROM:  
BANK NAME:  
BANK ADDRESS:  
BANK OFFICER:  
SWIFT CODE:

TO:  
BANK NAME:  
BANK ADDRESS:  
ACCOUNT NAME:  
ACCOUNT NO.:  
SWIFT CODE:

TEXT OF MESSAGE:

**WE, [--NAME AND ADDRESS OF BANK--], ON BEHALF OF OUR CLIENT ALL RICH GROUP HOLDING LIMITED AND ACCOUNT NUMBER--] HEREBY PRESENT OUR PAYMENT CONFIRMATION THAT UPON RECEIPT AND VERIFICATION OF A STANDBY LETTER OF CREDITSBLC(SBLC) VIA SWIFT MT760 TO BE ISSUED BY [--NAME AND ADDRESS OF SBLC ISSUING BANK--] IN FAVOUR OF [--NAME OF COMPANY--]. SUCH PAYMENT SHALL BE MADE IN 7 (SEVEN) INTERNATIONAL BANKING DAYS UPON RECEIPT AND VERIFICATION OF THE SWIFT MT760 OF THE SAID INSTRUMENT.**

FOR AND ON BEHALF OF  
(\_\_\_\_\_ BANK)  
BANK OFFICER #1    BANK OFFICER #2

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Lender's initial:

Borrower's initial:

**APPENDIX "C"**

**BANK INSTRUMENT SAMPLE TEMPLATE (SBLC)**  
***(SPECIMEN COPY – FINAL VERBIAGE AS PER ISSUING BANK STANDARD FORMAT)***  
**VIA SWIFT MT-760**

**SENDER BANK**

BANK NAME : HSBC BANK PLC (HEAD OFFICES)  
ADDRESS : 8 CANADA SQUARE LONDON E14 5HQ, UNITED KINGDOM  
SWIFT CODE : MIDLGB22  
ACCOUNT NUMBER : 57367798  
IBAN NUMBER : GB35MIDL40051557367798  
ACCOUNT NAME :  
BANK OFFICER : xxxxxxxx  
:  
BANK TELEPHONE : +44 (0)20 7991 8888  
BANK FAX : +44 (0)20 7992 4880

**DESTINATION**

BANK NAME :  
ADDRESS :  
SWIFT CODE :  
ACCOUNT NUMBER :  
IBAN NUMBER :  
ACCOUNT NAME :  
BANK OFFICER :  
BANK TELEPHONE :  
BANK FAX :

STANDBY LETTER OF CREDITSBLCNUMBER : xxxxxxxx

APPLICANT :  
BENEFICIARY :  
CURRENCY : EUROPEAN UNION (EUROS)  
AMOUNT : FOUR HUNDRED AND FIFTY MILLION ONLY  
(€450,000,000.00),

ISSUING DATE :  
MATURITY DATE :  
EXPIRY DATE :  
ADVISING BANK :

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Lender's initial:

Borrower's initial:

WE, THE UNDERSIGNED HSBC BANK PLC, LOCATED AT 8 CANADA SQUARE, LONDON, E14 5HQ, UNITED KINGDOM, WITH FULL BANK RESPONSIBILITY AND AUTHORITY, HEREBY IRREVOCABLY AND UNCONDITIONALLY WITHOUT PROTEST OR NOTIFICATION PROMISE TO PAY AGAINST THIS STANDBY LETTER OF CREDITSBLCTO THE ORDER OF THE BENEFICIARY THE SUM OF EUROS FOUR HUNDRED AND FIFTY MILLION ONLY (€450,000,000.00),,

PAYMENT IS AVAILABLE AT SIGHT AGAINST BENEFICIARY'S FIRST WRITTEN DEMAND TRANSMITTED WITHOUT EXAMINING AND TAKING INTO CONSIDERATION ANY OBJECTION ON THE PART OF THE APPLICANT VIA BANK WIRE SYSTEM ON OR BEFORE THE EXPIRY DATE [DD-MM-YY]

DEMAND HEREUNDER MUST BE MARKED 'DRAWN UNDER STANDBY LETTER OF CREDITSBLCNUMBER [xxxxxxxxxxx] ISSUING DATE [DD-MM-YY]

SUCH PAYMENT SHALL BE MADE WITHOUT SETOFF, FREE AND CLEAR OF ANY DEDUCTION OR CHARGES, FEES OR WITHHOLDING OF ANY NATURE NEW OR HEREAFTER IMPOSED, LEVIED, COLLECTED, WITHHELD OR ASSESSED BY ANY GOVERNMENT SUBDIVISION OF AUTHORITY THEREOF OR THEREIN.

THIS BANK GUARATNEE IS TRANSFERABLE, ASSIGNABLE, EXPIRES ON [DD-MM-YY]

ALL CLAIMS HEREUNDER MUST BE SUBMITTED TO US NOT LATER THAN THE ABOVE EXPIRY DATE. AFTER WHICH DATE THIS BANK GAURANTEE AUTOMATICALLY BECOMES NULL AND VOID.

THIS STANDBY LETTER OF CREDITSBLCIS SUBJECT TO ICP (1993 REVISION) ICC PUBLICATION NO. 758 AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE UNITED KINGDOM.

FOR AND ON BEHALF OF  
HSBC BANK PLC  
LONDON, UNITED KINGDOM  
BANK OFFICER (1)  
BANK OFFICER (2)

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Lender's initial:

Borrower's initial:

*APPENDIX "D"*

*BORROWER PASSPORT COPY*

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Lender's initial:

Borrower's initial:

*APPENDIX "E"*

*LENDER PASSPORT COPY*

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Lender's initial:

Borrower's initial:

*APPENDIX "F"*

*CONSULTANT PASSPORT COPY*

**EDT (Electronic document transmissions)**

**EDT** (Electronic document transmissions) shall be deemed valid and enforceable in respect of any provisions of this Agreement. ELECTRONIC COMMERCE AGREEMENT (**ECE/TRADE/257, Geneva, May 2000**) adopted by the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT).

**\*\*\*END OF DOCUMENT\*\*\***

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Lender's initial:

Borrower's initial: