

The content of this document has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000. Reliance on this promotion for the purposes of engaging in any investment activity may expose an individual to significant risk of losing all of the property or other assets involved.



LOGBOOK LENDING LIMITED

Registered in England & Wales under Company Number 7409180

(the "Company")

Information Memorandum

Secured Loan Notes due 28 October 2027

GBP Notes (ISIN: GB00BMB3P958)

USD Notes (ISIN: GB00BMB3PB71)

EUR Notes (ISIN: GB00BMB3PC88)

3 December 2024

IMPORTANT NOTICE

This Information Memorandum is exempt from the general restriction in section 21 of the Financial Services and Markets Act 2000 on the communication of invitations or inducements to engage in investment activity on the grounds that it is either (i) made to persons who receive the communication outside of the United Kingdom in accordance with article 12 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FinProm") or (ii) where it is made to persons who receive the communication inside of the United Kingdom, it is made exclusively to 'investment professionals' within the meaning of Article 19 of the Financial Services and Markets Act (Financial Promotion) Order 2005 (FinProm); persons believed on reasonable grounds to be 'certified high net worth individuals' within the meaning of Article 48 FinProm; persons who are 'certified sophisticated investors' within the meaning of Article 50 FinProm; and persons who are 'self-certified sophisticated investors' within the meaning of Article 50A FinProm.

This Information Memorandum will only be provided to persons, and applications for Notes will only be accepted from persons:

- (a) who are outside the United Kingdom.
- (b) whom the directors of the Company reasonably believe to be either (i) certified as a 'high net worth investor', (ii) certified as a 'sophisticated investor', (iii) self-certified as a 'sophisticated investor', in each case in accordance with the relevant sections of FinProm;
- (c) who are pension fund trustees investing pension money where the beneficiary of the pension would otherwise be entitled to invest in accordance with the terms of this invitation,

(referred to herein as "**Potentially Eligible Investors**").

Any investment to which this document relates is available only to such persons and other classes of person noted above and any other person and other class of person should not rely on this document.

The distribution of this Information Memorandum in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any such distribution could result in a violation of the law of such jurisdictions.

This document is confidential and is being supplied solely for the information of the intended recipient and may not be used, disclosed, copied, reproduced, published, or further distributed to any other person in whole or in part, for any purpose.

The purpose of this Information Memorandum is to provide information to named individuals who have expressed an interest in subscribing for one or more series of the fixed rate secured loan notes described on page 10 of this document (the "**Notes**") to be issued by the Company and, as such, provides details of a private offer to those individuals.

No representation, warranty or undertaking, expressed or implied, is made and no responsibility or liability is accepted by the Security Trustee as to the accuracy or completeness of any information

contained in this Information Memorandum or any other information supplied in connection with the Notes or their distribution.

Investing in the Company is speculative and invested capital is at risk of partial or total loss. The attention of prospective Investors is drawn to the “RISK FACTORS” section of this document on pages 13 to 16.

If you are in any doubt about the contents of this document, you are strongly recommended to consult an appropriately authorised financial adviser qualified to give advice in relation to investment in unquoted debt securities issued by single companies. An investment in the Company will not necessarily be suitable for all recipients of this Information Memorandum. Applications to subscribe for Notes will only be accepted at the Company's discretion from persons eligible to invest.

Potentially Eligible Investors should consider carefully whether an investment in the Notes is suitable for them in the light of their personal circumstances and the Risk Factors described on pages 13 to 16. While the Notes are legally transferable, no application is to be made for Notes to be admitted to listing or trading on any market. Investment in an unquoted security of this nature, being illiquid, is speculative, involving a high degree of risk. It will not be possible to sell or realise Notes before they mature or to obtain reliable information about the risks to which they are exposed. There is no certainty or guarantee that the Company will be able to repay the Notes.

This document is confidential and is being supplied solely for the information of the intended recipient and may not be used, disclosed, copied, reproduced, published or further distributed to any other person, in whole or in part, for any purpose.

Nothing in this document shall be construed as the giving of investment advice by the Company or any other person. If you are in any doubt as to whether to invest in the Notes described herein, you should consult an independent financial adviser who is qualified to advise on investments of this nature.

This Information Memorandum does not constitute a prospectus made pursuant to the Prospectus Regulation (EU 2017/1129) or the UK version thereof which forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018. This Information Memorandum has not been approved by the UK Financial Conduct Authority or any other regulatory body. You should ensure that you have read and understood all of this Information Memorandum before taking steps to apply for Notes.

This Information Memorandum does not purport to be all-inclusive or necessarily contain all the information that a prospective Investor may desire in investigating the Company. The Information Memorandum may be subject to updating, revision or amendment. Interested parties should carry out their own investigations and analysis of the Information Memorandum and of the data referred to in the Information Memorandum and should consult their own advisers before proceeding with any investment in the Company. All statements of opinion and/or belief in this Information Memorandum and all views expressed regarding the Company's projections, forecasts and statements relating to expectations of future events are those of the Company and its directors. No representation or warranty is made, or assurance given that such statements, views, projections, or forecasts are correct or that the Company's objectives will be achieved.

1. INFORMATION ABOUT THE COMPANY

Background

Logbook Lending Limited t/a Logbookloans247 (the "**Company**") is an established FCA regulated sub-prime consumer lending business which currently operates globally.

The Company has an established reputation built on trust and prides itself on being an ethical and responsible lender.

Logbookloans247 has many years of experience in both Pawnbroking, Logbook lending and debt recovery. They provide tailored solutions for people looking to raise short-term finance quickly and have the flexibility and knowledge to provide a personal service suited to customers' individual requirements. The Company specialises in Logbook Loans and Pawnbroking contracts that allow customers to borrow between £500 and £1,500,000 against their vehicle, valuable assets and debt books.

The Company is committed to the highest levels of professional care with reputation and integrity being paramount. To date, the Company have helped over 4,000 customers raise short-term finance.

The Company is authorised and regulated by the Financial Conduct Authority and a member of the Consumer Credit Trade Association (CCTA), carrying all necessary accreditation and fully comply with its 'Code of Practice to provide ethical lending within the terms of the Consumer Credit Acts. The Company is a member of the National Pawnbrokers Association (NPA).

To date the Company has issued nearly 2,243 loans totalling approximately £5,823,003.81. The loans have been primarily on vehicles, watches, jewellery and further debt for the business.

The Company's customers are typically those needing immediate access to funds for various purposes for example to purchase tools, machinery and short term project finance. Typically, asset finance/pawnbroking clients are more sophisticated borrowers or business owners who are asset rich but cash poor. Funds in these instances can be required for business bridging purposes.

In the past, the Company has issued larger short-term loans against high value assets to clients such as car dealers, and property developers for bridging loans using their assets as collateral.

The Company uses high level automation and systems to streamline the operation with robust underwriting in respect of the affordability checks required by the regulator.

Debt Recovery

In addition to its lending services, the company has acquired a stake in a robust in-house debt recovery division - this business is called Countrywide. We are proud to have one of the lowest bad debt ratios in the sub-prime lending arena and have found that not only keeping this number in single digits has enhanced our returns significantly, but also has allowed us to further capitalise on other recoveries, not only our own.

We have acquired a stake in Countrywide Collections, an FCA regulated collector of non-performing debt. The company which has been in business for over 15 years, is an expert collector of debt. With an outstanding reputation both in the industry and with the FCA, it treats customers with respect and dignity. Vulnerability is key within this organisation and getting customers paying debts that they can afford, while working with them to rehabilitate their credit score is their target.

This FCA regulated company is a platform to recover our bad debts substantially cheaper than outsourcing, while also buying other non-performing debts to recover.

This integrated approach allows the Company to manage and resolve debt issues efficiently while maintaining strict compliance with regulatory standards. Through its innovative strategies and comprehensive services, the Company is committed to delivering effective financial solutions and enhancing overall customer financial health.

Why Debt recovery is so important and our responsibilities:

Ethical debt recovery involves practices and policies that ensure the process of collecting debts is conducted in a fair, respectful, and lawful manner. Here are key principles and practices to ensure ethical debt recovery:

Key Principles of Ethical Debt Recovery

1. **Transparency:** Clearly communicate the terms and conditions of the debt, including the amount owed and interest rates.
2. **Respect and Dignity:** Treat debtors with respect, ensuring that all communications are polite and professional. Avoid harassment or aggressive tactics.
3. **Fairness:** Offer reasonable and fair repayment options, considering the debtor's financial situation.
4. **Compliance with Laws:** Adhere to all relevant laws and regulations governing debt collection.
5. **Confidentiality:** Protect the debtor's privacy by ensuring that personal and financial information is kept confidential and used only for the purpose of debt recovery.

Debt recovery requires a combination of strategic approaches, effective communication, and innovative use of technology and systems. The Company has excelled in this area over the last 10 years and has now reached a long-term goal of bringing all collections in-house. This will ultimately reduce costs to the business and allow the company to expand into new regulated territories.

Debt / Inhouse collections:

Given the Company's sustained success over the years, expanding to include a debt collection and debt purchase division was a logical and strategic step forward. This new division not only helps to significantly reduce overall operational costs by consolidating all debt collection efforts in-house but also positions the company to explore and enter other regulated sectors. By doing so, we can diversify revenue streams, unlocking new opportunities for growth and profitability. The addition of this division is anticipated to greatly enhance the company's overall value, and the team is excited about the promising prospects and future possibilities it will bring.

Debt purchase is the process by which an organisation acquires outstanding debt from a lender or creditor, typically at a heavily discounted price. The original creditor, often a financial institution or company, sells the debt to free up resources or mitigate losses from non-performing loans, while the buyer assumes responsibility for collecting the debt and profits from the difference between the purchase price and the amount recovered.

A primary focus for the Company is the effective management and minimisation of bad debt. The company is committed to achieving this goal through strict adherence to FCA lending criteria, ensuring that all lending practices meet regulatory standards. Additionally, we offer fair and flexible repayment plans tailored to individual customer needs, along with a comprehensive range of solutions designed to address and resolve bad debts. This approach not only supports the financial well-being of its customers but also reinforces the company's commitment to responsible and ethical financial management.

Duty / Integrity:

We work closely with all our customers to create affordable payment plans designed to improve their credit health and boost their credit scores. Recognising that dealing with debt can be challenging, we approach each situation with care and empathy. Our dedicated and experienced team is committed to understanding the unique circumstances of each customer, and we collaborate with them to identify and implement effective solutions tailored to their needs. By providing personalised support and guidance, we strive to help our customers regain financial stability and achieve long-term success.

Business growth

In addition to the continued growth of the Company, in 2024 we employed a financial director to oversee the whole business, Anthony Finnegan. Anthony will play a pivotal role in driving the growth and success of our lending business. With their deep expertise in financial strategy and risk management, they will optimize our capital allocation, ensuring that we are funding the most promising and profitable lending opportunities. By leveraging data analytics and market insights, they will enhance our credit evaluation processes, improving loan performance while minimizing defaults. Additionally, their focus on operational efficiency will streamline our lending operations, reducing costs and improving customer experience. With their strategic vision, we can expect accelerated growth, stronger profitability, and a solidified market position in the lending sector.

Reason for the Fundraising

The Company has seen a surge in applications and is looking to raise funds to accommodate this increased demand. These customers tend to be asset rich yet do not have access to quick funds. Some higher end car and watch suppliers are also using the Company for releasing funds within their stock inventory. The Company has built up these relationships from years of operating in the lending sector.

The Company currently receives in the region of 20,000 enquiries per year. Accordingly, there are many more subprime lending opportunities that could allow the Company to deploy larger amounts of capital on an asset backed basis and which are being missed due to a lack of liquid funds.

The Market

The consumer lending market in the UK has continuously evolved over the years and has been heavily regulated by the Financial Conduct Authority (FCA) since around 2014.

The high-cost, short term credit sector (HCSTC) in the UK currently serves over 1 million customers.

HCSTC is a multi-billion-pound industry growing year on year and thrives. Borrowing money against assets is an age-old solution.

The Company assesses the UK market for logbook loans, subprime car lending and pawnbroking as being worth at least £1.5 billion. The domestic boat and aviation subprime financing market is also a multi-billion-pound industry. Both sectors are growing year on year. The Company have identified a number of other Asset back / secured lending opportunities in both UK static caravans and holiday parks home.

The Company's Assets (existing and projected)

As of 31st October 2024, the Company had an active loan book with an aggregate outstanding principal of £4,858,824.03, secured against assets with a value of approximately £6.3 million.

As well as a valuable consumer credit licence, the Company's vast data base of clients can be approached, subject to GDPR compliance, to offer other subprime products.

If the Company achieved its maximum fundraising target of £26.5 million and successfully deployed this in full on further loans on terms equivalent to those in its current book, the Company's enlarged loan book would be secured against assets with a value of over £50 million and would be cash generative in the region of £3 million per month.

Security and Insurance

When issuing a logbook loan, the Company will hold a Bill of Sale registered at the Royal Courts of Justice as well as registering an interest in the vehicle through HPI finance insertion. This allows the Company to enjoy a first charge over the vehicular asset as security for the sum lent. In the case of mobile and static caravans, the Company would obtain a Bill of Sale over the asset and register its interest via the Vehicle Registration Number (VIN).

In respect of asset finance and pawnbroking, the Company keeps the relevant high value items in its possession using secure storage facilities around the UK. Items such as watches and jewellery are placed in Bank Safety Vaults thus effectively guaranteeing Company abilities to enforce against the item in the event of a default by the borrower. As items are only lent on a maximum 65% loan to value, even in the event of a lower valuation on sale, it would be very unlikely that the Company would not be able to realise an amount equal to its outstanding amount owed.

All pawnbroking contracts which are held on one of the Company's storage facilities are insured for the loan value plus accrued interest. The Company's insurance brokers used by the Company are GJIS Limited¹ and underwritten by Lloyds.

Fundraising and Lending Strategy

The Company is seeking to raise up to £26.5 million in aggregate across a number of separate loan note series, including some transferable series and some non-transferable series. The funds raised will be deployed on new lending business. To date, the Company has issued approximately £5.75m (US\$7.46m) of loan notes in total (the "Existing Notes"). The Notes are separate from, and non-fungible with, any other series of loan notes issued by the Company (including each series comprised in the Existing Notes) although, in terms of the security, each series of loan notes issued by the Company will rank pari passu with each other series.

The Company's goal to become one of the largest subprime asset-backed lenders and Debt purchase business in the UK. By borrowing at 10-12%, even after taking into account the associated fundraising costs of up to an additional 6% per annum, the Company can deploy the funds into the subprime market at around 70% per annum allowing it to achieve a significant profit buffer in excess of its combined cost of capital. This figure takes into account the Company's defaults which, as a testament to the Company's robust underwriting, currently sit below 10%.

By lending money at 8% per month and at the same time receiving monthly capital repayment from customers, the Company will be able to meet its coupon obligations to the investors and repay the Notes at maturity, with the ultimate goal of complete self-sufficiency by lending solely out of its own funds.

There are a number of other subprime lending areas that the Company would be looking to access or develop, such as mobile static homes and short term developments. This market alone is worth an estimated £40 billion.

While the logbook loan market would currently allow the Company to deploy £5 million, with licences to deploy capital on a pawnbroking basis and the debt space, the market would easily allow the Company to deploy a further £25 million.

The pawnbroking and asset finance market is a key expansion target for the Company and it is looking to increase access to loans against watches, art, antiques, boats, light aircraft, and other valuable items. This can also be taken overseas; subprime and debt lending represents a significant opportunity in the UK and overseas jurisdictions. The Company has extensive knowledge in the high-cost lending space so will also expand into purchasing subprime business loans & defaults, asset-back loans and offering finance to other pawnbrokers and secured subprime lenders. The recovery of loans that have defaulted has always been of paramount importance.

¹ www.gjis.co.uk

The key to our business is ethical lending and the same applies to defaulted loans. We treat people who are vulnerable with the utmost respect and care.

One of the reasons we have acquired Countrywide Collections is for the way they also treat customers. If a borrower has defaulted, they will look to work with that borrower, often suggesting small affordable payment plans which allow the customer to rehabilitate their credit score. This formula proves both successful for the lender and of course the borrower. This formula allows Countrywide to purchase other lenders bad debt's at substantial discounts following the same recovery plan procedure.

The funds raised will be used to lend to UK and overseas consumers, and to purchase and operate alternative lending licences as well as other business in the high-cost lending and subprime purchase space.

The Company will review certain property lending opportunities and will consider advancing loans in this sector from funds received if deemed appropriate and within the remit of the Company's business model of asset backed / secured lending opportunities.

The Company, as an FCA regulated UK lender, currently only has the ability to lend into the UK market. However, the Company is actively considering obtaining the necessary licences to expand into other jurisdictions to drive value.

Lending Criteria

The Company will loan money at a maximum of 65% LTV.

The Company uses high levels automation to streamline its operations and systems and controls. As part of assessing clients' affordability, the Company carry out credit checks and open utilises banking in accordance with FCA requirements. Notwithstanding the role of technology, the Company prides itself on applying the personal touch and welcomes the new FCA Consumer Duty as an extension of its existing obligations on responsible lending ethos.

Lead Generation

Although the Company is receiving a high number of applications, a lack of liquid funds has meant the Company is having to decline attractive lending opportunities. A fresh injection of capital from the issuance of the Notes would allow the Company to fulfil these transactions immediately, while also allowing the Company to expand into markets it has hitherto been unable to participate in, such as marine, aviation and other.

2. KEY TERMS RELATING TO THE NOTES

The Company is seeking to raise funds by issuing three year secured loan notes with the characteristics set out in the table below (the “Notes”) as described in this Information Memorandum.

Redemption Date	Interest Rate	Interest Payment Dates	Max Raise ¹
28 October 2027	11%	Quarterly	£6.5 million

¹This is the current maximum raise across both the Existing Notes issued in transferable form and the Notes (and acts as a hard cap on the amount to be raised through the issue of transferable loan notes by the Company generally).

The payment of interest and repayment of capital is secured on its assets by way of a debenture. The net proceeds of the issue will be used to expand the Company's lending capacity in both its existing and targeted sectors and asset classes.

The Company may issue other series of notes from time to time subject to these ranking pari passu with the Notes.

Key Terms of the Notes	
Currency	Notes will be issued in GBP, USD, Euros
Issue Price	Notes will be issued at a price of: £1.00 per Note in the case of the GBP Notes \$1.00 per Note in the case of the USD Notes €1.00 per Note in the case of the EUR Notes, In each case plus accrued interest since the last Interest Payment Date. Accrued interest is calculated on a 365 day year and rounded up to the nearest penny. <i>Worked example: if an investor is issued 10,000 GBP Notes on day 1 of an interest period (i.e. the day following an Interest Payment Date), the Issue Price will be £10,000. However, if an investor is issued 10,000 Notes ten days into an interest period, the Issue Price will be £10,030.14, being £10,000 plus £303.14 of accrued interest.</i>
Minimum Investment	£10,000 per investor
Term	Each Note is repayable in full within 5 Business Days of the Redemption Date, subject to early redemption.
Interest Rate	11% per annum

Interest Record Date	6 p.m. on each Interest Date and the Redemption Date
Interest Dates	<p>Interest will accrue quarterly on 28 January, 28 April, 28 July and 28 October.</p> <p><i>Interest will be paid within five Business Days of each Interest Date to those persons registered as holders of the Notes at 6 p.m. on the relevant Interest Record Date.</i></p>
Payment	Payments of interest and principal will be made by the Company to those Noteholders listed on the Register as at each Interest Record Date and on the Redemption Date, within five Business Days of each such date.
Issue Date(s)	Notes may be issued on any day during Offer Period, at the directors' discretion.
Offer Period	As determined by the directors but no longer than a period of 12 months from the date of this Information Memorandum.
Listing and transferability	<p>The Notes are transferable (capped at a maximum of £6.5 million to be raised in aggregate across all current and future series of transferable notes) in accordance with the terms of the Loan Note Instrument.</p> <p>The Notes will not be listed on any stock exchange so should be considered an illiquid investment.</p>
Early Redemption	The Company may at any time, by giving Noteholders no less than one month's written notice, repay all or part of Notes held by Investors prior to maturity. The Company will pay any interest accrued up to the date of repayment.
Events of Default	<p>Any of those events specified in clause 10 of the Loan Note Instrument, including non-payment, breach of undertaking, cross-default, insolvency and analogous proceedings, cessation of business and illegality.</p> <p>On the occurrence of any Event of Default, the Security (described below) held by the Security Trustee over the Company's assets will become enforceable subject to the terms of the debenture and the security trust deed.</p>

Security	The Notes are secured by a debenture containing fixed and floating charges over the assets of the Company held by the Security Trustee on behalf of the Noteholders.
----------	--

3. SERVICE PROVIDERS TO THE COMPANY

<i>Security Trustee</i>	Amicorp (UK) Limited
<i>Registrar</i>	Neville Registrars Limited
<i>Legal adviser to the Company (English law)</i>	RW Blears LLP

4. RISK FACTORS

The risks described below are those risks that the Directors of the Company consider at the date of this document to be material to a decision as to whether to make an investment in the Notes but are not the only risks relating to the Company or the Notes. If any of the following risks, as well as other risks and uncertainties that are not herein identified or that the Company does not consider to be material at the date of this document, were to occur, they could have a material adverse effect on the Company's ability to fulfil its obligations to pay interest, principal or other amounts in connection with the Notes. Potential investors are strongly advised to consult their stockbroker, bank, solicitor, accountant or other appropriately financial adviser if they are in any doubt.

RISK TO CAPITAL

Invested capital is at risk and you may not get back what you invest.

The Company, like all businesses, is vulnerable to financial difficulties, and investing in unlisted corporate loan notes involves significant risk of default and loss of capital.

Investment in Notes of this nature is speculative and involves a higher degree of risk than other types of investment. Investments of this type are not suitable for all investors.

ILLIQUID INVESTMENT

No application will be made for any of the Notes to be admitted for listing or trading on any market and therefore it may not be possible to sell or realise the Notes until they are repaid by the Company. Please ensure you are fully aware of the risks involved and that you may not be able to cash in or sell your Notes before their maturity date. Prospective investors should not apply for Notes unless they are prepared to hold the Notes for their full term. In the event of the death of a Noteholder or in other exceptional personal circumstances, individual Noteholders may be repaid early. However, any such early repayment is at the Company's discretion and subject to there being sufficient cash available at that time.

SECURITY NO GUARANTEE OF REPAYMENT

Even though the Notes are secured by way of a debenture over the Company's assets, meaning Noteholders rank ahead of unsecured creditors in a default situation, the Company assets have not been independently valued and the presence of this security does not guarantee that investors in the Notes will be repaid at maturity or receive their interest payments in full. The Notes rank below employees and administrators and may rank alongside or even below other fixed and floating charge holders.

UNREGULATED INVESTMENT

The content of this document has not been approved by any FCA-authorized person or other regulated investment firm. Please note that this is an **unregulated product**. The Company is not aware of any

compensation entitlements investors may have under the UK Financial Services Compensation Scheme (FSCS) or its equivalents in other jurisdictions.

LOAN NOTE RETURN RATE, MARKET INTEREST RATES INFLATION

The Notes attract a fixed rate of return which is in no way linked to market interest rates and as such will not benefit from any subsequent increases in market interest rates. Accordingly, you should note that a rise in market interest rates may adversely affect the relative returns that the Notes offer. Further, inflation may reduce the real value of the returns over time.

COST OF CAPITAL IS INCREASED BY ASSOCIATED FUNDRAISING COSTS

In order to market the opportunity to invest in the Notes, the Company will incur fundraising costs such as fees and commissions payable to intermediaries and marketing firms which will increase its overall cost of capital above the interest rate paid on the Notes that are issued. The Company intends to restrict such expenditure to no more than 7% of funds raised per annum for the life of the Notes which it considers to be an appropriate and necessary level of expenditure to achieve its fundraising goals and one that should not impact its ability to service and ultimately repay the Notes. However, the requirement on the Company to pay such fundraising costs will reduce the cash available to it to lend out to its customers in order to generate a return and there can be no guarantee that the payment of these costs would not be a contributing factor to the Company's inability to meet its obligations to Noteholders were it to run into financial difficulty.

NO RIGHT TO PARTICIPATE IN MANAGEMENT OR PROFITS BEYOND FIXED RETURN

Loan notes are a very different kind of investment to equity shares and investors do not own a stake in, or have any right to participate in management of, the Company. As such, Noteholders will not be in a position to object to particular strategies or decisions of the Company's board of directors.

SECURITY TRUSTEE

Whilst the security in favour of Noteholders is held on their behalf by a Security Trustee, the Security Trustee shall not be responsible, nor shall it face any liability, for any loss incurred by the Noteholders relating to a failure of the Company to make payments (whether of interest or of the principal amount) to the Noteholders when due. The Security Trustee will not have any ability or responsibility to protect any monies in the accounts of the Company which may have been set aside for payment of interest or the principal amount in respect of the Notes. The Security Trustee cannot guarantee return of any monies in the event of default. The Security Trustee has no role in the day-to-day management of the Company and its personnel are not experts in the Company's business. Accordingly, in the event that the security is enforced, there can be no guarantee that it will be possible to realise the assets for the same value as stated in the Information Memorandum (or realise them at all in some cases).

CANCELLATION RIGHTS

Investors will not be able to cancel an application to subscribe for Loan Notes once they have signed the application form and funds have been received and Loan Notes issued. Investors should review

the term and conditions of application carefully and seek professional advice from appropriately authorised financial intermediaries qualified to advise on investments of this type.

PERFORMANCE RISK

The Company may not perform as well as expected and may even fail completely. Investors are reminded that any financial forecasts included in this document are hypothetical projections only. Projected results have many inherent limitations and there are frequently sharp differences between such projections and the actual results subsequently achieved. The Company cannot make any representation or warranty as to what the actual results will be and has provided its projections by way of illustration only.

EARLY REPAYMENT

The terms of the Notes provide that the Company may elect to repay Noteholders in part in full at any time following the date of their issue, together with all interest that has accrued but not been paid at the date of repayment. Noteholders may not have control over when the Notes are repaid and if the Notes are redeemed they will not ultimately receive the full amount of interest set out in the Key Terms above.

PERSONNEL

The Company's performance is dependent on the continued services and performance of members of its management team. If the Company does not succeed in retaining skilled personnel, fails to maintain the skills of its personnel or is unable to continue to attract and retain all personnel necessary for the development and operation of its business, it may not be able to grow its business as anticipated or meet its financial objectives including the servicing, and ultimately the redemption, of the Notes.

REGULATORY RISK

Changes to existing laws or regulations, or the creation of new laws or regulations, may have an adverse effect on the Company's business and could result in the Company failing to generate sufficient returns to service the Notes or redeem them in full (or redeem them at all in some cases).

MARKET FLUCTUATIONS

General economic conditions and fluctuations in the lending markets or in the securities markets (whether in local communities, particular countries or globally) may affect the value of the investments that will be held by the Company and the success of the Company's activities. Such conditions include interest rates, availability of credit, inflation rates, economic uncertainty and changes in national or international political circumstances. There can be no assurance that these general or economic market conditions and fluctuations or unanticipated downturns in these markets (or segments of them) will not have a material adverse effect on the Company or its business.

RISKS RELATED TO THE COMPANY'S SECTOR OF OPERATION

The Company operates and invests in the consumer lending and debt recovery markets and accordingly its borrowers are more likely to default on their obligations to repay the loans advanced to them by the Company than other borrowers. The Company has underwriting procedures, strategies and security arrangements in place to mitigate this risk negatively impacting the profitability of the business and its ability to service its own debts however these cannot be guarantee to be effective and the Company's own solvency would be at risk from a particularly severe or extensive series of defaults by its customers, overvaluing of its security and other related risks.

SINGLE INVESTMENT

Investors are reminded to maintain a balanced portfolio. Diversification by spreading money across different types of investments should reduce overall risk. Investors should only invest a small proportion of their available investment funds via this offer (and others like it) due to the high risks involved.

NO LEGAL OPINION SOUGHT

While the Company has no reason to believe that it lacks the corporate capacity to enter into any of the relevant documents which facilitate the issuance of the Notes, or that the security arrangements which secure the Notes are anything other than fully valid and effective, the Company has not sought to obtain a specific legal opinion on these points as is sometimes obtained in larger debt issuance transactions.

TAXATION RISKS

The statements in this document regarding taxation only represent the Company's understanding of the current law and practice as regards the taxation of the Notes. Nothing in this document should be considered to be tax or legal advice and prospective investors are recommended to seek their own independent advice before investing. The tax legislation referred to herein may change in the future and such changes may have retrospective effect. Investors are reminded that any future legislation regarding taxation could also have an adverse effect on the Company's profitability. **Individual tax circumstances may differ from investor to investor and persons wanting to invest are advised to seek specific tax advice based on their personal circumstances.**

Forward-looking Statements

Certain information contained in this document constitutes “forward-looking statements”, which can be identified by the use of forward-looking terminology such as “assumed”, “example”, “illustrative”, “may”, “will”, “should”, “expect”, “intend”, “anticipate”, “project”, “estimate”, “plan”, “seek”, “continue”, “target” or “believe”, or the negatives thereof or other variations thereof or comparable terminology, and include projected or targeted minimum returns to be made by the Company. Such forward-looking statements are inherently subject to material, economic, market and other risks and uncertainties and, accordingly, actual events or results, or the actual performance of the Company, may differ materially from those reflected or contemplated in such forward-looking statements. In addition, investors should not place undue reliance on forward-looking statements, which speak only as of the date of this Information Memorandum.

5. SECURITY ARRANGEMENTS

The Notes will be secured by a debenture containing a floating charge over the whole of the undertaking and all property, assets and rights, both present and future, of the Company.

The benefit of the security will be held on trust by Amicorp (UK) Limited (in its role as Security Trustee).

A "floating charge" enables a chargee (i.e. the Security Trustee) to take security over assets whilst at the same time enabling the chargor (i.e. the Company) to continue to operate its business without the restrictions that would follow from granting fixed charges over those assets and/or interests in them.

The assets subject to a floating charge can generally be dealt with by the chargor company in the ordinary course of its business (including sale of such assets and/or interests in them. A floating charge effectively "hovers" over a shifting pool of assets. However, on the occurrence of certain events (notably if a receiver or an administrator is appointed to take enforcement action against the chargor company or if there is a default in the Company's obligations in relation to the Notes) the floating charge "crystallises" and will effectively be converted into a fixed charge with respect to the assets and/or interests in them which are at that point in time owned by the Company, and prohibit it from disposing of any assets and/or interests in it going forwards without the Security Trustee's prior consent.

The terms of the Notes prohibit the Company from granting any further security, other than the floating charge which secures the Notes, without prior consent of the Noteholders. As such, the restrictions on its activities contained in the terms of the Notes (including this limitation on the granting of further security, and the requirement that the net proceeds of issuance of any Notes are solely used to fund the purchase and development of properties and meet the running costs of the Company, mean that there should not be any other competing interests from other parties if the floating charge over the Company's assets is enforced.

The ability of the Security Trustee (on behalf of the Noteholders and itself) to recover sufficient sums to satisfy payments to Noteholders upon enforcement of the Security will depend, among other things, on the quality of the Company's assets and any claims from preferential creditors. The Company's assets are only likely to be its book of debtors and the net proceeds from any issuances of Notes. As a result, there can be no assurance that the Security Trustee (on behalf of the Noteholders) will be able to recover sufficient sums to satisfy the claims of Noteholders on the enforcement of the Security.

What will Noteholders receive on a winding up of the Company?


In the event of the Company's insolvency, the Noteholders, acting through the Security Trustee, will have recourse to the secured assets, which are secured for the benefit of the Security Trustee as described above.

The floating charge granted over the secured assets shall become enforceable by the Security Trustee for and on behalf of itself and the Noteholders, at the Security Trustee's discretion and in respect of

all costs, claims and liabilities to or for which it may, in its opinion, thereby become liable upon an event of default occurring.

As described above in the context of "floating charges", if the security becomes enforceable, the Security Trustee would typically be entitled to take possession of the relevant assets or interest and/or procure their sale (or else the Security Trustee could appoint a receiver to do these things on its behalf). Any proceeds would be held on trust for distribution to the Security Trustee the Noteholders (in priority to claims of any other creditors of the Company as the case may be). Any cash remaining, after Noteholders had been paid in full, would be available to other unsecured creditors of the Company.

A simplified diagram illustrating the expected ranking of the Notes compared to the Company's other creditors is set out below. **Noteholders claims in respect of the Notes will fall within the area shaded grey in this diagram:**

	Type of obligation	Examples of obligations
Higher ranking	Proceeds of fixed charged assets	Currently none
	Expenses of the liquidation or administration	Remuneration due to the administrator, liquidator or administrative receiver, together with fees and expenses
	Preferential creditors	Currently none
	Proceeds of floating charge assets	First, the Company's obligations to make payment to the Security Trustee, and then second, the Company's obligations to make payment to the Noteholders in relation to the Notes
	Unsecured obligations, including guarantees in respect of them	Trade creditors and other unsecured obligations such as banking facilities and other financings
Lowest ranking	Shareholders	Ordinary Shareholders



6. TAXATION

Investments in the Notes may have certain taxation implications specific to individual investors. Commentary on taxation provided herein is for information only and no representation or warranty, express or implied, is given to Noteholders or potential Noteholders in any jurisdiction as to the tax consequences of an investment in the Notes. Prospective investors should consult their own professional advisers as to the implications of their investing in the Notes, under the laws of the jurisdictions to which they may be subject.

The Company will be liable to withhold tax (currently at a rate of 20%, equivalent to the UK basic rate of income tax) from interest payments made to UK resident individual Noteholders (whether or not the Notes are held through a nominee or custodian). Credit for the income tax so withheld is given against the recipient's liability to income tax on that interest income. However, as interest income is taxable in the UK at the individual taxpayer's highest marginal rate of tax, such Noteholders may have additional income tax liabilities in respect of such income.

For a UK resident corporate Investor or a tax exempt investor such as a charity holding their Notes directly, the interest payment may be paid gross without any withholding of tax at source from the interest paid.

Interest paid on Notes held by persons resident for tax purposes outside the UK will generally also be subject to a withholding tax of 20%, unless there is a double taxation treaty between the UK and the jurisdiction in which the Noteholder is resident, pursuant to which the rate of withholding tax is reduced. In that case, interest may be paid gross (or at the applicable reduced treaty rate), provided that an appropriate direction has been made by HMRC following an application by the relevant Noteholder for treaty relief.

Where required, the Company will make the necessary arrangements to deduct tax at the applicable rate from interest payments and account for the same directly to HM Revenue & Customs. A tax certificate providing details of the tax so deducted will be issued to relevant Noteholders following each interest payment.

The Company does not expect stamp duty or SDRT under UK law to be payable on the issue or transfer of Notes on the basis that they should constitute exempt loan capital under section 79(4) of the Finance Act 1986.

Any change in the Issuer's tax status or in taxation legislation could affect the value of the Noteholders' investments. Representations in this document concerning the taxation of Noteholders are based upon current tax law and practice, which is subject to change, including with retrospective effect.

Individual tax circumstances may differ from Investor to Investor and potential Noteholders are advised to seek specific tax advice based on their personal circumstances.

7. INFORMATION ABOUT THE COMPANY

1. Incorporation and Business

- a. The Company was incorporated in England and Wales on 15 October 2010, company number 7409180, under the Companies Act 2006 as a private limited company with the name Cash4MyCar Limited. On 4 September 2012, the Company changed its name to its current name, Logbook Lending Limited.
- b. The Company's registered office is at 82 Wandsworth Bridge Road, London, United Kingdom, SW6 2TF. The Company is resident in the United Kingdom. The statutory records of the Company are kept at its registered office address.
- c. The principal legislation under which the Company operates, and under which the Notes will be issued, is the Companies Act 2006. The objects of the Company and its ability to borrow is unrestricted. As at the date of this document the Company does not currently have any subsidiaries.
- d. The Company is authorised and regulated by the Financial Conduct Authority with firm reference number 673568.

2. Share capital of the Company

- a. As at the date of this document, the issued share capital of the Company is 200,000 redeemable preference shares of £1 each and 50,100 ordinary shares of £1 each, held by Andrew Lazarus and AF Premier Ltd (wholly owned by Andrew Lazarus) respectively.
- b. As at the date of this document, no options have been granted (or have been agreed to be granted) over any shares in the capital of the Company.

3. The Notes

- a. The Notes described in this Information Memorandum are constituted by a loan note instrument issued on or around the date of this Information Memorandum by the Company (the "**Loan Note Instrument**"). The Loan Note Instrument constitutes the Notes to be offered to identified Eligible Investors pursuant this Information Memorandum.
- b. The maximum amount that the Company will raise from the issue of Notes when aggregated with the Existing Notes and any other series of transferable loan notes (if any) to be issued, is, in aggregate, £6.5 million.

4. Directors

The Company's directors are Andrew Lazarus, Matthew Miller and Susan Walker and their biographies are set out below:

Andrew Lazarus

Andrew has extensive knowledge of subprime lending and high-cost credit, having been involved with numerous businesses across the sector. Andrew was a sales manager at James Page Jewellers between 1984 and 1989, and a managing director of TGS Jewellers & Pawnbrokers between 1989 and 2013, where he expanded the business to 18 retail outlets throughout London, before the company was sold to The Money Shop in October 2013. Andrew was also a managing director of Best Quality Watches Ltd between 2010 and 2014. With over 40 years' experience, Andrew is responsible for the smooth running of the Company as a regulated subprime lending business.

Matthew Miller

With over 25 years' experience in property development Matt has built a highly successful property portfolio with well established companies. Beginning his career with Galliard Homes he has worked with residential, commercial and mixed-use properties and has overseen the completion of 18 projects valued at over £1 billion. Always seeking to maximize return on investment Matt has built strong relationships within the industry and has worked closely with Galliard Homes on numerous projects; these include Development No. 1 Poultry, London EC1 and Distillery Tower, London SE8. Other partners include Dukelease Landhold Developments, Vandermolen Real Estates and Matterhorn Capital. Matt's approach to investing has allowed him to consistently outperform market averages and build a resilient portfolio and always exploring new opportunities for profitable investment.

Susan Walker

Director owner of Compliance4u Limited. Experienced Compliance & Risk Consultant with over 25 years' experience in Consumer Credit and associated regulatory requirements. Financial Conduct Authority Part IV permissions are a specialty. Susan is currently a Non-Executive Director for three firms including Logbook Lending Limited. She is responsible for ensuring the Company's compliance with the recent changes in FCA regulation that have meant that firms must focus on consumer support more than ever before. Since the implementation of the Consumer Duty, Susan has been responsible for reviewing the Company's entire customer journey and over the last eighteen months implemented improvements. As a Director of Logbook Lending, she oversees this important strategy and keeps the Board apprised of future requirements.

Save as disclosed in this Information Memorandum, as at the date of this Information Memorandum, no Director of the Company has, in the five years immediately preceding the date of this Information Memorandum:

- a. had any unspent convictions in relation to any indictable offences; or
- b. been bankrupt or entered into an individual voluntary arrangement; or
- c. been a director of any company at the time of or within 12 months preceding any

receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors; or

- d. been a partner in a partnership at the time of or within 12 months preceding any compulsory liquidation, administration or partnership voluntary arrangement of such partnership; or
- e. had his or her assets the subject of any receivership or has been a partner of a partnership at the time of or within 12 months preceding a receivership of any assets of such partnership; or
- f. been subject to any public criticism by any statutory or regulatory authority (including any designated professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

5. Litigation

As at the date of this document, the Company is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened so far as the Company is aware).

6. Financial Information

The Company's accounts for the financial year ended 31 December 2023 are available at UK Companies House. The Company's accounts for the financial year ended 31 December 2024 will be made available from no later than 30 September 2025 in accordance with the Companies Act 2006 and will be available for viewing via the Companies House online service.

7. Documents Available for Inspection

Copies of the following documents are available for inspection by eligible investors at the Company's registered office:

- a. this Information Memorandum;
- b. the Loan Note Instrument;
- c. the Debenture; and
- d. the Security Trust Deed.

8. ADDITIONAL INFORMATION

MONEY LAUNDERING REGULATIONS

To ensure compliance with the Money Laundering Regulations, the Company may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment.

If the Company determines that the verification of identity requirements apply to any acceptor or application, the relevant Notes (notwithstanding any other term of this offer) will not be issued unless and until the verification of identity requirements have been satisfied in respect of an application. The Company is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any application and whether such requirements have been satisfied, and the Company will not be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the Company states that verification of identity is required, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the dispatch of certificates in respect of Notes taken up. If, within a reasonable time following a request for verification of identity, the Company has not received evidence satisfactory to it, the Company may, in its absolute discretion, treat the relevant application as invalid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

CREST

Notes issued by the Company may be issued in registered form and settled and transferred through CREST in accordance with the CREST regulations in force from time to time. Investors wishing to have their Notes delivered to a CREST stock account in their own name should include their CREST details in the relevant section of the Application Form. Dealing in the Notes in advance of the crediting of the relevant CREST accounts will be at the risk of the person concerned.

The Company will appoint a CREST Registrar to act as registrar in relation to any Notes issued through CREST.

The CREST Registrar may decline to register a holding in any uncertificated Note which is held in the CREST system in accordance with the CREST rules where, where the number of joint holders to whom uncertificated Notes is to be held exceeds four.

The settlement of Notes through CREST means an investor will:

1. authorise the CREST Registrar to credit the CREST account specified with the number of Notes for which the application is accepted;
2. agree that, in the event of any difficulties or delays in the admission of the Notes to CREST or the use of CREST in relation to the issue, the Company and the CREST Registrar may agree that all of the Notes should be issued in certificated form.