

UAB HEAVY FINANCE COMPLAINTS HANDLING PROCEDURE

1. GENERAL PROVISIONS

- 1.1. This Complaints Handling Procedure (hereinafter referred to as the **Procedure**) of UAB HEAVY FINANCE UAB (hereinafter referred to as **Company**) sets out the Company's policy designed to ensure:
 - 1.1.1. prompt and fair handling of Complaints received by the Company;
 - 1.1.2. storage of Complaints, the material relating to their handling, replies and information on the measures taken to resolve the Complaint;
 - 1.1.3. continuous assessment of the outcome of Complaints and effective addressing of the causes of Complaints;
 - 1.1.4. periodic evaluation of the implementation and effectiveness of this Complaint Handling Policy and, where appropriate, review;
 - 1.1.5. proper implementation of Regulation (EU) 2020/1503 (hereinafter referred to as the **Regulation**), the Rules for the Handling of Complaints Received from Financial Market Participants (hereinafter referred to as the **Rules**) approved by the Resolution of the Board of the Bank of Lithuania of 6 June 2013 No. 03-105, and other legal acts.
- 1.2. The Procedure has been drawn up in accordance with the requirements laid down in the Regulation, the Rules and other applicable legislation.
- 1.3. This Procedure shall apply to Complaints regarding the services provided by the Company and/or contracts concluded with the Company in relation to the Company's activities as a crowdfunding platform operator. The Procedure shall not apply to any other Complaints, actions, requests from customers and/or third parties against the Company to enforce the terms of contracts or to provide information, explanations, etc.
- 1.4. The implementation of the Company's complaints handling policy as set out in this Procedure shall comply with the requirements of the legal acts regulating the legal protection of personal data as well as the personal data processing rules adopted by the Company.

2. TERMS

- 2.1. Terms used in this Procedure:
 - 2.1.1. **Response** shall mean a reasoned written explanation by the Company to the Applicant concerning the Complaint investigated or the decision taken;
 - 2.1.2. **Company** shall mean UAB HEAVY FINANCE, legal entity code 305576227, registered office at Birutės st. 18-1, Vilnius, Lithuania;
 - 2.1.3. **Customer** shall mean the Project Owner or Investor;
 - 2.1.4. **Applicant** shall mean a Customer who has lodged a Complaint in relation to the services provided by the Company and/or the contracts concluded with the Company.
 - 2.1.5. **Complaint** shall mean a written communication from an Applicant to the Company alleging that his/her rights or legitimate interests have been violated in relation to the Company's activities as a crowdfunding platform operator within the meaning of the Regulation.
 - 2.1.6. **Complaint Handling Process** shall mean the actions of the Company set out in this Procedure in relation to the receipt, registration, investigation of Complaints, notification of the Applicant, etc.
 - 2.1.7. **Complaints Handler** shall mean a person who is responsible for the handling of

Complaints within the Company, i.e. collecting the information necessary to investigate the Complaints received, investigating the Complaints, making decisions, and preparing Responses to Applicants;

- 2.1.8. **Log** shall mean the electronic log of Complaints submitted to the Company, containing the information set out in this Procedure;
- 2.2. Other terms used in this Procedure shall have the same meaning as defined in the Regulation. Unless the context otherwise requires, words used in the singular in the Policy shall include words used in the plural and vice versa.

3. SUBMISSION OF COMPLAINTS

- 3.1. A Applicant who considers that his/her rights or legitimate interests have been violated in his/her relations with the Company may submit a Complaint to the Company in writing, either by himself/herself or through a representative, in the form set out in Annex 1 to this Procedure.
- 3.2. The Complaint must contain at least the following minimum information:
- 3.2.1. If the Applicant is a natural person, the Applicant's name, surname, address and contact details;
- 3.2.2. if the Applicant is a legal entity, the name of the Applicant, its registration number and LEI code (if applicable), the address of its registered office and contact details;
- 3.2.3. If the Applicant is represented by another person – the name, surname or title, registration number and LEI code (if applicable), (registered office) address, contact details and the basis for the representation (accompanied by a power of attorney in the form prescribed by the legislation, or any other document confirming the authority of the Applicant's representative to act on behalf of the Applicant);
- 3.2.4. A reference to the investment and/or contract to which the Complaint relates;
- 3.2.5. The substance of the Complaint shall mean the acts/omissions of the Company complained of in relation to the provision of crowdfunding platform operator services, which are the subject of the Complaint and on which the Applicant bases its Complaints;
- 3.2.6. The date(s) of the events to which the Complaint relates;
- 3.2.7. Place and date of the Complaint;
- 3.2.8. A list of documents to be submitted with the Complaint (e.g. power of attorney, proof of violation, etc.);
- 3.3. The Complaint must be complete, neat, legible and written in Lithuanian or English.
- 3.4. The Complaint to the Company must be made in writing in any of the following ways:
- 3.4.1. By delivering it in person to the Company's registered office at Birutės st. 18-1, Vilnius, Lithuania;
- 3.4.2. By post (courier or otherwise) The Company's registered office is located at Birutės st. 18-1, Vilnius, Lithuania;
- 3.4.3. by sending an e-mail to: info@heavyfinance.com (the Complaint should be attached as a separate scanned attachment to protect the text and identify the signature).

4. ACCEPTANCE AND REGISTRATION OF COMPLAINTS

- 4.1. If the Company receives a Complaint by any means, the employee who receives the Complaint must forward the Complaint to the Complaints Handler on the same business day. The Complaints Handler must acknowledge receipt of the Complaint to the Applicant and decide on its admissibility within 10 business days from the date of receipt of the Complaint by the Company.

- 4.2. The Company shall consider the following Complaints inadmissible:
 - 4.2.1. If the Complaint submitted does not comply with the requirements set out in Section 3;
 - 4.2.2. If an identical Complaint or a Complaint which is already being dealt with by another competent authority or court or which has been decided by the Company or which has been the subject of a judgment, ruling or order of a court;
 - 4.2.3. Anonymous Complaints.
- 4.3. If the Complaints Handler decides that the Complaint is not admissible to the Company, a clear and detailed explanation shall be provided to the Applicant as to why the Complaint is deemed to be inadmissible and may not be considered by the Company.
- 4.4. Following the decision of the Complaints Handler to accept the Complaint, the following information shall be provided to the Applicant within the term set out in Clause 4.1:
 - 4.4.1. The personal identity and contact details, including e-mail address and telephone number, of the Complaints Handler, to whom the Applicant may refer any matter relating to the Complaint;
 - 4.4.2. The term for examining the Complaint and replying to the Applicant.
- 4.5. Each Complaint received must be recorded by the Complaints Handler in the Log (Annex 2).
- 4.6. The Log shall record and maintain the following information about the Complaint:
 - 4.6.1. Name and surname or title of the Applicant (if the Applicant is a legal entity);
 - 4.6.2. The address of the Applicant stated in the Complaint;
 - 4.6.3. Date and method of receipt of the Complaint;
 - 4.6.4. Complaint registration number;
 - 4.6.5. The essence of the Complaint (short content);
 - 4.6.6. The services or products of the Company complained about, and the types of services or products;
 - 4.6.7. The date of dispatch of the response to the Applicant;
 - 4.6.8. The final outcome (decision) of the Complaint.
- 4.7. It is also recommended that all other actions taken by the Company in relation to the handling of the Complaint (e.g. referrals to external legal counsels, internal consultations on the circumstances of the Complaint, internal audits, etc.) should be recorded in the Log.

5. RESOLUTION OF COMPLAINTS

- 5.1. The Company shall take all reasonable steps to ensure that the Complaint is dealt with as expeditiously and fully as possible. The Company, when examining Complaints, shall be guided by the principles of respect for human rights, justice, fairness, reasonableness, objectivity, impartiality, expediency and other principles set forth in the Rules and other legal acts of the Republic of Lithuania.
- 5.2. The Complaints Handler shall investigate the Complaint himself/herself and draw up a Response, or shall instruct other competent employees of the Company to investigate the circumstances and requirements set out in the Complaint and to submit a draft of the Response in writing to the Complaints Handler as soon as possible, but no longer than within the terms laid down in Clause 5.9 of the Procedure.
- 5.3. The Complaints Handler may not investigate Complaints which are made in respect of acts/omissions of the Complaints Handler or of acts/omissions of his/her close relatives (if such relatives are employed by the Company). In such a case, the Complaints Handler must recuse himself/herself from the handling of the particular Complaint by informing in writing the CEO of

the Company, who shall designate another employee of the Company who does not have a conflict of interest in handling the Complaint. The person whose action/omission is the subject to a complaint, a close relative of the person complained of, or a person under the direct authority of the person complained of, may not be appointed to investigate the Complaint. If the persons referred to in this Clause consider that, in the case of a particular Complaint, they are unable to deal with that Complaint because of any other circumstances which give rise to, or are likely to give rise to, a conflict of interest, they shall immediately inform the CEO of the Company of that fact and shall recuse themselves from dealing with or investigating the Complaint in question. If the circumstances referred to in this Clause come to light in the course of the investigation of a Complaint, prompt action shall be taken to eliminate the circumstances giving rise or likely to give rise to a conflict of interest and, if necessary, to appoint a different person to deal with or investigate the Complaint concerned.

- 5.4. The Complaints Handler must, among other things:
 - 5.4.1. collect and evaluate all documents and data relevant to the Complaint in question;
 - 5.4.2. analyse and evaluate historical data relating to the Applicant's service;
 - 5.4.3. analyse and evaluate the Applicant's previous Complaints (if any);
 - 5.4.4. assess other information available and relevant to the Resolution of the Complaint (contracts concluded by the Applicant, data relating to the fulfilment of obligations to the Company, etc.);
 - 5.4.5. communicate with the Applicant when necessary;
 - 5.4.6. if necessary, ask the employee of the Company whose actions are complained of, or the employee's colleagues, to explain the circumstances of the Complaint;
 - 5.4.7. if necessary, request the Applicant or his/her representative to provide additional information necessary for the Resolution of the Complaint.
 - 5.5. The Company shall deal with Complaints in writing. In exceptional cases, meetings between the parties may be arranged with a view to ending the dispute amicably. The meeting may be organised either by the Applicant or by the Company.
 - 5.6. The Company shall investigate Complaints free of charge.
 - 5.7. The Complaints Handler shall be informed by the Applicant of any additional action taken in the course of the Complaint and shall promptly respond to reasonable questions from the Applicant regarding the Complaint.
 - 5.8. The Complaints Handler shall investigate the Complaint and provide a detailed, reasoned, documented Response to the Applicant as soon as possible, but no later than within 30 calendar days from the date of receipt of the Complaint by the Company.
 - 5.9. If, for reasons beyond the control of the Company, a reply cannot be provided within 30 calendar days, the Company shall send a provisional reply, indicating the reasons for the delay in responding to the Complaint and the deadline by which the Applicant will receive a final reply. In any event, the term for a final response shall not exceed 35 business days from the date of receipt of the Complaint by the Company.
 - 5.10. If, during the course of handling the Complaint, the Applicant withdraws his/her Complaint in writing, the Complaints Handler shall terminate the pending Complaint. In such a case, an entry shall be made in the Register indicating that the Complaint has been withdrawn and that the Complaint is closed.
- 6. DECISION-MAKING AND PROVISION OF A RESPONSE**
- 6.1. The response shall take into account all the points raised in the Complaint and give the reasons for the decision. The decision on the Applicant shall be consistent with all previous decisions of the Company on similar Complaints, unless the Company can justify different decisions.

- 6.2. The original response, together with the attached documents, shall be provided to the Applicant by e-mail or, at the Applicant's request, on paper.
- 6.3. The response to the Applicant must at least contain the following:
 - 6.3.1. Date of submission of the Response;
 - 6.3.2. Reasoned Response;
 - 6.3.3. List of attached documents (if any);
 - 6.3.4. Name, title and signature of the person who drafted the Response to the Complaint.
- 6.4. Responses to Complaints from Applicants must in all cases be agreed upon with the CEO of the Company.
- 6.5. If the Company is not responsible for the performance of the activities referred to in the Complaint received, the Company shall indicate to the Applicant the reasons for its refusal to accept and process the Complaint, as well as, where possible, the financial market participant responsible for processing the Complaint.
- 6.6. If the Company does not satisfy the Applicant's Complaints or satisfies them partially and the Applicant is a consumer, the Applicant shall have the right to appeal to the Bank of Lithuania in writing or electronically within 1 (one) year from the date of contacting the Company in order to resolve the arising dispute. If the Applicant misses the deadline for applying to the Bank of Lithuania, he/she shall lose the right to apply to the Bank of Lithuania in respect of the same dispute, i.e. in respect of the same subject-matter (the Complaint against the Company) and on the same grounds (the circumstances on which the Complaint is based), irrespective of the fact that he/she has reapplied to the Company.
- 6.7. You can find out more about the procedure for consumer disputes with financial services providers on the Bank of Lithuania's website: <https://www.lb.lt/lt/daugiau-apie-gincius-su-finansiniu-paslaugu-teikeju>.
- 6.8. If the Company does not satisfy the Applicant's Complaints or satisfies them partially and the Applicant is not a consumer, the Applicant shall have the right to apply to court in accordance with the procedure established by the laws of the Republic of Lithuania.
- 6.9. The investigated Complaints with all documentation must be kept in a separate file in the Complaints binder or in the Company's electronic record-keeping system in accordance with the procedure established by law, but at least for three years from the date of the submission of the final response to the Customer.

7. ASSESSMENT OF THE OUTCOME OF COMPLAINT RESOLUTION

- 7.1. The Company shall continuously assess the outcome of Complaints in order to identify its weaknesses and potential legal or operational risks. As part of this assessment, an employee appointed by the CEO of the Company shall:
 - 7.1.1. collect information on similar Complaints in relation to the Company's activities as a crowdfunding platform operator, analyse this information in order to identify the root cause of the Complaints, and make suggestions to the CEO of the Company as to the prioritisation of the resolution of the causes of the Complaints;
 - 7.1.2. assess whether the root cause of certain Complaints may give rise to Complaints about other services or products provided by the Company in relation to the Company's activities as a crowdfunding platform operator;
 - 7.1.3. assess whether the root causes of the Complaints can be eliminated and make proposals to the CEO on how to eliminate them;
 - 7.1.4. if necessary, take action to address the identified root causes of Complaints;
 - 7.1.5. ensure that information on recurring or systemic causes of Complaints is regularly

provided to the Company's CEO in order to enable him/her to perform his/her functions effectively.

- 7.2. The CEO of the Company, having taken note of the information referred to in Clause 7.1 of the Procedure concerning the Complaints received by the Company and the results of their Resolution, and having assessed the proposals received concerning the priorities for the elimination of the causes of the Complaints and the methods of their elimination, shall take the appropriate decisions in order to eliminate the identified material causes of the Complaints.
- 7.3. Information on the decisions of the Company's CEO to address performance deficiencies and risk management identified on the basis of Complaints shall be retained for at least three years in accordance with the procedures established by law.

8. RESOLUTION OF DISPUTES BETWEEN PARTIES TO A FUNDING TRANSACTION

- 8.1. If the Applicant believes that the other party to the funding transaction has violated his/her rights or legitimate interests, the Applicant shall have the right to apply to the Company in accordance with the same procedure set out in this Procedure. However, in such cases, the Applicant must indicate that it is referring to a dispute between the parties to the funding transaction.
- 8.2. After reviewing the information provided by the Applicant in relation to the dispute between the parties to the funding transaction, the Company may make a proposal to the parties to the funding transaction as to how the dispute may be resolved within a period of not more than 35 business days. Such a proposal is not binding or obligatory.
- 8.3. Pursuant to Clause 8.1 of the Procedure, the information provided by the Applicant shall not constitute a Complaint and shall not be subject to the other provisions applicable to Complaints under the Procedure. In all cases, the Company shall endeavour to act in the best interests of its Customers, but accepts no liability for the proposal made to resolve the dispute, its suitability or its consequences.
- 8.4. In the event of failure to resolve a dispute between the parties to a funding transaction in accordance with the procedure set out in Clauses 8.1 – 8.3 of the Procedure, the dispute between the parties to the funding transaction shall continue to be resolved in accordance with the procedure laid down in the applicable legislation.

9. FINAL PROVISIONS

- 9.1. Amendments and/or supplements to this Procedure shall enter into force on the day following the date of their adoption, unless a different effective date is specified. The CEO of the Company shall ensure that the Company's employees are informed in a timely manner about amendments and/or supplements to the Procedure.
- 9.2. The CEO of the Company shall be responsible for the proper implementation and control of the Procedure. The CEO of the Company shall determine who shall act as the Complaints Handler.
- 9.3. Complaints Handlers must have sufficient skills, knowledge and experience to properly implement the requirements of this Procedure.
- 9.4. The Complaints Handler must be given access to all the information necessary for the processing of Complaints.
- 9.5. The Company shall and, at the request of the Bank of Lithuania, provide information on the number of Complaints received, broken down by reason for submission and outcome of the Resolution.
- 9.6. All employees of the Company shall be made aware of these Procedures and any amendments thereto and shall abide by them.

COMPLAINT FORM**1.a Details of the Applicant:**

Name, surname / Title	
Registration code and LEI code (if applicable)	
Address (address of the registered office of the company) (street, house and apartment number, postcode, city, country)	
Telephone number	
E-mail address	

1.b Contact details of the Applicant (if different from 1.a):

Name, surname / Title	
Address (address of the registered office of the company) (street, house and apartment number, postcode, city, country)	
Telephone number	
E-mail address	

2.a Details of the representative (if applicable) (the appointment of the representative is evidenced by a power of attorney or other official document):

Name, surname / Title	
Registration code and LEI code (if applicable)	
Address (address of the registered office of the company) (street, house and apartment number, postcode, city, country)	
Telephone number	
E-mail address	

2.b Contact details of the representative (if different from 2.a):

Name, surname / Title	
Address (address of the registered office of the company) (street, house and apartment number, postcode, city, country)	
Telephone number	
E-mail address	

3. Information about the Complaint**3.a Investment and/or contract to which the Complaint relates (i.e. investment number, name of the project owner/company and/or crowdfunding project, other details of the transaction concerned)**

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3.b Description of the subject matter of the Complaint (clearly state the subject matter of the Complaint)

Please provide documentation to support the above.

3.c Date(s) of the events to which the Complaint relates

3.d Description of the loss or damage sustained (if applicable)

3.e Other comments or information (if applicable)

Date, place and signature of the Complaint submission

Documents accompanying the Complaint (tick the relevant box):

Power of attorney or other document of representation;	
A copy of the investment agreement relevant to the Complaint;	
Other documents relevant to the Complaint (please specify):	

