



AGREEMENT ON USE OF CROWDFUNDING PLATFORM HEAVYFINANCE.EU

The present Agreement on Use of Crowdfunding Platform Heavyfinance.eu (the “**Agreement**”) is electronically concluded by and between the crowdfunding platform operator **UAB HEAVY FINANCE** entity code 305576227, address Birutės str. 18-1, Vilnius, Lithuania (the “**Operator**”) and You, i.e. the Platform User meeting the conditions set forth in the present Agreement (“**You**” or the “**User**”).

The present Agreement sets out the conditions for the use of the Heavyfinance.eu platform (the “**Platform**”) and regulates the legal relationship among the Users and between the Users and Operator.

By entering into this Agreement, You acknowledge that You have fully acquainted yourself with this Agreement, understood its contents and consequences, and agree with the terms set out in this Agreement concerning the use of the Platform. You also confirm your understanding that without accepting the terms set out herein You may not use the services provided by the Platform and the Operator.

Annexes to this Agreement and all the other agreements and/or the documents made available on the Platform and/or additionally concluded between You and the Operator may establish separate terms concerning the use of the Platform and/or special rights, obligations and responsibility applicable to the Parties. If the provisions of the other agreements made available on the Platform or concluded between You and the Operator separately are inconsistent with the provisions set out in the present Agreement, the provisions of relevant documents and/or agreements which are considered special with regard to the provisions of this Agreement shall apply.

The Operator shall act in accordance with the Law on Crowdfunding of the Republic of Lithuania (the “**Law**”) and other applicable legal acts in its activities.

1. Definitions

- 1.1. Unless the context requires otherwise, the following words used in the present Agreement shall have the meanings indicated below:
 - 1.1.1. **Automatic investment functionality** means the functionality offered to the Operator's Financiers on the Platform, which allows the Financiers to pre-determine the investment criteria acceptable to them, which are specified on the Platform, and automatically submit proposals for financing the Applications of the owners of the Projects, published on the Platform.
 - 1.1.2. **Secondary market** shall mean the technical (functional solution) of the Platform, enabling the Investors to transfer their owned Rights of claim and (or) the Users of the Platform to acquire transferable Rights of claim.
 - 1.1.3. **Investor** shall mean the User, financing the Project posted on the Platform by the Crowdfunding Funds;
 - 1.1.4. **Payment Schedule** shall mean the schedule according to which the Project Owner shall repay the Loan Amount and pay the Interest and/or other amounts payable under the Loan Agreement as known in advance. The Payment Schedule shall be provided to the Parties on the Platform;
 - 1.1.5. **Operator** shall mean the Operator of crowdfunding platform Heavyfinance.eu **UAB HEAVY FINANCE** entity code 305576227, address Birutės str. 18-1, Vilnius, Lithuania ;
 - 1.1.6. **Application** shall mean the public pitch placed by the Borrower on the Platform to enter into the Loan Agreement in accordance with the terms coordinated with and approved by the Operator in advance. The Application provides a detailed description of the Project terms.
 - 1.1.7. **Loan Amount Funding Period** shall mean the period during which the Loan Amount for financing of the Project is attempted to be raised;
 - 1.1.8. **Loan Agreement** shall mean the crowdfunding transaction concluded between the Investors and the Project Owner by means of the Platform whereby the Investor grants Crowdfunding

Funds for the Project implemented by the Project Owner. The Loan Agreement consists of the General and Special Terms with all their annexes, amendments and/or supplements;

- 1.1.9. **Loan Amount** shall mean the amount funded by the Lenders which is granted as a loan to the Borrower and which the Borrower must repay on the terms set forth in the Loan Agreement;
 - 1.1.10. **Paysera Account** shall mean a unique account of the User opened with the system operated by “Paysera LT”, UAB, legal entity number 300060819, domicile registered at Pilaitės pr. 16, Vilnius, Lithuania.
 - 1.1.11. **Interest** shall mean the remuneration for the granted Loan Amount, which accrues for each calendar day on the actual outstanding Loan Amount, and it shall be considered that a year has 365 days, and a month consists of the number of calendar days;
 - 1.1.12. **Service Rates** shall mean the fees and charges payable to the Operator and published on the Platform;
 - 1.1.13. **Platform** shall mean the crowdfunding platform available at www.heavyfinance.eu operated by the Operator, through which the Investors may grant the Crowdfunding Funds to the Project Owner;
 - 1.1.14. **Project** shall mean the Project drawn up for the business needs, except for consumption, and posted on the Platform, for implementation of which the Project Owner seeks to raise Crowdfunding Funds from the Investors;
 - 1.1.15. **Project Owner** shall mean the User initiating and posting the Project on the Platform in order to attract Crowdfunding Funds from the Investors;
 - 1.1.16. **Right of claim** – the Investor’s right of claim against the Borrower under the Loan Agreement concluded between them, including all related or derived rights.
 - 1.1.17. **Crowdfunding Funds** shall mean the funds granted by the Investor through the Platform to the Project Owner;
 - 1.1.18. **Performance Security** shall mean the pledge/mortgage, suretyship, guarantee or another performance security measure whereby the financial obligations of the Project Owner to the Investors are secured.
- 1.2. Other capitalised words used in the present Agreement shall have the meanings assigned to them in the Loan Agreement and/or other agreements made available on the Platform or additionally concluded between the Users and Operator, also the Law and other applicable legal acts.

2. Registration and use of the Platform

- 2.1. Wishing to use the Platform and the services provided by the Operator, the User must register on the Platform, provide all the documents and information requested by the Operator, get acquainted with and accept this Agreement and the other documents to be accepted.
- 2.2. The User can be either a natural person and a legal entity provided the following conditions are met:
 - 2.2.1. if You conclude this Agreement as a natural person, You must not be younger than 18 years of age and You must have the capacity by your actions to conclude transactions on the Platform, and assume all the civil rights and obligations arising out of them;
 - 2.2.2. if this Agreement is concluded by a legal entity, only the head of the legal entity or its other lawful representative having all the necessary authorisations and/or decisions required for granting of the Crowdfunding Funds may enter into this Agreement in the name of the legal entity as stated in the legal acts and/or internal documents of the legal entity. When registering on the Platform, it is necessary to provide the documents evidencing the right of representation, also the documents evidencing the right to grant the Crowdfunding Funds on behalf of the legal entity (e.g., decision of the shareholders or the board).
- 2.3. The User wishing to grant the Crowdfunding Funds to the specific Project Owner through the Platform may become the Investor. The User wishing to finance its/his/her own Project by attracting the Crowdfunding Funds from the Investors may become the Project Owner.

- 2.4. Only the Users (legal entities or natural persons who are entrepreneurs) wishing to attract the Crowdfunding Funds for business purposes have the right to become the Project Owner.
- 2.5. Wishing to use the Platform and the services provided by the Operator, the User must have a Paysera Account opened in the name of such User. During the registration, the User's Paysera Account is linked to the Platform.
- 2.6. The Users may conclude the Loan Agreement and grant or attract the Crowdfunding Funds on the Platform, also use all the other services provided by the Operator only if they authenticate their identity and/or the identity of their beneficiaries by the methods allowed on the Platform. The Operator must implement the measures for prevention of money laundering and/or terrorist financing established by the legal acts; therefore, before establishing the business relationship, the identity of each User (and the User's beneficiaries) is authenticated. If requested by the Operator, the Users undertake to provide, without delay, the accurate and complete information and/or documents necessary to the Operator for proper implementation of the applicable requirements for prevention of money laundering and/or terrorist financing. The form, scope, methods and time limits of submission of the required information and/or documents shall be determined by the Operator.
- 2.7. If the User does not properly authenticate their identity within 6 months from the day of registration on the Platform, the Operator shall have the right to terminate the User's account. In such case the registration on the Platform will have to be carried out anew.
- 2.8. By entering into this Agreement, the User agrees and undertakes to cooperate with the Operator so that the Operator could authenticate the identity of the User and/or the identity of the User's beneficiaries, validate the User's contact details, provide all the necessary documents evidencing the User's identity, and the documents, information and explanations concerning the User's activities, the transactions carried out by the User, the origin of the User's funds, intended transactions, etc.
- 2.9. In any event where the Operator has reasons to believe that the User is providing incorrect information about such User and/or is illegally using the personal data which do not belong to such User, the Operator shall have the right to demand that the User provide the updated information, explanations and/or to report such situation to the competent law enforcement authorities.
- 2.10. By entering into this Agreement, the User confirms its/his/her understanding that the Operator may refuse at its own discretion to authenticate the User's registration and identity, and also set additional requirements for the User's registration or restrictions on the User's activities on the Platform.
- 2.11. The User may only have one active account on the Platform. Any accounts registered subsequently may be terminated without notice.
- 2.12. If the User is a natural person, he/she may use the Platform and conclude crowdfunding transactions only himself/herself (not through representatives).
- 2.13. The User understands and confirms that all the actions of the User after logging on the Platform shall be considered proper consents and confirmations of the User signed by the electronic signature as established in Article 5(1) of the Law on Electronic Identification and Trust Services for Electronic Transactions.
- 2.14. The Operator is not obligated to verify the User's right to finance Project and/or make decisions for attracting Crowdfunding Funds. The User shall assume full liability for their own actions which exceed the authorisations, also for failure to update the information about such User and/or such User's authorisations.
- 2.15. The User shall be responsible for the information, data and documents provided by such User to be correct and up to date. If incorrect and/or inaccurate information is provided and/or is not timely updated in the process of registration on the Platform, during the procedure of identity authentication or the use of the Platform, the User shall bear liability for the damages inflicted on the Operator and/or other parties by such actions of the User.

3. Placing of Projects on the Platform

- 3.1. Wishing to place the Project on the Platform and receive funding for it, the User shall fill in the questionnaire on the Platform regarding the Project to be financed or shall otherwise contact the

Operator regarding the Project to be financed. If requested by the Operator, such User shall provide all the documents, additional information indicated by the Operator, and shall certify that such documents and information are true and correct.

- 3.2. In order to raise the Crowdfunding Funds on the Platform, the User shall have a Paysera Account opened in the name of such User.
- 3.3. After the Operator collects the initial information on the Project for which the User is seeking financing, the Operator shall conduct due diligence on such User (Project Owner) in the procedure set forth by the legal acts and the internal documents. When conducting due diligence on the User (Project Owner), the Operator shall have the right to request that the User (Project Owner) provided all the indicated documents and information pertaining to the financial standing, the existing or intended collateral, reputation, creditworthiness of the User and its associated persons.
- 3.4. The User (Project Owner) shall cooperate with the Operator during assessment of the Application and provide all the additionally requested information and/or documents within the reasonable time limit given by the Operator so that the Operator could duly assess the Project of the Project Owner and the associated risks.
- 3.5. If, as a result of due diligence on the User (Project Owner), it is determined that the Project does not meet the requirements established in the rules for due diligence of Project Owners approved by the Operator, the Project shall not be posted on the Platform and the Loan Agreement through the Platform cannot be concluded. The refusal to place the Project on the Platform shall not entitle the User (Project Owner) to demand indemnity for damage or the review of the Operator's decision. Such User (Project Owner) shall not be refunded for any fees and charges paid by such User (Project Owner) to the Operator based on the Service Rates.
- 3.6. If the Operator assesses the User (Project Owner) as reliable after conducting due diligence, the terms of Application shall be finalised by the Operator and User (Project Owner). Then the Operator and User (Project Owner) shall conclude a written agreement for placement of the Project on the Platform and set out the key conditions for financing of the Project, including the following: the Loan Amount raised during the Project, the Loan Amount Funding Period, the proposed Interest, the provided Performance Security, etc.
- 3.7. After the Project Owner and Operator concludes the agreement for placement of the Project on the Platform, the Project Owner shall have the right to withdraw the Application and revoke the Project only by the moment the Project is placed on the Platform (later the Application may be withdrawn and the Project may be revoked only with the Operator's written consent) and having paid the relevant fees and charges to the Operator as indicated in the Service Rates (if any).
- 3.8. If raising of the total required amount of the Crowdfunding Funds is planned in stages, the Operator shall not commit or warrant that the other stages will be announced after one stage is completed if the Project Owner's financial standing and other situation relevant for the Project implementation have changed and the Operator may no longer offer the same terms of financing. It shall be considered that each financing stage is a new Project, but the Investors shall be informed in such posted Projects that the said Project are related and that the amount of the Crowdfunding Funds to be attracted shall be raised in separate stages.
- 3.9. At least the following information shall be made available on the Platform about the Project: description of the Project; key risks associated with the Project; the Loan Amount Funding Period and the stages (if any); the raised Loan Amount; other information pertaining to the Project.
- 3.10. Placement of the Project on the Platform shall not imply the Operator's warranty that the Project will be financed and the Loan Agreement shall be concluded with the Project Owner or that the Project Owner shall be paid out the attracted Crowdfunding Funds.
- 3.11. The Crowdfunding Funds granted by the Investors to the Project of the Project Owner shall be paid out to the account indicated by the Project Owner after all the actions set forth in the present Agreement and the concluded Loan Agreement have been carried out.
- 3.12. If, during the funding period of the Project, any circumstances occur which, in view of the Operator, may have an adverse effect on the result of due diligence of the Project Owner and/or implementation

of the Project, the Project may be revoked unilaterally by the Operator's actions. Such actions of the Operator shall not grant the right to the Project Owner to demand indemnity for damages.

4. Financing of Projects and conclusion of Loan Agreement

- 4.1. Only the Projects which are assessed as eligible for placement shall be placed on the Platform in accordance with the rules for due diligence of Project Owners approved by the Operator.
- 4.2. Wishing to finance the Projects placed on the Platform, the User (Investor) must have Paysera Account opened in the name of such User.
- 4.3. Before entering into the Loan Agreement for the first time, the Investor shall conduct the acceptability test of the relevant transaction (the "**Acceptability Test**") which is intended to determine acceptability of the type of transaction to the Investor. In order to conduct the Acceptability Test, the Investor will have to fill in the questionnaire and answer certain questions concerning the Investor's knowledge and experience in the area of financing related to the type of the intended transaction. The Investor must conduct the Acceptability Test independently.
- 4.4. If the results of the Acceptability Test are negative or the Investor refuses to conduct the Acceptability Test and/or does not submit all the necessary information, the Investor shall be warned about it and shall be additionally provided with the information about the risks associated with crowdfunding (including, but not limited to the risk of losing all or part of the funds granted for the Project, the risk that the Investor may not earn the expected profits, the financing liquidity risk, and other risks characteristic of crowdfunding). If the Investor still concludes the Loan Agreement despite such information, the Investor shall, by such action, acknowledge that the indicated risks were understandable and acceptable to the Investor.
- 4.5. The following information about the Project and terms of financing the Project shall be published on the Platform:
 - 4.5.1. the minimum amount of financing by one Investor;
 - 4.5.2. the Loan Amount to be attracted and/or stages of financing (if the Crowdfunding Funds are intended to be raised in separate stages);
 - 4.5.3. the Loan Amount Funding Period;
 - 4.5.4. the Interest and frequency of Interest payments;
 - 4.5.5. the Performance Security applied;
 - 4.5.6. the amount of currently raised Crowdfunding Funds;
 - 4.5.7. other information related to the Project and financing of the Project.
- 4.6. Having decided to enter into the Loan Agreement, the Investor shall specify and confirm the amount to be granted for the Project. The minimum amount of financing may be established for the Project.
- 4.7. Differentiated Interest and/or other terms may be established for the posted Project depending on the amount of Crowdfunding Funds granted by the Investor. The specific differentiated terms, if any, shall be indicated in the specific posted Project.
- 4.8. When the Investor makes offer on the Platform for financing of the Project based on the terms of the Application (i.e. granting financing when the Loan Amount is being raised), such action of the Investor shall be irrevocable and the Investor shall be no longer able to cancel the offer to grant a loan (unless a separate written consent of the Operator is obtained).
- 4.9. The Loan Agreement is a crowdfunding transaction (as set forth in the Law) and is concluded by way of crowdfunding on the Platform. The Loan Agreement shall be considered concluded when the full Loan Amount (or the Loan Amount of one separate stage) has been raised. The Investors shall be notified of entering into the Loan Agreement, provision of Performance Security, payment of the funds to the Project Owner through the Platform. A copy of the signed Loan Agreement (or its Special Terms) shall be sent to the Investors by e-mail or provided on their personal accounts on the Platform.
- 4.10. You hereby entrust the Operator, without any additional authorisation (but with the right of delegation) and to the extent necessary for conclusion and performance of the Loan Agreements, to take any actions

and decisions on your behalf and in your interests (including, but not limited to execution of the Loan Agreement, Performance Security transactions (in which the Operator or the third party designated by the Operator shall be specified as the creditor or their representative), to represent You at courts, before third parties to the extent necessary for conclusion and/or performance, securing and/or enforcement of the Loan Agreements. The Operator shall take the actions indicated in this paragraph acting exclusively in Your interests. If requested by the Operator, You undertake to issue an additional power of attorney of established form for taking such actions.

- 4.11. Performance of the obligations arising out of the Loan Agreement due to the Investors shall be secured by the pledge/mortgage (collateral) provided by the Project Owner (or a third party) and/or other Performance Security described in the Project (e.g., suretyship, etc). The Performance Security of the specific Loan Agreement shall be indicated on the posted Application.
- 4.12. The Interest payable to the Investors shall start accruing from the day the Loan Amount is paid out to the Project Owner.
- 4.13. The Loan Amount and the Loan Amount Funding Period shall be determined separately in case of each Project and shall be specified in the posted Application. If the Loan Amount is not raised within the Loan Amount Funding Period (except for financing in stages), the following options are possible:
 - 4.13.1. the Project is revoked from the Platform and the funds are returned to the Investors.
 - 4.13.2. if the Project Owner and Operator agree separately, the Loan Amount Funding Period may be extended by the period which does not exceed the initial Loan Amount Funding Period. The Investors shall not be paid Interest or other payments related to the extension either during the Loan Amount Funding Period or during the extended funding period;
 - 4.13.3. if the Project Owner and Operator agree separately, the raised Loan Amount is decreased (if the Project Owner provides sufficient evidence that the Project Owner will attract financing of the remaining amount from other sources, and the Operator takes a relevant decision acting on behalf of the Investors). In such case only the Loan Amount being raised may be changed, and the other terms of financing specified in the Application shall remain unchanged (to protect the Investors' interests).
- 4.14. The funds granted by the Investors for conclusion of the Loan Agreement shall be transferred to the Project Owner when the Project Owner fulfils the conditions set out in the present Agreement and Loan Agreement.
- 4.15. If the number of Investors wishing to conclude the Loan Agreement is higher than required for the Loan Amount, the Investor which/who was first to make the offer to finance the Loan Amount shall have priority.
- 4.16. The other conditions for conclusion and performance of the Loan Agreement shall be defined in the specific Loan Agreement.
- 4.17. The Users shall make all the payments by themselves and at their own initiative. Nevertheless, the User hereby additionally grants the right and authorisations to the Operator to manage the funds on this User's Paysera Account in order to transfer (debit) the funds on behalf of the Investor and credit them to the Borrower and/or to the Operator and to transfer (debit) the funds from the Borrower and credit them to the Investor and/or to the Operator. If requested by the Operator, the User undertakes to issue, without delay, a separate written document evidencing the Operator's right to manage the funds on Paysera Account of the User for the above-mentioned purpose.

5. Secondary market. Transfer of the Right of claim

- 5.1. The Investors are able to transfer their Rights of claim in the Secondary market through the Platform.
- 5.2. Investors may transfer their Rights of claim only to other Users of the Platform, i.e. the Operator does not allow to transfer Rights of claim outside the Platform.
- 5.3. By concluding this agreement, The Project Owner agrees that the Investor may transfer the Right of claim held against it without the prior consent of the Project Owner.

- 5.4. In order to transfer the Right of recourse, the User of the Platform may select the available Right of claim to be transferred in his account and form an application in respect of such Right of claim, which is then published in the Platform's Secondary market.
- 5.5. In the application for transfer of the Right of claim the Investor specifies the price for the specific Right of claim, which may be equal to the nominal value of the Right of claim or differ, i.e. be higher or lower. Together with the price the Investor may also indicate other information about the Right of claim which is transferred and (or) the Loan Agreement under which the Right of claim is transferred. The application for transfer of the Right of claim is considered a binding offer to transfer the provided Right of claim on the Secondary market at the specified price.
- 5.6. The application for transfer of the Right of claim is published on the Secondary market no longer than 14 calendar days, starting from the date of publication on the Secondary market. After the end of this period, the application for transfer of the Right of claim is cancelled and the User must publish the application for transfer of the Right of claim on the Secondary market again.
- 5.7. The Operator has a right to cancel the application for transfer of the Right of claim published on the Secondary market if material circumstances related to the respective Right of claim change substantially prior to conclusion of agreement of the transfer of the Right of claim (for instance, the Project Owner repays the Loan Amount in advance; the nominal value of the Right of claim decreases; the Loan Agreement is terminated, etc.). In such case, the User who wishes to transfer the respective Right of claim must publish the application for transfer of the Right of claim on the Secondary market again.
- 5.8. The User who wishes to acquire the Right of claim is able to access the information about the respective Right of claim, the Project owner and the respective project which was financed by concluding the Loan Agreement. The User who acquires the transferable Right of Claim shall get acquainted with such information on its own initiative, assess it and make a decision to acquire the Right of claim at its own risk.
- 5.9. The Operator shall have a right to set the limits of pricing of the Right of claim transferred on the Secondary market at its own discretion (to provide the maximum and minimum prices ranges of the Rights of claim, within the scope of which the Investor may set the transfer price of the Right of claim).
- 5.10. The User who transfers the Right of claim is charged a fee for the transfer of the Rights of claim on the Secondary market, calculated from the nominal value of the Right of claim. This fee is calculated by the Operator's procedure and published in the Service Fees.
- 5.11. The User must pay the fee for the transfer of the Right of claim on the Secondary market at the time of the transfer of the Right of claim on the Secondary market. The Operator also has the right to deduct this fee from the price of the Right of claim received by the User who transfers the Right of claim.
- 5.12. Application for transfer of Rights of claim on the Secondary market may be seen by all Users of the Platform. All Users of the Platform have a right to submit proposals in respect of such application. The User's proposal is considered a binding acceptance to acquire the Right of claim transferable on the Secondary market at the specified price.
- 5.13. If the offer submitted by the User coincides with the price provided in the application for transfer of the Right of claim published on the Platform, it is considered that User concluded an agreement of transfer of the Right of claim on the Secondary market.
- 5.14. The Users shall pay for the Rights of claim acquired on the Secondary market by transferring funds from Paysera account of the Users acquiring the Rights of claim to the Paysera account of the User transferring the Rights of claim. The User who acquires the Right of claim must have sufficient funds in its personal Paysera account to pay the purchase price of the Right of claim.
- 5.15. The moment of transfer of the Right of claim shall be considered the moment when the payment is made and the funds to Paysera account of the User who transferred the Rights of claim are transferred. From this moment, the User who acquired the Right of claim becomes a party to the respective Loan Agreement and acquires all rights and obligations of the previous User who transferred the Right of claim. The User who acquired the Right of claim shall also acquire all Performance Securities related to it.

- 5.16. By concluding this agreement, the Project Owners agrees that the Investor may transfer all Rights of claim held against it on the Secondary market. Project Owner also acknowledges that transfer of the Rights of claim on the Secondary market does not in any way affect the obligations assumed by him/her under the Loan Agreement, as well as fulfilment of these obligations.
- 5.17. The User acknowledges that the Operator is not responsible to the User who acquired the Right of claim on the Secondary market if the respective Project Owner does not fulfill or does not properly fulfil its obligations.
- 5.18. The Operator has a right to prevent the transfers and acquisitions of the Rights of claim intended to conclude on the Secondary market (for instance, in such cases when the User who transfers the Right of claim and (or) the User who acquires the Right of claim does not properly comply with the requirements for the prevention of money laundering and terrorist financing, do not comply with the agreements concluded with the Operator or other Users on the Platform, as well as in other cases when, in Operator's opinion, there is a material risk of illegal action, non-compliance with the contract, fraud of other risks).
- 5.19. The Operator is not liable to any extent to the Users for the disruption or temporary suspension of the Secondary market (as the Platform's technical solution (functionality)) activity (for instance, to improve the Secondary market), if the Users will not be able to transfer (or) acquire Rights of claim for some time.

6. Automatic investment

- 6.1. The Financiers having entered into an Automatic Investment Functionality Agreement on the Platform (the "**Automatic Investment Agreement**") shall be entitled to use the Automatic Investment Functionality offered on the Platform.
- 6.2. While using the Automatic Investment Functionality, the Financier shall be allowed to pre-select and determine the operating conditions of the Automatic Investment Functionality and the Project criteria, according to which the Financier seeks to automatically submit proposals for financing the Projects published on the Platform.
- 6.3. The Financiers' proposals submitted using the Automatic Investment Functionality shall be irrevocable and not subject to modification. The Financier's proposal to finance the Project, submitted using the Automatic Investment Functionality, shall be valid until the expiry of the Loan amount financing period. When submitting proposals for financing of the Project Applications using the Automatic Investment Functionality, the funds intended for financing of the respective Project Application shall be reserved in and/or debited from the Lender's Paysera account automatically.
- 6.4. The Financiers using the Automatic Investment Functionality shall acquire a pre-emptive right to invest in the Projects, as their proposals can be formed and submitted automatically immediately upon the publication of the Project Application on the Platform. While using the Automatic Investment Functionality, the Financier shall be submitting such proposals automatically in the event that a Project Application meeting the criteria and conditions determined by the Financier is published on the Platform.
- 6.5. The order of the proposals for the Applications, submitted using the Automatic Investment Functionality, shall be determined based on the date of confirmation of the Criteria determined by the Financiers.
- 6.6. The Operator shall not to any extent take any decisions to participate in the submission of proposals for the Applications on behalf of the Financier. The use of the Financier's Automatic Investment Functionality shall be equivalent to participation in the submission of proposals and conclusion of Loan Agreements without using this functionality (i.e. as if the Financier would, through its own actions, be separately submitting an individual proposal for the Application of its choice, which has been published on the Platform).
- 6.7. Other conditions for the use of the Automatic Investment Functionality are detailed in the Automatic Investment Agreement. The Financier may withdraw or modify the determined automatic investment conditions and criteria at any time, by logging in to its personal account on the Platform. The changes made by the Financier will apply to its proposals submitted after the date of the changes.

- 6.8. The Operator does not under any circumstances undertake to maintain uninterrupted operation of the Automatic Investment Functionality on the Platform and shall not be liable for any malfunctions of the Automatic Investment Functionality.

7. Non-performance of financing transactions

- 7.1. If the Project Owner fails to settle under the concluded Loan Agreements, the Operator (or the third party authorised by the Operator) shall act as the Investors' representative and shall carry out the actions of managing and enforcing of the Loan Agreements and Performance Security for the benefit of the Investors, and shall charge the fees and charges indicated in the Service Rates for such actions.
- 7.2. If the Project owner is late to perform (does not perform or performs incorrectly) their payment obligations under the Loan Agreement, the Project owner pays an administrative fee to the Operator for not meeting payment obligations under the Loan Agreement.
- 7.3. The Project Owner's debts shall be recovered according to the procedure for debt collection approved by the Operator and available on the Platform.
- 7.4. The funds recovered from the collateral, other Performance Security, or other assets of the Project Owner shall be applied to satisfy the Investors' interests upon deduction of the costs and fees of the Operator stated in the Service Rates as well as costs of the other parties acting for the benefit of the Investors.
- 7.5. The Performance Security may be disposed of in the manner selected by the Operator in accordance with the legal acts of the Republic of Lithuania (by selling the collateral in a closed or open auction, by selling the collateral to the third party indicated by the collateral provider, etc.).

8. Fees, charges and taxes

- 8.1. The information about the fees and charges applicable on the Platform, their payment procedure is indicated in the Service Rates. By accepting this Agreement, the User hereby also confirms that has acquainted with the Service Rates and undertakes to pay them on the established terms and in the established manner.
- 8.2. The Project Owner also undertakes to cover all the fees and charges related to entering into and performance of the Loan Agreement or Performance Security transactions intended to pay for the third party services (e.g., property valuation, certification and registration, deregistration and amending of Performance Security transactions, etc.).
- 8.3. The default interest specified in the Service Rates shall apply for the delay to pay the fees and charges due to the Operator.
- 8.4. All the fees and charges due to the Operator shall be paid by the User independently. However, the User hereby additionally grants the right and authorisation to the Operator to issue instructions on behalf of the User (the Investor or the Project Owner respectively) to "Paysera LT", UAB, to transfer the fees and charges specified in the Service Rates from the User's Paysera Account to the Operator's account.
- 8.5. The Operator shall have the right to credit the fees and charges due to the Operator (based on the Service Rates) from the relevant amounts transferred by and/or to the Users to the Operator's account.
- 8.6. The Users undertake to pay by themselves all the taxes applicable to them in relation to the income earned from the concluded Loan Agreements, and the other applicable taxes, except where it is mandatory for the Operator to deduct them in accordance with the applicable legal acts of the Republic of Lithuania.

9. Prohibited actions

- 9.1. The User shall be prohibited from:
- 9.1.1. submitting incorrect, incomplete or misleading information to the Operator;
 - 9.1.2. failing to supply the information, documents requested by the Operator, or failing to update it on time;

- 9.1.3. concluding this Agreement or Loan Agreement in violation of requirements of legal acts and/or User's internal documents, the authorisations or other approvals granted to the User;
 - 9.1.4. concluding the Loan Agreement in violation of the legal acts applicable to the User, concluded contracts, agreements or court judgements;
 - 9.1.5. acting on the Platform on behalf of and/or for the benefit of third parties, providing financial services to such parties;
 - 9.1.6. using the Platform and/or services of the Operator for any illegal purposes (e.g., fraud, money laundering, illegal provision of financial services, etc.);
 - 9.1.7. the Investors shall be prohibited from financing the Project by the methods other than through the Platform, obtaining information about the Projects by unauthorised methods;
 - 9.1.8. disclosing the User's Platform login data to any third parties, using the third parties' passwords and other login data;
 - 9.1.9. transmitting or entering the data into the Platform if such data might contain software viruses or any other code, file or programs intended to impede, restrict or disrupt functioning of the Platform or its hardware, software, servers or communication equipment (including the programs which automatically monitor, use and/or store the information available on / provided to the Platform);
 - 9.1.10. affecting functioning of the Platform and/or the data contained on the Platform in any way using other additional systems unauthorised by the Operator;
 - 9.1.11. promoting and/or advertising other identical or similar platforms or other financing sources;
 - 9.1.12. otherwise infringing this Agreement, Loan Agreement, other transactions concluded between the Parties, requirements of legal acts or inflicting or posing a risk to the Operator, other Users or third parties otherwise by such User's acts or omission.
- 9.2. If the Operator suspects that the User is committing prohibited actions, the Operator may unilaterally take actions necessary to protect the interests of the Operator, other Users or third parties, including but not limited to closing or restricting access to the User's account, restricting the User's activities on the Platform and/or establishing limits for financing (to the Investors), refusing to keep the Project posted on the Platform and terminating or cancelling raising of Crowdfunding Funds for the Project (Project Owners), preventing the User from entering into the Loan Agreements or terminating the Loan Agreements concluded with the User, withholding any funds of the User on the accounts linked to the Platform, notifying the competent authorities of the User's activities, terminating this Agreement without notice, and taking other legal measures.
- 9.3. If possible, the Operator shall inform the User about the measures applied to such User, except where the Operator is unable to do it due to the requirements of the legal acts applicable to the Operator. In such case the User shall not be entitled to demand indemnity for damage.

10. Liability

- 10.1. The Party in breach of this Agreement shall compensate the other Party for the direct damages incurred as a result, including but not limited to payment of all the imposed fines and/or other penalties.
- 10.2. The Operator shall be liable only for the direct damages incurred by the User due to intentional acts of the Operator or due to gross negligence of the Operator, if such damages were the result of a material breach of this Agreement committed by the Operator. In any event, the Operator shall be liable only for the direct damages which the Operator could reasonably anticipate at the time the breach of the Agreement was committed.
- 10.3. The Operator is only managing the Platform and is an intermediary between the Investors and Project Owners. The Users enter into Loan Agreements on the Platform directly with other Users and of their own free will, and they are the contracting parties personally.
- 10.4. The Operator is not and cannot be held liable or guilty for:
 - 10.4.1. non-performance or defective performance of obligations and/or unlawful conduct of the Users and/or other third parties;

- 10.4.2. the Users' actions overstepping their authorisations;
 - 10.4.3. the accuracy and correctness of the information provided in the posted Projects (supplied by the Project Owner);
 - 10.4.4. the inability of the Project Owner to perform the Loan Agreement;
 - 10.4.5. the disruptions and/or inadequate provision of the services of other third parties (e.g., payment services provider Paysera, entities providing communication services, etc.);
 - 10.4.6. the other actions and/or omission which the Operator cannot effectively control.
- 10.5. The Operator's activities do not encompass and cannot be viewed as encompassing provision of investment recommendations, financial intermediation, provision of payment services, advising on conclusion and performance of transactions, advising on security of performance and other activities unrelated to crowdfunding and unspecified in the present Agreement.

11. Security and risks

- 11.1. The Operator shall not assume liability for the losses or loss of income sustained by the Users while using the Platform.
- 11.2. The insurance cover provided for by the Law of the Republic of Lithuania on Insurance of Deposits and Liabilities to Investors does not apply to crowdfunding.
- 11.3. Financing of Projects is associated with increased risk as the Investors' funds may be lost and/or may not bring the rate of return desired by the Investors due to the Project Owner's financial difficulties, insolvency or other circumstances.
- 11.4. By entering into the Loan Agreement, the Investors must take into account the risk of certain transactions and its adequacy and acceptability to the Investors and, where necessary, consult specialists. The information about the risks involved in crowdfunding is available on the Platform.

12. Intellectual property

- 12.1. All the intellectual property rights related to the Platform, its content, the Operator's website, the trade marks used by the Operator shall belong to the Operator in full scope.
- 12.2. The content provided on the Platform shall not be copied, downloaded, saved, reproduced or used otherwise without a separate written consent of the Operator, except where such actions are carried out only to the extent and only where it is necessary and related to the use of the services provided by the Operator.

13. Communication between Parties

- 13.1. All the communication, notices and other information or documents related to this Agreement shall be provided by the following methods:
 - 13.1.1. via e-mail (in this case it the correspondence shall be considered received after 1 business day from its sending);
 - 13.1.2. via courier or registered post (in this case it the correspondence shall be considered received after 3 business days from its sending);
 - 13.1.3. the Operator may also give all the notices and/or information and documents pertaining to this Agreement on the Platform sending them to the accounts of Users (in this case the correspondence shall be considered received after 1 business day from posting the relevant information on the Users' accounts registered on the Platform).
- 13.2. The Users shall immediately notify the Operator of changes in their contact details and shall update the relevant data on their account on the Platform. Failure to give a timely notice and/or failure to update the data shall release the Operator from liability.
- 13.3. The Project Owners shall not contact the Investors in order to provide them with any other information about the Project that was not specified on the Platform and/or obtain financing from them otherwise than through the Platform. Such actions may be considered unlawful and may entail legal consequences

(e.g., removal of the Project from the Platform, the obligations to pay respective fees and charges, indemnify for damages, etc.).

14. Amendments to Agreement

- 14.1. The Operator shall have the right to amend and/or supplement the Agreement and its annexes unilaterally by notifying the User thereof in the manner set forth in paragraph 13.1 of this Agreement. The new wording of the Agreement shall be made available on the Platform and shall come into effect on the day specified by the Operator.
- 14.2. The Operator shall have the right to change the Service Rates unilaterally. The User shall be informed about the changes in the Service Rates and/or procedure of their payment no later than 14 calendar days before the changes become effective.
- 14.3. The User shall be informed about other amendments applicable to the User no later than on the day on which the terms are amended.
- 14.4. The User's use of the Platform after amendments to the Agreement or its individual terms, annexes, Service Rates shall imply the User's consent to the relevant changes.
- 14.5. The User shall have the right to disagree with amendments to the Agreement, its annexes and/or Service Rates. In such case the User may terminate this Agreement (and stop being the User) by a separate notice to that effect given to the Operator by e-mail or by deregistering from the Platform. Such termination shall not affect the User's rights and obligations under the Agreement, its annexes, Service Rates with respect of the Loan Agreements which were concluded before the termination of this Agreement and with respect to those amounts payable which became due to the Operator before the termination of this Agreement.
- 14.6. The User agrees and understands that the Operator has the right to transfer the operation of the Platform to another operator who is entitled to operate a crowdfunding platform under the Law on Crowdfunding of the Republic of Lithuania. In such a case all off the rights and obligations of the Operator arising from the Agreement and from any other agreements made between the User and the Operator shall be transferred to the new operator. The Operator shall inform the User in advance about such transfer of administration in writing and (or) by announcing it on the Platform. In any case, all rights and obligations of the User, arising from this Agreement and (or) other agreements concluded with the Operator, shall remain unchanged.

15. Termination

- 15.1. The Users shall have the right to terminate this Agreement any time by deregistering from the Platform or by a notice to the Operator on the condition that: (i) at the time of termination of the Agreement, the User does not have any effective Loan Agreements and does not have any rights and obligations related to the concluded Loan Agreements; and (ii) at the time of termination of the Agreement, the User is not involved in financing of a new Project (e.g. has not committed to grant the Crowdfunding Funds based on the published Project), and is not the Project Owner of the Project posted on the Platform, and (ii) at the time of termination of the Agreement, the User has settled with the Operator adequately and in full based on the Service Rates, and does not have any amounts due to the Operator and/or other parties resulting from the use of the Platform.
- 15.2. The Operator shall have the right to terminate this Agreement without additional notice:
 - 15.2.1. if the User takes the actions referred to in paragraph 9.1 of the Agreement;
 - 15.2.2. in other cases discussed in the Agreement.
- 15.3. In the event of termination of this Agreement, the User's account on the Platform is also terminated. The data concerning the User and the Loan Agreement concluded by such User shall be stored for the purposes, periods and in the manner stated in the privacy policy made available by the Operator and the legal acts.
- 15.4. In the event of the Operator's liquidation or bankruptcy, the Loan Agreements remain effective and shall be implemented by the Parties as if entered into in the absence of the Operator.

16. Final Provisions

- 16.1. Users shall not assign their rights and/or obligations arising out of this Agreement or concluded Loan Agreements to the third parties, except where the Operator consents to it in writing in advance.
- 16.2. If any provision of this Agreement is declared invalid, the remaining provisions of the Agreement shall continue to be effective, if the invalid provisions were not essential provisions of this Agreement.
- 16.3. Each Party confirms that it has all the authorisations, approvals and licences required in accordance with the applicable legal acts to take the actions necessary for conclusion and/or performance of this Agreement.
- 16.4. Complaints of Users shall be examined according to the rules for handling complaints approved by the Operator and made available on the Platform.
- 16.5. The present Agreement shall be governed by the law of the Republic of Lithuania. All the disputes between the Users and Operator shall be solved through negotiations, and if no agreement is achieved, the dispute shall be resolved at a competent court of the Republic of Lithuania based on the domicile of the Operator.
- 16.6. If the Loan Agreement, Service Rates (or any other document made available on the Platform) is published in Lithuanian and a foreign language, the version in Lithuanian shall always prevail.