



## GENERAL TERMS AND CONDITIONS

Ver. 1.2

Effective as of 06.07.2020

### 1. DEFINITIONS

- 1.1. **Applicant** – a person willing to become a User of Marketplace.
- 1.2. **Amortized** – Loan repayment type, meaning Loan amount is repaid gradually in installments during Loan Period.
- 1.3. **Balance** – a figure shown at User Account, that reflects the balance of funds available for User to be used at Marketplace.
- 1.4. **Borrower** – a legal entity (business), requesting fundraising for its Project(s) by borrowing funds from User and other Users at Marketplace, according to Loan Agreement(s) to be entered into, and/or, which has already received the funds and entered into relevant Loan Agreement(s).
- 1.5. **Bullet** – Loan repayment type, meaning the entire Loan amount is repaid in one payment at Loan Maturity Date.
- 1.6. **Business Day** – a calendar day, except for state holidays and official celebration days, either in Latvia or Estonia.
- 1.7. **Currency** – a currency, in which, Loan is granted and shall be repaid. Same currency applies to Interest and Penalty payments, if any, as well as any other payment under particular Loan Agreement.
- 1.8. **Deposit** – a process of adding funds to User Account, that results in increase of Balance at User Account.
- 1.9. **Funding Purpose** – a purpose the fundraising is arranged for and all Investments under the same Project shall be used for.
- 1.10. **Fundraising Expiry Date** – may also be referred to as **Fundraising Expiries**, a date, when fundraising for relevant Project ends/ended.
- 1.11. **Fundraising Open Date** – a date, when fundraising for relevant Project starts/started.
- 1.12. **General Terms and Conditions** – may also be referred to as **GTC**, these General Terms and Conditions, as may be amended from time to time.
- 1.13. **General Loan Terms** – general terms of Loan Agreement on Loan issuing, repayment procedure and other matters.
- 1.14. **Interest** – a remuneration to be paid by Borrower to User for the use of Loan.
- 1.15. **Interest Rate** – a rate Interest is calculated at.
- 1.16. **Investment** – the funds User invests in Project(s). Once invested may also be referred to as **Loan**.
- 1.17. **Investment Guarantee Fund** – a separate money pool, accumulated and managed by Marketplace, that may be used to cover User's losses in the event of default, according to the procedure and in the amount as set out by these GTC.
- 1.18. **Loan Agreement** – a legal arrangement, made at and according to Marketplace's rules, between User and Borrower, whereby User undertakes to lend particular amount of funds to Borrower, and Borrower undertakes to repay those funds in due time and manner together with Interest.
- 1.19. **Loan Period** – a time period for which the Loan is granted.
- 1.20. **Marketplace** – an online marketplace available at [www.gainwest.com](http://www.gainwest.com) including all its sub-pages or web pages within the same administrative domain and any of its sub-domains (unless expressly excluded by their own terms of service) and operated by Marketplace Operator.

- 1.21. **Marketplace Operator** – a party to User Agreement, GAINWEST OÜ, a private limited company, registered under the laws of the Republic of Estonia, company code: 14898068. Detailed information and offices addresses are published at Marketplace.
- 1.22. **Minimum Target** – a minimum amount of funds Borrower requires to obtain for funding of Project.
- 1.23. **Notice** – a notice sent by Marketplace to User according to procedure prescribed in these GTC.
- 1.24. **Penalty** – a compensation to be paid by Borrower for delayed payment.
- 1.25. **Penalty Rate** – a rate Penalty is calculated at.
- 1.26. **Policy** – each and any internal document of Marketplace that sets rules and describe general approach in respect to, how Marketplace handles particular matters.
- 1.27. **Project** – a project in respect to which raised funds will be used.
- 1.28. **Project ID** – a unique identification number, that allows to identify Project at Marketplace and in supporting documents.
- 1.29. **Registration Process** – a process each Applicant requires to went in order to acquire a User Status, and that consists of 3 stages (steps): Account Creation Stage, Verification Stage and Questionnaire Stage.
- 1.30. **Regulation** – any law, regulation, rule, directive, guideline of any state or international body or regulatory authority or agency, applicable to particular subject in question and is mandatory for Marketplace to follow.
- 1.31. **Repayment Type** – Loan repayment type, being either Amortized or Bullet.
- 1.32. **Repayment Schedule** – a schedule to Loan Agreement, where exact payment amounts and dates of payments are set.
- 1.33. **Security** – is an instrument, that may be enforced in the event of default and help to cover User's losses, according to the procedure and in the amount set out in these GTC.
- 1.34. **Security Provider** – a person, who provides Security.
- 1.35. **Special Loan Terms** – material terms of Loan Agreement, like Loan amount, Interest Rate, Loan Maturity Date etc.
- 1.36. **Target** – a maximum amount of funds Borrower requires to raise in order to implement Project.
- 1.37. **Transaction** – Investment, Deposit, Withdrawal, incoming Interest and other transactions, that reflects Balance at User Account, as the case may be.
- 1.38. **User** – a party to User Agreement, who is willing to invest money in Project(s) at Marketplace by entering into relevant Loan Agreement(s), or who has already invested money and entered into relevant Loan Agreement(s). In Loan Agreements and supporting documentation may also be referred to as **Lender**.
- 1.39. **Users** – other users of Marketplace, who acquired User Status.
- 1.40. **User Status** – a status for Applicant, who successfully went through all three stages of Registration Process (got approved) and thereby has acquired a right to use Marketplace within its full capacity.
- 1.41. **User Account** – User's individual sub-page(s), opened and existing at Marketplace, that serves as User's personal area, where he can make Investments and view all Transactions made.
- 1.42. **User Agreement** – an agreement that governs contractual relationship between User and Marketplace (legally, Marketplace Operator), consisting of these GTC, all effective Policies, as the case may be, incorporated herein by a reference, and User's consent thereto.
- 1.43. **User ID** – a unique identification number that allows to identify User and associate particular actions made at Marketplace with User.
- 1.44. **Veriff** – Veriff OU, a private limited company, registry code 12932944, having its registered address in Tallinn, Estonia, that, according to agreement with Marketplace, performs identity document and face verification services.
- 1.45. **Withdrawal** – a process of withdrawing funds from User Account, that results in decrease of Balance at User Account.



## 2. GENERAL

- 2.1. Marketplace is a peer-to-peer, lending-based crowdfunding platform, available online via internet, that provides an opportunity for User and other Users to receive passive income as interest being paid for the funds they invest (lend), and, from another part, for Borrowers, to borrow funds from User in order to fund their Projects.
- 2.2. In respect to use of Marketplace there are several legally binding documents, that Applicant must be aware of and consent to. These GTC set terms and conditions for use of Marketplace. There are several Policies, that explain general approach, how Marketplace handles various matters. Such Policies include, but not limited to Funding Policy, AML Policy, Complaints Handling Policy, Privacy Policy, and others, as may be introduced and amended from time to time. All mentioned documents are available at Marketplace and may be reviewed by Applicant during Registration Process, before submitting a registration application.
- 2.3. In turn, each and any Loan Agreement shall govern relationship, between User and particular Borrower in respect to particular Loan, and consist of General Loan Terms, Special Loan Terms and Payment Schedule. The procedure of entering into Loan Agreement(s) is described below in these GTC.
- 2.4. Some specific words, such as “investments”, “investors” and “invest” are used herein because they are familiar to crowdfunding industry users. Therefore, “to invest” shall also mean “to lend”; an “investment” shall also mean “a loan”; “a lender” shall also mean “an investor”. **Nevertheless, each and any Investment made at Marketplace is expressed in the legal form of Loan.**
- 2.5. Although currently there are no fees Marketplace charges its Users, any third party’s fee, other cost, duty or tax, may occur during the usage of Marketplace, shall be covered by User itself.
- 2.6. **Marketplace may, from time to time, attract third parties** in order to provide specific services. In case User wants to continue using Marketplace, it must consent to the terms of such services, unless User decides to terminate its User Agreement and cease to use Marketplace.

## 3. REGISTRATION PROCESS

- 3.1. Any person may visit Marketplace, however, the information volume and usage capabilities may be limited, including information about Projects and possibility to invest. In order to invest at Marketplace, the visitor must acquire User Status.
- 3.2. Any Applicant, who meets the requirements set out in these GTC and AML Policy, is eligible to become Marketplace user.
- 3.3. Any Applicant, who does not meet the requirements set out in these GTC and AML Policy, may become Marketplace user only, if Marketplace individually has evaluated the Applicant and based on evaluation results, has made an exclusive decision in respect to that Applicant. In that case, Marketplace may also impose specific limitations to that Applicant.
- 3.4. At any time, and at its own discretion, Marketplace may impose additional requirements, change the existing requirements, or refuse to approve particular Applicant.
- 3.5. Applicant (and, later, User) is not allowed to use Marketplace in a capacity of creditor, performing its professional (business) activity. Marketplace does not provide or intermediate execution of consumer credit agreements. Loans to consumers at Marketplace are prohibited. Hereby Applicant confirms that it will not use Marketplace, acting as a consumer. If Applicant (and, later, as User) fails to follow the said restriction, User shall be liable for all direct and indirect damages and expenses which have occurred or may occur in the future to Marketplace and/or any other persons, due to breach of the said restriction.
- 3.6. Each Applicant must provide a complete and true information and documents during Registration Process. Such information and documents include any evidence, as may be required in order Marketplace to comply with existing Regulation.



- 3.7. The Registration Process is divided into three stages (steps): Account Creation Stage, Verification Stage and Questionnaire Stage.
- 3.8. During the **ACCOUNT CREATION STAGE**, Applicant, via Marketplace, must submit the following data:
  - 3.8.1. **First Names and Last Names** – real names as spelled in Applicant's identity document;
  - 3.8.2. **E-mail address** – Applicant's personal e-mail address, that will be used for further login to Marketplace and receiving Notices;
  - 3.8.3. **Password** – a password, made-up by Applicant, consisting of 8 characters, using at least 1 big letter, and, at least, 1 digit;
  - 3.8.4. **Confirm Password** – retype the password to avoid misspelling.
- 3.9. After all data was entered and submitted according to Marketplace's requirements, Marketplace shall send e-mail message with confirmation link. To activate User Account, Applicant must go to its e-mail and click on the e-mail confirmation link. A relevant message will appear saying that e-mail was successfully confirmed. When an e-mail address is confirmed, Applicant may log in into its User Account and proceed to the next stage.
- 3.10. During **VERIFICATION STAGE**, Applicant must present a valid identity document (i.e. passport, ID card or residence permit) in the way asked by the software, as well as demonstrate his face to the camera. This part of service is done by Veriff, according to relevant agreement between Marketplace and Veriff, and according to the procedure set by the Veriff. Verification process description, data processing policy and other terms may be viewed at Veriff's website – [www.veriff.com](http://www.veriff.com).
- 3.11. In case the quality of video transmission is low, or if software detects counterfeit signs, or other errors occur during Verification Stage, Applicant's identity may be rejected. If Applicant thinks such rejection was unfair, it may repeat the procedure using the same tool, or Applicant may contact Marketplace in order to agree on another type of identification.
- 3.12. Verification is an instant procedure and relevant message will appear saying that Applicant's identity was verified successfully. In some cases, verification takes longer time and result may arrive in up to 5 Business Days, and in such cases, Marketplace shall send a notification about results of verification by e-mail. Once Applicant is verified, it may proceed to the next stage.
- 3.13. During the **QUESTIONNAIRE STAGE**, Applicant, who is an individual, must provide the following information:
  - 3.13.1. Personal information: names (inserted automatically); date of birth; personal ID number, if any; country of birth; citizenship; permanent residing address; mobile phone number);
  - 3.13.2. Information about income: main source of income; average yearly income; current savings; percentage of income ready to invest; occupation.
  - 3.13.3. Information about investments: expected number of investments per month; expected aggregate investments per month (EUR); purpose of investing; types of projects Applicant is planning to invest;
  - 3.13.4. Investment about experience: knowledge level; experience in investing; kind of investments done in past; crowdfunding knowledge; crowdfunding or peer-to-peer marketplace experience; types of project invested in past;
  - 3.13.5. Information about PEP (politically exposed person) status, beneficial owner status and existence of administrative or criminal conviction in field of money laundering or terrorism financing.
- 3.14. After all data was entered according to Marketplace's requirements and submitted successfully, Marketplace shall check and evaluate the data, as well to perform Applicant's background check. The said background check may include a screening against PEP lists, sanctions lists and other restriction lists, according to AML Policy and applicable AML Regulations.
- 3.15. After the said check and screening, Marketplace, to the e-mail address of Applicant, shall send the Notice with:
  - 3.15.1. an approval, and this shall be a moment when Applicant acquires a User Status, or;



- 3.15.2. a request for additional information, documents or requesting a clarification of previously submitted data, and Applicant must reply thereto within the term set in that Notice by submitting the requested information, otherwise Marketplace may reject the application, or;
- 3.15.3. rejection and this shall mean Applicant may not acquire User Status and in that case Marketplace, at its own discretion, may restrict access to User Account of particular Applicant and/or delete User Account.
- 3.16. Marketplace, at any time and at its own discretion, may impose various restrictions for the use of Marketplace for particular User, including, but not limited to restrict Investments in specific Projects.
- 3.17. During Registration Process, Applicant must read and consent to these GTC. If Applicant does not understand any term or obligation it will be bound by, it should contact Marketplace and request explanation about subject in question. In case, Applicant does not agree to any of the terms, it may not acquire User Status, and therefore, shall refrain from registration and use of Marketplace.
- 3.18. These GTC, including all Policies, incorporated herein by a reference, form a consolidated User Agreement that shall be considered as agreed by Applicant, and become effective once Applicant has checked the “I have read, understood and agree” box during Registration Process.**
- 3.19. Once Applicant has acquired User Status, it shall immediately acquire the rights and become legally bounded by the obligations set out in User Agreement, by and between:
  - 3.19.1. User and Marketplace, and;
  - 3.19.2. User and other Users of Marketplace.
- 3.20. If Applicant did not complete either stage of Registration Process or was rejected by Marketplace, however, it continues to use Marketplace (with limited capabilities) it shall be legally bounded by all the obligations set out in User Agreement, excluding rights that under User Agreement are vested to Users with User Status, like a right to Invest.

#### **4. USER'S OBLIGATIONS AND GUARANTEES**

- 4.1. User hereby warrants, represents, agrees and confirms, that:
  - 4.1.1. User acts in full its capacity, not limited due to disorders of mental nature, in clear mind, not under the influence of alcohol, drugs, psychoactive or other intoxicating substances;
  - 4.1.2. User is a beneficial owner and is dully authorized to use funds at its bank account from/to which it Deposits/Withdraws money;
  - 4.1.3. collection of any amounts, arising from financial obligation under Loan Agreement(s) and/or these GTC, shall be done with intermediation of Marketplace, and User has no right to take such actions or steps independently, except for cases, where Marketplace has given its written consent to do so;
  - 4.1.4. any matter and other information User become aware of through, or in the course of, the use or access to Marketplace, may be used by User for the purposes of using Marketplace only and not for any other purposes;
  - 4.1.5. User understands the risks involved in using Marketplace, including the possibility that when the risks, related to use of Marketplace and investing materialize, User might not get back its investment (partly or completely), or make the expected profit from it;**
  - 4.1.6. some Borrowers and/or Projects may be affiliated with Marketplace** by either having the same UBO, shareholders or management people, however, this information will be openly disclosed in Project's description;
  - 4.1.7. while managing payments, Marketplace's performance directly depends on third parties, such as banks, which in turn may impose additional requirements, charge fees and extend a term of receiving the payment;



- 4.2. User must provide complete and true information and documents in due and timely manner, as Marketplace may request from time to time, as well as to inform Marketplace about changes in its contact or personal information, including change of identity document. Marketplace may rely on information received from User during Registration Process, unless User has been duly notified and provided Marketplace with new data.
- 4.3. User must act in good faith, when using Marketplace, and take the rights of other Users into consideration, and not use Marketplace for the purpose of causing any direct or indirect harm to other Users and/or Marketplace.
- 4.4. User must, in due and timely manner, regularly check its e-mail and User Account, read and reply to Notices sent by Marketplace. User must, in due and timely manner, accept Marketplace's documents and amendments thereto, unless User disagree with them and is willing to terminate its User Agreement.
- 4.5. User must declare itself and pay all taxes in relation with Transactions made via Marketplace, according to existing Regulation. Marketplace don't make any deduction on account of taxes payable, unless it is required by Regulation to do so. The above applies, among other things, to the taxes payable on Interest earned by User.
- 4.6. When using Marketplace, User may not use any technical equipment, software, application or other solution to make an automated use, reading, collection, recording or other processing of Marketplace's content (including User Account's content).
- 4.7. When using Marketplace, User may not use any malicious software (any software that might bring harm to Marketplace), including, but not limited to worms, viruses, trojans, spyware, adware and rootkits, which may steal, delete or change data, or add any software, not approved by Marketplace.
- 4.8. For the time of duration of User Agreement, Marketplace grants User a limited, revocable, non-exclusive, non-sub licensable, non-transferable license to access Marketplace, and use it solely in accordance with these GTC. User undertakes not to copy, download, save, reproduce, print or otherwise process, whether in part or in full, the content of Marketplace (including User Account) without the prior written consent of Marketplace. Notwithstanding the foregoing, User may print or save Marketplace's content (including User Account's content) for personal use and only to the extent, reasonably necessary for User to use Marketplace.
- 4.9. When making Investments at Marketplace, User must assess the suitability and risk of the relevant Investment, and, if necessary, should obtain advice from specialists in the relevant field, including legal, tax and/or investment advice.
- 4.10. Aside from obligations listed in this Section, User must read and observe obligations described in other Sections of these GTC.

## **5. USER ACCOUNT**

- 5.1. User Account is User's individual sub-page(s), opened and existing at Marketplace, which may be used for surfing Marketplace and viewing extended information about Projects, Investing, keeping records of Investments and other Transactions made, communication between Marketplace and particular User, and other functionality, as Marketplace may introduce from time to time.
- 5.2. Applicant also may be granted with access to its User Account, however, capabilities thereof will be limited, until Applicant passes the entire Registration Process (acquires User Status).
- 5.3. Investments and Withdrawals at User Account are possible only within positive Balance, available at User Account, excluding any amounts reserved necessary for Transaction, fee or other deduction to me made in future.
- 5.4. Upon successfully passing Registration Process, Marketplace shall create and assign to User a unique User ID. User ID is a combination of letters and/or digits, used to identify User at



Marketplace and associate particular actions made at Marketplace with User, including giving consent to various documents, making Investments and entering into Loan Agreement(s).

- 5.5. User's e-mail and password (credentials) shall be personal and used to identify User each time User logs into Marketplace and performs any actions via Marketplace. Marketplace may set requirements as to the e-mail and password, and demand regular changing of the selected password, due to security or other considerations.
- 5.6. Provided that the correct credentials have been entered to access Marketplace, it will be presumed, that the person using the credentials, is legally authorized to do so, and to perform actions in the name and on behalf of User.
- 5.7. User undertakes to keep its credentials confidential and to not store such details in a way, that enables others to access them or impersonate User. If User discloses its credentials to any person, to whom it authorizes to access its User Account (including fails to store its credentials in due manner), User shall be responsible and liable for any access to User Account and Transactions made thereat.
- 5.8. Marketplace may restrict User's rights or refuse to follow User's instructions, inter alia, in case Marketplace considers that there is a risk third person(s) possess User's credentials.
- 5.9. User must immediately notify Marketplace, if it discovers or suspects, that the security of its User Account may have been breached. If Marketplace receives such notification from User, or determines itself that the security of User Account may have been breached, User shall not be able to access Marketplace, until particular measures have been taken to verify the identity of User.
- 5.10. Unless and until User informs Marketplace that it believes another person knows User's credentials, or can use Marketplace by impersonating User:
  - 5.10.1. User shall be responsible for any instruction, which Marketplace receives and acts upon, even if not given by User, and/or;
  - 5.10.2. User shall perform in due manner all obligations taken as a result of unauthorized action, and/or;
  - 5.10.3. Marketplace shall not be responsible and liable for any unauthorized access to User Account or information available there;
- 5.11. Marketplace may refuse to act according to instruction given through Marketplace, if believes:
  - 5.11.1. it was unclear, and/or;
  - 5.11.2. it was not given by User, who requested the action, and/or;
  - 5.11.3. it might cause Marketplace to breach Regulation or other legal duty, and/or;
  - 5.11.4. that Marketplace is being used for illegal purpose.
- 5.12. If due to technical errors Balance was mistakenly credited or debited, Marketplace shall reserve a right to reverse and correct particular record.

## **6. FUNDRAISING**

- 6.1. The fundraising of each and any Project via Marketplace is carried out according to these GTC and Funding Policy. Several Users may invest in the same Project. User may invest into several Projects and invest several times into the same Project. The fundraising via Marketplace is not possible for some types of Projects, or some limitation may apply according to Funding Policy, as amended from time to time.
- 6.2. The order, how Borrower submits a request for fundraising to Marketplace, its content and supporting documents/information volume, are set out in arrangement between Marketplace and Borrower, that is out of scope of these GTC.
- 6.3. If Project is published at Marketplace, that shall mean, the following:
  - 6.3.1. relevant agreement is concluded between Marketplace and Borrower, that, among other things, contains Borrower's consent to Loan Agreement's terms and procedure, how Loan Agreements will be entered into at Marketplace;



- 6.3.2. Marketplace has performed due diligence of Borrower, according to its internal procedures (see disclaimer below);
- 6.3.3. Marketplace has performed due diligence of Project, according to its internal procedures (see disclaimer below).
- 6.4. **User must always keep in mind that due diligence referred to in Clause 6.3.2 and 6.3.3 of these GTC, shall never serve as a sole basis for User to make a decision for Investment.**
- 6.5. Although Marketplace shall always put its best efforts to keep an appropriate due diligence level, User shall bear in mind, that:
  - 6.5.1. Marketplace shall review the documentation (information and documents) about Borrower and Project, primarily, on the basis of, either, information submitted by Borrower itself, or found in public sources, that, not always might be reliable, and;
  - 6.5.2. Marketplace, primarily, will check for whether or not Project is appropriate for Marketplace, according to Funding Policy;
  - 6.5.3. Marketplace's opinion to approve Project may not match User's personal opinion.
- 6.6. Project description at Marketplace for and any Project shall contain, at least, the following:
  - 6.6.1. Project ID;
  - 6.6.2. Project (name);
  - 6.6.3. Project short description;
  - 6.6.4. Funding Purpose;
  - 6.6.5. Target;
  - 6.6.6. Minimum Target;
  - 6.6.7. Borrower's name and information thereof;
  - 6.6.8. Loan Period;
  - 6.6.9. Fundraising Open Date;
  - 6.6.10. Fundraising Expiry Date;
  - 6.6.11. Project location;
  - 6.6.12. Currency;
  - 6.6.13. Interest Rate;
  - 6.6.14. Payment periodically;
  - 6.6.15. Repayment Type;
  - 6.6.16. Information on whether Project is covered by Investment Guarantee Fund;
  - 6.6.17. Information on whether Project is covered by Security, and who is Security Provider;
  - 6.6.18. Information on whether Project is affiliated with Marketplace.
- 6.7. Once fundraising has started at Marketplace, it shall be considered as proposal (a public offer) of Borrower, and:
  - 6.7.1. which is addressed to User and any other User, and;
  - 6.7.2. which constitutes a proposal to enter into Loan Agreement(s) in aggregate principal amount of up to Target, set for that Project, and;
  - 6.7.3. where Borrower expresses its intention to be legally bound by Loan Agreement(s) to be entered into according to Investment(s) made, and;
- 6.8. The fundraising for each and any Project stops, if:
  - 6.8.1. by Fundraising Expiry Date, the total amount of all Investments is less, than Minimum Target, or;
  - 6.8.2. total amount of all Investments has reached Target, or;
  - 6.8.3. requested by Borrower and accepted by Marketplace, or;
  - 6.8.4. stopped by Marketplace.
- 6.9. The said public offer (Clause 6.7 of these GTC) cannot be withdrawn by Borrower in respect to effective Loan Agreements.
- 6.10. The decision as to whether or not to invest in Project is decided solely by User, on its own risk.
- 6.11. If more several Users invest in the same Project, all Investments are considered to have been made in chronological order and only insofar as such Investments reached Target.
- 6.12. Preconditions for User to make Investment are, as follows:



- 6.12.1. fundraising has been started and has not been ended at the moment of Investment, and;
- 6.12.2. Investment amount equals or exceeds the minimum investment amount, set by Funding Policy, and;
- 6.12.3. Investment amount does not exceed the Target amount and/or the maximum investment amount, set by Funding Policy, and;
- 6.12.4. the User has enough positive Balance at its User Account, at least in amount equal to that User wishes to invest;
- 6.12.5. there are no restrictions placed by Marketplace towards User.
- 6.13. In some cases, Marketplace may, at its own discretion, prohibit User from investing or impose other conditions for investing.
- 6.14. In order to make Investment, User must enter Investment amount (in EUR) it wishes to invest in the relevant field, under Project description, and click "Invest" button. Marketplace will pop-up a window, containing most essential information about Project, with available links to supported documents. User must check if all that shown is correct and confirm its Investment by pressing the "Confirm" button.
- 6.15. If User decides not to invest, or to postpone Investment, or in case the data shown is incorrect, User must close the window. Investments that were not confirmed will appear at User Account and may be, either, deleted, or confirmed by User, provided preconditions set out in Clause 6.12 are still met.
- 6.16. At the moment, when User clicks button "Confirm", Balance at its User Account will be reduced for the amount of Investment.
- 6.17. Marketplace calculator may be used for calculating estimated earnings, based on amount of Investment entered by User. The calculator, however, has only informative purpose.

## 7. ENTERING INTO LOAN AGREEMENTS

- 7.1. Each and any Investment shall be formed as loan agreement. Investor and Borrower shall enter into a separate Loan Agreement for each Investment.
- 7.2. Each and any Investment shall become irrevocable and relevant Loan Agreement becomes effective at the moment when, after clicking the "Confirm" button, Marketplace pop-ups a message about successful Investment. Before clicking the "Confirm" button, User shall have a possibility to familiarize itself with all terms of particular Loan Agreement and GTC version, effective at the moment of Investment, by clicking on relevant links in the pop-up message. **It is responsibility of User to familiarize itself with the said terms and documents.** Once User has clicked "Confirm" button and Marketplace notifies User with the pop-up message about successful Investment, such Investment cannot be withdrawn.
- 7.3. After User clicked "Confirm" button, Marketplace creates a *pdf* file with Loan Agreement, that serves as a proof that Investment was made and Loan Agreement was concluded.
- 7.4. Each and any Loan Agreement shall consist of particular Special Loan Terms, setting out material terms, like Loan amount, Interest Rate, Loan Maturity Date etc; General Loan Terms in version effective on the date of investing; and, relevant Repayment Schedule.

## 8. PAYMENTS UNDER LOAN AGREEMENTS, DEPOSITS AND WITHDRAWALS

- 8.1. According to Loan Agreement(s), the authorization described in the Section 14 "Authorization" of these GTC, Marketplace:
  - 8.1.1. performs required calculations of amounts to be paid, and/or;
  - 8.1.2. drafts relevant Repayment Schedules for Loan Agreement(s), and/or;

- 8.1.3. manages payments between User and Borrower(s), including, but not limited to transferring of Loan amounts to Borrowers, and transferring Loan principal and Interest received from Borrower(s) to User, and/or;
- 8.1.4. manages and keeps records of Balances at User Account, including handling Deposits and Withdrawals, made by User.
- 8.2. Marketplace may and shall perform its duty of managing the payments only in case, if there are enough funds (positive Balance) at User Account to perform particular Transaction. **Therefore, it is User's obligation to always keep enough Balance for execution of particular Transaction.** This, among other things, includes when, according to Loan Agreement and/or these GTC, User is required to fulfill a financial obligation, User must ensure that, no later than on the day when such obligation becomes due (or in cases specified in GTC, on the day upon which User commits to such obligation), there are enough funds at User Account for the purpose of completing such obligation in full. If Balance at User Account is insufficient on the day upon which the relevant financial obligation becomes due, it shall be deemed that User has breached the relevant financial obligation to the extent of such failure.
- 8.3. Marketplace ensures all Loan amounts according to effective Loan Agreements are transferred to Borrower(s). The procedure and time frames, how those transfers are made, is described in legal arrangements between Marketplace and particular Borrower and shall be out of scope of these GTC.
- 8.4. Marketplace ensures all Loan principals and Interest, according to effective Loan Agreements, are transferred to User. Precondition for that to be done is Borrower has transferred required funds to Marketplace. All received Interests, Loan amounts and other payments will be reflected at User Account, and User will be able to withdraw those, or use for further Investments.
- 8.5. If funds received from Borrower are not enough to cover all outstanding obligations towards all Users, who invested in the same Project, Marketplace shall distribute those funds to all Users proportionally to the amount of Investments they have made.
- 8.6. If Loan Agreement has Penalty, then, Borrower shall pay Penalty to User for each day of delay from outstanding amount, starting on the 4<sup>th</sup> days after such delay occur, calculated at Penalty Rate, set in particular Loan Agreement.
- 8.7. Unless in these GTC is stated otherwise, User may Deposit any amount to its User Account, by transferring relevant funds, in a manner prescribed by Marketplace.
- 8.8. When depositing funds, User must insert its User ID in payment description (payment reference). If payment description does not contain User ID, or was spelled with errors, Marketplace either returns the payment to sender, less fee for fund transfer, or contacts User, if it can be identified, and finds out the rest of details for the payment.
- 8.9. It is prohibited to Deposit funds to User Account of another User. All such Deposits will be rejected/returned to the sender, less fee for fund transfer.
- 8.10. All Deposits must be made in EUR currency. All Deposits that made in currency other, than EUR, will be, at Marketplace's own discretion, either, exchanged to EUR, according to exchange rate selected by Marketplace, or returned to the sender, less the fee for funds transfer.
- 8.11. Minimum Deposit amount is 1 EUR. There is no maximum limit for Deposit, however, for significant amounts, Marketplace may request supporting documentation from User due to AML reasons.
- 8.12. Marketplace may request User to Deposit funds at User Account in order to perform obligations due.
- 8.13. All funds received from User and other Users shall be held at account in bank or e-money/payment institution, licensed and located in EEA country, the United Kingdom or Switzerland. Users funds will be separated from Marketplace's funds, and may be used only to reflect transactions made at Marketplace. The funds on that account cannot be used for discharging obligations of Marketplace, or used for Marketplace's commercial activity.



Marketplace does not gain any interest on such funds, and no interest in turn will be payable to User on the funds, transferred to Marketplace.

- 8.14. Unless otherwise stated in these GTC, User, at any time, may withdraw any amount of a positive Balance, reflected at its User Account, in a manner prescribed by Marketplace. When User instructs Marketplace to withdraw the funds, Marketplace shall make the wire transfer in amount requested by User (within available Balance) to the checking account of particular User, registered at Marketplace.
- 8.15. User may deposit and withdraw funds only from/to its checking account, registered at Marketplace. It is prohibited to deposit/withdraw funds from/to account of third parties, unless under specific circumstances Marketplace considers its appropriate and allows to do so.
- 8.16. User, at any time, may apply for a change of its checking account at Marketplace. The requirements for account are set out in AML Policy.
- 8.17. All Withdrawals shall be made in EUR currency.
- 8.18. Minimum Withdrawal amount is 25 EUR, unless User request termination of User Agreement and closing of its User Account. There is no maximum Withdrawal amount (within available Balance).
- 8.19. Marketplace may, at its own discretion, impose restrictions or limitations to the minimum or maximum amounts of Deposits and/or Withdrawals.
- 8.20. Marketplace may postpone Deposit and/or Withdrawal processing, in case User has unsatisfied requests from Marketplace, or other obligations must be performed under these GTC.
- 8.21. User must always stay aware, that time for processing Deposits/Withdrawals usually takes 3 Business Days that should be added to standard wire transfer, that, in turn, within EEA region, may take another 2 business days.

## **9. AMENDMENTS TO LOAN AGREEMENT**

- 9.1. General Loan Terms and Special Loan Terms version, currently effective at Marketplace, will be available for review at Marketplace. Different Projects may have different General Loan Terms and Special Loan Terms versions, and User must always check those versions, that will be attached to particular Project.
- 9.2. Generally, Marketplace promotes that no amendments made in respect to Loan Agreements, which already became effective. However, there are various cases when the effective Loan Agreement may be amended:
  - 9.2.1. due to early payments by Borrower, where the Repayment Schedule must be amended accordingly, or;
  - 9.2.2. obvious mistakes found in the text of Loan Agreement, or;
  - 9.2.3. change in Regulations, that requires terms of Loan Agreement to be changed accordingly, in order to remain effective, or;
  - 9.2.4. Borrower or Users, who's aggregate Investments, made under particular Project, constitute 50,01% or more, request changes to Loan Agreement, or;
  - 9.2.5. Marketplace, at its own discretion, decides to improve the text of Loan Agreement.
- 9.3. In cases listed in Clauses 9.2.1, 9.2.2 or 9.2.3 of these GTC, no consent from User is required, and relevant amendment shall be introduced as follows:
  - 9.3.1. once the situation appears (meaning, either the Borrower makes early repayment, or Marketplace discovers the mistake, which it considers as obvious, or Regulation changes), Marketplace shall draft a new Repayment Schedule, or amend the text of Loan Agreement accordingly, then;
  - 9.3.2. the amended version appears at User Account of User, then;
  - 9.3.3. Marketplace informs User by sending Notice, according to procedure set out in these GTC, and;
  - 9.3.4. the amended version of Loan Agreement shall become fully effective on the date set in the Marketplace's Notice, and shall become legally binding to relevant parties to Loan Agreement (User and Borrower).



- 9.4. For the changed referred to in Clauses 9.2.4 or 9.2.5 of these GTC, the order shall be, as follows:
  - 9.4.1. Marketplace performs the voting, according to procedure set out in Section "Voting Procedure" of these GTC, then;
    - 9.4.1.1. if, according to voting results, Users have taken a decision to accept amendment, Marketplace shall notify all Users, who invested in the same Project, then;
    - 9.4.1.2. Marketplace performs actions in the sequence, as set in Clauses 9.3.1 through 9.3.4 of these GTC.
  - 9.4.2. if, according to voting results, Users have taken a decision not to accept amendment, Marketplace shall notify all Users, who invested in the same Project, about voting result, and Marketplace shall consider another voting or other actions reasonable for the situation.
- 9.5. If Marketplace considers necessary, in Notice about amended Loan Agreement, it may explain, how existing obligations will be treated/applied before and after the amendment.
- 9.6. It is User's obligation to review each and any amendment to Loan Agreement, in respond to Marketplace, if requested, in a timely and due manner.

## **10. VOTING PROCEDURE**

- 10.1. From time to time, as it may be required by situation, Marketplace may introduce voting among Users at Marketplace. This, among other thing, may include, a voting for:
  - 10.1.1. introducing changes to any Marketplace document (including these GTC), and/or;
  - 10.1.2. changes to, either, General Loan Terms or Special Loan Terms, and/or;
  - 10.1.3. changes to effective Loan Agreement(s), and/or;
  - 10.1.4. termination of effective Loan Agreement, an/or;
  - 10.1.5. other matters, as per Marketplace, requires approval from Users.
- 10.2. Marketplace informs about upcoming and reminds about ongoing voting, by sending Notice to User, according to these GTC.
- 10.3. Marketplace, at its own discretion, may set a quorum and/or define, how much votes are needed to approve proposal. Voting will be introduced in a way allowed by Marketplace functionality.
- 10.4. If User don't respond (vote) within the term set by Marketplace, which shall not be less than 14 (fourteen) calendar days as of sending Notice, it shall be considered, that User has voted against the proposal.
- 10.5. Voting results will be published at Marketplace.

## **11. TERMINATION OF LOAN AGREEMENT**

- 11.1. Each Loan Agreement shall be deemed as fulfilled completely, when all due obligations, arising out of that Loan Agreement, were performed in due manner. Marketplace's obligations to manage the Investments ends, when Loan Agreement is fulfilled.
- 11.2. If on Fundraising Expiry Date, Minimum Target is not achieved, all Loan Agreements in respect to particular Project shall become null and void on the next day, following Fundraising Expiry Date. In that case, Borrower shall return to User its Investments, and pay Interest, for the period, starting from the day of Investment and until Fundraising Expiry Date.
- 11.3. Loan Agreement may be terminated by User unilaterally prior Loan Maturity Date, if it became clearly known, and Marketplace has received an appropriate proof, that:
  - 11.3.1. Borrower used Loan for purposes other, than for Funding Purpose, and/or;
  - 11.3.2. Project is fake (not exists in real life), and/or;
  - 11.3.3. dissolution (liquidation), bankruptcy or similar procedure has been started in respect to Borrower;
  - 11.3.4. Borrower delays any payment to User under Loan Agreement for at least 90 (ninety) days, and/or;



- 11.3.5. any of acknowledgements or guarantees given in Section “Acknowledgements and Guarantees of Borrower” of Loan Agreement appear to be false.
- 11.4. If User has noticed any of circumstances, described in Clause 11.3 of these GTC, it may notify Marketplace accordingly.
- 11.5. If Marketplace becomes aware of any of circumstances, described in Clause 11.3 of these GTC, either, by itself, or by receiving relevant information from User, the following actions will be performed:
  - 11.5.1. Marketplace requests from Borrower appropriate refutation or explanation within the term period set at Marketplace’s discretion, but not exceeding 10 (ten) calendar days, then;
  - 11.5.2. if no refutation or explanation provided within a period set by Marketplace, or the refutation or explanation provided by Borrower Marketplace considers as not appropriate, and no other existing facts may prove the opposite, then;
  - 11.5.3. Marketplace notifies User about existing breach of Loan Agreement, then;
  - 11.5.4. Marketplace initiates a voting for termination of Loan Agreement, according to procedure set out in Section “Voting Procedure” of these GTC, then;
    - 11.5.5. if, according to voting results, Users voted to terminate Loan Agreement, Marketplace notifies Users about termination of Loan Agreement (as well as all Loan Agreements under the same Project), by sending Notice, according to notification procedure set out in these GTC, then;
      - 11.5.5.1. Loan Agreement (and all other Loan Agreements) shall become null and void on the date, as set in Marketplace’s termination notice, and;
      - 11.5.5.2. all outstanding payments towards User and all other Users, who invested in same Project, according to Loan Agreement(s), become payable immediately.
    - 11.5.6. if, according to voting results, Users voted not to terminate Loan Agreement, Marketplace notifies Users about voting result, and, Marketplace shall consider another voting or other actions reasonable for the situation.
  - 11.6. If a refutation to the subject in question or explanation provided by Borrower (Clause 11.5.2 of these GTC) Marketplace consider as appropriate, which, at Marketplace’s own discretion, is in the best interests of User and other Users, then a right of termination shall not be used, but only in respect to that particular case in subject.
  - 11.7. As it is set by Loan Agreement, upon its termination, and despite the reason of such termination, Borrower must immediately repay to User the entire outstanding amount of Loan, together with outstanding Interest and Penalties, if any.
  - 11.8. Marketplace shall oversee the termination process and perform other actions according to these GTC, to which it is authorized and which is, at Marketplace’s, own discretion, is in the best interests of User and other Users.
  - 11.9. Marketplace shall manage outstanding payments due to termination of Loan Agreement(s), however, Marketplace operates only with funds received/collected from Borrower. In case an official (administrator, liquidator or trustee) is assigned to lead insolvency process, Marketplace shall provide such person with all data about outstanding Borrower’s obligations towards User. During insolvency or other processes, Marketplace might be completely restricted, or limited in managing the payments according to these GTC and this shall not be deemed as failure to perform obligations, provided Marketplace has provided data about User to the said official.
  - 11.10. If grounds for termination of Loan Agreement, set out in Clause 11.3 of these GTC contradict with grounds, set by particular Loan Agreement, the latter shall prevail in respect to contractual relationship arising out of that Loan Agreement.

## **12. INVESTMENT GUARANTEE FUND**

- 12.1. Investment Guarantee Fund is a separate money pool, accumulated and managed by Marketplace, that may be used to cover some User's losses in the event of default. Investment



Guarantee Fund is made of donations made by Marketplace. Amount of donations is defined by Marketplace at its own discretion, and may be changed from time to time, however, it shall be not less than 1% from the fee, Marketplace receives from Borrower, in respect to each particular Project.

- 12.2. Marketplace, at its own discretion, decides to which Projects Investment Guarantee Fund shall be applied. In case Investment Guarantee Fund is applicable to particular Project, it will be stated in Project's description. Each Loan Agreement, that corresponds to particular Project, shall have an indication on whether Investment Guarantee Fund coverage is applicable or not.
- 12.3. Funds from Investment Guarantee Funds shall be paid, if:
  - 12.3.1. Project in question has Investment Guarantee Fund coverage, and;
  - 12.3.2. Borrower delays any payment to User under Loan Agreement and that delay exceeds 90 (ninety) calendar days, and;
  - 12.3.3. on 91th day there is still no agreement is reached between Borrower, User and other Users, who invested in the same Project, about prolongation of payment terms, restructuring or other conditions postponing the payments.
- 12.4. Upon existence of all preconditions as set out in Clause 12.3 of the GTC, Marketplace shall distribute funds from Investment Guarantee Fund, as follows:
  - 12.4.1. funds shall be paid out to all Users, who has effective Loan Agreement(s) under the Project in question, and;
  - 12.4.2. maximum of 50% of existing funds of Investment Guarantee Fund may be distributed to cover losses within same Project, and;
  - 12.4.3. funds will be paid in proportions to invested amounts by adding Balances of relevant Users Accounts. Users will be able to withdraw all or part of such amounts, according to Withdrawal procedure set out in these GTC, or to perform other Transaction, including new Investment.
- 12.5. The fact of payment from Investment Guarantee Fund, shall not:
  - 12.5.1. discharge Borrower from outstanding obligations towards User and other Users, under Loan Agreement(s), and/or;
  - 12.5.2. restrict User from performing other legal actions to recover outstanding amounts, and/or;
  - 12.5.3. restrict Marketplace from performing other actions under these GTC and applicable Regulation.
- 12.6. In case funds, recovered later by Marketplace from Borrower, are enough to cover all losses of Users, who invested in Project in question, Marketplace may retain the remaining funds in the amount, equals to aggregate amount, that was paid from Investment Guarantee Fund.

### 13. SECURITY

- 13.1. Security is a vehicle, that may be enforced in the event of default and help cover User's losses in the amount as described below. There are three types of Security at Marketplace:
  - 13.1.1. **personal guarantee** – is a personal guarantee given by either beneficial owner, a shareholder or management member of Borrower's company, that would perform Borrower's obligations in the event of default;
  - 13.1.2. **3rd company guarantee** - is a guarantee given by a company that is not Borrower itself, and may include any affiliated company, that would perform Borrower's obligations in the event of default;
  - 13.1.3. **collateral** – a pledge or similar security, that may be sold in the event of default, to cover all or part of User's losses.
- 13.2. It is a subject of arrangements between Borrower and Marketplace, and it is Marketplace's authority to decide to which Project and what type of Security will apply.
- 13.3. In case, Security is applicable to particular Project, it will be stated in Project's description. Each Loan Agreement, that corresponds to particular Project, shall have an indication on whether Security is applicable or not, as well as indicating its type and Security Provider.



- 13.4. When, according to relevant legal document (guarantee, pledge or mortgage agreement etc) the event of default is appeared, Marketplace shall request from Security Provider to use the Security and perform other actions, according to Security terms, which are, at Marketplace's, own discretion, is in the best interests of User and other Users.
- 13.5. Once funds from the use of Security are received by Marketplace, the funds shall be paid:
  - 13.5.1. to all Users, who has effective Loan Agreement(s) under the Project in question, and;
  - 13.5.2. in proportions to invested amounts by adding Balances of relevant Users Accounts. Users will be able to withdraw all or part of such amounts, according to Withdrawal procedure set out in these GTC, or to perform other Transaction, including new Investment.
- 13.6. The fact of being paid with funds from the use of Security, shall not:
  - 13.6.1. discharge Borrower from remaining outstanding obligations towards User and other Users, under Loan Agreement(s), and/or;
  - 13.6.2. restrict User from performing other legal actions to recover outstanding amounts, and/or;
  - 13.6.3. restrict Marketplace from performing other actions under these GTC and applicable Regulation.
- 13.7. Procedure of Security's utilization shall be done according to applicable Regulations, including, but not limited to country, where Project being implemented, and may vary from case to case.

#### **14. AUTHORIZATION**

- 14.1. By agreeing to these GTC, User agrees that only Marketplace (Marketplace Operator), or any its legal successor, shall manage each and any Investment and payment related thereto, and shall act as a representative of User and Borrower in the contractual relationship between User and Borrower, despite any potential conflict of interests.
- 14.2. Hereby Marketplace informs User that Borrower, according to arrangements with Marketplace, has also dully authorized Marketplace to transfer to User any outstanding payment, including but not limited to Investment amount, Interest and Penalty.
- 14.3. Hereby User authorizes Marketplace to transfer Investments, made according to Loan Agreements, to Borrower.
- 14.4. User is aware and agree, that no amount transferred directly from Borrower to User, or vice versa, shall be considered as proper performance of payment obligation under Loan Agreement, save for the cases described in Clause 16.6 of these GTC.
- 14.5. If, according to Loan Agreement, a consent of User is required for any document or activity, or if an existence or evaluation of any circumstance or event, or performance of any condition is to be determined by User, Marketplace, acting which, to its own discretion is in the best interests of User, may provide the relevant consent or determine the relevant matter in the name and on behalf of User. The said applies, among other things, to determination of events, described in Clause 6.1 of the Loan Agreement and Clause 11.6 of these GTC.
- 14.6. In order to acquire a consent from User, Marketplace also may perform the voting procedure via Marketplace, as prescribed by these GTC.
- 14.7. Marketplace is entitled to demand from User the performance of obligations undertaken according to each and any Loan Agreement.
- 14.8. Marketplace may, at its own discretion:
  - 14.8.1. send reminders, balance notices and warnings to the debtor (including bankruptcy warnings), and/or;
  - 14.8.2. provide details of the debtor to third parties in accordance with Privacy Policy, and/or;
  - 14.8.3. commence court or arbitral tribunal proceedings, enforcement proceedings, and bankruptcy or other insolvency proceedings, by any procedure provided for by Regulation in accordance with these GTC, including participating in the relevant proceedings as a representative of User and on its behalf.
- 14.9. The authorization given hereby by User to Marketplace is irrevocable.



## 15. LIABILITY OF MARKETPLACE

- 15.1. The primary purpose of Marketplace is to introduce User (and other Users) to Borrowers and its Projects in order to enable Borrowers, via Marketplace, to borrow money from User (and other Users).
- 15.2. The services provided relate to introductory functions only and, among other things, the services provided by Marketplace, do not include the following:
  - 15.2.1. guaranteeing and ensuring the performance of the financial obligations of Borrower(s);
  - 15.2.2. accepting deposits or other refundable instruments or giving of loans or other financings on its own account or behalf;
  - 15.2.3. providing investment, tax or legal advice;
  - 15.2.4. undertaking real estate transactions or providing advice in respect of the same;
  - 15.2.5. the provision of payment services.
- 15.3. Among other things, Marketplace shall not be liable for:
  - 15.3.1. the performance of Borrower's obligations;
  - 15.3.2. the trueness or accuracy of information and/or confirmation(s), published or provided by Borrower at Marketplace or any Loan Agreement, and no guarantee or representation is made by Marketplace in respect of the same. The above specified exclusion of liability shall also apply to any details and other information published at Marketplace in respect of Projects and Borrowers;
  - 15.3.3. any disruptions or impediments that may occur in the operation of banks, including any losses which may directly or indirectly be incurred as a result of the insolvency or moratorium of such banks or any other similar event;
  - 15.3.4. losses incurred as a result of any act or failure to act by the third parties, whose economic or professional activity includes the collection of debts and the provision of related services;
  - 15.3.5. the scope, content, suitability and enforceability of contracts and other legal documents used at Marketplace, including those used for the carrying out of transactions via Marketplace;
  - 15.3.6. any bugs or disruptions that occur at Marketplace, or changes made in Marketplace's software or the consequences of termination of the operation of Marketplace itself;
  - 15.3.7. the trueness and accuracy of any forecasts, including financial indicators and forecasts of any Project, published at Marketplace, and no warranty or representation is made by either the Marketplace in respect of the same;
  - 15.3.8. any circumstances that derive from or depend on the identity of any User of Marketplace;
  - 15.3.9. any losses incurred as a result of the materialization of the risk described at Marketplace;
  - 15.3.10. any damages, loss of profit or other indirect losses, or other damages caused as a result of its conduct other than intentional misconduct;
  - 15.3.11. any losses in case, when User Account is restricted or limited.
- 15.4. Fundraising campaign at Marketplace does not constitute any of the following:
  - 15.4.1. an investment recommendation or other endorsement by Marketplace in respect of the relevant Project;
  - 15.4.2. Marketplace's confirmation or any other indication of Borrower's creditworthy;
  - 15.4.3. Marketplace's confirmation that the relevant Project is viable;
  - 15.4.4. Marketplace's confirmation that User will get the relevant investment back or make any profit from it;
- 15.5. Marketplace may make changes in Marketplace, including expanding, changing or removing its functions, at its own discretion at any time without asking permission of User for it, or giving prior Notice.
- 15.6. When collecting any amounts owing by Borrower, Marketplace acts at its own discretion on the basis of what Marketplace thinks is, in the best interests of User.



- 15.7. User understands and agrees that Marketplace performs representations and authorization on behalf of many Users, and User's rights might be limited by another User's rights, and vice versa. User undertakes to consider the interests of any other User, while executing its own rights. Marketplace, at its own discretion, defines, how to satisfy all Users' requests and claims up to possible maximum within each situation, and User may not complain that satisfaction of its request or claim was limited by another Users or by relevant Marketplace's action. If more than one Investment has been made to Project, Marketplace shall carry out all its authorization concurrently in relation to all relevant Investments and particular Loan Agreements.

## **16. TERMINATION OF USER AGREEMENT**

- 16.1. User, at any time, may request Marketplace to terminate its User status by terminating User Agreement. Marketplace shall, within a reasonable period, terminate User Agreement, provided that User:
- 16.1.1. is not a party to any Loan Agreement, and;
  - 16.1.2. has no monetary claims against Borrower in connection with the use of Marketplace, and;
  - 16.1.3. has fulfilled all financial obligations owed to Marketplace and/or any other User in connection with its use of Marketplace.
- 16.2. In case, described in Clause 16.1 of these GTC, Marketplace shall, within a reasonable period, transfer the positive Balance of User Account to User's checking account, which User had previously registered at Marketplace.
- 16.3. When User status is terminated it shall be considered that User Agreement with User has been terminated. In the event of termination, the Marketplace may restrict access to User Account and/or delete it.
- 16.4. Marketplace may, at its own discretion, terminate User status or restrict the User's rights at any time without justification, by sending Notice to User. Notice shall contain a date, when User Agreement is considered as terminated.
- 16.5. A declaration of bankruptcy of Marketplace, or termination of Marketplace's operations for some other reason does not affect the validity of Loan Agreements already entered into (unless otherwise stated in Loan Agreement(s)).
- 16.6. In the event that Marketplace is declared bankrupt, or if Marketplace terminates its operations for any other reason:
- 16.6.1. all current fundraisings stop;
  - 16.6.2. Marketplace transfers the positive Balance of User Account to User's checking account, which User had previously registered at Marketplace;
  - 16.6.3. Marketplace gives instructions to Borrowers, regarding further performance of Loan Agreements, to the extent that due performance of relevant Loan Agreements is not possible, without the help of Marketplace;
- 16.7. The instructions referred to in Clause 16.6.3 hereof, may, inter alia, comprise instructions given to the parties of Loan Agreement, to:
- 16.7.1. perform payments to be made under Loan Agreement(s) directly to the party entitled to that payment;
  - 16.7.2. deliver notices related to Loan Agreement(s) to the other party by methods, other than those described in these GTC.
  - 16.7.3. continue to comply with the terms of Loan Agreement(s) to the extent, that a third party appointed by Marketplace, shall perform the role and functions, that Marketplace had previously performed;
  - 16.7.4. carry out other relevant instructions in order to facilitate performance of Loan Agreement(s), without intermediation of Marketplace.
- 16.8. Marketplace, for the purposes described above, provides to the parties of Loan Agreements and/or to the third persons, all relevant information about the other party or parties to Loan



Agreements, including their contact and current account details and other information related to Loan Agreements.

## **17. COMPLAINTS AND DISPUTES**

- 17.1. If User unsatisfied with Marketplace services, it may submit a complaint to Marketplace.
- 17.2. Mandatory data must be included in the complaint, submission procedure, time frames, as well as the way, how that complaint will be handled, are set out by Complaints Handling Policy, published at Marketplace.
- 17.3. Marketplace may request from User to submit relevant document and/or information and User must understand, that such information may be essential to process User's complaint.
- 17.4. If User is not satisfied with the initial response to the complaint, it may appeal to the management of Marketplace, according to Complaints Handling Policy.
- 17.5. If User is still not satisfied with the management's decision, User may file a claim to the court of the Republic of Estonia, provided it has notified Marketplace on its intention to file a claim by providing a copy of such claim, and dispute still was not settled within 30 (thirty) calendar days as of receipt of User's claim.
- 17.6. Courts of the Republic of Estonia shall have a non-exclusive jurisdiction to settle any dispute, that may arise out of User Agreement between User and Marketplace, provided that Marketplace retain the right to bring proceedings against User for a breach of User Agreement in the User's country of residence, or any other relevant jurisdiction.
- 17.7. The Republic of Estonia is deemed to be the place of performance of the obligations, arising from User Agreement.
- 17.8. All claims User has in respect to Borrower must be submitted to relevant courts, where particular Borrower is registered. Before filing a lawsuit, User must notify Marketplace on its intention to file a claim against Borrower and provide with a copy of such claim not later than 30 (thirty) calendar days before a lawsuit would be submitted to court.

## **18. FORCE MAJEURE**

- 18.1. Marketplace shall be exempted from liability for complete or partial non-execution of obligations, as well as for improper execution of its obligations under User Agreement, if such non-execution resulted from Force Majeure, that arose after entering into User Agreement, provided that Marketplace could neither foresee, nor prevent it by reasonable measures and that directly influences the ability of the party to execute its obligations under User Agreement. Under Force Majeure is meant: Act of God, act of state or municipal body, change in applicable regulation, war, criminal act, fire, explosion, power failure, transportation, telecommunication or software error.
- 18.2. Marketplace shall immediately, but not later than 10 (ten) calendar days, inform User by sending Notice, about commencement of Force Majeure, providing situation explanation and steps Marketplace intends to take in order to overcome Force Majeure and its consequences. Marketplace shall keep User posted on the progress of fighting with Force Majeure and its consequences.
- 18.3. In case the circumstances of Force Majeure or their consequences last for more than 90 (ninety) days, User may request termination of User Agreement according to Section "Termination of User Agreement" of these GTC.
- 18.4. User understands, that Borrower shall also has a right refer to Force Majeure, if that is the case, as it is described in relevant Loan Agreement. Upon receiving a notice from Borrower about commencement or cessation of Force Majeure circumstances, Marketplace shall inform User



respectively, but not later, than within 5 (five) calendar days, as of receipt of such notice from Borrower. User understands, that Force Majeure may influence payments under Loan Agreement(s).

- 18.5. In case Force Majeure or their consequences under Loan Agreement last for more than 90 (ninety) days, User may request termination of Loan Agreement according to procedure set by the GTC.
- 18.5.1. If User requests termination of Loan Agreement based on Clause 18.5 of these GTC (Clause 9.6 of Loan Agreement respectively), Marketplace shall initiate a voting about conditions on, how and when Loan Agreement may be terminated, according to procedure set out in Section "Voting Procedure" of these GTC, as well as, how outstanding obligations of Borrower must be performed.

## **19. MISCELLANEOUS**

- 19.1. Marketplace is not a party to Loan Agreement(s) entered into via Marketplace, but in certain cases Marketplace is entitled to rely on the provisions of Loan Agreement and demand on its own behalf the performance of certain provisions of Loan Agreement.
- 19.2. Marketplace may use personal data of User, according to the Privacy Policy. In particular, among other things, Marketplace shall have a right to use contact details, such as e-mail address and telephone number of User in order to send notifications and other information, advertising materials and offers from Marketplace and/or its cooperation partners. According to Marketplace functionality, User shall have a right to choose, which notifications and offers User wishes to receive, except for those that are essential.
- 19.3. Marketplace ensures communication between Borrower(s) and User. This includes sending notices and when such Notice is sent by Marketplace, it shall be deemed as Borrower's, or, accordingly, User's obligation to send notice, is fully performed.
- 19.4. User agrees that all notices related to the use of Marketplace, including, but not limited to Notices under these GTC and Loan Agreements, may be sent:
  - 19.4.1. as e-mail message, using User's e-mail address registered at Marketplace, during the Registration Process, and /or;
  - 19.4.2. as notification, placed directly at User Account.
- 19.5. Both notices delivered via the e-mail and via User Account are deemed as received by User on the day of dispatching, provided there is no server report on failure to deliver message. The fact whether User actually has read or opened e-mail message, and/or viewed the notification at its User Account, shall be irrelevant, when proving the fact of delivery.
- 19.6. User may not assign or otherwise transfer the rights and/or obligations, arising out of User Agreement to a third person, without the written consent of Marketplace. User may not assign or otherwise transfer the rights and/or obligations, arising out of Loan Agreement(s) to a third person, without the written consent of Marketplace.
- 19.7. Information made available at Marketplace is not intended to be delivered to, or used by persons in any jurisdiction in which it is not permitted, or in which its restricted by Regulation.
- 19.8. The content of Marketplace is protected by copyright and other intellectual property rights, which shall vest in Marketplace (excluding User's personal information), and remain vested in the Marketplace or any third-party owners, as the case may be.
- 19.9. The language used at Marketplace and in all supporting documentation is English. Marketplace, including Help Desk team, may also agree to communicate with User in other languages, if it capable to do so, however, Marketplace and its employees may, at any time, request User to communicate in English and/or to submit requested documents/information in English.
- 19.10. Cooperation and contractual relationship between Marketplace and User shall not in any way form a joint venture or partnership.



- 19.11. If any of the provisions of these GTC, or any provision of any Loan Agreement is found to be null and void, or otherwise invalid by any court of competent jurisdiction, or regulatory authority, this shall not have an effect on the validity of the remaining terms of those documents.
- 19.12. No single or partial exercise, or failure, or delay in exercising any right, power or remedy by Marketplace shall constitute a waiver, or preclude any further exercise of, that right, power or remedy arising under these GTC or otherwise.
- 19.13. Each and any definition (term) given herein shall include a reference to both male and female person, as the case may be.
- 19.14. Sections and headings names are for easy of reference only.
- 19.15. In the interpretation and determination of time units and periods:
  - 19.15.1. the length of the year shall be 365 calendar days;
  - 19.15.2. month shall be calendar month;
  - 19.15.3. all deadlines are set, Transactions and other actions are recorded, according to Marketplace's clock that corresponds to the Eastern European Time (EET) time zone.
- 19.16. Definitions given above are explaining the meaning of certain words and expressions used by Marketplace in these GTC, Policies, and any other information published at Marketplace. Some definitions used in particular Loan Agreements have their own meanings as set out in the Part II to each Loan Agreement – General Loan Terms, and shall prevail over definitions given by these GTC.
- 19.17. Marketplace shall have an exclusive right to interpret terms of these GTC, Loan Agreements, Policies and any other document made by Marketplace, unless the interpretation to those documents was given by relevant a court decision.
- 19.18. Marketplace may, unilaterally, at any time, amend these GTC and/or Policies (create new version of a document). Marketplace informs User about new version of the document by sending Notice. The new version of the document will be published at Marketplace. Each version of a document shall become effective on the day set in Notice, however, that day shall not be earlier, than a day, when such new version was published at Marketplace. Marketplace may request that new version is agreed by User and until it is done, Marketplace may restrict the functionality of Marketplace for User.

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