

# LOAN AGREEMENT

NO. CRI- \_\_\_\_\_

## 1. GENERAL TERMS

1.1. Date: \_\_\_\_\_

1.2. Lender: \_\_\_\_\_

1.3. Borrower (further referred to also as the 'Company'): UAB "Dorenika", registered in Lithuania, registration number 304955498, address: Vilniaus m. sav. Vilniaus m. V. Nagevičiaus g. 3. Represented by the authorized person.

1.4. Loan Amount: \_\_\_\_\_ €

1.5. Interest: 19.5 (nineteen coma five) % per annum

1.6. Loan Period: 18 months

1.7. Object (being defined as follows): Borrower seeks to attract capital for acquisition, further significant enhancement and operation of a successful Cambodian resort run under the business name of 'Sweet Dreams Samloem Hotel' – <https://www.sweetdreamssamloem.com>. The resort is located in the Saracen Bay, Koh Rong Sanloem, Cambodia. Resort consists of 20 one story bungalows, 1 Family apartment with 6 bedrooms, restaurant building with kitchen and technical premises, reception, and the security room.

1.8. Minimum amount lent through the Portal: EUR 400,000 (four hundred thousand euros)

1.9. Last date of loan offers: August 19, 2019

1.10. Collateral:

51% pledge on shares of the Borrower during Loan period, this mechanism being implemented through holding those shares in nominal ownership by way of security for the whole of duration of the outstanding principal and interest amount of the loan;

Crowdestor designates one candidate to serve as a member on the management board of the Borrower, and all activities falling outside of a normal business conduct (in light of the prevailing practice of the Borrower as of the day of launching the Project through Crowdestor Platform) shall be approved by the relevant designated board member;

Prohibition to sell, lease or otherwise encumber real estate of the Resort without written accept of the Crowdestor's designated board member.

1.11. Collateral Agent: Crowdestor Security Agent OÜ, registration number: 14386262, address \_\_\_\_\_  
Reosikrantsi tn 2 Tallinn Harjumaa 10119, e-mail: janis.timma@crowdestor.com, representative Janis Timma.

## 2. DISBURSEMENT OF THE LOAN AMOUNT

2.1. Under this loan agreement (hereinafter referred to as the “Agreement”) the Lender shall be obliged to grant the Borrower a loan in the Loan Amount set out in Article 1.4.

2.2. The Lender shall pay the Loan Amount to the Borrower set out in Article 3 (considering the procedure for making payments set out in Article 4) immediately after:

2.2.1. loan agreements for lending the total minimum sum set out in Article 1.8. to the Borrower have been concluded with the Borrower through the Portal for the purposes indicated in Article 5.1.1 by the date set out in Article 1.9 (or by the end of the term extended according to the procedure set out in Article 7.1); and

2.2.2. the Collateral noted in Article 1.10, has been established.

## 3. REPAYMENT OF LOAN AND INTEREST

3.1. The Borrower shall repay the Loan Amount and interest to the Lender at the end of the Loan Period, except in cases set out in Articles 3.2, 8 and 7. The payments shall be made according to the procedure established in Article 4.

3.2. The Borrower shall pay to the Lender an interest at the rate established in Article 1.5, which shall be calculated from the outstanding balance of the Loan Amount principal for each day from the moment when the Lender subscribes to the Project up until the last day of the Loan Period (excluded). Interest calculation shall be based on a 30-day month and 360-day year.

3.3. If the payment date falls on a day off or a national holiday in Estonia or Latvia, the Borrower shall make the respective payment on the next working day following the payment date.

3.4. If stipulated by the legal acts, the Borrower or the Collateral Agent shall withhold the amounts established by such legal acts (including income tax) from the payments made to the Lender.

## 4. MAKING PAYMENTS

4.1. Any and all Lender’s, Borrower’s and Collateral Agent’s payments noted in the Agreement and to be made under the Agreement shall be made through the Lender’s and Borrower’s virtual sub-accounts

(hereinafter referred to as the “Sub-Account”) created in the Portal [www.crowdestor.com](http://www.crowdestor.com) operated by Crowdestor OÜ, registry code in Estonia 14386262, (hereinafter referred to as the “Portal”) under the terms and conditions and according to the procedure established in the Portal’s terms and conditions as long as relevant Parties remain the Portal’s registered users. In order to make the contractual payments (including Loan Amount, repayments of the Loan Amount, interest, penalty for delay, contractual penalty, compensation for early repayment of the loan) the Parties shall give Crowdestor OÜ an irrevocable order to debit the agreed sum from the Sub-Account of the Party obliged to make the payment in the amount and at the time set forth in the Agreement and to credit the same amount to the Sub-Account of the Party entitled to receive the payment. A payment shall be considered as completed when credited to the Sub-Account of the Party entitled to receive the payment.

4.2. Unless stated differently in the Agreement, the Lender and the Borrower shall be obliged to ensure that a sufficient non-booked sum reflected as a positive balance would be available at their Sub-Account for making contractual payments at the time and in the amount set forth in the Agreement. If the aforementioned obligation is violated, a penalty in the amount of 0.1% of the outstanding amount per delayed day shall be calculated from the day following the payment date until the Sub-Account of the obliged Party is debited in the amount corresponding to the payment. Penalty is not applied to the Party obliged to make the payment if their Sub-Account had a sufficient non-booked sum reflected as a positive balance on the payment date.

4.3. If the Borrower’s Sub-Account lacks sufficient funds for making payments necessary for performing obligations that have become collectible (including payments to be made to the Borrower’s other creditors and Collateral Agent), the payments shall be made in the order that they have become collectible, starting from the obligation that has become collectible the earliest. If the Borrower’s Sub-Account lacks sufficient funds for making payments necessary for fulfilling several obligations that have become simultaneously collectible (including payments payable to Borrower’s other creditors and the Collateral Agent), the payments made for covering the obligations that have become simultaneously collectible shall be made proportionally to the obligation’s amount.

4.4. If the Lender or Borrower cease to be a registered user of the Portal, the Parties shall make the contractual payments through their own bank accounts. If in such case a Party fails to make a payment in due time, they shall be obliged to pay the other party a penalty in the amount of 0.1% of the outstanding amount per delayed day, which shall be calculated from the day following the payment date until the payment is made in the respective amount.

## **5. ADDITIONAL OBLIGATIONS AND CONFIRMATIONS OF THE BORROWER**

5.1. The Borrower shall be obliged to:

5.1.1. use the Loan Amount only to cover expenses related to acquiring and/or developing the Object set out in Article 1.7. according to the information announced to the Lender through the Portal before the conclusion of the Agreement;

5.1.2. not to undertake financial obligations (primarily not to take loans or issue guarantees), except for loans from other lenders for acquiring and/or developing the Object, obligations arising from managing, developing, constructing, leasing and/or selling the Object and other obligations undertaken to fulfil the Agreement or the undertaking of which is in the information disclosed to the Lender through the Portal before the conclusion of the Agreement. Provisions of this Article 1.2 shall not be applicable to financial obligations undertaken by the Borrower before the conclusion of the Agreement, if such financial obligation had been disclosed to the Lender through the Portal before the conclusion of the Agreement;

5.1.3. immediately perform any and all activities required by the Collateral Agent in order to establish the Collateral referred to in Article 1.10, and pay other expenses related to conclusion of the agreement for establishing the Collateral

5.1.4. refrain from transactions and activities that may significantly decrease the value of the Company's most significant assets (including, intellectual property rights and existing or future product stock) or that may otherwise significantly hinder the realisation of the Collateral in an efficient and effective manner (including, to refrain from conduct that may cause significant overall financial, economic, or business detriment to the Company; this includes refraining from negligent conduct of business and management operations on behalf of the Company);

5.1.5. not to make profit distributions to the Borrower's shareholders until the contractual obligations have been fulfilled;

5.1.6. ensure that no decision is made to decrease the Borrower's share capital, to terminate, merge, split or reorganise the Borrower;

5.1.7. not to acquire or dispose Borrower's subsidiary or an affiliate company, if any;

5.1.8. publish regularly (not less than once a quarter) information regarding the Object through the Lender's user account opened in the Portal or via e-mail;

5.1.9. publish the Borrower's annual report in the Portal within 6 months after the end of the financial year.

5.2. The Borrower confirms that:

5.2.1. the information disclosed to the Lender on the Borrower, the Object, its acquisition and development through the Portal before the conclusion of the Agreement is correct;

5.2.2. in its activities, the Borrower has duly fulfilled and followed the legal provisions and good business practices applicable to the Borrower, is continuing and will continue to do so in the future, including ensuring that the Borrower and its sub-contractors have any and all necessary permits and approvals required for their activities;

5.2.3. the Borrower has followed and will follow any and all legal provisions and restrictions pertaining to environmental protection that are directly or indirectly related to contamination, pollution, releasing or liquidating waste, toxic or hazardous waste in an area that is owned or otherwise used by the Borrower. According to the information known by the Borrower, there are no environmental protection related claims, that would jeopardise the proper fulfilment of contractual obligations;

5.2.4. the Borrower's obligations arising from this Agreement are *pari passu* equal to any and all other obligations of the Borrower due at the time of the conclusion of the Agreement and after that to any persons, unless another obligation's preferential treatment arises from legal acts;

5.2.5. the Borrower is aware that the Borrower shall have no right to give the Collateral Agent instructions in relation to the fulfilment of their duties;

5.2.6. the Borrower has reviewed any and all terms and conditions of this Agreement before the conclusion of this Agreement, understood them and undertakes the obligation to fulfil them;

5.2.7. the Borrower has the right to conclude the Agreement and establish the Collateral; taking the loan, establishing the Collateral and fulfilling the Agreement are not in conflict with any legal act, administrative act or transaction, and taking of the loan does not damage the Borrower's creditors' interests;

5.2.8. the Borrower is not insolvent or declared bankrupt, no bankruptcy petition, warning, action or any other claim that could result in Borrower's insolvency has been submitted against the Borrower, and there are no other circumstances that may result in Borrower's insolvency or that could hinder the Borrower's capability to duly fulfil its contractual obligations.

## **6. CONFIRMATIONS AND ADDITIONAL OBLIGATIONS OF THE LENDER**

6.1. The Lender shall confirm that:

6.1.1. the Lender has reviewed all terms and conditions of the Agreement before concluding the

Agreement and has understood them and undertakes to comply with them;

6.1.2. the Lender is aware of the fact that the Collateral Agent may be a person related to Crowdestor OÜ or its shareholders (including belonging to the same group) and the Borrower shall remunerate Crowdestor OÜ and/or Collateral Agent for their services in relation to the Agreement, and the Lender shall irrevocably surrender submission of any claims against Crowdestor OÜ or Collateral Agent in relation to the circumstance set out in this Article 1.2 (including claims arising from potential conflict of interests);

6.1.3. the Lender is aware of the fact that the Collateral Agent has only the obligations and liability explicitly set out in the Agreement and agreement for establishing the Collateral, the Collateral Agent operates in the interests of all lenders who have granted a loan to the Borrower through the Portal for the purposes set out in Article 1.1 (not solely in the interests of the Lender) and the Lender shall have no right to give the Collateral Agent instructions in relation to fulfilment of its obligations;

6.1.4. the Lender has the right to conclude the Agreement; granting the loan and Agreement fulfilment are not in contradiction with any legal act, administrative act or transaction, and granting of the loan does not damage the Lender's creditors' interests;

6.1.5. the Lender does not grant the loan set out in the Agreement within the framework of its economic or professional activities;

6.1.6. the Lender is not insolvent or declared bankrupt, no bankruptcy petition, warning or any other claim that could result in Lender's insolvency has been submitted against the Lender, and there are no other circumstances that may result in Lender's insolvency.

6.2. Upon the conclusion of the Agreement the Lender shall be obliged to notify the Borrower of:

6.2.1. any events that influence Lender's compliance with the terms and conditions of the Agreement;

6.2.2. any circumstance that deteriorates or may deteriorate Lender's economic situation.

## **7. WITHDRAWAL FROM THE AGREEMENT**

7.1. The Borrower shall have the right to withdraw from the Agreement without advance notice within 1 month from the date set out in Article 1.9, when the Borrower has not received loans in the minimum amount indicated in Article 1.8 (including when the Borrower has used the right to withdraw from the loan agreements) through the Portal. The Borrower shall have the right to extend the term set out in Article 1.9 by 2 months, and if the Borrower has not received loans in the minimum amount indicated in Article 1.8

by the end of the additional term, the Borrower shall have the right to withdraw from the Agreement according to the procedure described in the previous sentence. The Borrower shall be considered as withdrawn from the Agreement also if the amount deducted from or booked on Lender's Sub-Account for fulfilling the Agreement is repaid to Lender's Sub-Account or released from booking (in such case the Borrower is not required to submit a separate withdrawal application to the Lender).

7.2. The Collateral Agent shall have the right to withdraw from the Agreement without prior notice if the conditions for the payment of the Loan Amount set out in Article 2 or Article 2.3 have not occurred no later than within 5 months from the initial date set out in Article 1.9 (i.e. not calculated from the term extended according to the procedure set out in Article 7.1).

7.3. If one of the Parties withdraws from the Agreement, the Agreement shall expire between all Parties. Each Party shall notify other Parties and Crowdestor OÜ of the withdrawal from the Agreement. In the event of withdrawal from the Agreement, the Borrower shall repay the Loan Amount without interest to the Lender within 10 working days.

## **8. TERMINATION OF THE AGREEMENT AND EARLY REPAYMENT**

8.1. The Borrower shall have the right to prematurely terminate this Agreement at any time by notifying the Lender at least 2 weeks in advance and by paying to the Lender within 10 working days after the expiry of the Agreement the outstanding Loan Amount and the outstanding interest calculated according to the procedure set out in Article 3.2 up until the last day of validity of the Agreement (excluded). If the Agreement is terminated within 12 months from the disbursement of the Loan Amount, the Borrower is obliged to additionally pay fee to the Lender for the premature termination of this Agreement in the amount of 10% (ten percent) of the outstanding Loan Amount. If the Agreement is terminated after 12 months from the disbursement of the Loan Amount, the Borrower is not obliged to additionally pay any fee for the premature termination of this Agreement. The Agreement shall not terminate if the Borrower fails to fully fulfil the payment obligation set out in this Article 8.1 in due time.

8.2. Upon termination of the Agreement by the Borrower or the Lender for any reasons other than those set out in Article 1 or upon premature expiry of the Agreement according to the procedure set out in Article 8.5, the Borrower shall pay to the Lender within 10 working days after the expiry of the Agreement the outstanding Loan Amount and outstanding interest as calculated according to the procedure set out in Article 3.2 up until the last day of validity of the Agreement (excluded).

8.3. The Lender shall have the right to terminate the Agreement only if at least one of the following circumstances occurs, by notifying at least 5 working days in advance (other grounds for cancellation are excluded):

8.3.1. the Borrower violates a payment obligation indicated in the Agreement and fails to fulfil the obligation duly even within 20 working days from receiving the Lender's respective request;

8.3.2. the Borrower is liquidated on the basis of a court ruling, dissolution resolution or on any other grounds;

8.3.3. the court declares the Borrower's insolvency and the court ruling has entered into force.

8.4. The Borrower shall have the right to terminate the Agreement by notifying the Lender at least 5 working days in advance, if at least one of the following circumstances occur:

8.4.1. the Lender violates the obligation set out in Article 2 or any other obligation arising from the Agreement and has not terminated or remedied the violation even within 20 working days from receiving the Borrower's respective request to terminate the violation;

8.4.2. any of the Lender's confirmations set out in Article 1 proves to be wrong;

8.4.3. the Lender is liquidated on the basis of a court ruling, dissolution resolution or on any other grounds;

8.4.4. a court declares the Lender's bankruptcy, or proceedings for reorganisation or repayment of debts and the respective ruling has entered into force;

8.4.5. circumstances set out in the law for extraordinary cancellation of the Agreement occur.

8.5. The Parties have agreed that the Agreement shall terminate prematurely automatically if any of the lenders who have granted the Borrower a loan through the Portal for the purposes set forth in Article 1.7, prematurely cancels the respective loan agreement with the Borrower. The Agreement shall expire simultaneously with the loan agreement noted in the previous sentence. The Borrower shall immediately inform the Lender of the termination of the Agreement.

## **9. AGREEMENTS RELATED TO REALISATION OF THE COLLATERAL**

9.1. The Collateral Agent shall hold the Collateral on its own name on behalf of all lenders who have granted loan to the Borrower via the Portal for the purposes set out in Article 1.7 and shall perform



activities and transactions related to the Collateral only within the scope set out in this Agreement and agreement for establishing the Collateral.

9.2. The Borrower shall be obliged to pay to the Collateral Agent a sum (the respective obligation of the Borrower to the Collateral Agent shall hereinafter be referred to as the "Parallel Obligation") that is equal to the sum of each of the Borrower's contractual financial obligation (the respective financial obligation shall hereinafter be referred to as the "Underlying Obligation") to the Lender. The Lender and the Collateral Agent shall be solidary creditors with respect to the Borrower's contractual financial obligations. The Collateral Agent may independently on its own behalf request from the Borrower the fulfilment of the Parallel Obligation on the basis of the Agreement and the Borrower is required to fulfil the respective obligation to the Collateral Agent.

9.3. The Parallel Obligation shall become collectible and shall be fulfilled to the Collateral Agent at the same time when the respective Underlying Obligation becomes collectible. The sum of the Parallel Obligation shall be decreased each time in the amount by which the respective corresponding Underlying Obligation of such Parallel Obligation is performed duly to the creditors of such Underlying Obligation, and the sum of the respective Underlying Obligation shall be decreased each time in the amount by which the Parallel Obligation corresponding to that Underlying Obligation is performed duly to the Collateral Agent (at that, the respective obligation shall not be considered as performed before the respective sum has been fully and irrevocably transferred).

9.4. The Collateral Agent shall have the right to request from the Lender at its own discretion any activities (including surrendering the claims arising from the Agreement to the Collateral Agent, submission of information and documents to the Collateral Agent, execution of transactions), if the Agreement has expired according to the procedure established in Article 3, 8.4, or 8.5 or the Loan Period has reached its end, the Borrower failed to fully perform its contractual financial obligations to the Lender within 20 working days after the expiry of the Agreement or reaching the end of the Loan Period, the Collateral Agent has been informed of the aforementioned facts and according to the opinion of the Collateral Agent, the respective activity is necessary or recommended in order for the Collateral Agent to be able to perform an obligation arising from the Agreement and execute a right (including being a creditor to the Borrower with respect to the claims that have become collectible and request realisation of the Collateral on its own behalf). If the Collateral Agent requests from the Lender surrender of claims, the Lender shall have the right to request remuneration for surrendering a claim only after the realisation of the Collateral and to the extent to which the Lender is entitled to as a result of realising the Collateral. Until the Lender has not duly fulfilled its obligation to the Collateral Agent, which arises from this Article, the Collateral Agent shall have the right to refuse to perform any of its obligations to the Lender.

9.5. With the confirmation of the Agreement, the Lender authorises the Collateral Agent to perform the following activities and the Collateral Agent shall be obliged to perform only the following activities only

in the scope and under the conditions set out below (if this Article or the agreement for establishing the Collateral do not feature specific instructions for performing the respective activity, the Collateral Agent shall perform the activity at its own discretion):

9.5.1. conclude with the Borrower the agreement for establishing the Collateral according to the conditions set out in Article 2.2 and perform actions for registration of the Collateral with the public registries;

9.5.2. on its own discretion submit an application (inter alia a lawsuit or an execution application) to the court, bailiff and/or any other relevant person or institution to claim the Loan Amount and other Borrower's obligations and realising the Collateral within 20 working days if all of the following conditions have been fulfilled: the Agreement has expired according to the procedure set out in Article 3, 8.4, or 8.5 or the Loan Period has reached its end, the Borrower has failed to fully perform its contractual financial obligations to the Lender and/or its obligations to another lender who has granted a loan to the Borrower via the Portal for the purposes set out in Article 5.1.1 within 20 working days from the expiry of the Agreement or reaching the end of the Loan Period and the Collateral Agent has been informed of the above;

9.5.3. on its own discretion, decide on submitting claims and taking other actions while submitting the application noted in Article 5.2 and while participating in the following proceedings. Inter alia, the Collateral Agent has a right to appoint its own legal representatives, make decisions on specific proceedings and file complaints on decisions (including court decisions). The Collateral Agent has a right to conclude compromise deal with Borrower without seeking Lenders' consent and submit applications to court to withdraw or disclaim lawsuits.

9.5.4. If the Collateral Agent has submitted a lawsuit or any other relevant application under Article 5.2, then to submit the bailiff or any other relevant person or institution an enforcement application within 20 business days from the date of a partially or fully satisfying court decision or any other similar document became effective (or in the case of decisions to be enforced immediately, the date of the receipt of such decision) to collect the Borrower's adjudicated indebtedness (including realising the Collateral).

9.5.5. if the bailiff transfers to the Collateral Agent the sum received from realising the Collateral or if the Collateral Agent receives from the Borrower or from a third person a sum for the fulfilment of any of the obligations of the Borrower, the Collateral Agent shall deduct from that sum the sum set out in Article 6 and 9.7 in the amount owed by the Borrower and the Lender, and shall transfer the remaining sum to Crowdestor OÜ within 5 working days after receiving the sum to its bank account, so that Crowdestor OÜ could make payments to all lenders who have granted a loan to the Borrower via the Portal for the purposes set out in Article 5.1.1 according to the procedure established in Article 4 of this Agreement (including considering the order and scope of payments set out in Article 4.3). If Crowdestor OÜ or the

Lender have previously informed the Collateral Agent that the Lender is no longer a registered user of the Portal, the Collateral Agent shall make the payment subject to payment to the Lender to the bank account of the Lender.

9.6. The Borrower shall be obliged to immediately compensate to the Collateral Agent, upon the latter's request and based on an invoice submitted by the Collateral Agent, any and all damages, fees, expenses and charges that the Collateral Agent is obliged to pay in relation to fulfilment of its obligations (including realisation of the Collateral and acquisition of claims, first and foremost the bailiff fee, notary fee and cost of legal assistance).

9.7. If requested by the Collateral Agent, the Lender is obliged to reimburse the Collateral Agent for the unreimbursed proceeding costs borne by the Collateral Agent while initiating the proceedings according to Articles 5.2 – 9.5.4. The above-mentioned reimbursement obligation remains valid regardless of the court decision satisfying or not satisfying the application, and the proceeding expenses borne by the Collateral Agent. The Lender is obliged to reimburse his proportional part of the total costs to be reimbursed and his proportion is calculated by dividing the Lender's Loan Amount transferred to the Borrower and the total sum of loan amounts granted to the Borrower by all Lenders through the Portal according to the purpose stated in Article 5.1.1.

9.8. The Collateral Agent as a mandatary shall keep the funds referred to in Article 5.3 or otherwise received for the fulfilment of the Parallel Obligation on the bank account, which the Collateral Agent has set up solely for that purpose on its own name in a credit or payment institution operating on the basis of a required activity licence, which has been registered or the place of business of which is in a State which is a Contracting Party to the EEA Agreement. The funds in the Collateral Agent's respective bank account shall not be considered among the assets of the Collateral Agent (including among the Collateral Agent's bankruptcy estate in case of its bankruptcy). The Collateral Agent shall keep the funds of the lenders who have granted a loan to the Borrower via the Portal for the purposes set out in Article 5.1.1. separately from its own funds. The Collateral Agent shall not calculate an interest on the funds kept by the Collateral Agent and no such interest shall be payable to the Lender.

9.9. The Collateral Agent shall be liable only to the Lender and only for the intentional violation of obligations explicitly set out in the Agreement and agreement for establishing the Collateral, considering also other limits of liability established in the Agreement (including confirmations of the Lender). The Collateral Agent's liability shall in any case be limited with the direct material damage caused to the Lender and shall not exceed 1 euro as a total for all different violations. Among other things, the Collateral Agent shall not be liable for the following:

9.9.1. non-material damage or loss of profit;

9.9.2. Borrower's fulfilment of the Agreement nor the Collateral owner's fulfilment of the Collateral agreement;

9.9.3. activities or inaction of third persons whose economic or professional activities involve provision of the collection of debt and related services (including bailiffs, legal counsellors, collection companies);

9.9.4. speed or result of the realisation of the Collateral;

9.9.5. fulfilment of Crowdestor OÜ's obligations (including payment obligations arising from the Agreement).

9.10. The Collateral Agent shall not be obliged to:

9.10.1. perform any activities for satisfying the claims of the Lender on the account of other assets of the Borrower or in a manner other than the realisation of the Collateral in cases and according to the procedure established in Article 5.2;

9.10.2. ensure validity of Collateral;

9.10.3. observe or ensure that the Borrower performs contractual obligations or notify the Lender of the Borrower's breach of Agreement or any other circumstance;

9.10.4. provide legal, tax, accounting or other advice to the Lender.

9.10.5. Realisation of the Collateral may take place only according to the procedure established in this Article 9 with the help of the Collateral Agent and the Lender shall not have the right to perform any transactions independently.

9.11. The Collateral Agent shall have the right to submit an application for cancelling the Collateral from the public registers only if (for the purposes of the following, the Collateral Agent shall have the right to rely only on information received from Crowdestor OÜ or Borrower and the Collateral Agent is not required to check the correctness of the information with the Lender):

9.11.1. the Borrower has performed all its obligations to the Collateral Agent and Crowdestor OÜ or Borrower confirm to the Collateral Agent that the Borrower's payment obligations have been fulfilled in full to all lenders who have granted a loan to the Borrower via the Portal for the purposes set out in Article 1.1; or

9.11.2. the Borrower or a third person have transferred to the notary deposit a sum that allows (according to the information received from Crowdestor OÜ or Borrower) for the full payment of the obligations owed by the Borrower to the Collateral Agent and all lenders who have granted a loan to the Borrower via the

Portal for the purposes set out in Article 1.1, and the notary shall be obliged to transfer the sum to the Collateral Agent no later than upon cancellation of the mortgage.

## 10. LENDER'S AND BORROWER'S LIABILITY

10.1. The Lender shall have the right to request from the Borrower payment of the contractual penalty in the amount of 3% of the outstanding Loan Amount at the time of the violation per each violation (without granting the Borrower an additional term for ceasing and rectifying the violation), if at least one of the following circumstances has occurred:

10.1.1. the Borrower violates any of the payment obligations arising from the Agreement and fails to duly fulfil the obligation within 20 working days from receiving a respective request from the Lender;

10.1.2. the Borrower violates any of the obligations set out in Article 1 and has failed to cease and rectify the violation within 20 working days from receiving a respective request to cease the violation from the Lender;

10.1.3. any of the confirmations given by the Borrower in Article 5.2. proves to be incorrect.

10.2. Any request to pay the contractual penalty set out in Article 1 shall be subject to fulfilment within 10 working days from receiving the respective request from the Lender (for that purpose the Lender shall inform the Borrower and Crowdestor OÜ of the occurrence of the request for contractual penalty). Upon the request from Crowdestor OÜ, the Lender shall submit any and all information underlying the request for contractual penalty, after which Crowdestor OÜ shall make the payment of the contractual penalty from the Borrower's Sub-Account to the Lender's Sub-Account according to Article 4.

10.3. Payment of the contractual penalty shall not release the Borrower from the obligation to duly fulfilling the contractual obligations, shall not cease or limit the Lender's right to request compensation of damages caused by inappropriate fulfilment of obligations in the amount that exceeds the contractual penalty or exclude cancellation of the Agreement according to Article 3.

10.4. The Borrower and the Lender shall be obliged to compensate to each other only damages that are caused by failure to perform or inappropriate fulfilment of obligations due to gross negligence or intent. The mutual liability of the Borrower and the Lender is limited to direct material damage.

## 11. OTHER CONDITIONS

11.1. The Lender may cede the claims against the Borrower arising from the Agreement only through the

Portal to a Portal's registered user under the terms and conditions established by Crowdestor OÜ as well as according to the procedure established in Article 11.4. The Parties are not allowed to cede the rights or obligations arising from the Agreement in any other manner, unless the rights or obligations are ceded according to the general succession principles (including inheritance), in which case the Lender shall immediately inform Crowdestor OÜ of the transfer of the rights or obligations (including the name and contact data of the successor, the basis and amount of claim, the basis for transferring the claim).

11.2. The Agreement and information concerning its contents and fulfilment, as well as information exchanged between the Parties on the basis of the Agreement shall be considered confidential and not subject to disclosure to third parties, unless it is related to ceding of a claim according to the procedure established in Article 11.1. A Party shall be obliged to keep the other Party's business secrets. The confidentiality requirement shall not be applicable to disclosure of information to Crowdestor OÜ, the Parties' auditors, professional legal counsellors, credit and financing institutions as well as to disclosure of information to the Borrower's parent company.

11.3. The Lender hereby consents processing of the personal data disclosed to the Borrower and Collateral Agent before the conclusion of the Agreement and during the validity of the Agreement in relation to execution of this Agreement and agreements referred to therein. The Collateral Agent and the Borrower have the right to request separately that the Lender present immediately any data for identification or allowing fulfilment of the Collateral Agent's or Borrower's obligations. The Lender shall have the right to request at any time that the Borrower or Collateral Agent present to the Lender the personal data that they hold on the Lender.

11.4. The Lender hereby authorizes Crowdestor OÜ to notify to the Collateral Agent, upon a request by the latter, the data on the persons who have contractual claims against the Borrower (including the name and contact data of the respective person, basis for and amount of the claim).

11.5. Legislation of the Republic of Estonia shall apply to this Agreement. If any Agreement clause contradicts with a legal act, it shall not influence the validity of other clauses in the Agreement. The Parties undertake a mutual agreement to replace an invalid clause with a new legal clause, which, when in conformity with the law, would be the most similar to the invalid clause in its meaning, regulation and influence, in order to ensure maximum fulfilment of the economic interests and main goals of the Parties.

11.6. The Parties shall settle the disagreements and disputes arising from the fulfilment of the Agreement first and foremost by negotiations. If settling disagreements by negotiations are impossible, a dispute shall be settled in general court. If the Lender is a legal entity or a private person operating in their economic or professional activities, or a person who after the conclusion of the Agreement has settled in a foreign state, or whose place of business, residence or location is not known at the time of filing the action, the Harju County Court shall be the competent authority to settle the disputes.

11.7. Amendments and supplementations to the Agreement shall enter into force from the moment they are confirmed by the Parties in a format that can be reproduced in writing.

11.8. Notices related to the Agreement shall be made in English at least in a format that can be reproduced in writing and shall be sent:

11.8.1. through the Portal, whereas a notice sent through the portal shall be considered as received on the working day following the date of sending; or

11.8.2. by e-mail to the address indicated in the Agreement or to the e-mail address notified by a Party to the other Party later, whereas the notice sent by e-mail shall be considered as received from the working day following the day of sending; or

11.8.3. delivered against signature or sent by registered mail to the other Party's address.

A Party shall inform the other Parties of the change in their contact data no later than within 3 working days. If the Parties are registered users in the Portal, changing of the respective data in the Portal shall be considered as sufficient informing of the change in the contact data, and the Crowdestor OÜ shall have the right to disclose the contact data of a Party to the other Parties.

11.9. The Agreement shall enter into force between the Borrower and Lender at the moment of confirmation of the Agreement by both Parties according to the procedure established by Crowdestor OÜ. The Collateral Agent shall confirm the Agreement according to the procedure established by Crowdestor OÜ after the Borrower and Lender have confirmed the Agreement and the Agreement enters into force for the Collateral Agent from the moment it is confirmed by the Collateral Agent. The Agreement shall expire after the Borrower has performed any and all obligations undertaken with the Agreement to the Lender and the Collateral Agent, or upon premature cancellation of the Agreement.

11.10. The numeration in the Agreement and section titles are only for the purposes of structuring the Agreement and for facilitating reading, bearing no significance upon interpretation of the Agreement. The capitalized definitions set out in the Agreement shall be used within the meaning assigned to them in the text of the Agreement (including special conditions).

11.11. This Agreement is concluded in English and Latvian, and signed by the Parties according to the procedure established by Crowdestor OÜ. During the validity of the Agreement, the Lender shall have the right to request the Borrower to send the Agreement to the Lender by regular mail at the Borrower's expense.