

**[Date]**

## **LOAN AGREEMENT**

This document sets out the terms and conditions applicable to the Loan to be issued by you to the SPV (Special Purpose Vehicle) for the purpose of making an investment into the Target Asset (all terms defined herein) and generating returns (if any) to Investors based on the performance of the Investment made into the Target Asset.

THE LOAN WILL BE LIMITED RECOURSE DEBT OBLIGATION. REPAYMENT OF PRINCIPAL AND PAYMENT OF OTHER RETURNS BY THE SPV, IF ACHIEVED, WILL BE ENTIRELY DEPENDENT ON AMOUNTS RECEIVED, IF ANY, FROM THE TARGET ASSET, WHICH WILL IN TURN DEPEND ON THE PERFORMANCE OF THE TARGET ASSET.

This instrument is independently agreed upon by you and Other Investors entering into similar agreements on materially equal terms. By doing so, an Investor will become subject to a binding commitment to issue a Loan on the basis of the terms set out below. You should read and be satisfied to have understood these terms before making any binding commitment.

Investing in early-stage and small and medium-sized companies (whether directly or indirectly) exposes an Investor to a significant risk of losing all or part of the money invested. Before you invest, you should carefully review all information available, both in relation to the Target Asset and more generally, regarding investment options and assess all risks. If you are in any doubt about investing your money in an early-stage or small medium company via this solution, YOU SHOULD CONSULT A PERSON WHO SPECIALISES IN ADVISING INVESTORS IN INVESTMENTS OF THIS TYPE, BOTH IN THE SIZE AND TYPE OF COMPANY AND THE NATURE AND FORM OF THE INVESTMENT.

Neither the Service Provider, or any of its Affiliates nor any Lead Investor provide any legal, financial, tax, investment or other advice. Nothing in this document and no action of the Service Provider, or any of its affiliates, or the Lead Investor shall in any case be construed as provision of such advice.

**THIS AGREEMENT** is made on the date of the signature

## **PARTIES**

- (1) **[...]** OÜ, a company incorporated in Estonia, whose registered office is at [...] with registration code [...], email [...] (the Special Purpose Vehicle, "**SPV**"), represented by the members of the management board [...];
- (2) **[...]**, a company incorporated in [...], whose registered office is in [...] with the registration code [...], email [...] (the "**Investor**");
- (3) **[...]**, personal identification code [...] / passport number [...], with the address at [...], email [...] (the "**Investor**");
- (4) **[...]**, a company incorporated in [...], whose registered office is in [...] with the registration code [...], email [...] (the "**Lead Investor**");

(the SPV, the Investor and the Lead Investor, are hereinafter also referred to collectively as the "**Parties**" and each individually a "**Party**"),

**WHEREAS** The Investor has agreed to provide the SPV with a loan to be used as investments in a format of a loan, equity or an alternative instrument into tech companies or other assets determined as the Target Asset.

**WHEREAS** The Investor acknowledges that conclusion of this Agreement and granting of a Loan as per the terms of this Agreement involves a high degree of risk and should be considered only by persons who can bear the risk of the loss of the entire Loan Amount.

**WHEREAS** Around the time of entering into the present Agreement, the SPV is entering into Other Loan Agreements to be used for the same purpose.

This Agreement consists of two parts: General Terms and Detailed Terms. The General Terms provide the numeric values for the whole Agreement, and the Detailed Terms provide for the specific conditions of the Agreement. Both parts are binding upon the Parties.

## GENERAL TERMS

### 1. SPV AND CORPORATE GOVERNANCE

<b>SPV Name</b>	[SPV] OÜ
<b>Lead Investor</b>	[...].
<b>Investor Consent Threshold</b>	[...] % of the Total Loan Amount (incl. other Investors)
<b>SPV's Account</b>	IBAN [...], in [...] Bank, BIC/SWIFT: [...].
<b>Expenses</b>	Total one-off fee per loan agreement: [...] EUR. It consist of: — Lead Investor's one-off fee per loan agreement: [...] EUR. — Service Provider's one-off fee per loan agreement: [...] EUR.

### 2. TARGET ASSET, INVESTMENT TERMS AND FEES

<b>Target Asset Name</b>	[Name], a company incorporated in [...], whose registered office is at [...] with registration code [...], email [...].
<b>Valuation</b>	EUR [...] post-money / pre-money
<b>Service Provider</b>	Uniborn OÜ, commercial register code 16515953.
<b>Service Provider Carry</b>	[...] %.
<b>Lead Investor Carry</b>	[...] %.
<b>Investment Deadline Date</b>	[...] [...] 202[...].

### 3. LOAN TERMS

<b>Currency</b>	EUR.
<b>Loan Amount</b>	EUR [...].
<b>Total Loan Amount (incl. Other Investors)</b>	EUR [...]. The final amount shall be determined by the Investment Deadline date, at the latest.
<b>Soft Cap</b>	EUR [...].
<b>Loan Disbursement Deadline</b>	[...].[...].20[...].

### 4. MISCELLANEOUS

<b>Definitions and Interpretation</b>	The defined terms are provided in Schedule 1.
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## **DETAILED TERMS**

### **1. THE LOAN**

- 1.1. The Investor shall grant to the SPV a Loan in the Loan Amount on terms and subject to the conditions of this Agreement.
- 1.2. The Loan will be disbursed to the SPV pursuant to clause 2 of this Agreement.
- 1.3. The debt obligations under the present Agreement are unsecured.
- 1.4. This Loan and the Other Loan Agreements shall be direct obligations of the SPV which are equal in right of payment with each other and with other unsecured obligations of the SPV.

### **2. DISBURSEMENT OF THE LOAN AND TRANSFER TO THE TARGET ASSET**

- 2.1. The full amount of the Loan shall be disbursed by the date identified in the General Terms.
- 2.2. In case the Investor fails to transfer the Loan Amount to the SPV as specified in clause 2.1, The SPV may withdraw from this Agreement by sending a written notice to that effect. If the breach is not remedied by the Investor within (5) five days after Loan Disbursement Deadline, the SPV shall withdraw from this Agreement unless a notice providing the Loan Disbursement Deadline extension is made.
- 2.3. The SPV will transfer the Loan Amount along with amounts from Other Loan Agreements disbursed in as Investment to the Target Asset by the Investment Deadline Date, provided the Investment Documentation is duly signed, or, on the closing date set forth in the Investment Documentation, if that occurs later, and will deliver to the Investor a confirmation.
- 2.4. The SPV may request the Investor to increase its paid-in Loan Amount and/or use the Proceeds of the Loan to cover the Expenses of the SPV which cannot be covered from the SPV's funds. This may include expenses on mandatory audit that may arise from appreciation of the Target Asset.
- 2.5. The SPV will inform the Investor of potential additional investment available to be provided to the Target Asset upon the SPV's receipt of an offer from the Target Asset to (co-)invest in a new investment round.
- 2.6. The Investment shall not be made if:
  - 2.6.1. the Total Loan Amount disbursed is less than the Soft Cap;
  - 2.6.2. there has been a material adverse change in significant circumstances pertaining to the Target Asset or that it is imprudent to proceed for any other reason (including any requirement of Applicable Law).
- 2.7. In case of application of clause 2.6, this Agreement terminates immediately, and the Loan shall be reimbursed to the Investor and a written notice shall be sent to the Investor. No interest shall accrue, in case of such termination.

### **3. PURPOSE OF THE LOAN**

- 3.1. The SPV shall use the Loan for the purposes of making Investments into the Target Asset. The SPV may not engage in any business other than the activities required for the performance of this Agreement. The SPV may take any action which reasonably appears to it to be necessary or incidental to fulfilling this agreement.
- 3.2. The Investor shall refrain from directly or indirectly competing with the SPV upon making the Investments into the Target Asset. This non-compete obligation shall not apply with regard to investments being made into the Target Asset in its following investment rounds.

- 3.3. The SPV may cover Expenses relating to the fulfilment of the Agreement from the Proceeds of the Loan.

#### **4. VARIABLE INTEREST**

- 4.1. Variable Interest shall accrue on the Loan that has been advanced to the SPV and has not been repaid. For the avoidance of doubt, no other forms of interest shall accrue on the Loan, unless provided otherwise in this Agreement.
- 4.2. The SPV shall pay Variable Interest on the Loan upon repayment of the Loan on the Maturity Date, unless otherwise set forth in this Agreement.
- 4.3. In case the Proceeds are smaller than Total Loan Amount (i.e. net loss), the Variable Interest shall be deemed to be zero. The net loss is distributed between the investors based on their loan amount as proportion of the Total Loan Amount.
- 4.4. Upon an Event of Default the Variable Interest shall be calculated as of the date of repayment of the respective Loan.
- 4.5. The principles of calculating the Variable Interest are outlined in the Schedule 1.

#### **5. REPAYMENT**

- 5.1. The SPV shall repay the outstanding principal amount of the Loan and any unpaid accrued Variable Interest and any other sums owed under this Agreement in full on the Maturity Date.
- 5.2. Upon the Maturity date, any Proceeds shall be distributed as follows:
- 5.2.1. first, towards reimbursement of any outstanding Expenses (including Service Provider and Lead Investor fees);
- 5.2.2. second, towards reimbursement of the Loan amount(s) of each investor as proportion of the Total Loan Amount (principal);
- 5.2.3. third, towards reimbursement of the Carry;
- 5.2.4. fourth, Variable Interest shall be repaid *pro rata* among the Investor and the other Investors.
- 5.3. The Lead Investor is entitled to receive advanced profit — a percentage of the Net Proceeds as a carried interest ("Carry"). The Service Provider may also be entitled to receive Carry for providing services to the SPV. The Carry is equal to the amount remaining following the calculations made under clauses 5.2.1. and 5.2.2 multiplied by the applicable Carry rate set out in the General Terms. The percentage rate of the respective Carry amount is provided in the General Terms.
- 5.4. The Service Provider and the Lead Investor may at their discretion assign a portion or the entirety of the rights arising from their remuneration to third parties (deal partners).
- 5.5. In case there are no assets left to distribute following the calculations made under clauses 5.2.1. and 5.2.2., the Carry will not be payable.
- 5.6. For the sake of clarity, in case there is no proceeds from the Target Asset (such as due to bankruptcy or liquidation of the entity that constitutes the Target Asset) the SPV shall not have to return any amount of the Loan.

- 5.7. The Investor hereby irrevocably waives their right to claim repayment of the Loan in the relevant part in case the failure to repay the Loan or part of it by the SPV is caused by the failure of the Target Asset to return the Investment upon Exit fully or in part and (i) such failure is not attributable to breach of obligations by the SPV and (ii) such failure is not attributable to the failure of the SPV to exercise reasonably and with due care its rights arising from the Investment Documentation.
- 5.8. If the SPV fails to pay an amount payable by it on the date such payment falls due, default interest shall accrue on the overdue amount from the due date up to the date of actual payment at a rate of 0,02% per day.

## **6. PAYMENTS**

- 6.1. Unless agreed upon otherwise by the Parties in written form, all payments under this Agreement shall be made in the currency provided in the General Terms of this Agreement, on the due date to the account specified by the Investor for payment.
- 6.2. When evaluating payments not made in the currency provided in the General Terms of this Agreement, the Parties shall use official exchange rates of the Bank of Estonia. If no official exchange rate is available, the parties shall base the exchange rate on the rate specified by the issuer of the asset. Where the issuer of the asset does not provide for an official exchange rate, the reputable, market standard aggregators shall be used. It shall be the responsibility of the Investor to include possible exchange fees that can be accrued while receiving the payment and exchanging the payment in the currency provided in the General Terms of this Agreement.
- 6.3. If any taxes have to be withheld, the SPV will withhold such taxes, whereas this shall not be considered undue performance of the SPV's obligations and the respective payment(s) shall be considered fully and duly paid.

## **7. OBLIGATIONS OF LEAD INVESTOR AND SPV**

- 7.1. Subject to Applicable Law, the Lead Investor shall:
- 7.1.1. facilitate and coordinate investment including arranging the completion of investment into the Target Asset.
  - 7.1.2. act in the best interests of the Investors and with due care upon exercising its rights under this Agreement.
  - 7.1.3. be responsible for executing all requisite corporate actions on behalf of the SPV, including, but not limited to, the conversion of the Simple Agreement for Future Equity (SAFE) or convertible loan into shares in the Target Asset in case the Investment was executed via such instruments.
  - 7.1.4. seek the consent of Other Investors to approve or decline any offer for a partial or full exit that the Lead Investor becomes aware of. Such consent shall be achieved by attaining at least the Investor Consent Threshold.
- 7.2. Within 6 months after the Investment, the Lead Investor shall send a written application to the SPV's current legal representative to be appointed as the SPV's management board member. The application shall contain Lead Investor's digital identification number (Estonian personal ID, e-residency code, or other sufficient data to obey Estonian laws). The SPV shall appoint the Lead investor as the management board member of the SPV within 1 month after receiving such application.

- 7.3. In case the Lead Investor does not comply with clause 7.2, he/she shall be granted a power of attorney, which, to the maximum extent permitted by law, will allow the Lead Investor to fulfil its obligations under this Agreement. In the case of providing the Lead Investor with a power of attorney, the obligations of this agreement exclusively applicable to the management board member of the SPV shall be made applicable to such management board by a separate agreement. The power of attorney will provide the Lead Investor with at least the right to negotiate the Investment on behalf of the SPV, sign contracts, make legal claims, procure services, file reports, and communicate with the Investors.
- 7.4. The Lead Investor shall act as a point of contact between the Investor, the Target Asset, the SPV and other third parties.
- 7.5. The Lead Investor shall not:
- 7.5.1. make any personal recommendation, provide advice or otherwise act as provider of financial services to the SPVs where such activities would be regulated activities;
- 7.5.2. make any decisions on behalf of the SPV and/or the Investors, unless explicitly instructed by the SPV by attaining at least the Investor Consent Threshold.
- 7.6. The Lead Investor shall treat all Investors equally, including when disclosing information.
- 7.7. The Lead investor shall provide to the Investor quarterly reports by the 30th Business Day of the month following the quarter on the status of the SPV, the Target Asset and the Investments.
- 7.8. The annual report of the SPV shall be made available to the Investor within six months as of the end of the financial year of the SPV.
- 7.9. The SPV shall not make any personal recommendation, provide advice, or otherwise act as a provider of financial services where such activities would constitute regulated activities.
- 7.10. The SPV shall invest the proceeds of the Loan only into the respective Target Asset as Investments, excluding the amounts specified in the General Terms as Expenses.
- 7.11. The SPV shall act in the best interests of the Investors and exercise due care upon exercising its rights arising from the Investments.
- 7.12. If the Lead Investor cannot reasonably continue performing their duties (including, but not limited to, reason of illness, death, inability to perform etc.), they may resign and appoint a new Lead Investor.
- 7.13. Investors holding no less than 75% of the aggregate of the outstanding principal amount (excluding all Loan Notes held by the Lead Investor) may propose a resolution that the Lead investor be removed, followed by a proposal of a new Lead Investor to be appointed instead.
- 7.14. For the avoidance of doubt, the resignation of the Lead Investor shall not affect the right of such Lead Investor to repayments of the principal, the Variable Interest, the right to receive Carry, and the Expenses suffered in fulfilling their obligation.
- 7.15. In relation to the Exit and Event of Default, the Lead Investor shall have the obligation to seek and obtain the consent of the Investors prior to making any decision or taking any action that may affect the Exit, the implications of an Event of Default or distribution of profits from the Target Asset. The Lead Investor shall provide the Investors with reasonable notice and adequate information concerning the Exit or the Event of Default to enable the Investors to form an informed opinion. In such a case, the decision is deemed approved by the investors, if the consent of Investors, representing at least the Investor Consent Threshold is achieved. The decision of the Investors is binding upon the Lead Investor and the Investor(s). The Lead Investor may ask for the Investors' approval or decision on any material matters related to these Terms.

## **8. DECLARATIONS**

8.1. The SPV declares:

- 8.1.1. being a company duly incorporated and validly existing pursuant to the laws of the Republic of Estonia;
- 8.1.2. the obligations assumed under this Agreement are legal, valid and legally binding to the SPV. The granting of the Loan and fulfilment of the obligations arising from the same by the SPV is not contrary to any legal acts, judgments or orders, internal documents or contractual obligations of the SPV.
- 8.1.3. it is entitled to enter into this Agreement and has obtained all approvals, authorisations, consents, waivers, exemptions and approvals necessary to enter into and execute this Agreement and perform its obligations hereunder.
- 8.1.4. the information presented in connection with this Agreement is true, complete and accurate in material respects as at the date of presenting the respective information and is not misleading in any respect.
- 8.1.5. there are no pending or commenced court or arbitration proceedings against the SPV and to the best knowledge of the SPV there is no risk of such proceedings being initiated.
- 8.1.6. neither it is insolvent nor threatened to be insolvent under the respective laws of its jurisdiction.
- 8.1.7. the SPV's obligations under this Agreement are on substantially equal terms with the claims of all its other unsecured and unsubordinated creditors, including the claims of the other shareholders of the SPV deriving from the Other Loan Agreements.
- 8.1.8. The SPV does not possess, and does not intend to possess any other debt obligations beyond those deriving from this and the Other Loan Agreements.
- 8.1.9. Part of the Expenses payable to the Service Provider (at least 500 (five hundred euros) will be held in the bank account of the SPV for submitting annual tax reports to the Estonian Tax and Customs Board according to Estonian Generally Accepted Accounting Principles (Est. GAAP) over the course of 10 (ten) years.
- 8.2. The Investor hereby agrees that the Investment into the Target Asset undertaken by the SPV is high-risk and long-term investment and therefore there is substantial risk that the Loan cannot be returned to the Investor and the Variable Interest may or may not be payable subject to the actual performance of the Target Asset.
- 8.3. The Investor shall grant the Loan and become a party to the Agreement at their own risk e.g. they have examined the investment risks, and assessed their risk tolerance and, if necessary in their opinion, consulted professional tax and investment advisors to evaluate, inter alia, i) the content of the Agreement; ii) the effect of the applicable legislation of the Investors country of residence on their investments; iii) any legal, tax, financial and other consequences stemming from the granting of the Loan or concluding this Agreement.
- 8.4. The Investor confirms that he/she is not relying on any communication (written or oral) of the SPV or any of its affiliates, as investment advice or as a recommendation. The Investor confirms that the SPV has not given any guarantee or representation as to the potential success, return, effect or benefit (either legal, tax, financial, accounting or otherwise) of stepping into this Agreement.

**9. EVENTS OF DEFAULT**

- 9.1. On and at any time after the occurrence of an Event of Default (each as set out in Schedule 2) which is continuing or, if the Event of Default is capable of remedy, after the applicable grace period the Investor may, by written notice to the SPV, declare that all or part of the Loan, the Variable Interest, and all other amounts accrued or outstanding under the Agreement be immediately due and payable, at which it shall become immediately due and payable as of the date of receipt of the notice of default. For the sake of clarity, the Investor may not request repayment of the loan before the Maturity Date if an Event of Default has not occurred.



- 9.2. If an Investment into a Target Asset cannot be completed as per clause 1 of Schedule 2 and the SPV declares that the Loan along with any outstanding sums under the Agreement is immediately due and payable, the loan granted for the purpose of the Investment shall be repaid as per clause 9.1. Before the repayment, the documented transaction expenses will be deducted from the Loan amount in proportion that the Loan Amount bears to the Total Loan Amount (pro-rata).
- 9.3. Upon an Event of Default the SPV shall Exit from the Investment in the terms most favourable to the SPV within two months and repay the Loan and Variable Interest from the proceeds received.

## **10. AMENDMENTS AND REMEDIES**

- 10.1. Subject to clause 10.3, no amendment of this Agreement shall be effective unless it is in writing and signed by, or on behalf of, each party to it (or its authorised representative), except as specifically provided otherwise.
- 10.2. The rights and remedies provided under this Agreement are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.
- 10.3. Any amendments to this Agreement must be proposed and agreed upon in a manner that ensures equalization of rights and obligations among all investors to the SPV. No amendment shall be valid unless it has been approved by attaining at least the Investor Consent Threshold.

## **11. ASSIGNMENT**

- 11.1. The SPV may not assign any of its rights or transfer its rights and obligations under this Agreement.
- 11.2. No secondary market that would constitute a regulated activity shall be organised for this Agreement or the Other Loan Agreements.
- 11.3. The assignment of interests under this Agreement or the Other Loan Agreements is allowed upon notification of the SPV and conditional upon receiving SPV's consent, which will not be unreasonably withheld. The SPV, the Lead Investor or their affiliates shall be allowed to request additional documentation before approving the assignment.

## **12. COUNTERPARTS**

- 12.1. This Agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute one Agreement.

## **13. NOTICES**

- 13.1. Any notice or other communication given to a party under or in connection with this Agreement shall be in English and it shall be deemed to have been duly given or made when sent by e-mail or through other channels, including personal accounts on websites accessible by the Parties.
- 13.2. The communications shall be sent in writing to the addresses specified in the preamble of this Agreement or through other channels, including personal accounts on websites, or applications accessible by the Parties.

## **14. GOVERNING LAW AND JURISDICTION**

- 14.1. This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of Estonia.

14.2. Any disputes arising from this Agreement will be reviewed by the County Court as a court of first instance.

## SCHEDULE 1

### DEFINITIONS AND INTERPRETATION

The following definitions and rules of interpretation apply in this Agreement:

#### 1. DEFINITIONS

**"Agreement"** means this Loan agreement with any subsequent amendments thereto.

**"SPV's Current Account"** means the account of the SPV specified in the General Terms.

**"Business Day"** is a day (other than Saturday, Sunday or a public holiday in Estonia) on which commercial banks are open for general business in Tallinn, Estonia.

**"Carry"** (carried interest) has the meaning set forth in clause 5.3 of this Agreement.

**"Euro", "€" and "EUR"** means the single currency for the time being of the European Union.

**"USD" or "\$"** means United States dollars, the currency of the United States of America.

**"GBP" or "£"** means British pounds, the currency of the United Kingdom.

**"Event of Default"** means any event or circumstance specified in **Schedule 2** (*Events of default*).

**"Exit"** means (i) disposal of the shares of the Target Asset by the SPV, (ii) repayment, assignment or conversion and subsequent disposal of the loan granted to the Target Asset (together with interest accrued thereon and other payments, if applicable), or (iii) liquidation of the Target Asset, whereas partial Exit means that only part of the Investment is disposed of as described herein.

For the purposes of this definition, term "disposal" refers to the process through which the SPV sells, transfers, or otherwise relinquishes ownership or control of their shares or other economic interests in the Target Asset.

**"Expenses"** means (i) any fees and charges payable to the Service Provider and the Lead Investor (ii) any expenses reasonably incurred or accrued in the operation and management of the SPV including without limitation any administrative, management or filing expenses, any tax liabilities and the reasonable expenses of accountants, auditors or other professional advisers; and (iii) any costs and expenses reasonably incurred or accrued in relation to the holding and administration of the Investment including costs and expenses reasonably incurred or accrued in exercising any rights in relation to the Investment or protecting the rights of the SPV in any bankruptcy, insolvency, administration or winding up proceedings relating to the Company; and (iv) any costs and expenses reasonably incurred or accrued by the SPV in relation to any material amendment or restructuring of the Investment.

**"Investment"** means an investment made by the SPV into a selected Target Asset in accordance with the terms of this Agreement and the Investment Documentation either in the format of equity, convertible loan, SAFE or other instruments as determined by the SPV.

**"Investment Documentation"** means the investment agreement, shareholder agreement, convertible loan agreement or any other document on the basis of which an Investment into the Target Asset will be made.

**"Lead Investor"** means the person described in the General Terms. Where the Lead Investor is a legal person, the provisions that by their nature should apply to a natural person, shall apply to the management board member or equivalent person chosen to solely represent the Lead Investor.

**"Loan"** means the loan granted by the Investor to the SPV under this Agreement.

**"Loan Amount"** means the amount outlined in the General Terms to be transferred by the Investor in accordance with clause 2.

**"Maturity Date"** means the 10th Business Day following the date when the SPV has exited from all the Investments in the Target Companies and proceeds therefrom are distributed to the SPV. In

case of partial Exit, the Maturity Date is arrived only in respect of the proceeds from such Exit and the amounts will be distributed to the Investor on a *pro rata* basis with Other Loan Agreements outstanding. In case of an Event of Default, the Maturity Date shall be the date that the SPV receives a notice of default from the Investors or, if the SPV has the right to remedy the Event of Default, the date that the SPV's right to remedy the Event of Default passes.

**"Net Proceeds"** shall mean the Proceeds less the Total Loan Amount and Expenses, including any fees and charges payable to the Lead Investor and the Service Provider.

**"Other Investors"** means all persons concluded Other Loan Agreements.

**"Other Loan Agreement"** or **"Other Loan Agreements"** mean(s) the other outstanding loan agreement(s) concluded with all the Other Investors on materially identical terms as set forth herein with the aim of investing in the same Target Asset as the Loan provided by the Investor under this Agreement.

**"Party"** and **"Parties"** shall have the meaning ascribed to such terms in the preamble of this Agreement.

**"Proceeds"** means (a) any interest, dividends or other similar monetary distributions from the Target Asset or (b) any monetary proceeds actually received as a result of the Exit (c) any other monetary benefits received by the SPV as the result of its activity. In each case costs related to receiving such Proceeds, including the cost of conversion sums received in other currencies into the currency provided in the General Terms of this Agreement and other costs shall be deducted.

**"Soft Cap"** means the minimum threshold of all Loan Agreement amounts actually disbursed.

**"Target Asset"** means the company determined as the investment target for the SPV outlined in the General Terms.

**"Total Loan Amount"** means the aggregate of the Loan Agreement plus Other Loan Agreements amounts.

**"Variable Interest"** means Investor's profit of the Loan received either (i) upon Exit calculated *pro rata* in respect to the loans granted pursuant to the Other Loan Agreements which are outstanding (ii) upon sale of a part of the Target Asset on the basis of an agreement between the Investor and the SPV or as otherwise provided herein (iii) upon receiving any other distributions from the Target Asset, calculated *pro rata* with the amount of Loan in respect of the Loans granted pursuant to the Other Loan Agreements which are outstanding. The Variable interest is calculated as follows:

$$VI = [P - TLA - CI] \times \left[ \frac{ILA}{TLA} \right]$$

Where:

**VI** is Variable Interest.

**P** is the total Proceeds received by the SPV upon Exit plus any distributions made by the Target Asset between the Investment and Exit, subtracted by Expenses.

**TLA** is the Total Loan Amount.

**CI** is the Carry (carried interest).

**ILA** is the Investor's Loan Amount.

## 2. INTERPRETATIONS

- 2.1. Terms Specified in the "General Terms" shall have the same meaning as those defined in the "Detailed Terms".
- 2.2. Clause, schedule and paragraph headings shall not affect the interpretation of this Agreement.
- 2.3. A reference to a **person** shall include a reference to an individual, firm, company, corporation, unincorporated body of persons, or any state or any agency of any person.
- 2.4. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 2.5. Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.
- 2.6. A reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly).
- 2.7. A reference to **writing** or **written** includes signed and scanned documents which are sent over by e-mail or by other communication channels, such as websites or applications.

## **SCHEDULE 2**

### **EVENTS OF DEFAULT**

Each of the events or circumstances set out in this **Schedule 2** is an Event of Default:

1. the SPV does not make the first Investment into a Target Asset for which all funds have been duly received by the Investment Deadline Date, as specified under the General Terms;
2. the SPV breaches any covenants or other obligations of the SPV under this Agreement and such breach has not been cured within 15 Business Days as of the respective written notice by the Investor;
3. any of the representations or warranties of the SPV have been incorrect and such incorrectness has not been cured within 10 Business Days as of the respective written notice by the Investor;
4. the SPV commences liquidation, or starts the procedure of insolvency;
5. interim trustee of the SPV is appointed;
6. enforcement procedures relating to the property or assets of the SPV are initiated.

## **SIGNATURES:**

**EXECUTED** by */Signed digitally/*  
[...]  
For and on behalf of the SPV

**EXECUTED** by */Signed digitally/*  
[...]  
For and on behalf of the Lead Investor

**EXECUTED** by */Signed digitally/*  
[...]  
For and on behalf of the Investor