

**GENERAL TERMS AND CONDITIONS OF USE OF THE PLATFORM PROFITUS**  
**(for Project Owners)**

2021-10-21

**1. General Provisions**

- 1.1. This Contract shall be concluded between the crowdfunding platform Profitus and you (as defined herein below). This Contract shall set forth your rights and duties when you present the Projects, use the services provided in the Platform, the liability between the parties to the Contract, the principles of operation of the Platform, terms and conditions of procedure for use of the Platform. The annexes hereto, agreements, rules (shall be published in the Platform or may be separately signed by the parties) may set forth the terms and conditions of provision of separate services, special rights and duties applicable to the parties.
- 1.2. This Contract shall come into force when you approve of it at the moment of registration in the Platform or after signature thereof by the Parties. Thus, after you approve of separate annexes hereto, agreements, rules, the terms and conditions shall come into force from the moment of approval thereof and shall constitute an integral part hereof. Separate terms and conditions of provision of the services published in the Platform (e.g. prices etc.) to which references are made herein shall also constitute an integral part hereof. In any case, Profitus shall be entitled to request that the respective annexes hereto, agreements, rules were executed and signed between the parties in writing and they shall come into force only from the moment of signature thereof.
- 1.3. If the annexes hereto, the terms and conditions of provision of separate services set out provisions different from the ones set out herein, the provisions of the annexes hereto, the terms and conditions of provision of separate services shall prevail.
- 1.3. Before approving this Contract, you must carefully read the Contract, familiarise with the Privacy Policy and all annexes hereto, agreements or rules applicable to you.
- 1.4. This Contract shall be intended for the Project Owners who are planning to obtain Crowdfunding Funds for financing of their Projects published in the Platform. If you seek to grant crowdfunding funds for the Projects published on the Platform, you have you familiarise and confirm the General Terms and Conditions for Use of the Platform Profitus (for the Investors) and carry out other actions requested by Profitus.
- 1.5. For the purposes of this Contract, the used terms shall have the following meanings:

**"Claim rights"** shall mean The Investor's claim rights vis-a-vis the Project owner, as per the financing transaction, with all rights and obligations associated with or arising from the financing transaction

**"Questionnaire"** shall mean the document provided by the User which discloses information on the project and under which Profitus shall carry out an assessment of the Project in terms of its appropriateness for publication in the Platform.

**"Information Document"** shall mean the document on the Project specifying information on the Project Owner and the offered Financing Transaction to be concluded provided to the Investors in the cases provided for in the legislation.

**"Investment Period"** shall mean the period during which the Investment Amount for funding of the Project is raised.

**"Investment Amount"** shall mean the amount of crowdfunding funds raised during the Investment Period for funding of the Project.

**"Investor"** shall mean the person investing in the Project published in the Platform.

**"Financing Transaction"** shall mean a transaction entered into between the Investor represented by Profitus and the Project Owner through the Platform whereby the Investor grants crowdfunding funds for the Project of the Project Owner.

**"Secondary market"** shall mean the functionality (system) on the Platform, which allows Users to assign their claim rights to other Users (or to acquire them from other Users as appropriate).

**"User", "You"** shall mean a person who concludes this Contract with Profitus and seeks to obtain or has obtained Crowdfunding Funds for his Project.

**"Proposal"** shall mean the proposal on the terms and conditions of possible Financing Transaction according to the Questionnaire provided by the User put forward by Profitus.

**Platform** shall mean the crowdfunding platform which is administered by Profitus, accessible at the address [www.profitus.lt](http://www.profitus.lt) or [www.profitus.com](http://www.profitus.com), through which Funding Transactions are carried out.

**"Profitus", "We"** shall mean the crowdfunding platform operator Sutelktinio finansavimo platforma Profitus UAB, legal entity registration number 304570552, with the registered office at the address Vasario 16-osios g. 2, Vilnius, tel. +370 637 60776, el. p. [info@profitus.lt](mailto:info@profitus.lt), register in which data is stored: Register of Legal Entities held by the State Enterprise Centre of Registers, included in the Public List of Crowdfunding Platform Operators held by the Bank of Lithuania.

**"Project"** shall mean the Project prepared for satisfaction of business needs, except for consumption, and published in the Platform for which the Project Owner seeks to raise crowdfunding funds.

**"Project Owner", "You"** shall mean a person who initiates the Project and publishes it through the Platform with a view to raising the Investors' funds.

**"Account"** shall mean a special purpose account administered by Profitus, to which crowdfunding funds for the Project are transferred and from which payments to the Investors are made.

**"Contract"** shall mean these General Terms and Conditions of Use of the Platform Profitus (for the Project Owners) and all separate terms and conditions published in the Platform to which references are made herein.

**"Crowdfunding Funds"** shall mean the funds granted by the Investor to the Project Owner through the Platform.

**"Security"** shall mean a mortgage, pledge, surety or other Project security transaction.

**"Nominal Investor"** shall mean an Investor investing the respective amount of money in the Project published on the Platform and, thus, having better investment conditions described on the Platform.

## 1. Platform

- 2.1. The Platform shall be intended for publication of the Projects for which crowdfunding funds are raised from the Investors and enabling the Investors to grant funds for the Projects.
- 2.2. Profitus shall administer the Platform and fulfil the following functions: (i) enable the Project Owners to publish Projects through the Platform with a view to raising funds for financing of the Project; (ii) enable the Investors to invest in the Projects, i.e. enter into Financing Transactions, through the Platform; (iii) before publication of the Project, Profitus shall carry out an assessment of the creditworthiness and reputation of the Project Owner according to the Rules for the Assessment of Reliability of the Project Owners; (iv) enable publishing of information on the Project Owners and Projects and the progress of implementation of the Projects through the Platform; (v) administer payments and debts; (vi) sign the Financing Transactions with the Project Owners on behalf of the Investors; (vii) receive and pay out the Crowdfunding Funds on behalf of the Project Owners; (viii) administer mortgage/pledge, other Securities, exercise the creditor's rights on behalf and in the interests of the Investors; (ix) make recovery from the Securities for the benefit of the Investors; (x) represent and protect the Investors' interests before courts or assign performance of such actions to third parties and fulfil other functions provided for in the Contract, annexes hereto, the Financing Transactions and legal acts.

## 2. Registration in the Platform

- 2.1. In order to use the Platform and the services provided by Platform, you have to register in the Platform, provide all documents and information requested by Profitus, approve of this Contract and familiarise with the Privacy Policy.

- 3.1. Your Project may be published on the Platform and Financing Transactions in relation to the Project may be concluded, Crowdfunding Funds may be obtained for own Project only if your identity is confirmed by the means permitted in the Platform and all actions requested by Profitus are carried out.
- 3.2. Please note that you may have only one active account in the Platform. The results and accounts of any other subsequent registration may be cancelled without a separate notice.
- 3.3. This Contract may be concluded by legal persons as the Project Owners; natural persons may conclude the Contract only if they act for business purposes and such possibility is provided in the Platform. The Contract may be concluded on behalf of the legal person only by the head of the legal person or another lawful representative who has powers and/or necessary decisions provided for in the legal acts and/or internal documents of the legal person. You have to provide the documents evidencing the right of representation as well as documents evidencing the right to obtain Crowdfunding Funds in the name of the legal person and pledge property (for example, a decision of the shareholders or the board).
- 3.4. By concluding this Contract you agree to cooperate with Profitus so that Profitus could identify you, your representatives and beneficial owners, confirm your contact data and agree and undertake to provide all necessary identity documents and documents, information and clarifications on their activities. According to the regulation applicable in the European Union, we shall be obliged to collect information on you; therefore, Profitus may request for additional information on your operations, origin of funds, planned transactions etc. The requested information depending on the requirements of the legal acts may include original documents or copies thereof and notarised or apostilled copies. All documents must be provided in the Lithuanian or English languages, information must also be regularly updated.
- 3.5. You are informed and agree that Profitus shall be entitled, at own discretion, to refuse to confirm your registration, confirm your identity and shall have the right to establish additional requirements for your registration or impose restrictions on operations in the Platform, terminate this Contract in accordance with Section 10 hereof "Prohibited Actions".
- 3.6. Your personal data or personal data of your representatives, beneficial owners (if the User is a legal person) shall be processed according to the Privacy Policy of Profitus. You as a controller of the data of your representatives and beneficial owners have to ensure that you have notified the data subjects of provision of your data to Profitus and processing of their data as required by the legal acts regulating processing of personal data. In certain cases, Profitus shall be entitled to request the data subjects to provide original written consents/approvals of information on personal data processing.
- 3.7. The account in the Platform may be used only by the head of the legal person or another lawful representative who has the powers on behalf of the legal person. All actions carried out when you log in to the Platform shall be deemed to have carried out by you yourself. You understand and certify that all your actions carried out when you log in to the Platform shall be deemed to be your proper consents and approvals signed by an electronic signature as provided for in paragraph 1 of Article 5 of the Law on the Services of Ensuring the Reliability Electronic Identification and Electronic Transactions.

### **3. Publication of Projects in the Platform**

- 4.1. In order to Publish the Project in the Platform and receive financing for it, you have to fill in the Questionnaire of the Project provided to you and provide all documents and information requested in the Questionnaire, confirm correctness of the information and documents.
- 4.1. You have to provide the following data concerning yourself in the Questionnaire: judicial history, experience in real property development, purpose of financing, the Investment Amount sought, the period of validity of the Financing Transaction, the Securities, and provide the requested documents (or provide them later), for example, the report of the pledged property appraisal carried out by an independent property appraiser acceptable to Profitus, the decision on financing and Securities, provide other requested information and documents necessary for assessment of your reputation, the Securities, the Project, and carry out your creditworthiness assessment. You must disclose all information which shall have (or is likely to have) adverse effects to implementation of the Project.

- 4.2. Profitus shall carry out an assessment according to the information provided by you; thus, you must provide it in due time, the information must be accurate and correct. Profitus shall carry out the assessment by itself or shall be entitled to assign this to third parties.
- 4.3. You shall certify that you agree and during the whole Questionnaire assessment period undertake to provide additional requested information and documents, cooperate with Profitus so that Profitus could properly assess your Project, the risks posed by you and the Project and update the provided information and documents if change in the course of the assessment.
- 4.4. If after carrying out of the assessment it is determined that your Project does not meet the Rules for the Assessment of Reliability of the Project Owners, the Project shall not be published in the Platform and the Financial Transactions of such Project cannot be concluded through the Platform. Refusal to publish your Project in the Platform shall not entitle you to request for indemnification of damage or review of the decision of Profitus.
- 4.5. If Profitus positively assesses the Questionnaire provided by you, the Proposal setting out the main Project financing conditions, for example, the Investment Amount, the offered interest, rates of Profitus, the Project risk rating etc., shall be put forward to you. Please note that the Proposal shall be put forward taking into account your then assessment; if you fail to confirm it within the set time limit and your financial situation changes, the Proposal may be not relevant any longer and you shall have to provide the Questionnaire anew.
- 4.6. If you accept the Proposal, you have to confirm it within the set time limit (at the request of Profitus, provide te signed Proposal in writing). When you confirm the Proposal, the preliminary actions of publication of the Project in the Platform shall be carried out and you can cancel publication of the Project in the Platform or cancel the Project which has already been published only after paying the fee provided for in the Fees or the Project and indemnifying Profitus against the incurred costs.
- 4.7. In the cases provided for in the legal acts, after approval of the Proposal, you will have to fill in the Information Document and provide it to Profitus for assessment and approval and provide other documents requested by Profitus. You shall undertake to properly fill in the Information Document, correct it according to the remarks of Profitus and provide all requested information. Upon approval of your Information Document by Profitus, provision of the requested documents by you, your Project shall be published on the Platform.
- 4.8. The Platform shall publish the following information on the Project: (i) the description of the Project; (ii) main Project development risks; (iii) the Investment Period/stages of financing; (iv) raised Investment Amount; (v) financial information on implementation of the Project; (vi) progress of and time limits for implementation for the Project; (vii) other information related to the Project. The main Project development risks shall be identified by Profitus according to its assessment by attributing the respective risk rating to the Project. You agree that Profitus shall be entitled to publish such information and shall not be entitled to request to change or dispute it.
- 4.9. If raising of the Investment Amount is planned in stages, Profitus shall not undertake and shall not guarantee that after completion of one stage, other described stages shall be published if the financial situation of the Project Owner, another situation relevant to development of the Project change and Profitus cannot offer the same financing conditions.
- 4.10. Publication of the Project in the Platform shall not imply the obligation of Profitus that your Project shall be financed and a Financing Transaction shall be concluded with you and the financed amount shall be paid out to you.
- 4.11. The Investment Amount and the Investment Period shall be separated set for each Project and published in the Platform. In the event of a failure to raise the Investment Amount during the Investment Period, the following actions shall be possible:
- 4.12.1. Subject to the Project Owner's consent, the Investment Period may be extended (Profitus shall evaluate such possibility in advance and publish such information in the Project);
- 4.12.1. by mutual agreement between the parties, the Investment Amount maybe decreased if you provide a sufficient amount of evidence that you shall finance the remaining amount by yourself from other sources and, having familiarised with the updated Project information, the Investor accepts this; in this case, the Investment Period may be extended for the same term;

- 4.12.2. by mutual agreement between the parties, the Crowdfunding Funds which have already been raised may be paid out to you and the Investment Period for the remaining Investment Amount may be extended for the same term and the Investor shall familiarise with the updated Project information and accept it;
- 4.12.3. The Project shall be withdrawn from the Platform and the paid funds shall be repaid to the Investors.
- 4.12. In case if other circumstances which may reasonably have adverse effects to your assessment and/or implementation of the Project occur during the Investment Period, the Project may be withdrawn from the Platform and Profitus shall repay the funds to the Investors. Such actions carried out by Profitus shall not grant you the right to request for indemnification of losses.

#### **4. Project Financing Transactions**

- 5.1. Your Project shall be financed by the Investors by transferring funds to the Account administered by Profitus. You shall certify that Profitus is authorised to obtain Crowdfunding Funds on your behalf and in your name in the Account and this shall be deemed to be proper grant of Crowdfunding Funds to you as required by the legal acts. The afore-mentioned funds shall be paid out to the account indicated by you after carrying out of the actions provided for in this Contract and the Terms and Conditions of Publication and Financing of the Project.
- 5.1. When the total Investment Amount is raised in the Account, you shall be notified and must appear at the indicated place at the agreed time within a reasonable time limit for signing the Financing Transaction or approving of it by other means indicated by Profitus (if such means are permitted in the Platform). Should you delay to appear for signing the Financing Transaction, payment of the Investment Amount to you may be refused and you may have to pay the Project cancellation fees. The Financing Transaction shall come into force on the date of signature thereof by Profitus and you, i.e. the Investment Amount shall be deemed to be granted to you and the interest shall be charged from the following day.
- 5.2. You shall be notified and agree that Profitus or the authorised person thereof acts on behalf of the Investors in conclusion of the Financing Transactions, the Security transactions (in which Profitus or, at its direction, a third party is indicated as the creditor) with you, exercise the collateral creditor rights, pay out the Investment Amount and administer your payments and distribute them among the Investors, carry out other actions provided for in the Law on Crowdfunding, other legal acts, contracts with the Investors or with you.
- 5.3. Performance of the obligations under the Financing Transactions shall be secured by mortgage, pledge provided by you (or a third party) and/or other Securities described in the Projects, for example, guarantee, suretyship etc.
- 5.4. After signature of the Financing Transaction, the time of conclusion of the Security Transaction and the place at which you undertake to appear shall be agreed with you (within a reasonable time limit from the signature of the Financing Transaction). Should you delay to appear for signing the Financing Transaction, payment of the Investment Amount to you may be refused and you may have to pay the Project cancellation fees. You shall undertake to cover the costs of execution of the Securities directly to the entity providing services.
- 5.5. After registration of the Security, the Investment Amount shall be paid out to you to your account within the time limit provided for in the Financing Transaction. You shall have to pay interest, default interest, contributions, other payments to the Account indicated by Profitus. The afore-mentioned payments shall be distributed among the Investors and paid to the Investors by Profitus.
- 5.6. You shall undertake to use the funds of the Financing Transactions only for the purpose specified in the Project. The raised funds cannot be used for satisfaction of your other needs. Profitus shall in no case be liable for your actions (and expediency thereof) using the funds received for financing of the Project in the course of implementation of the Financing Transactions.
- 5.7. Profitus shall be the holder of the Account in which the funds intended for the Financing Transactions are stored. Profitus shall be entitled and authorised to receive the Investment Amount to the Account from the Investors and transfer the funds from the Account to you when the Financing Transaction is concluded and the Securities are provided on your behalf. In all cases, the funds of Profitus shall be separated and kept separate from your funds. Profitus shall use the funds transferred to the Account only for funding of the Project.
- 5.8. You shall agree and undertake to furnish Profitus with information on the progress of implementation of the Project providing the Project-related income and incurred costs and/or the funds granted by you for implementation of the Project and other information requested by Profitus at least once per month.

Information may be provided according to the form approved by Profitus. You shall be liable for correctness and completeness of the afore-mentioned information. You shall agree that Profitus shall be entitled to transfer the above information to the Investors.

- 5.9. Other terms and conditions of conclusion and implementation of the Financing Transactions shall be defined in the particular Financial Transaction.

## **6. Assignment of the claim right on the Secondary market**

- 6.1. The Platform operates in the Secondary market, allowing Investors to transfer their claim rights to other Platform Users by entering into a claim assignment agreement on the Platform.
- 6.2. Profitus retains the right to change, suspend or completely eliminate the functionality of the Secondary market at any time, at its sole discretion.
- 6.3. The functioning of the Secondary market is determined by the general terms and conditions of the claim rights assignment agreement of the Profitus platform, which are published on the Profitus website. Before using the Secondary Market, each Investor must agree to Platform Profitus [Claim rights assignment agreement general terms and conditions](#). Profitus retains the right to edit, modify or extend these terms, informing the User of any changes.
- 6.4. In order to assign the available claim rights on the Secondary market, an Investor may choose in their User account either their own or the desired assignment claim rights, specify the assignment price, and make a bid on the Platform for the assignment of these claim rights.
- 6.5. The Secondary Market Platform User is considered to be a new Investor as per the Financing transaction and the Project owner is obliged to fulfil their obligations to the new Investor under the same conditions as those approved at the time of the financing transaction.
- 6.6. Before acquiring the Assignment Rights, the Platform User shall have access to the Project in the proposal placed on the Secondary Market Platform, for which the Financing Transaction has been concluded. The information contained in the proposal shall be sufficient for the User to decide independently on the acquisition of the claim right. The User understands and assumes the risk of a possible default by the Project owner when deciding to acquire the Claim rights sold on the Secondary market.

## **7. Failure to Perform Financial Transactions**

- 7.1. If you fail to settle accounts in accordance with the concluded Financing Transactions, fail to pay any fees to Profitus, Profitus (or the third party authorised by Profitus) shall be entitled to initiate the recovery actions according to the terms and conditions provided for in the Financing Transactions and this Contract, the annexes thereto and the actions of administration and implementation of the Securities. After initiation of administration of the Financing Transactions, Profitus or the third party engaged by Profitus shall be entitled to assume all necessary actions in administration and realisation of the Securities provided by you, in awarding the debts.
- 7.2. Debts shall be recovered according to the Debt Recovery Procedure.
- 7.3. The funds recovered from the pledged property, other Securities, other property belonging to you less the costs and taxes incurred by Profitus at the Fees and according to the Financing Transactions shall be used for satisfaction of the claims of the Investors whose claims have been secured by the respective Securities transactions.
- 7.4. The Securities may be realised by the method chosen by Profitus in accordance with the legal acts of the Republic of Lithuania:
- 7.4.1. by selling the pledged property at the public auction; or
  - 7.4.2. by selling the pledged property at a non-public auction; or

- 7.4.3. by selling the pledged property to the third party chosen by the collateral provider provided that a prior consent of Profitus is obtained; or
  - 7.4.4. in any other way permitted by the law.
- 7.5. Other terms and conditions of non-performance of the obligations shall be indicated in the particular Financial Transactions.

## **8. Fees**

- 8.1. Information on the fees applicable in the Platform, the procedure for payment thereof shall be provided in the Fees. By certifying this Contract you shall also confirm that you have familiarised with it and that you have undertaken to pay them in accordance with the established terms and conditions and under the established procedure. Thus, the particular fees applicable for your Project shall be specified in the Proposal and the Financial Transaction; if any taxes are not indicated in the afore-mentioned documents, the taxes indicated in the Fees shall be applied.
- 8.2. You may also have to cover the fees intended for payment of the services of third parties (e.g. approval and registration, deregistration, amendment of the Securities transactions) etc. If the afore-mentioned fees are covered by Profitus on your behalf, you shall undertake to compensate them according to the invoices issued by Profitus.
- 8.3. You shall have to make payments under the Financing Transactions according to the schedule provided to you to the Account and you shall have to pay the fees payable to Profitus according to the invoice issued by Profitus within the time limits set out therein.
- 8.4. You shall have to pay default interest indicated in the Fees for delay to pay the fees payable to Profitus.
- 8.5. You shall also undertake to indemnify Profitus against all other costs related to the services provided by Profitus.
- 8.6. You agree that Profitus shall be entitled to deduct the payments due to it from your funds held in the Account or your accounts linked to the System at the payment partners. Such deductions shall be deemed to be properly authorised.

## **9. Procedure for Communication between the Parties**

- 9.1. You must indicate your telephone number and e-mail address to Profitus and confirm them. You agree that the telephone number and e-mail address indicated by you were used for communication between Profitus and you, i.e. for the purposes of provision of information on the Contracts or other terms and conditions applicable to you, changes therein, powers, new Projects, other relevant information. The information shall also be published in the Platform. You shall also agree that, in certain cases, Profitus shall also communicate with you through social networks.
- 9.2. You may address Profitus in the Lithuanian or English languages.
- 9.3. You must immediately notify Profitus of any changes in your contact details by updating the information in the account on the Platform or by other means indicated by Profitus. Profitus shall act in accordance with the latest known information on you and consider it correct; therefore, Profitus shall not be liable if you do not receive information in due time by reason that you have failed to update your contact details and, thus, you incur losses.
- 9.4. You may communicate with the Investors only by the means specified in the Platform. Please do not contact the Investors by any means with a view to providing them with any information on the Project other than indicated in the Platform, obtaining financing from them not through the Platform, such your actions may be deemed to be unlawful and may result in the respective legal consequences, for example, withdrawal of the Project from the Platform and the duty to pay the respective fees.

## **10. Amendments to the Contract**

- 10.1. Profitus shall be entitled to unilaterally amend and/or supplement the Contract, annexes thereto by giving a notice in the ways provided for in Section 8 hereof "Procedure for Communication between the Parties".
- 10.2. You shall be notified of the changes in the rates of the fees and the procedure for payment of the fees, amendments to the Privacy Policy 30 calendar days to the effective date of the changes. You shall be notified of other amendments to the terms and conditions applicable to you not later than on the date of amendment to the terms and conditions.

- 10.3. Use of the Platform by you after amendment of the Contract or separate terms and conditions thereof, annexes thereto shall imply your acceptance of the amendment of the Contract.
- 10.4. You shall not be entitled to unilaterally amend the terms and conditions of this Contract, annexes thereto.

## **11. Termination of the Contract**

- 11.1. This Contract may be terminated by mutual agreement between the Parties.
- 11.2. You shall be entitled to terminate this Contract by giving a 30 days' notice to Profitus if at the moment of termination of the Contract you do not have any valid Financing Transactions or any approved Proposal.
- 11.3. Profitus shall be entitled to terminate this Contract without notice in the cases provided for in Section 10 hereof "Prohibited Actions" as well as in cases if Profitus terminates the General Terms and Conditions of Use of the Platform Profitus (for Investors) with you, in other cases provided for in the Contracts.
- 11.4. In case of termination of this Contract, your account in the Platform shall be cancelled but data on you, the Financing Transactions entered into by you shall be further stored for the purposes, within the time limits and under the procedure established in the Privacy Policy and legal acts.
- 11.5. In case of liquidation or bankruptcy of Profitus, the Financing Transactions shall remain in force and shall be implemented by the parties so as if they were entered into without participation of Profitus.

## **12. Prohibited Actions**

- 12.1. When using the Platform, the following shall be prohibited:
- 12.1.1. to breach this Contract, the Financing Transactions, other agreements concluded between the Parties, legal acts including but not limited to the requirements for prevention of money laundering and terrorist financing;
  - 12.1.2. to use the Platform for any unlawful purposes including but not limited to the following: swindling, money laundering, terrorist financing, unlawful provision of financial services etc.
  - 12.1.3. to provide Profitus incorrect or false information, not to provide Profitus with the requested information, documents, not to update it in due time;
  - 12.1.4. to act in the name and/or on behalf of third parties on the Platform, provide financial services to such persons;
  - 12.1.5. to spread computer viruses or take other actions which may result in malfunctions, failures of the Platform or cause other damage to Profitus;
  - 12.1.6. to obtain financing for the Project from the Investors not through the Platform, to provide information on the Projects to the Investors by unlawful means;
  - 12.1.7. to transmit or enter data which could contain software viruses or any other code, files or applications intended for disturbing, restricting or damaging the functions of the Platform or equipment thereof, software or communication equipment including the applications which automatically track, use and/or save the information available/provided in the Platform;
- to use other systems for login to the Platform or using it;
- 12.1.8. to promote and/or advertise other identical or similar platforms or other sources of funding;
  - 12.1.9. to disclose own data of login to the Platform to any third parties, use the passwords of third parties and other login data;
  - 12.1.10. to enter into Financing Transactions by breaching the legal acts, powers applicable to you, entered into contracts, agreements or court judgements;
  - 12.1.11. to conclude the Contract or the Financing Transactions by breaching the requirements of the legislation and your internal documents, powers granted to you, permits;
  - 12.1.12. to carry out other actions which may pose risk to Profitus or the Investors.
- 12.2. If Profitus has suspicions that you have carried out prohibited actions, Profitus may take actions to protect its interests or interests of third parties, for example:
- 12.2.1. to close or restrict access to your account;



- 12.2.2. to restrict your activities in the Platform;
  - 12.2.3. to withdraw the Project from the Platform, prevent conclusion of the Financing Transactions or terminate them;
  - 12.2.4. to restrict the funds in the Account transferred for the Financing Transaction, contributions of the Financing Transactions, interest, repaid to the Account for you;
  - 12.2.5. to notify the competent public authorities of your activities;
  - 12.2.6. to terminate this Contract without prior notice;
  - 12.2.7. to assume other legal measures.
- 12.3. We shall provide relevant information on the measures applied in your respect; however, in certain cases, we cannot do this due to the requirements of the legal acts governing prevention of money laundering and terrorist financing or other legal acts.
- 12.4. If Profitus applies the measures provided for in this Section, you shall not be entitled to request for compensation of damages.

### **13. Liability**

- 13.1. Each Party shall be liable for all fines, penalties, losses incurred by the other Party due to a breach of the Contract committed by the Party at fault. The Party at fault shall undertake to indemnify the aggrieved Party against the direct losses incurred as a result of arising of such liability. In all cases, the liability of Profitus hereunder shall be limited in accordance with the following provisions:
- 13.1.1 Profitus shall be liable only for direct losses incurred as a result of a direct and material breach of this Contract related to the activities of Profitus as a crowdfunding platform operator through intention or gross negligence of Profitus and only for such losses which could be reasonably expected by Profitus at the moment of breach of the Contract;
  - 13.1.2. Profitus shall not be liable if your Project is not published in the Platform, is withdrawn from it, is not funded, and for failures of your activities and your inability to implement the Project;
  - 13.1.3. In all cases, Profitus shall not be liable for the profit and income not received by you, loss of the reputation, loss or failure of the business, indirect losses;
  - 13.1.4. Profitus shall not be liable for any malfunctions of the Platform preventing entering into of the Financing Transactions chosen by you.
  - 13.1.5. You shall be liable for correctness and completeness of all information provided to Profitus with a view to assessing you and/or the Project. You must indemnify Profitus, the Investors and other persons against the losses incurred as a result of incorrectness of the information provided by you or failure to disclose certain information.
- 13.2. The actions of Profitus shall in no case include and may be interpreted as including the following activities:
- 13.1.1. financial intermediation (agency activities);
  - 13.1.2. provision of a guarantee or another security that the Project Owners shall properly perform the financial obligations assumed by them towards the Investors;
  - 13.1.3. grant of loans or other financing to the Project Owners;
  - 13.1.4. provision of legal services;
  - 13.1.5. administration of real property transactions or consultancy on related issues;
  - 13.1.6. provision of payment services and/or issue of electronic money.
- 13.2. Profitus shall only administer the Platform; thus, Profitus shall not be liable and cannot be deemed to be responsible for:
- 13.2.1. failure to raise the Investment Amount;
  - 13.2.2. non-performance of the obligations by the Investors;
  - 13.2.3. non-publication of the Project, a stage thereof in the Platform or withdrawal of the Project from the Platform;

- 13.2.4. correctness, accuracy of the data provided by you and conformity of such data to the facts;
- 13.2.5. your actions/the actions of your representatives exceeding the granted powers;
- 13.2.6. the actions of the payment service providers, partners identifying the person including failures in relation to use of your accounts, insolvency, bankruptcy or other actions of the service providers;
- 13.2.7. the actions and/or omission of action of third parties which would result in a failure of use of the Platform and/or Profitus services;
- 13.2.8. losses if they arise due to force majeure including malfunctions of the communication, electronic data exchange and payment systems;
- 13.2.9. obligations which, according to the valid legal acts including tax legislation may arise when the Users enter into and/or perform the Financing Transactions, except for the cases where the tax legislation provide for the particular mandatory tax declaration, deduction and/or payment liabilities for Profitus;
- 13.2.10. losses if they have arisen due to the amended requirements of the legal acts including the recommendations, guidelines or positions of the supervisory authorities.

#### **14. Security**

- 14.1. Please note that the insurance coverage provided for in the Republic of Lithuania Law on Insurance of Deposits and Liabilities to Investors is not applicable to crowdfunding.
- 14.2. Please note that Profitus provides financial services; therefore, the Financial Transactions concluded through the Platform have the indications of risk which must be assessed before publication of the Project in the Platform.
- 14.3. You also have to take every action to protect your data of login to the Platform as well as data of login to own accounts at the payment service providers, devices used for login and means used for communication, for example, e-mail.
- 14.4. In order to ensure protection of your interests, we recommend:
  - 14.4.1. to create unique passwords consisting at least of 8 symbols using upper-case and lower-case letters, digits or special symbols;
  - 14.4.2. not to include personal information on yourself, your family members, pets etc. and easily guessed information, for example, names, passwords, dates of birth, addresses or fragments thereof in the passwords. Besides, they should not be made of easily remembered or guessed combinations;
  - 14.4.3. the passwords should be changed every three months;
  - 14.4.4. the same passwords cannot be used several times (in succession or in several systems);
  - 14.4.5. the passwords should not be put down or otherwise recorded (except for special password storage applications); besides, they cannot be disclosed to third parties;
  - 14.4.6. the e-mail box and telephone number used for communication with Profitus must be used only by you, protected by passwords the rules for formation of which are described herein above;
  - 14.4.7. you should protect all devices used for receipt of services through the Platform against viruses; you should use only legal software in them, not to leave the devices unattended, not to allow any third parties to use them.

#### **15. Intellectual Property**

- 15.1. The Platform, websites, trademarks and all intellectual property rights available therein including but not limited to any content shall belong to Profitus. Intellectual property rights shall mean such rights as trademarks, copyrights, domain names, database rights, design rights, patents and all other intellectual property rights irrespective of whether they are registered or not. Copying, imitation or use thereof without a prior written consent of Profitus shall be prohibited.
- 15.2. The material, information, content provided in the Platform may be copied, transmitted, stored, reproduced, printed or otherwise used only for personal purposes and only insofar as this is related to use of the services provided by the Platform and Profitus.
- 15.3. Nothing contains therein shall grant you the right to the Platform and/or the website, except for the ones necessary for receipt of the services.

- 15.4. The Platform shall be provided as it is without any express or implied or statutory rights. Profitus shall not guarantee that operation of the Platform shall be uninterrupted or free of errors. Profitus shall not be liable for any failures of the services including but not limited to failures or other malfunctions of the Platform which may affect conclusion of the Financing Transactions.

**16. Final Provisions**

- 16.1. Each Party shall certify that it/he has all necessary permits and licences to carry out the actions necessary for performance of this Contract as required by the applicable legal acts.
- 16.2. You shall not be entitled to assign any rights and duties arising out of this Contract, the Financing Transactions to third parties without a prior written consent of Profitus.
- 16.3. You shall undertake not to disclose any information on the activities of Profitus, functioning of the Platform, all negotiations between Profitus and you before and after signature of this Contract to third parties and not to disclose any pricing principles applicable to Profitus and the fees applicable to you to any third parties.
- 16.4. If any provision hereof is declared invalid, the remaining provisions hereof shall remain in force.
- 16.5. The Contract, the Financing Transactions shall be governed by the law of the Republic of Lithuania.
- 16.6. All disputes between you and Profitus shall be resolved by negotiations. Any disagreements between you and Profitus including any disagreements between you and the Investors shall be resolved in accordance with the Procedure for Examination of Complaints and Resolution of Disputes. In the event of a failure to reach an agreement, the dispute shall be resolved in court under the jurisdiction of which the dispute would come in accordance with the legal acts of the Republic of Lithuania and the address of the registered office of Profitus.