

PLATFORM PROFITUS

POLICY FOR PREVENTING AND MANAGING CONFLICTS OF INTEREST

1. GENERAL PROVISIONS

- 1.1. The purpose of this Policy of for Avoiding and Managing Conflict of Interest (hereinafter referred to as **the Policy**) of Sutelktinio finansavimo platforma Profitus UAB (hereinafter referred to as **the Company**) is to establish measures to prevent, detect and properly manage conflicts of interest that may adversely affect the interests of the Investors and/or the Project Owners and/or that arise from the Company's operations as a crowd-funding operator.
- 1.2. The capitalised terms used in the Policy have the same meaning as defined in the General Terms of Use of the PROFITUS Platform. Other terms used in the Policy are understood as defined in the Law on Crowd-funding of the Republic of Lithuania and other related legal acts, unless otherwise explicitly stated in the Policy.
- 1.3. The provisions of Policy shall be complied with by all employees of the Company, persons acting on behalf of the Company and/or for the benefit of the Company, persons contributing and assisting the Company in the performance of the activities of operator of the crowd-funding platform and persons related with close relationship (hereinafter referred to as **Persons Concerned**), as defined in the Law on Financial Institutions of the Republic of Lithuania.
- 1.4. The Policy has been drafted in accordance with the provisions of the Law on Crowd-funding of the Republic of Lithuania and other legal acts regulating the Company's activities and applicable in the Republic of Lithuania.

2. SITUATIONS THAT ARISE OR ARE ABLE TO ARISE A CONFLICT OF INTEREST

- 2.1. A Conflict of Interest means a situation where the interests of different parties conflict with each other. Such conflicts may arise between:
 - 2.1.1. Company and Persons Concerned.
 - 2.1.2. Company, Persons Concerned and customers of the Company, i.e. Investors and/or Project Owners.
 - 2.1.3. Between customers of the Company.
- 2.2. When managing conflicts of interest, the Company constantly monitors and identifies situations where:
 - 2.2.1. The Company and/or the Person Concerned may have a financial benefit or avoid financial loss at the expense of the Investor and/or the Project Owner.
 - 2.2.2. Company and/or Person Concerned is/are interested in the result of the service provided to the Investor and/or the Project Owner and/or in the result a Financing Agreement concluded at the expense of the Investor and/or the Project Owner differently than the Investor and/or Project Owner is interested in the same result.
 - 2.2.3. The Company and/or Person Concerned has a financial or other interest in giving priority to the interests of one Investor and/or the Project Owner at the expense of the interests of other Investors and/or Project Owners.
 - 2.2.4. The Company and/or Person Concerned receives or will not receive an incentive from other person than the Investor and/or the Project Owner, which is related to the Service provided to the Investor and/or the Project Owner or to the Financing Transaction concluded by it and which may be provided in the form of money, goods or services, except for payments normally made in this case.
- 2.3. Conflicts of interest in the Company may arise in the following key areas of practice:
 - 2.3.1. Priority may be given to real estate projects and their owners related to the Company and/or Persons Concerned.

- 2.3.2. Investors and/or Project Owners may be assessed in a biased and subjective manner, taking into account their direct or indirect links with the Company and/or Stakeholders.
- 2.3.3. Persons concerned may enter into Financing Transactions at their own expense, using information known to them, or transfer the information to third parties.
- 2.4. In the event of a situation that may cause a conflict of interest, priority shall be given to the interests of the Investor and/or the Project Owner (except for the situation referred to in Paragraph 3.4.7 of the Policy, where neither of the Investors and/or Project Owners can be given priority), then to the interests of the Company, at the latest, to the interests of the Persons Concerned.
- 2.5. A conflict of interest shall not be deemed to arise when the Company and/or the Persons Concerned invest in the Project in the following case: the remaining amount to be invested in the Project is lower than the minimum investment limit set by the Company for the Project, and the Company seeks to close the Project without giving priority to any Investor.

3. PREVENTION OF CONFLICTS OF INTEREST

- 3.1. The Company uses the prevention of conflicts of interest as a key tool in managing potential conflicts of interest.
- 3.2. To prevent conflicts of interest, the Company shall ensure that:
 - 3.2.1. In the performance of their functions, all Persons Concerned shall first determine whether there is a conflict of interest.
 - 3.2.2. Having determined the risk of a conflict of interest, the Person Concerned shall immediately notify his/her immediate supervisor (or the Board of the Company, if the Person Concerned is the sole manager of the Company) of a potential interest of conflict and specifies the nature of the potential conflict of interest.
 - 3.2.3. All actions taken by the Company and/or the Persons Concerned with respect to the Investor and/or the Project Owner are exclusively based on the interests of those entities and are carried out for their benefit and are carried out objectively and impartially.
- 3.3. Head or Board of the Company, upon receipt of a notice from the Person Concerned, shall consider its validity and decide on the exclusion of the Person Concerned from performing the functions specified in the notice and shall appoint another person to perform the functions, or shall make a decision to refuse to exclude the Person Concerned and allow him/her to continue to perform the functions.
- 3.4. The Company also takes the following measures to prevent conflicts of interest:
 - 3.4.1. Persons Concerned are committed to comply with the provision of confidentiality, behave in a fair and professional manner with regard to Investors and Project Owners, always take into account the interests of the Investor and the Project Owner, irrespective of the interests of other Investors and Project Owners, other activities carried out, interests of the Company or other Persons Concerned.
 - 3.4.2. Persons Concerned are made aware of the obligation to immediately notify of any situations that cause or may cause a conflict of interest.
 - 3.4.3. The Company ensures that the system of remuneration applied to Persons Concerned does not create preconditions for Persons Concerned to obtain financial benefits from situations that cause or may cause conflicts of interest.
 - 3.4.4. The Company prohibits the publication, exchange of information of the Investor and/or the Project Owner, which is known to the Persons Concerned and which may adversely affect the interests of the Investor and/or the Project Owner, the disclosure of information that is not publicly available as well as any other information relating to the Investor and/or Project

Owner, which is not necessary to execute the direct functions of the Persons Concerned in the Company.

- 3.4.5. The Company ensures that information on Project Owners and their Projects is made publicly available evenly to all, and the Persons Concerned could not obtain additional sensitive information for their own benefit or for the benefit of third parties.
 - 3.4.6. The Company ensures that the Persons Concerned are able to obtain and work only on the information that is necessary for the performance of their functions.
 - 3.4.7. In cases where a conflict of interest arises between several Investors and/or several Project owners, the Company must act in such a way that no Investor and/or Project Owner would benefit from another Investor and/or Project Owner.
- 3.5. The Head of the Company himself/herself or a person appointed by the Head of the Company monitors whether the Company's measures for preventing, detecting and managing conflicts of interest are effective. In performing these functions, the Head of the Company or a person authorised by the Head of the Company shall:
- 3.5.1. Periodically review the provisions of the Policy and the Company's internal procedures, ensure their compatibility with the requirements of legal acts applicable to the Company's activities.
 - 3.5.2. Inform the Persons Concerned about the Company's procedures for managing conflicts of interest.
 - 3.5.3. Advise the Persons Concerned on whether there is a conflict of interest in a particular situation and how it should be managed.
 - 3.5.4. Perform other actions aimed at the proper and timely identification and management of conflicts of interest.

4. MANAGEMENT OF CONFLICTS OF INTEREST

- 4.1. In case the Company determines that it is impossible to prevent a conflict of interest and it may affect or will negatively affect the interests of the Investor and/or the Project owner, the conflict of interest shall immediately be notified to the Investor and/or the Project Owner (in respect of which the conflict of interest arises), the nature or source of the conflict must be specified, and the Investor and/or Project Owner must issue a confirmation that it agrees to continue to cooperate and continue the Financing Transaction in the situation of a conflict of interest.
- 4.2. If the Investor and/or the Project Owner decide to continue the cooperation and the Financing Transaction even in the case of a conflict of interest, the Person Concerned shall act in such a way that the Company, the Persons Concerned or other persons do not receive any benefit and/or do not avoid loss at the expense of the Investor and/or the Project Owner, and the losses incurred by the Investor and/or the Project Owner are minimised.
- 4.3. The Company shall collect documents justifying that the conflict of interest could not be avoided as well as documents confirming that the Investor and/or the Project Owner has been duly informed of the potential or current conflict of interest.
- 4.4. In cases where the Project Owner is affiliated with the Company for property or other links (through managers, shareholders, etc.), the Company applies the following tools for the management of conflicts of interest:
 - 4.4.1. The Investor shall be informed about the relationship between the Project Owner and the Company in the Project Description.
 - 4.4.2. The Project Owner's project shall be assessed according to the Company's internal procedures by those employees of the Company who have no relationship with the Project Owner; such employee shall be appointed by the head of the Company, a person authorised by him/her or by the Board of the Company (as defined by Paragraphs 3.2, 3.3 of the Policy).

- 4.4.3. Contracts with Project Owners shall be signed, executed, maintained, decisions regarding their termination and transfer shall be accepted by those employees of the Company who have no relationship with the Project Owner; such employee shall be appointed by the head of the Company, a person authorised by him/her or by the Board of the Company (as defined by Paragraphs 3.2, 3.3 of the Policy).
- 4.4.4. The measures taken to manage the conflict of interest shall be documented.
- 4.4.5. Project Owners' Project Evaluation, financing terms, financing process, contract execution and supervision of such Project Owners shall be audited once a year.
- 4.4.6. If there is no possibility to manage the potential conflict of interest and there is a risk that the interests of the Investors may be affected, the Company refuses to start or continue business relations with such Project Owner.
- 4.5. The Company also ensures that, in order to properly manage conflicts of interest:
 - 4.5.1. In order to obtain personal benefit, the Persons Concerned would not be able to adversely affect the Company, other Persons Concerned, Investors and/or Project Owners.
 - 4.5.2. Persons Concerned would not be able to participate in specific decisions on the Investor and/or the Project Owner, if such participation would undermine the effective management of the conflict of interest.
 - 4.5.3. In cases where the Person Concerned who works directly with the Project Owner's evaluation invests in Projects for personal purposes, this person shall notify the Head of the Company of the investment and obtain permission to do so.

5. FINAL PROVISIONS

- 5.1. The Policy shall come into force upon its approval and remain in force until it is amended, supplemented or repealed.
- 5.2. The Policy may be amended and supplemented only by the decision of the Head of the Company. Amendments and supplements to the Policy shall come into force from the date of approval, unless otherwise specified in the amendments and supplements.
- 5.3. The Policy is available on the Company's internal server.