

I. GENERAL PROVISIONS

1. The following SIA “Lenndy” (hereinafter – **Operator or Lenndy**) platform’s claim rights of usage transference rules (hereinafter – **Rules**) regulate the use of SIA “Lenndy” platform (hereinafter – **Platform**), which can be accessed online at <https://www.lenndy.com> or <http://www.lenndy.lv>, claim rights of usage transference conditions and Operator’s and Platform’s users’ rights and obligations.
2. In accordance with the requirement rights of usage agreement that is conducted via the Platform (hereinafter – **Agreement**), the creditor (hereinafter – **Primary creditor**) sells the claim rights (hereinafter – **Claim rights**) that arise from agreements on credits or other type of loans (hereinafter – **Credit Agreement**) conducted with third parties (hereinafter – **Borrower**) or other cases where the creditor has the rights towards Borrowers or funders (i.e. claimants of rights; hereinafter – **Funders**).
3. The Rules are applicable to the Funders and Primary creditors who have expressed a clear intention to use the Platform as well as the Operator services, and:
 - a. *became registered users of the Platform (hereinafter – **Users**);*
 - b. *the User’s identity has been confirmed in accordance with the conditions of the Rules.*
4. The Operator, who administers the Platform provides the technical possibility to conduct the Claim rights transference transactions through the Platform. Agreements are conducted in accordance with the laid down Rules and procedures. These procedures stand as an integral part of the Agreements. In case these Rules are contrary to the Agreement, Agreement provisions are applied.
5. Users are also subject to the Operator’s privacy regulations (hereinafter – **Regulations**), which can be found here or [here](#). The Privacy Policy is an integral part of these Rules and it must be read and used in conjunction with these Rules.
6. Before starting to use the Platform and the services provided by the Operator, please carefully read these Rules, including the Regulations, and make copies of these documents for future use. By registering and using the Platform and the Operator’s services you confirm that you have read, understood and agreed to these Rules and Regulations (including changes to these documents, which can be made in the future).
7. The User who in working as a legal person or on behalf of other subjects’ interests must properly and in compliance with legal claims be authorized to use the Platform and when conducting respective transactions, including Agreements.

II. REQUIREMENTS FOR USERS, THEIR RESPONSIBILITIES AND APPROVALS

8. The Primary creditor may be a person who has properly issued a credit or any other type of loan to the Borrower under the Credit Agreement and seeks to sell the legal Claim rights resulting from it to the Funders. A Funder can be a natural or a legal person or other subject seeking to acquire the Claim rights.
9. Only registered and identified User whose User account is confirmed by Lenndy and is entered into this Agreement, are entitled to use the services offered by Lenndy on the Platform.
10. Prior Registration Form submission to the Platform and entering into the Agreement, the User (Primary creditor and Funder) shall confirm it complies with the following criteria and always will comply during the validity of the Agreement:
 - a) the User is a natural person or representative of the legal person;
 - b) if the User is a natural person, the User must be at least 18 years old;
 - c) the User must have a User’s Bank Account, and the User shall be authorized to freely dispose with the such account and funds stored therein;
 - d) no insolvency procedures of the User have been commenced or declared;

- e) pursuant to a judgment that has taken effect, the User does not have limited legal capacity due to disorders of mental nature;
 - f) the User shall acknowledge that, at the time of submitting the Registration Form and at the conclusion of the Agreement, it is fully legally capacitated and is not under the influence of alcohol, drugs, psychoactive, toxic or other intoxicating substances;
 - g) the User is a true beneficiary of the funds stored in the User's bank Account and the funds are legal origin and are not acquired as the result of a criminal offence, either directly or indirectly, or related to financing of terrorism or an attempt of such activities.
11. The User shall register with the Platform, by completing the Registration Form and confirming present Terms and Conditions. After the User registration and confirmation from Lenndy side the User's Profile and Account is automatically created on the Platform.
12. The Operator has the right to require the User to provide all necessary information and documents, including information and documents related to the User's person for additional identity verification or in order to perform appropriate actions with third parties. If the User refuses to provide the Operator with the information and documentation requested, the Operator shall refuse the registration of the User, and in the case when involves an already registered User – terminates its rights to use the Platform, in accordance with the requirements of these Rules.
13. Access and use of the User Account is possible when Lenndy has identified the User by the User's e-mail address and password indicated at the moment of Registration Form submission. Upon registration of the User on the Platform the User is provided by User's ID number.
14. To conclude the Agreement, to use services offered by the Platform and to acquire Right to Claim, the User shall ensure Lenndy with all required information in order to enable Lenndy to identify the User according to Paragraph 3.
15. The Operator has the right in its sole discretion to refuse registration of Users, or to set additional requirements for User registration, as well as to amend the requirements of this part's Paragraph 2.
16. The User's Account is private, and only the owner of the Account is authorized to enter into and use it.
17. The User, upon registration on the Platform, confirms that he has:
- a) *got fully acquainted, understands and agrees to these Rules, including the Regulations;*
 - b) *has provided the Operator complete and correct information when registering on the Platform with the intent to use the Operator's provided services;*
 - c) *that the conducted Agreements will express the true will of the User and will be mandatory to the User;*
 - d) *when conducting Agreements, one will assess the risks and suitability of the transactions and in addition, upon need, will use help of specialists;*
 - e) *when conducting Agreements one shall not act as a user, understands risk regarding the conducting transactions (including the likelihood if the risk becomes true, the User will not be able to retrieve one's investment and will not get the expected profit), and operates at own risk;*
 - f) *understands that the Primary creditor, rather than the Operator, will provide information and associated risks about the proposed to acquire Claim rights on the Platform;*
 - g) *will personally make payments of fees, related to proceeds gained from conducted Agreements to the State budget and the Operator shall not make any deductions or tax detentions from Users, unless it is provided in accordance with applicable legislation of the Republic of Latvia;*
 - h) *these Rules and Regulations reflect the true will of the User, the User agrees to the Rules and Regulations without being under the influence of alcohol or other psychotropic substances and has had the chance to make use of independent legal or financial advice for evaluating these Rules and Regulations;*
 - i) *understands that the Operator administers the Platform and does not accept responsibility that the Funders' invested funds to acquire the Claim rights may be not given back due the Borrowers*

financial difficulties or other circumstances for which the Borrower or the Primary creditor are personally responsible;

- j) understands that the acquisition of the Claim rights arising from a secured Credit Agreements, and upon realization of the Agreement's obligations security, the Funders may not get back all of their funds invested through the Platform and will not receive the expect return on investment in accordance to the Agreement;*
- k) gives consent to the Operator to unilaterally deduct sums due from the User's account according to these Rules, Agreements and other related documents;*
- l) agrees that the bank or other financial institution (where bank account opened on behalf of the User) could forward all available data and information about the User, including copies of identification documents, if this information is needed to the Operators in order to determine the User's identity and for the implementation of other requirements of Republic of Latvia Money Laundering and Terrorist Financing Prevention Acts.*

18. Upon registering on the Platform, the User undertakes to:

- a) use the Platform and the Operator's services only for legitimate interests, not to use the Platform for money laundering and (or) financing of terrorists, not to cause loss to other Users and the Operator, to respect other Users, adhere to moral standards and act in good faith;*
- b) to use the Platform and the Operator's services providing only the correct and accurate information and with not intending to mislead other Users and the Operator. Notify the Operator of the changes in provided information and to update the information to the Operator that may be relevant to the Agreement implementation;*
- c) To keep the Platform login information secret and in any case not to reveal it to third parties, and in case of threat where third parties may have acquired said information, to immediately change it. To immediately inform the Operator if a third party has gained access to a User account on the Platform or if to information provided to the User by the Operator. If due by third parties gained access to the User's account damage was caused to other Users and (or) the Operator, it is considered that these actions were made by the User himself, and that he undertakes to reimburse all the direct and indirect losses, including to enter into legally binding commitments arising from the actions of third parties;*
- d) not to collect contact information, including but not limited to e-mail addresses or other personal data about other Users, except for as much as it involves the Agreement conducted through the Platform;*
- e) not to attempt to contacts the Borrowers and to inform them of conducted Agreements;*
- f) implement Agreements and (or) other related obligations in accordance with conditions laid down in Rules and (or) the Agreement;*
- g) to communicate with other Contracting parties only within the Platform or through the Operator unless the Operator has given written consent to the User to communicate with the other Contracting parties directly;*
- h) to waive or otherwise not to ask other Users to meet the financial obligations under the Contract otherwise than specified in these Rules. The Users can make Such actions directly only if the Operator has given the prior written consent;*
- i) without written consent of the Operator, in the Platform, to discourage advertising of other identical or similar Platforms, or other sources of funding;*
- j) not to transfer or adopt in the Platform all the data that could include software viruses or any other code, files or programs designed to prevent, restrict or damage the Platform or its hardware, software and communications equipment functions, including applications that automatically track, use and (or) store the information on the Platform;*
- k) without the written consent of the Operator, not to include in the Platform another site links unless it is associated with the sale of Claim rights;*

- l) *not to violate the Operator's requirements of the use of User's Account;*
- m) *not to refine and otherwise not to affect Platform's additional systems or use other systems in order to connect to it, while using the Platform;*
- n) *to comply with legal requirements and, while using the Platform and Operator's services, to operate only with legitimate interests;*
- o) *to assume personally all the costs, fees, taxes and charges, which stem from the Platform and (or) use of the Operator services.*

III. USER REGISTRATION AND CONFIRMATION OF TRANSACTIONS

19. User, who wants to use the Platform and Operator services, must register on the Platform. Platform registration is free.
20. During the registration Lenndy shall identify the User before providing services. The identification of the User shall be accomplished according to one or several of the following procedures:
 - a) by uploading identification documents of the User and providing additional information:
 - for User natural person – scan of valid passport or ID card (both sides), name, surname; date of birth; personal identity number; number and date of issue of the personal identification document, state and authority which has issued the document; information whether a User or a User's family member or a close person is a politically exposed person; a scan of power of attorney or other document, which confirms representative right to represent the person; e-signature data (if applicable); address in the country of tax residence; country of tax residence; e-mail address; phone number; other required information by the Law on Prevention of Money Laundering and Terrorist Financing of the Republic of Latvia (hereinafter – **Law**);
 - for User legal person – scan of Registration Certificate or an extract of registry; Articles and Memorandum of Association (the incorporation document); document, which enables to identify a person and confirms his right to represent the legal person (extract of registry); document (extract of registry or company's management body signed statement), which enables to identify a shareholder (name, surname, date of birth, tax resident, number of shares); a picture of a representative ID card (both sides) or a scan of passport; legal person's registration number; representative title, name, surname, personal identification number, email address, date of issue of the personal identification document; on the registered address and, if it differs from the registered address, the actual place of performance of economic activity of the legal person; whether a representative or beneficial owner is PEP or its Family member of PEP or Person closely associated to PEP; other required information by the Law on Prevention of Money Laundering and Terrorist Financing of the Republic of Latvia (hereinafter – **Law**).
 - b) User ensures that first payment into Lenndy's Bank Account is made from User's bank account opened with the credit institution registered in the country to which the requirements arising from European Union legislation for the prevention of money laundering and terrorism financing apply;
 - c) obtains the acknowledgment from credit institution or financial institution registered in another country, which apply requirements arising from European Union legislation for the prevention of money laundering and terrorism financing, on the fact that the customer has a business relationship with the credit institution or financial institution and the credit or financial institution has made the identification of the User in person;
21. In order to identify the User adequately, Lenndy may, at its sole discretion, at any time request to the User to submit documents or information confirming the User's identity and unilaterally determine any additional requirements for the User's identification.

22. During the registration the User provides the Operator with the User's, as Platform user's, name and a User password, which will be used to connect to the Platform and adopt documents, and for other actions within the Platform.
23. During the registration, the User will confirm registration by clicking a hyperlink, sent to the personal e-mail, thus completing the registration process. This Agreement between Lenndy and the User shall be deemed entered into and it shall become effective at the time when Lenndy has generated the Agreement and the User has confirmed the present Terms and Conditions as well as Lenndy has identified the User according to Paragraph 3. At any time the User can examine the concluded Agreement and all concluded Assignment Agreements in the User's Account. In the absence of the Agreement referred in paragraph 2 of this part, and (or) without User identity, as specified in paragraph 3 above, the User cannot use the Platform and Operator Services.
24. The Registration Form completed in compliance with procedures established in the Terms and Conditions and depositing funds in the Lenndy's Bank Account confirms that the User wishes to use the Platform and receive the services offered pursuant to this Agreement.
25. The User's activities performed within the Platform after entering the User's e-mail address and password shall be regarded as the User's signature or acceptance. All payments, payment orders, instructions, applications, agreements, as well as other documents confirmed or submitted by the User on the Platform after entering the User's e-mail address and password shall be binding to the User as well as Lenndy.
26. The Operator at his discretion determines the User requirements, as of the Platform User, for the name and password of the account in the Platform (i.e., letters and (or) the number of combinations). The Operator also has the right, for security or other grounds, at any time to require the User to change the User account password in the Platform.
27. The User's, as Platform User's, name and User account password in the Platform is the User's personal data, which is used every time you log on to the Platform, supporting Platform's documents and information, and (or) the performance of other actions. This data cannot be transferred to third parties without the prior consent of the Operator.
28. The User's, as a Platform user's, name and password are confidential and User must ensure the security of such data. Presumed that the person who uses the User's, as a Platform user's, name and User's password, must have all necessary User credentials issued in accordance with the legislation, which gives person a right to use the Platform and Operator services, and to enter into Contracts on behalf of the User and his interests. The User is in all cases responsible for the actions of such person using the Platform and Operator services. Any such data security breaches, loss, theft or unauthorized use cases must be immediately reported to the Operator via e-mail or telephone using the contact details referred in Paragraph 1.
29. Lenndy is entitled to, however is not obliged to, block access to the User's Account in cases, when Lenndy suspects that the User's Account has been accessed without due authorization, including, if Lenndy suspects that the User's password has become known or may have become known to a third party or Lenndy has suspicions of the execution of illegal transactions, as well as in other cases at the discretion of Lenndy, in order to ensure safety of services, inviolability, confidentiality of the User and/or other Lenndy clients or to prevent losses that might be inflicted upon Lenndy or the User.
30. Lenndy shall be entitled not to approve the registration, if:
 - a) the User fails to comply with the present Terms and Conditions;
 - b) Lenndy has suspicions about the identity of the User, and Lenndy has not been able to contact the User to confirm the content of the transaction;
 - c) the User's instruction is unclear or distorted due to interruption in communication.
31. By registering, the User will confirm that he agrees with the Rules and Regulations, and will submit the required approvals and consents:
 - a) *The Operator met the terms and conditions;*
 - b) *The User gives a consent to the Operator to handle the User's personal data;*

- c) *The User irrevocably agrees and points out that, under the Agreement, the Operator proceeds to transfer funds from the User's account on the Platform;*
- d) *The User agrees and gives the Operator the right to initiate further steps that are implemented by the credit institution, payment institution or electronic money institution:*
 - (i) to limit the use of a User's account on the Platform and to transfer it to the appropriate Primary creditor, when the Contract is concluded;*
 - (ii) After maturity limits under the Contracts, to include the Primary creditor, money, which is in the User's account for Funders and (or) Operators, where applicable under the Agreement.*
- e) *The User agrees that, by registering to the Platform, he provides Operators with rights and consents to these Rules and agrees that the Operator has the right to transfer these rights and permissions to another person;*
- f) *The User accepts that the Operator, to the extent necessary for the execution of contracts, has the right, with his name and interests, to carry out any actions, any decisions, including, but not limited, to conclude agreements and represent Users to a third party;*
- g) *The User agrees that the Borrowers will not be informed about sale of Claim rights in the Platform, except as provided in these Rules (for the purposes of clarity, this provision applies to both Funders and the Primary creditors, as well as Operators);*
- h) *The User agrees that will not reveal any personal information about the Borrowers to Investor, including any other data that makes it possible to identify the Borrower.*

IV. PRIMARY CREDITORS

- 32. Primary Platform creditor may sell only one claim which arises from Credit agreements. Operator reserves the right in its sole discretion to refuse to sell the Claim rights in the Platform to the initial creditor.
- 33. The Primary creditor, using the platform, is able to sell only the Claim right that are approved by the Operator. For clarity, only after approval of the Operator, in the Platform an opportunity, for the Funders to purchase relevant Claim rights, is announced.
- 34. The Primary creditor, who aims to sell the Claim rights through the Platform, must:
 - a) *complete and submit to the Operator the required special form of the intended sale of the Claim rights as prescribed above in paragraph 4;*
 - b) *accept the Agreement and other relevant provisions of the documents.*
- 35. The Primary creditor, in order to sell the right of Claim over the Platform, must fill out a special, on the intended sale of the right of Claim, registration form, which states about:
 - a) *the main contract, from which the Claim rights and financial parameters arise;*
 - b) *information about the credit risk associated with the relevant provisions of the Claim rights;*
 - c) *A Borrowers' credit rating;*
 - d) *historical information on the Credit contract performance, if any;*
 - e) *collateral obligations applicable to the Debtor's obligations, under the Credit agreement enforcement, if true;*
 - f) *the Claim rights sale price;*
 - g) *other.*
- 36. The Primary creditor, along with the completed form, must be submitted in the form specified documents (e.g. a standard model of Credit agreement), and other, about the Primary creditor, information necessary for the publication in the Platform, and the rights of Claim that are on sale.

37. The Operator, after receiving the completed special registration form and other related documents about the Primary creditor and the intended to sell rights of Claim, reviews and verifies the provided information in accordance with these Rules and principles set in part 5.
38. The Operator has the right to demand the Primary creditor to provide all necessary information about the Primary creditor and intended to sell Claim rights, which is not specified in the special registration form and (or) documents, that have not been or are not provided together with this form. If the Primary creditor refuses to provide information required by the Operator, and (or) documents, the Operator has the right not to publish in the Platform about the relevant sales.
39. The Operator, after assessment of the special registration form with the information, and other related documents, shall be entitled to review and propose other sale conditions of Claim rights than the initial wishes of the creditor. If the Primary creditor does not agree with the proposed conditions, the Operator has a right to refuse to publish in the platform about the sale of Claim rights.
40. The Operator, after assessing the Primary creditor's, in a special registration form, provided information and additional information and (or) documents, if any are required by the Operator:
- a) *confirms the Claim rights sale through the Platform and provides the Primary creditor to review formed information on the rights of sale, which will be published on the Platform, and asks to activate the Claim rights sale in the Platform by entering the Primary creditor's password used to connect to the Platform;*
 - b) *rejects the request of the Primary creditor to allow the sale of the right of Claim through the Platform. Before activating the Claim rights sale, the Primary creditor must express his will to agree that the Claim rights sale publication in the Platform is considered to be a proposal of Primary creditor to all Funders, to acquire relevant provisions of the Claim rights through the Platform under the specified conditions (Primary creditor shall mark in the Platform system that there is a binding offer for the Funders). Consent for approval is when entering the password, used to connect to the Platform, again.*
41. The Operator has the right to reject a request to sell the rights of Claim over the Platform in its sole discretion, without giving any explanation.
- The Operator will always reject the request of the Primary creditor, if:
- a) *in paragraph 3 above determined requirements are unachievable;*
 - b) *the Primary creditor does not provide to the Operator all the information and (or) documents under these Rules;*
 - c) *the Primary creditor provides false or inaccurate information;*
 - d) *suspects that the Primary creditor seeks to take advantage of the Platform and Operator services for illegal purposes.*
42. The Primary creditor is prohibited to inform the Borrower of the Claim rights sale, as well as to provide Funders with any information which is linked with the identity of the Borrower, including information that would help to identify the Borrower. Also, the Primary creditor is not allowed to provide Funders with information on current security measures applicable to the Claim rights, if such information would allow the identification of the Borrowers. Any disclosure of the identity of the Borrower is only possible in cases and order under these Rules. The Primary creditor, who violates this requirement, he undertakes to compensate all losses incurred by the Operator, including the loss of revenue, if due to such violation the Operator is prohibited from operating the Platform.
43. The Primary creditor undertakes to inform the Operator no later than within 5 calendar days and in writing (e.g. e-mail):
- a) *about any changes of data about the Primary creditor, including contact information, and (or) announced Claim rights sale in the Platform;*
 - b) *about the Borrower's and / or mortgagor's financial deterioration and (or) any circumstance that reduces or may be a threat to the Funders to recover the funds, used to acquire the Claim rights;*

- c) *any court or arbitration and (or) other process (e.g. recovery and so on) concerning the specific Claim of rights acquired by a Funder, if this could impair the Borrower's and/or mortgagor's financial position or pose a threat to Funders ability to recover the funds used that were used for acquiring of the Claim rights.*

V. PRIMARY CREDITOR'S, BORROWER'S AND CLAIM RIGHTS ASSESSMENT

- 44. The Operator does not perform neither the Borrower's, nor other and/or mortgagor credit assessments, neither analyzes the Borrower's and/or the mortgagor's Claim rights rules that can be purchased through the Platform. The Primary creditors are responsible for the proper Borrower's and/or the mortgagor's credit rating of the Borrower and/or the mortgagor, and for the providence of the relevant information to the responsible Primary creditors. The Borrower's and/or mortgagor's and the Borrower's and/or the mortgagor's credit ratings are checked in accordance to the Primary creditors' applied inner procedures that reliability and accuracy are not evaluated by the Operator. Operator's obligations with regard to selling the Claim rights assessment, are limited by the need to verify the following:
 - a) *The Credit Agreement was actually made with the Borrower;*
 - b) *The Credit amount under the Credit agreement was actually provided to the Borrower;*
 - c) *The Credit Agreement and/or obligation's security agreements are not being disputed in court or does not have a started recovery procedures applicable to these agreements;*
 - d) *Claim rights under the Credit agreement are not restricted and transferring through the Platform is available.*
- 45. The Operator performs limited Primary Creditor's juridical examination:
 - a) *Makes sure that Primary Creditor is properly established and working company;*
 - b) *The Primary Creditor is not being sued for bankruptcy or case of restructuring.*

VI. USERS' ACCOUNTS AND PERFORMING PAYMENTS

- 46. The User shall be entitled to add funds to the User's Account only on his/her/its own name, by wiring the funds from the User's Account to Lenndy Account.
- 47. When adding funds to the User's Account, the User must indicate the User's ID Number indicated in the User's Profile as the purpose of payment. If the User makes a payment without indicating the User's ID Number, then Lenndy shall be entitled to consider such payment as non-executed before it is identified.
- 48. For each User personal account that is created in the Platform with purpose to register the obtaining/transferring the Claim rights history and other financial information. Account also represents information received from the bank, payment institution or electronic money institution about the User's money in User's Account, present fund's balance, which the User may dispose accordingly obtaining/transferring the Claim rights through the Platform and using the Operator's provided facilities. The User may have just one individual account in the Platform.
- 49. In the Platform acquiring the Claim rights, during the Primary creditors transferring the Claim right's price, during the Funder's recovery of funds, used acquiring the Claim rights, and other odd money, paid for Operator paying fees for using the Platform and other services, by using the bank, payment institution or electronic money institution system's infrastructure.
- 50. When the Funder decides to acquire specific the Claim rights and this will expressed through the Platform's system, the relative Funder's money amount, present at his User's account, in accordance with the Agreements setup, is transferred to the Primary creditor to his Account.

The Primary creditor, under the Credit Agreement received credit payment for the Borrower, transferred to his User's account or directly to the Operator. The Operator these the Borrower's returned funds automatically figure in for the Funder in his Account. Funds from the Primary creditor's Account are debited in accordance with the Agreement's established credit under the Credit Agreement repayment graph (hereinafter – Graph) and these Rules provision.

51. The Users of money, present in the User's accounts, may dispose of at its discretion, if by these funds disposal for the purpose of the Platform to acquire the Rights claim is not limited. For clarity purposes, the Primary creditor's money funds, transferred to his Account, are automatically credited for Funders and Operators under the Agreement's setup and (or) the Rules and the established Graph, when the time limits are expired for Borrower to pay the Primary creditor in accordance with the Credit Agreement.
52. The User's money funds do not belong to the Operator. The Operator is just an administrator of the Platform, who, under the Users through the Platform initiated payments, transmits information to the bank, payment institution or electronic money institution to make payment between the Users and (or) pay off the Operator for performed services. Operator's performed actions are not and cannot be seen as a payments services or related functions performance.
53. The Users must immediately inform the Operator about erroneous inclusions to User's Accounts or from such accounts transcribed funds, as much as it is related to the Claim rights acquirement under the made Agreements.
54. The Users and Operators and (or) other third parties funds in all other cases are separated and kept in separated bank accounts.
55. It is illegal to deposit funds gained through unfair means into the User's Account. In case of such suspicious transactions, the relevant authorities shall be notified, and this can lead to freezing all funds on the User's account, as well as to closing of the User's account and confiscation of funds if ordered by appropriate authorities.
56. If at the time of registering the User or during the period of validity of the Agreement, suspicions arise about money laundering, terrorism financing, or an attempt at either of these activities to Lenndy, Lenndy shall be entitled to not register a User on the Platform, not accept funds from the User and/or block access to or close the User's Account.

VII. CLAIM RIGHTS TRANSFER PROCCESS

57. The Funder's acquires the Claim rights through the Platform by on its own accordance choosing in Platform sold Claim Rights. The Claim rights also may be acquired when the Funder chooses automatic Claim rights function – the Platform's system under the Funders established criteria's automatically buys in accordance with established limits using the Funder's funds present at his User's account through the Platform transferring the Claim Rights.
58. In the Agreement the Borrower is not stated, information about his identity is not presented, as well as adjusted security measures detailed information and other information that would help to identify the Borrowers identity. This information is controlled and reserved by the Operator. The Operator also ensures that information about changed Funders, when there are set up Claim Rights sails on the secondary Operator's market, would be relevant and refreshed in real time as seen as the Agreement party's changes are made. In order to ensure that discussed information about the Borrower and the Funder would be properly protected, the Operator in his IT system has installed specific data encryption protocols, whilst servers match Tier 3 safety requirements. It should be noted that all information about the Agreement parties is also kept safe at Donatas Šatkauskas. That is why in case of the Operator's bankrupts, Donatas Šatkauskas will have all relevant information about the made Agreements and he will give to bank administrator as well as he will inform the Funders, the Primary creditors and the Borrowers about the Claim right's transfer fact and following terms under the Agreement administrating.
59. The Operator, by announcing about possibility to acquire the Claim right through the Platform, provides the Funders with the completed Agreement. The Funders, before acquiring the Claim rights and making

the Agreement, must confirm acceptance with the Agreement's provisions repeatedly entering his password, used for connecting to the Platform.

60. The Funders, by using the Platform, establish what size the Claim right they intend to acquire from the Primary creditor. After choosing the Claim right size and expressing the will for the Agreements making, adequate the Funders money amount is transferred from his User's Account to the Primary creditor. On the purpose of clarity, the Agreement will be considered as made from that moment, when the Funder's money amount will be included to the Primary creditor's User's Account, unless it is not sated differently in the Agreement. After making the Agreement, the Operator presents to the Funder the certificate, which ensures, what size Claim right was required by the Funder (hereinafter – **Certificate**).
61. If the will to acquire certain Claim rights expresses itself to more than one Funder, it is considered that the will was expressed in chronological manner till that moment, until first in line the Funder's money amount is included to the Primary creditors User's Account. If first in line Funder's funds are not enough to acquire such Funder's pursuing to acquire the Claim Rights amount, unacquired Right claim's part is returned to the Platform and is available to acquire for every Funder.
62. The Primary creditor, in accordance with this part of the Rules establishment, the Claim right's price from the Funder's User's Account are transferred immediately, however transfer may be delayed up to 24 hours. By transferring the Claim right's price, established taxes are charged in accordance with these Rules 8 section.
63. In the Agreement the Funders are not stated, information about their identity and their certain acquiring the Claim right's share is not provided. This information is controlled and reserved by the Operator, who ensures that information would be relevant and refreshed in real time, if there are any changes between the Agreement parties. In order to ensure that this information would be properly protected, the Operator in his IT system installed specific data encrypted protocols, whilst servers match Tier 3 safety requirements.
64. After the Agreement is made, the Operator gives a unique number to the Agreement. Together with all the Agreement's parties to, at process of their registration to the Platform specified electronic mail address, are sent Agreements and other related documents, including the Certificate and the Graph, transcriptions (in PDF format). These transcriptions are also provided to the User's personal account at the Platform.

VIII. APPLICABLE FEES AND BORROWERS REPAY OF CREDIT DEPOSIT

65. The Primary creditor, related to the Agreement with the Funder, commits to pay the Operator the Agreements making fee, which size is established in separated agreement, made between the Operator and the Primary creditor. This fee is charged from the Primary creditor to his User's Account transferred funds, when the Agreement is made. For clarity purpose, the Funders are not charged with any Operator's fees.
66. The Operator presents the Primary creditors accounts just in electronic format. Fail to present an account does not relieve the Primary creditor from responsibilities to pay off the Operator in accordance with this sections 1 partice.
67. Fees charged by the User's financial institution for money transfer between bank/payment institution account and his User's Account and the Operator's accounts are covered by users account.
68. The Borrower under the Credit agreement repays credit and applicable interest and penalties, if relevant, to the Primary creditor. The Primary creditor received amounts transfers to User's Account. This money amount the Operator allocates to the Funders proportionally according to their available Claim rights parts. The Borrower repays credit according to the Graph that is given with the Agreement. If the Borrower misses a payment deadline, established under the Graph, the Credit Agreement provisions are applied due to improper obligation performance. If under the Graph paid the Borrower's amounts are not enough to cover all Funder's claims at the day of payment under the Graph, received amount is allocated proportionally for every part of the Funder's present Claim rights.

69. The Primary creditor from the Borrower received amount in accordance with the Agreement must transfer to his User's Account, so that money would be credited to User's Account no later than the next day, following after payment day under the Graph, 12:00 hour.
70. The Primary creditor has the right to pay all payable amounts under the Agreement, including payable amounts to the Operator for provided services and usage of the Platform, at any given time without any restrictions, before that in written manner informing the Operator and receiving from the Operator confirmed payment amounts size.

IX. DELAYED PAYOFF FOR FUNDERS AND PRIMARY CREDITORS BANKRUPTCY

71. If the Borrower does not pay payable amounts to the Primary creditor under the Graph, given with the Agreement, the Primary creditor under in the Agreement established principles on his discretion administrates the Credit Agreement acting in the best Funders interests and for their benefit.
72. If the Primary creditor does not pay off to the Funders in accordance to the made Agreements and because of it is not the fault of the Borrower's, the Operator has the right to take over the Credit Agreements administrating. After takeover of administration, the Operator or Operator's invoked third party has the right to disclose the Claim rights transferring fact to the Borrowers and give to the Borrowers requirement to pay off to Funders in accordance with their available Claim rights directly. In this case, the Primary creditor undertakes to use its best efforts and take all possible actions to ensure that obligations security agreements in accordance to the Operator's instructions would be transferred to and (or) properly registered for the Funder's benefit.
73. In case of the Primary creditor's bankruptcy, the Operator takes over the Credit Agreements administration, gives all information about the Agreements, in which one of parties is going bankrupt the Primary creditor, to bankruptcy administrator and informs the Borrowers about the Claim right's transfer fact and gives requirement to pay off to the Funders in accordance with their preset Claim right's directly.
74. If it is established in the Agreement, the Operator has the right to demand, that the Primary creditor by in the Agreement established procedure would redeem the Claim right or part of it from the relative Funders (i.e. to implement the redeem right – buyback).

X. SECONDARY CLAIM RIGHTS TRANSFER MARKET

75. The Funders have the right to their acquired Claim rights in order to transfer it to other Users that are in use of the Platform's infrastructure – Operators secondary market.
76. During the Claim right's transferring in to the Operator's secondary market, the new Funder has the right to familiarize with the Agreement and it's performance and other related information, which presentation is secured by the Primary creditor and the Operator.
77. After transferring the Claim rights, the new Funder has the right to all current and future payments and rights in accordance with the Agreement. All payments in accordance to the acquired Claim rights are paid to the new Funder's User's Account.
78. The new Funder, after acquiring the Claim Rights in the Operator's Secondary market, becomes a party to the legal relationship with the Primary creditor, the Operator and the Primary funder to the extent that the Primary funder was, after selling the Claim rights. The new Funder acquires all rights and obligations that the Primary funder had after selling the Claim rights.
79. The Primary creditor agrees, that the Funder has the right to sell the acquired Claim rights in the secondary Operator's market.

XI. AUTOMATED SALE OF CLAIM RIGHTS

80. The Funder has a right to initiate an automated sale of Funder's claim rights, deriving from the Agreement, through the Platform to the institutional investors or other persons with whom the Operator has concluded an agreement.
81. Automated buy-out of claim rights is applicable to all loans that are not overdue and published in the Platform. Loans that are overdue may be bought-out from the Funders through the Platform if the Funder receives an individual offer.
82. Buy-out of claim rights is executed by paying 5% fee calculated from the total amount of the claim rights to be sold. The fee is paid to the institutional investors or other persons, with whom the Operator has concluded an agreement. The fee might differ when an individual offer is provided to the Funder for buy-out of claim rights deriving from overdue loans.
83. Buy-out of claim rights process shall be executed within 30 days after Funder initiates it. In case of reasonable basis, the Operator has a right to extend the buy-out period up to 90 days on its discretion. The Operator shall not be obliged to complete the buy-out process and shall not be held liable in circumstances where the buy-out process fails. For the sake of clarity, the buy-out process directly depends on the financial capabilities of institutional investors or other person with whom the Operator has concluded an agreement.
84. The Platform shall have a right to suspend the automated buy-out of claim rights, if it might pose risk to ensure continuity of the Platform and security of Funders' interest due to a market, regulatory or other circumstances, including those that do not depend from the Operator.
85. In the event of successful buy-out of claim rights, provisions specified in Part 3 and 4 of Chapter 10 of these Rules apply *mutatis mutandis*.

XII. APPROVAL OF THE TRANSACTIONS AND OTHER DOCUMENTS

86. The User, making the Contracts or approving of other actions that are performed on the Platform, gives the suitable consent by re-entering his/her personal password used to log in to the Platform. The User, by entering his/her password, expresses the irrevocable will to approve/conclude the Agreement on the Claim rights' purchase/sell or to perform another action using the Platform and the Operator's services.
87. The Agreement on the Claim rights' transfer is considered signed by the Borrower, when the Claim rights' project is reconciled between the Operator and the Borrower, is placed on the Platform's web-site and becomes accessible to the User. So far the Agreement on the Claim rights' transfer is considered signed by the Financier, when he/she transfers the Claim rights' transfer price to his/her electronic money account.
88. In cases specified by the rules or on the Operator's request the User shall in written or notarially confirm the Agreement on the Claim rights' transfer, Contract or other actions related to the procedures on the Platform or performed by the Operator.

XIII. PERSONAL DATA

89. The Users, by agreeing with these Rules in order to use the Platform and the Operator's services, agree that the Operator would manage their personal data according to the Regulations. The Users give the Operator the right to manage the Users' personal data in the purposes and scope specified in the Regulations as well as on the basis and by the methods specified in the legislation.

90. Lenndy is entitled to process all User's personal data received from the User (registered in the Data State Inspectorate of the Republic of Latvia), as well as to hand over to and receive the User's personal data and other information from third parties, databases, registries (such as the Population Register, State Social Insurance Agency, etc.) and to process it.
91. The purpose of processing the User's personal data is keeping User's records, offering, rendering and maintaining services, financial and statistical analysis, exercising and protection of the rights of Lenndy and/or User arising from the Agreement.
92. Lenndy is authorized to disclose the User's personal data:
- a) to any person related to the fulfillment of commitments arising to Lenndy from the Agreement (including to communications service providers, payment intermediaries, credit institutions, IT service providers, etc.);
 - b) to outsourced service providers that Lenndy has engaged in the provision of services arising from the Agreement, insofar as such information is necessary for the performance of functions delegated to them;
 - c) to personal data operators registered in the Data State Inspectorate of the Republic of Latvia of personal data processing systems, the supervisor whereof is Lenndy, insofar as such information is necessary for the performance of functions delegated to them;
 - d) upon handing over (transferring) a Claim;
 - e) to a third party, who is taking debt collection steps to recover debt from the User (such as debt collectors, lawyers, court bailiffs, insolvency administrators, etc.);
 - f) to Lenndy legal, accounting, or auditing service providers, ensuring that the said persons have undertaken not to divulge such information.
93. The User shall agree that Lenndy is using the address, e-mail address, and/or telephone number indicated on the User's Profile to send commercial communications about the products or promotions of Lenndy or companies affiliated to Lenndy.
94. Lenndy is authorized to call and send text messages (SMS) to the telephone number having the connection of a mobile communications operator as indicated on the User's Profile, to send e-mails to the e-mail address indicated on the User's Profile, as well as to dispatch mail to the User's mailing address to reach the User.

XIV. THE OPERATOR'S AND THE USERS' CONTACT INFORMATION

95. The Operator's contact information:
- a) *address: Gobas iela 9 – 1/2, Rīga, LV-1016;*
 - b) *e-mail: hello@lenndy.com;*
 - c) *telephone: +370 626 14314.*
- You also can connect to the Operator by sending the message through your personal account on the Platform.
96. The Operator contacts with the Users using the Users' contact information presented by them during the registration on the Platform. The User must immediately notify the Operator on his/her contact information change or update it in the personal account on the Platform. If the User does not notify the Operator on his/her contact information change or does not update it in the personal account on the Platform, the notification presented to the User in accordance with his/her contact information is considered properly delivered. The user agrees that the operator would send the notifications by the automatic dial-up networking that does not require human participation or by fax.

97. The Operator's notification presented to the User in accordance with his/her contact information is considered delivered on the 3 (third) day after the sending. If the notification is presented via the Platform or el. channels – the same day.

XV. TERMINATION OF THE LEGAL RELATIONS WITH THE USERS

98. The Operator has the right to terminate legal relations with the Users and do not allow to use the Platform and the Operator's services in the cases specified in these Rules and Contracts, including, but not limited to, the following cases:

- a) *if the User fails to fulfil his/her obligations under the Regulations and (or) the Contracts;*
- b) *if the User presented or presents incorrect, false and (or) incomplete information / documents, related to his/her personal rights or the Claim rights;*
- c) *if the Agreement on the Claim rights' transfer would be contrary to the good moral or obviously would violate the Sponsors' interests;*
- d) *if there is a suspicion that the Users' activities related to the use of Platform and Operator's services are incompatible with the legislation requirements.*

99. The User's relationship with the Operator can also be terminated on the User's appropriate request and on following conditions:

- a) *The User is not a party of any valid Agreements;*
- b) *The User does not have any financial liabilities to any User and (or) Operator regarding the concluded contracts and the use of Platform and (or) Operator's services;*
- c) *The User does not have any financial requirements to any User and (or) Operator regarding the use of Platform and Operator's services.*

100. The operator has the right to limit the User's right to use the Platform and the Operator's services, including the full User's removal of the Platform, and to take other actions which the Operator deems necessary, including, but not limited to, his/her rights' and obligations' as of the Operator' suspension or non-performance, if such Operator's action or inaction is necessary to ensure the Platform's functional operation and (or) the other Users' rights and obligations.

101. In all cases, when the Operator is reasonably confident that the User provides incorrect or false information about himself/herself, performs the criminal acts, including, but not limited to, performs the money laundering and (or) terrorist financing activities and (or) illegally uses the personal data that does not belong to him and in other cases. The Operator keeps the right to report about such situation to the appropriate law enforcement authorities.

XVI. OPERATOR'S LIABILITY'S LIMITATION AND INSOLVENCY

102. The Operator administers the Platform which is the information system (Technical Information Decision) and helps to sell the Claim rights via the Platform. Therefore the Operator's activities do not include:

- a) *guarantee or other assurance that the Primary creditor will be able to use the other Users' resources, and the Primary creditor and Borrower will properly carry out their financial obligations to the Funders;*
- b) *the acceptance of the deposits or the loans' or other financing providing to the Users;*
- c) *the investment or legal services' providing;*
- d) *the Primary Creditor's and (or) Borrower's and (or) Collateral giver's credit rating assessment and their credit risk assessment;*

- e) *The providence of the payment services and (or) the issuance of electronic money.*
103. The Operator also administers the Agreements on the Claim rights transfer, mediates in the communication between the parties of the Agreement and the Borrowers and / or Collateral givers in the cases and order specified in this Agreement. The Operator acts in favor of the Sponsor and his/her interests, but has the right at his/her discretion to take decisions on the administration of the Agreements on the Claim rights' transfer, the redemption right's (buyback) implementation (if provided in this Agreement) and to make decisions depending on what will be the best to ensure the Sponsor's interest according to the Operator's view and experience.
104. The Operator is only the Platform's Administrator, so the Operator is not responsible and cannot be considered guilty of:
- a) *the Users' and (or) the Borrowers' and /or Collateral givers' failure to fulfill their obligations, including the Users' and (or) the Borrowers' and /or Collateral givers' payment delays as well as of any other Users' losses caused not due to the Operator's actions;*
 - b) *his/her obligations' violation if the Primary creditor does not sell the Claim rights published on the Platform;*
 - c) *the Users' data correctness and compliance with the reality if the User is unable to publicly check or if such data verification is not included into the Operator's activity's and the obligations' under these regulation content;*
 - d) *the banks', payment institutions' or E-money institutions' actions and (or) inaction, including money's accounts' opened in these institutions using problems, these institutions insolvency, bankruptcy or other actions;*
 - e) *the third parties' actions and (or) inaction due to which quality the use of Platform or (and) the Operator's services could be disrupted and the Users would experience the losses;*
 - f) *is not responsible for the Primary creditor's actions with regard to the Credit agreement administration, as it is defined in the Agreement;*
 - g) *legal advantage, scope, content, suitability and performance of the documents used/presented on the Platform, including the documents used to make the Agreement on the Claim rights' transfer;*
 - h) *the Platform's and (or) the Operator's activity's change or termination;*
 - i) *credit rating or credit risk assessment of the Borrowers and/or Collateral givers presented on the Platform, such assessment's reality and accuracy, including other financial indicators, related to the Claim rights;*
 - j) *the Sponsors' losses if in case of the Original creditor's bankruptcy the Claim rights sold to the Sponsors are considered a part of the Primary creditor's estate and therefore the Sponsors would join the general creditors' queue of the Primary creditor;*
 - k) *the other Users' illegal behavior and (or) violation of the rules and the failure to fulfill the obligations under the Agreement;*
 - l) *the Users' losses, if they occurred in the result of force majeure, including the communication transmission, electronic data exchange and payment systems disruptions;*
 - m) *any obligations that in accordance with the current legislation, including tax legislation, may occur to the Users making and (or) executing the Agreements on the Claim rights' transfer, except of the cases when the tax legislation sets the certain necessary obligations of the tax return, withholding and (or) payment;*
 - n) *the Users' losses, if they occurred due to the changed legislation requirements, including supervision institutions' recommendations, guidelines or positions.*
105. The Primary creditor's person does not have any essence to the Operator. In contrary way the Operator, following inner rules, dedicated for interest conflict management, provides information about potential interests conflict and it's management strategy at the Platform.

106. The Claim right's selling, the Borrowers creditworthiness and the Borrower's credit risk evaluation published at the Platform is not seen as the Operator's investment's recommendation or other Operator's confirmation for the Primary creditor's and (or) the Borrower's financial stability (creditworthiness), investment to selling Claim rights, the Funder's potential to recover funds, appointed to acquire the Claim rights, potential to earn interest and so on. Such Operator's actions cannot be seen as a proposal to acquire specific Claim rights, which is published for sale at the Platform.
107. After the starts Operator's bankruptcy case, all the Claim right's sales, published at the Platform, are suspended and new Agreements are not being made. In case of bankruptcy, for bank's administrator or other person authorized the Operator gives all information about valid Agreements, all User's, that are parties of valid Agreements, contact information, that would be ensured proper valid Agreement's performance and other activity, that is necessary for User's legal relationship ensuring at extent permitted by the law.
108. All information about the Claim right's transfer agreements, valid Agreements and the User's data are duplicated on separated servers, ensuring information's security, and in case of Operator's Bankruptcy is transited to bank administrator, who will ensure the Funder's interest by further administrating valid Agreements.
109. In case of the Operator's bankruptcy the Agreements, made between the Users, stay valid.

XVII. FINAL PROVISIONS

110. The Operator has the right unilaterally change the Rules, the Regulations and other document's, used by Operator, and report about it on the Platform. Changes of document's become operative form the day it was published at the Platform and applies to all Users and all new Claim right's transferring agreements, that are made after such change's appliance. The User confirms agreement with document's changes made by repeatedly entering his password, used to log in to the Platform. The User has the right to disagree with specific changed. Such disagreement does not have an impact to his rights and obligations under valid Agreements, that one of party's is such User, but the User cannot make new Agreements and (or) use the Platform and other services of the Operator. Changes made due to technological changes or conditioned legal acts changes will apply to all agreements.
111. For these Rule's, Regulation's and other documents provided on the Platform is applicable legislation of the Republic of Latvia. For the Agreements and related documents, could be applicable foreign countries legislations.
112. All issues between Users and Operator are resolved through negotiations. The User, assuming, that due to Operator's actions suffered loss or Operator violated his rights of interest protected by law, has the right to address the Operator in written manner and ground his pretence. The Operator no longer than in 14 (fourteen) calendar days from the day of the Users pretence receiving obligates to present motivated answer in written manner. On exceptional cases, when pretence cannot be inspected during period pointed at this clause, the Operator must inform the User about it, indicate lateness to present the answer circumstances and period, to which the pretence will be investigated and the User will be given the answer. The User's pretense the Operator investigates for free. In the absence of agreeing, issue will be arbitrated in the court of the Republic of Latvia.
113. After acknowledgement of these Rules, the Agreement's and other related document's regulations not valid, it will not have effect on other Rule's, Agreement's and other related document's regulation validity.
114. Information provided on the Platform is not for spreading at other country, where such information usage would be forbidden by low or other legal acts.
115. The Platform and information provided on the Platform is secured by copyright rules.
116. Material, information and content provided on the Platform can be copied, downloaded, saved, reproduced, printed or used differently just for personal purpose of the User and just as much as it is related to usage of the Platform and services provided by the Operator.

117. English language is used on the Platform.