

# Additional terms - bonds

This is a part of the terms of service relating to bond investments, that need to be accepted in order to be able to invest in bonds through Invesdor's Service or to arrange a bond issue on the Service. There's a summary in the beginning of the terms for busy Users but we naturally recommend familiarizing with the terms in whole, so that the nature of Invesdor's services is understood in the best possible way.

## Summary

### **Target Company:**

- You ensure that you have obtained a right from the legal entity you are representing to market and execute the financing round using the Service.
- You are required to honestly give true and complete information concerning the Target, its status and previous funding.
- You acknowledge that the purpose of the Service is solely to assist you in finding suitable Investors. Legal commitments on the financing round are formed directly between the Target and Investor outside the Service.
- You will execute the financing with due care and in accordance with the information that you have published at the Service. It is your sole responsibility to ensure that the financing round is implemented in accordance with applicable laws, rules and regulations.
- You will inform Invesdor on the execution of the financing round.
- You commit to informing Invesdor on the execution of the financing round as well as providing up to date key information on the Target's operations and financial situation at least annually after the funding round.

### **Investor:**

- You will keep in confidence all confidential information received from the Target and shall use such confidential information only for the purposes of evaluating the opportunity to participate at the financing round.
- In some countries certain legal requirements may apply to Investors. It is your responsibility to ensure that such requirements are met.
- You acknowledge that the purpose of the Service is solely to assist you in finding suitable Targets. Legal commitments on the financing round are formed directly between you and Target outside the Service.
- You make the investment decision based on your own judgment and are solely responsible for the decision.

# Invesdor Oy

**These Terms of Service** determine the use of Invesdor's website [www.invesdor.com](http://www.invesdor.com) ("Website"). **The General Terms** are a part of these Terms of Service. By using the Website or other services you agree to these Terms and commit to acting according to them. The rights and obligations presented in the General Terms include to all use of the Website and other services.

The application order for the Terms related to Bonds is the following:

1. Bond's Special Terms
2. Additional Terms: Bonds
3. General Terms

In the event of possible conflict of the Terms, Bond's Special Terms are always superior to Additional Terms: Bonds and General Terms. Additional Terms: Bonds are always superior to General Terms.

## 1. Investment Process

- 1.1 After your User Account has been validated, you are able to invest or apply for a new funding round. All the funding rounds are created by validated User or by Invesdor, its subsidiaries and affiliates, tied agents or other partners.
- 1.2 Invesdor reviews all applications for funding rounds, examines all the materials, public registers and credit information registers and eventually accepts the rounds good for activation. Invesdor does not execute an actual due diligence on the Targets, such as the one executed in connection to a merger or acquisition, but mainly a fact and reputation check referred to as "Invesdor DD". Invesdor DD is described in more detail on the Invesdor DD page at <https://home.invesdor.com/en/invesdor-dd>. More detailed proof of concept of the Targets products remains the responsibility of Investors.
- 1.3 Invesdor does not necessarily check any other material than what is written or attached to the material of the funding round on the Website. This means that Invesdor does not separately review and approve, for example, webpages or social media accounts owned by others, or discussions posted on the Investor Forum. Do not base your investment decisions on these materials.
- 1.4 Accepting a Target as the Target does not signify or indicate that Invesdor would find the Target a good investment target or recommend the Target to You. Invesdor does not either necessarily believe in the Target's succeeding and is not responsible to you if the Target does not fulfil the goals it has set up for itself or otherwise fails. You make your investment decision alone and independently and are solely responsible for its consequences.
- 1.5 The only purpose of the publishing of the funding round and all the material relating to the round is to assist you in making your investment decision. You shall not use this information for any other purposes. If you breach this obligation you might be held responsible for any losses or damages incurred by you to Invesdor, the Target or a third party (including but not limited to any loss or damage to the reputation of Invesdor or to its business).

- 1.6 After familiarizing yourself with all the material related to the funding round, you are free to make an investment in the Target by clicking the button designed for this purpose in the Service. No later than when making your first investment, you are obligated to identify yourself in our Service as described in the General Terms.
- 1.7 You are able to invest multiple times in the same Target by proceeding through the investment process again. After you have provided the identification information, they will be retained as a part of your User Account and when making your next investment this information will be prefilled for you.

## 2 Investors

The terms and conditions set out in detail in this section 2 applies to you who have indicated to use the Service as an "**Investor**".

- 2.1 Investor understands, accepts and warrants the following matters:
- 2.2 The Investor is obligated to keep in confidence all confidential information received from the Target, and shall use such confidential information only for the purposes of evaluating the opportunity to participate in the funding round.
- 2.3 In some countries certain legal requirements may apply to Investors. It is the responsibility of the Investor to ensure that such requirements are met. Such requirements include requirement that the Investor is a "certified investor", "self-certified investor" or "accredited investor". Investor or the Target may require the user to provide evidence to support the fact that the legal requirements are met but Investor is under no obligation to do so or generally verify that the requirements are met.
- 2.4 The Investor acknowledges that the purpose of the Service is solely to assist the Investor in finding suitable Targets. Legal commitments on the financing round are formed directly between the Investor and Target outside the Service. The Investor has read and duly undertaken to be bound by any such agreements and undertakings as the Investor may be required by the Target to approve in connection with making the investment as well as familiarize themselves with both generally investment related and Target specific risks. The Investor acknowledges that if multiple language versions on the materials of the funding round have been published, the English version is official and other versions unofficial translations.
- 2.5 The Investor acknowledges that making an investment in the Service forms a legally binding agreement. Therefore, by making a commitment the Investor understands it shall be their legal responsibility to pay the invoice according to their commitment and to deliver all the asked personal information. The Investor cannot cancel their investment, despite when the issue terms change as explained later in Section 10.
- 2.6 You make your investment decision based on your own judgement and you are solely responsible for the decision. Investor do not give investment advice.
- 2.7 The Investor waives, to the fullest extent permitted by applicable laws, rules and regulations, any and all rights to make claims against Investor for any reason associated with the funding round.

### 3 Targets

The specific terms and conditions set out in this Section 3 apply to you, who have indicated to use the Service as a “**Target**”.

- 3.1 The Target acknowledges, accepts and warrants the following matters:
- 3.2 The Target warrants it has obtained a right from the legal entity he or she is representing to market and execute the financing round using the Service.
- 3.3 The target has honestly provided correct, accurate and complete information concerning the Target in general, its ownership structure, executives, operational activity, financial status and former financing, risks involved with investing in the Target and the use of funds gathered. The Target warrants that different language versions in the Service contain the same information and acknowledges that in the event of possible conflict of the language versions, the English version is the official version.
- 3.4 The Target agrees to openly inform Invesdor of any possible credit defaults related to the Target or its owners and executives. The Target acknowledges and approves that Invesdor will review the Target’s and its executives’ credit information from public registers and is entitled to withdraw from organising the funding round if payment defaults, of which Invesdor has not been informed about, are detected. The Target approves that Asiakastiето’s Rating Alfa-report, BIGNet’s credit information report or any other corresponding creditworthiness report available from a public source will be published as an attachment to the funding round.
- 3.5 The Target acknowledges that the purpose of the Service is solely to assist the Target in finding suitable Investors. Legal commitments on the financing round are formed directly between the Target and Investor outside the Service.
- 3.6 The Target will execute the funding round with due care and in accordance with the information they have published in the Service. The Target acknowledges that it is its sole responsibility to ensure that the financing round is implemented in accordance with applicable laws, rules and regulations as well as the material published in the Service. Without limiting the foregoing, if any legal requirements arise from applicable laws, rules and regulations, which may include the obligation to prepare a prospectus, it is the responsibility of the Target to ensure that such legal requirements are met, as well as to bear all costs arising from meeting such requirements. The Target is obligated to inform Invesdor of all the securities offered to the public in the EEA-area within the past 12 months in order for Invesdor to evaluate the need of a prospectus. The offering is targeted to the public in each EEA member state only up to the national monetary prospectus limit of that member state.
- 3.7 The Target truthfully informs Invesdor of the possible investments received outside the Service during the funding round, as well as the possible investments received 6 months after the subscription period or other closing date of the funding round regardless of whether the funding round was successful or not.
- 3.8 The representative of the Target on behalf of both themselves and the legal entity represented by them (if any) waives, to the fullest extent permitted by applicable laws, rules and regulations, their rights to present any claims against Invesdor for any reason directly or indirectly related to the Service or the Terms.

## 4 General Information on Bonds

- 4.1 Bonds are securities, and therefore transferable, with longer maturities, such as between 4 and 10 years. They receive a fixed interest rate, called Coupon, which is usually paid out once a year. Bonds are mainly used as an instrument for long-term financing. A bond is usually ranked equal to an unsecured loan. This means that interest and capital repayments are serviced before equity and mezzanine capital.
- 4.2 The capital amount of each bond and the minimum amount of bonds that can be subscribed per transaction is fixed at a certain Euro amount and can be seen on the platform.
- 4.3 The interest rate of the bond is determined market-based as later specified in Section 6.
- 4.4 A Bond is fully transferable in the aftermarket as specified later in Section 7.
- 4.5 A Bond can be a regular Bond ("**Bond**", also all types of Bonds are jointly referred to as "Bond"), a Crowdbond ("**Crowdbond**" is a Bond issued by a Target that meets a special set of requirements) or a "**Convertible Bond**" (specified later in Section 8).
- 4.6 These bonds may also be non-traditional bonds. Such bonds may not be in the effects system or in any materialized form.

## 5 Loan Period

- 5.1 The lending period is the time period during which the Target loans the invested funds from the Investor. At the end of the Loan Period the Target is obligated to pay back the funds loaned from the Investor.
- 5.2 The Target company can determine the lending period with a time period which is announced on the platform and in the Special Terms of the Bonds. For ensuring the lending period the Investor should examine Special Terms of the Bond that can be found in the materials attached to the funding round.
- 5.3 Investor is not responsible for the Target's financial standing in any situation. If the Target is not able to pay the invested capital back to the Investor, the Investor does not have the right to demand this or any other payment from Investor.

## 6 Determination and Paying of Interest

- 6.1 The determination of interest rate is market-based. When creating the pitch, the target company usually determines a fixed interest rate or a maximum interest rate that it is willing to accept as a coupon for the bond. As part of the investment process, the investor selects an amount of funding that he/ she is willing to invest in the target company and, if a maximum interest rate is set, the interest rate requested for the bond. In other words, if a maximum interest rate is set, the investor makes an offer for the interest rate. The offer can at the highest be equal to the maximum rate determined by the Target.
- 6.2 By making an interest rate offer, you are legally obligated to provide the relevant target company with the relevant bond financing at an appropriate interest rate. You are able to change your offer later on at any time, but only for more beneficial direction from the Target's point of view.
- 6.3 All investments will be listed in the Service ranked by the interest offers made by Investors. After the closing of the subscription period the Target will select which

investments to accept for the funding round. The interest rate of all the investments accepted into the funding round will be the same: the highest interest offer accepted by the Target.

6.4 The Target can choose to accept any offered interest rate as long as the total amount invested will be within the funding target set for the funding round.

6.5 Interest will be payable biannually or annually in arrears to the owner of the Bond of that moment. Interest will be paid during the whole time period of the bond and the last payment of the interest will be usually payable simultaneously with the payment of the nominal principal amount of the Bond. The Target is solely responsible for paying the interest and Invesdor shall not be responsible for paying the interest in any event or at any point. The Investor is responsible for notifying the Target in any changes related to the information needed for paying the interest.

## **7 Transferability and Terms Related to Transactions**

7.1 Bonds are fully transferable. Transferability means that Bonds can be traded on an aftermarket, i.e. the owner of the Bond is entitled to sell the Bond to a new owner.

7.2 After transferring the Bond the rights and responsibilities of the previous owner, such as right to interest and to repayment, will end and be transferred to the new owner. Any matured interests and the nominal principal amount will eventually be paid to the person who owns the Bond at the moment of each maturity date.

## **8 Convertible Bonds**

8.1 The terms in this Section 8 apply only to the situations where Convertible Bonds are issued. This Section does not apply to the regular Bonds or Crowdbonds.

8.2 The Target shall pay a Convertible Bond to the owner of the Bond at the end of the Loan Period. Alternatively, instead of paying the principal amount of the loan, the Target or the owner of the Bond may, at the end of the Loan Period, decide to convert the Bond into shares of the Target.

8.3 The conversion price, determining the number of shares received when converting a Bond, is further specified in the Convertible Debt Agreement, which sets out the terms and conditions of the Convertible Bond issuance in question.

8.4 Interest on the Bonds will be payable biannually in arrears on the Interest Payment Dates and Interest Rate set out in the Convertible Debt Agreement. Interest shall accrue for each interest period from and including the first day of the interest period to and excluding the last day of the interest period on the principal amount of Bonds outstanding from time to time.

8.5 More specific terms governing Convertible Bonds can be found in the Bond's Special Terms attached in the pitch material.

## **9 Paying the Investment**

9.1 Making an investment forms a binding agreement to pay the investment according to the given instructions.

9.2 You may be able to pay your investment directly in your online bank when completing the investment process, if Invesdor has enabled this option for you.

9.3 You are always able to pay your investment also by invoice. The due date of the invoice is usually seven (7) days from the making of the investment or the closing

date of the funding round, depending on which of the two comes first, or according to the payment instructions in the invoice.

9.4 If the investment is not paid by the due date, you might not be accepted to the funding round.

9.5 The investment shall be paid from the same party's account that made the investment. If the payment occurs from any other account, a particular clarification is needed to explain the reasons. If Invesdor considers that the explanation is not reliable or accepting the payment otherwise involves risks, the funds might be refunded. The funds may be frozen for the time the situation is being inspected, if it is required in that situation by the law or authorities.

## **10 Changing the essential terms of the issue**

10.1 During the issue, there is a possibility to lengthen the subscription period or to raise the maximum target of the investment range. Another kind of change in the essential terms of the issue gives the Investor a right to cancel his/her investment within seven days when the notice concerning the change was sent. The changes are informed in the pitch and in addition to this the information will be sent to the email address the Investor has provided in the service unless the Investor has refused to receive update notifications. If the cancellation is not made within the time limit, the investment will remain valid. An investment that is made into a successfully closed round will not be refunded after the round is closed. Mandatory withdrawal rights (rights of revocation) in the countries in which the securities are offered remain unaffected by this regulation.

## **11 After Making the Investment**

11.1 After your investment is paid Invesdor will retain your funds as specified later in Section 11. until the closing date of the funding round.

11.2 If the minimum target of the funding round is reached, the invested funds will be transferred to the Target. The funds can be transferred before this only based on a written mandate issued by the Investor and on Invesdor's discretion.

11.3 If the minimum target is not reached, the funds invested shall be refunded to the accounts with the account numbers the Investors have provided in the Service.

11.4 If the minimum target is not reached, the Investor and the Target are able to separately agree that the investment shall be completed despite it.

11.5 Invesdor do not store securities on behalf of Investors.

## **12 Retaining Customer Funds**

12.1 Invesdor shall retain the invested funds in well-known credit institutions in specific customer deposit accounts established to serve this purpose in particular. The customer funds are always stored separately from Invesdor's own funds and from the Targets' own funds. Invesdor require the bank to sign a non-settling agreement concerning these accounts.

12.2 Customer funds can also be temporarily retained in customer deposit accounts governed by paying agent partners of Invesdor.

### **13 Risks Involved in Investing**

13.1 Growth companies are high-risk investments. We recommend you scrutinize our complete risk warning before making a high-risk investment. The risk warning can be found here: [home.invesdor.com/en/risk-warning](https://home.invesdor.com/en/risk-warning)