

PROCEDURE FOR THE MANAGEMENT OF NON-PERFORMED OBLIGATIONS

1. GENERAL PROVISIONS

- 1.1. This Procedure for the Management of Non-Performed Obligations ("Procedure") of UAB ROIX ("**Company**") establishes the procedures and measures that the Company must apply in cases where the Project Owner breaches the terms of the Loan Agreement and/or fails to duly perform its obligations assumed under the Loan Agreement.
- 1.2. The Procedure is prepared in accordance with Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 ("**Regulation**"), and other legal acts applicable to and regulating the activities of the Company.
- 1.3. The implementation of this Procedure is the responsibility of the Company's Director or a person designated by the Director.

2. DEFINITIONS

- 2.1. Unless the context requires otherwise, the capitalized terms used in this Procedure shall have the following meanings:
 - 2.1.1. **Company** – UAB ROIX, legal entity code 305888586, registered address: Naugarduko g. 3-401, Vilnius;
 - 2.1.2. **Financier** – a client of the Company who invests in a Project published on the Platform administered by the Company;
 - 2.1.3. **Loan Agreement** – an agreement concluded through the Platform between the Project Owner and the Financier, under which the Financier funds the Project and provides crowdfunding funds to the Project Owner, and the Project Owner assumes the obligation to repay the received crowdfunding funds along with interest and other applicable fees within the term specified in the agreement;
 - 2.1.4. **Platform** – a publicly accessible online information system administered and managed by the Company;
 - 2.1.5. **Project** – a project designed to meet business, professional, scientific, research, or other (excluding consumption) needs, which is published on the Company's Platform and for which the Project Owner seeks to raise crowdfunding funds from Financiers;
 - 2.1.6. **Project Owner** – a person initiating a Project that is published by the Company on the Platform it administers;
 - 2.1.7. **Procedure** – this document.

3. NON-PERFORMANCE OF PROJECT OWNER'S OBLIGATIONS

- 3.1. The Company considers that the Project Owner has failed to fulfill the obligations assumed under the Loan Agreement when one or both of the following events occur:
 - 3.1.1. the Company believes that the Project Owner is likely to fail to repay the full amount or otherwise fulfill its credit obligations related to the respective Loan Agreement without taking certain actions (e.g., enforcement of security measures). The Company has reason to believe that the Project Owner will not be able to properly fulfill its obligations related to the Loan Agreement when:
 - 3.1.1.1. a restructuring of the loan-related credit obligation has occurred, where it was likely that the financial obligation would be reduced due to significant cancellation or deferral of principal repayments, interest, or related fees;
 - 3.1.1.2. the Project Owner has applied for or has been granted bankruptcy status or similar protection to avoid or defer repayment of the credit obligation related to the respective loan to Financiers.
 - 3.1.2. The Project Owner is more than 90 days overdue in fulfilling any significant credit obligation related to the Loan Agreement (unless the Loan Agreement provides for the possibility to adjust the payment schedule or suspend/defer payments under certain conditions—in such case, the number of overdue days is calculated based on the revised payment schedule when it is updated). For the purposes of this clause, the Company considers a significant credit obligation to be one that exceeds the amount of at least one (1) calendar

month's installment that the Project Owner must pay under the Loan Agreement.

- 3.2. If the Company identifies any of the circumstances specified in clauses 3.1.1 to 3.1.2 of this Procedure, it shall take the following actions:
 - 3.2.1. **first**, it immediately informs the Financiers of the relevant circumstances, also providing information on the measures the Company will take to manage the Project Owner's non-performance of obligations;
 - 3.2.2. **second**, it terminates the Loan Agreement with the Project Owner in accordance with the procedure provided in the Loan Agreement;
 - 3.2.3. **third**, it initiates debt recovery procedures and actions against the Project Owner, as provided in Section 9 of this Procedure.

4. CALCULATION METHODOLOGY FOR THE DEFAULT RATE OF OBLIGATIONS

- 4.1. The Company uses non-overlapping 12-month observation intervals to calculate the arithmetic average of the annual default rates observed during the previous observation period. When calculating the respective rate, the Company ensures all of the following conditions:
 - 4.1.1. the denominator includes the number of loans with performing obligations observed at the beginning of the 12-month observation interval;
 - 4.1.2. the numerator includes all the loans in the denominator that experienced at least one default event during the 12-month observation interval.
- 4.2. When performing the calculations provided for in Clause 4.1 of this Procedure, loans for which no payments are scheduled according to the payment schedule during the 12-month observation period are excluded from the data set used to calculate the default rate for that period.
- 4.3. When performing the calculations provided for in Clause 4.1 of this Procedure, the Company ensures that the duration of the historical data observation period used for at least one source is not less than 36 months. If a longer observation period is available for a given source, that longer period is used; if shorter – the maximum available period is used.
- 4.4. All information related to the methodology for calculating the default rate of obligations is clearly disclosed to investors by publishing it on the Company's website.

5. CALCULATION METHODOLOGY FOR THE ACTUAL DEFAULT RATE OF LOANS BY RISK CATEGORIES

- 5.1. When publishing the actual default rates for all loans, the Company calculates arithmetic averages of annual default rates observed over the previous observation period by risk categories, using non-overlapping 12-month observation intervals.
- 5.2. When calculating the annual default rate by risk categories, the Company ensures the following conditions are met:
 - 5.2.1. the denominator consists of the number of loans with performing obligations within the given risk category, as observed at the beginning of the 12-month observation period;
 - 5.2.2. the numerator includes all loans in the denominator that experienced at least one default event during the 12-month observation period.
- 5.3. When applying Clause 5.2 of this Procedure, loans for which no payments are scheduled during the 12-month observation period under the payment schedule are excluded from the dataset used to calculate the default rate for that period.
- 5.4. When applying Clause 5.1 of this Procedure, the Company ensures that the duration of the historical data observation period used for at least one source is not less than 36 months. If a longer period is available for a given source, that longer period is used; if shorter – the maximum available period is used.
- 5.5. All information related to the methodology for calculating the actual default rate of loans by risk categories is clearly disclosed to investors by publishing it on the Company's website.

6. CALCULATION METHODOLOGY FOR THE EXPECTED DEFAULT RATE OF LOANS BY RISK CATEGORIES

- 6.1. When publishing the expected default rates for all loans, the Company bases its estimates of the expected default rates by risk categories on the actual loan default rates by risk categories

calculated in accordance with Section 5 of this Procedure.

- 6.2. When applying Clause 6.1 of this Procedure, the Company ensures that the duration of the historical data observation period used for at least one source is not less than 36 months. If a longer period is available for a given source, that longer period is used; if shorter – the maximum available period is used.

7. ASSIGNMENT TO RISK CATEGORIES

- 7.1. Based on Sections 5 and 6 of this Procedure, the Company assigns individual loans to the appropriate risk category as established in the Company's internal documents, taking into account, among other things, all relevant factors that may have a negative impact on the performance of the loans.

8. PRE-JUDICIAL DEBT RECOVERY PROCESS

- 8.1. The Company sends an SMS message to the Project Owner reminding them of the upcoming installment due date. The Project Owner is informed that the 5th, 15th, or 25th day of the month (depending on what is specified in the payment schedule of the respective Loan Agreement) is the final date to make the payment.
- 8.2. The Company sends an email notifying that late payment interest will be applied and, in case of further delay, the Project Owner's personal data will be registered in the systems of the credit bureau UAB Creditinfo Lietuva.
- 8.3. The Company sends an SMS message urging immediate payment of the installment to avoid recovery actions.
- 8.4. The Company sends an email warning about the registration of the debt in the databases of UAB Creditinfo Lietuva and of the intention to transfer the debt administration to the Company's internal Debt Recovery Department.
- 8.5. The Company places an automated phone call reminding the Project Owner of the unpaid installment.
- 8.6. If the Project Owner fails to fulfill obligations for 30 days, the Company transfers the debt recovery process to the internal Debt Recovery Department. To prevent the Project Owner from incurring additional financial obligations, the debt information is registered in the databases of UAB Creditinfo Lietuva.
- 8.7. The Company terminates the Loan Agreements with insolvent Project Owners after 3 unpaid installments according to the Loan payment schedule. Termination of the Loan Agreement may be delayed if a debt repayment agreement is reached with the Project Owner.

9. JUDICIAL / ENFORCED DEBT RECOVERY PROCESS

- 9.1. Upon termination of the Loan Agreement, the Company initiates debt recovery from the Project Owner. For the execution of debt recovery procedures, the Company may engage an external legal counsel or debt recovery specialist with appropriate expertise and experience in debt collection.
- 9.2. The Company or its designated responsible person contacts the Project Owner within 2 business days after termination of the Loan Agreement to discuss the possibilities of settling the Project Owner's debts.
- 9.3. If mutual agreement on debt settlement with the Project Owner is not reached as per Clause 9.2 of the Procedure, enforced recovery is initiated, which includes:
 - 9.3.1. immediate application to a notary for the issuance of an enforcement document based on the mortgage agreement signed by the Project Owner;
 - 9.3.2. upon receipt of the enforcement document from the notary, submission of the document to a bailiff, who initiates enforcement actions against the Project Owner's mortgaged property for the benefit of the Company.
- 9.4. If the value of the Project Owner's mortgaged property in favor of the Company is insufficient to cover the debts under the Loan Agreement, the Company has the right to apply to the court for a debt recovery judgment. When applying to court, the Company also submits a request for interim measures and the seizure of the Project Owner's assets.
- 9.5. The Company also performs all other procedural actions that are possible and necessary for the

recovery of the Project Owner's debts, for example:

- 9.5.1. applies to court for debt recovery under a surety agreement (if such exists);
 - 9.5.2. applies to a notary for enforcement of a promissory note issued by the Project Owner (if such a note was issued);
 - 9.5.3. undertakes any other actions permitted by the security instruments issued by the Project Owner in favor of the Company.
- 9.6. If bankruptcy or restructuring proceedings are initiated against the Project Owner, the Company prepares a creditor's claim and submits it to the insolvency administrator of the Project Owner.
 - 9.7. If the Company engages an external service provider (e.g., legal counsel, debt recovery specialist, etc.) for the recovery of the Project Owner's debts, the Company ensures that all debt recovery actions performed by the external provider are coordinated with the Company and ensure maximum protection of the Investors' interests.
 - 9.8. All debt recovery actions described in this Section of the Procedure are carried out taking into account the financial situation of each Project Owner and may be changed and/or adjusted accordingly.

10. DISCLOSURE OF INFORMATION

- 10.1. The Company discloses at least the following information on the Platform it administers:
 - 10.1.1. annually – the default rates of crowdfunding projects offered on the Platform over the past 36 months;
 - 10.1.2. within four months after the end of each financial year – a summary of results, which includes:
 - 10.1.2.1. the expected and actual default rates for all loans intermediated by the Company, broken down by risk categories, and indicating the risk categories established in the risk management system;
 - 10.1.2.2. a summary of the assumptions used in determining the expected default rates;
 - 10.1.2.3. the actual return received, if a target rate associated with the management of an individual loan portfolio was offered.
- 10.2. The information specified in Clause 10.1 of this Procedure is disclosed on the Company's website in a clearly visible location.

11. FINAL PROVISIONS

- 11.1. This Procedure shall enter into force on the date of its approval, except in cases where a different effective date is specified in the decision of the Company's manager by which the Procedure is approved.
- 11.2. Decisions regarding the approval, revocation, amendment and/or supplementation of this Procedure shall be made by the manager of the Company.