

## TERMS AND CONDITIONS FOR USE OF THE INTERNET PORTAL [www.zlutymeloun.cz](http://www.zlutymeloun.cz)

### 1. Introductory Provisions

- 1.1. These terms and conditions for using the Internet portal [www.zlutymeloun.cz](http://www.zlutymeloun.cz) ("**Conditions**") regulate the terms and conditions for using and functioning of the Internet portal [www.zlutymeloun.cz](http://www.zlutymeloun.cz) ("**Internet Portal**") operated by iService Czech Republic, s.r.o., with its registered office at Šmilovského 5/1264, Prague 2, Zip Code: 120 00, registered in the Commercial Register maintained with the Municipal Court in Prague under file No. C 219243 ("**iService**").
- 1.2. The conditions regulate in detail the rights and obligations of the users interested in using the Internet Portal through which iService operates the Internet-Based Loan Auction, Internet-Based Claims Auction and other services associated with its use, as the terms above are defined below in these Conditions. Each Internet Portal user must accept them upon registration to the Internet Portal.
- 1.3. For the purpose of the Conditions the following terms have the meaning ascribed to them in Article 2. of the Conditions.

### 2. The Rights and Obligations of the Parties Prior to Entering into the Agreement

- 2.1. **Autoinvest** means the automated instrument provided by the Internet Portal allowing the Investor to automatically select the requests for loans placed by the individual Borrowers in the Internet-based auction of the loans according to the pre-selected parameters and without the need to select a particular request of a Borrower in each individual case;
- 2.2. **iService Bank Account** means a non-interest bearing bank account in the ownership of iService, used solely for ensuring the correct transfer of the funds among iService, Investor and Borrower and their clearing;
- 2.3. **Investor's Bank Account** means an individual bank account in the exclusive ownership of the Investor in Czech crown (CZK) by an entity eligible to provide the banking services in the territory of any of SEPA countries. The Investor will make the first payment from the Investor's Bank Account to the iService Bank Account for the purpose of performing proper identification of the Investor under the AML Act;
- 2.4. **Borrower's Bank Account** means an individual bank account in the exclusive ownership of the Borrower in Czech crown (CZK) by an entity eligible to provide the banking services in the territory of any of SEPA countries;
- 2.5. **Borrower** means a natural person who obtained, as a result of the process of registration and verification, the status of the Borrower and with whom iService, based on the result of the Internet-Based Loan Auction, enters into the Loan Agreement, under which iService provides the Borrower with the Loan;
- 2.6. **Password** means a sequence of alphabetical characters and numbers to be determined by the User during registration in order to guarantee exclusive access to their Virtual Account;
- 2.7. **Investor** means a natural or legal person who obtained, as a result of the process of registration and under the conditions of the Framework Agreement entered into with the iService, the status of an Investor and who is interested in acquiring Participation in Loan and hence obtain, in the case of successful completion of the Internet-Based Loan Auction or Internet-Based Claims Auction the share in earnings and losses of a particular loan in the proportion of their financial investment to the total amount of the loan;
- 2.8. **Internet Portal** means the Internet Platform on the website [www.zlutymeloun.cz](http://www.zlutymeloun.cz), operated and administered by iService serving for operation of the Internet-Based Loan Auction, Internet-Based Claims Auction and for providing other services associated with its use.
- 2.9. **Internet-Based Loan Auction** means the automatic electronic tool operated on the Internet Portal for the

purposes of matching the supply and demand for Participation of the individual Investors in the loans provided by iService to the individual Borrowers and demand of the individual Borrowers for loans under the conditions specified in the Terms and Conditions of the Internet Portal;

- 2.10. **Internet-Based Claims Auction** means the automatic electronic tool operated on the Internet Portal for the purposes of matching the supply and demand for Participation of the individual Investors in the loans under the conditions specified in the Terms and Conditions of the Internet Portal and in the Framework Agreement;
- 2.11. **iService** means iService Czech Republic, s.r.o., with its registered office at Šmilovského 5/1264, Prague 2, Company ID No.: 024 144 81, registered in the Commercial Register maintained with the Municipal Court in Prague under file No. C 219243, which operates the Internet Portal and provides the loans to the Borrowers based on the result of the Internet-Based Loan Auction;
- 2.12. **Username** means a unique individual name selected by the User during registration on the Internet Portal that identifies the User vis-a-vis other users of the Internet Portal in using the Internet Portal services;
- 2.13. **Civil Code** means Act No. 89/2012 Coll., the Civil Code, as amended;
- 2.14. **Conditions** means these Terms and Conditions for Using the Internet Portal [www.zlutymeloun.cz](http://www.zlutymeloun.cz);
- 2.15. **iService Working Hours** means the period specified on the website [www.zlutymeloun.cz](http://www.zlutymeloun.cz);
- 2.16. **Rating Group** means a group of Users, which wish to acquire the status of a Borrower, determined in the process of assessing the financial standing (scoring) of the Users and classified in the relevant group based on the assessment prognosis of the likelihood of failure to repay the loans on their part;
- 2.17. **Framework Agreement** means the Framework Agreement on the Investor's Participation in Loans and Provision of Payment Services including GCTC entered into by and between iService and Investor through the Internet Portal;
- 2.18. **Claim Assignment Agreement** means the agreement entered into according to the result of Internet-Based Claims Auction between two Investors. The subject matter of the Agreement is assignment of the claim resulting from the Investor's Participation in Loan from one Investor to another Investor;
- 2.19. **Loan Agreement** means the agreement entered into according to the result of the Internet-Based Loan Auction, under which iService provides the Borrower with funds having the agreed parameters (amount of the principal, interest, instalments). Under the Loan Agreement the Borrower undertakes to return the provided funds to iService and pay the agreed interest or any other payments in the case the Borrower becomes overdue with repayment of the loan;
- 2.20. **Data Carrier** means any object enabling the Investor to keep information determined for the Investor so that it could be used for a period adequate purposes of the information and which allows the reproduction of the information in unaltered form (such as PDF documents to be sent to investors via Internet Portal);
- 2.21. **Participation in Loan** means the Investor's right to participate in the loan provided by iService to the Borrower under the Loan Agreement in the form of the Investor's financial investment in the amount at the discretion of the Investor and in the limits set by Internet-Based Loan Auction and thus acquire, in the case of successful completion of the Internet-Based Loan Auction, share in the earnings and losses of the loan in the form of share in the principal instalments, share in the interest income or settlement amount;
- 2.22. **User** means a person, who based on registration and verification process wishes to become a Borrower or Investor for the purpose of using the Internet Portal services;
- 2.23. **Validation Code** means the code generated by the Internet Portal and sent to the User through the Internet Portal which serves for signing the agreements by the Investor and approving other facts on the Internet Portal. The Validation Code list together with specification of the acts, activities and services, performance of which is

conditioned by entering the Validation Code will be generated for the User by the Internet Portal;

- 2.24. **Verification** means the process of performing the control activities by iService focused on verifying compliance of documents sent by the User with the data entered during the registration or verifying the compliance of the data entered by the User during their registration or documents sent by the User with the actual status captured in publicly or non-publicly accessible databases and registers;
- 2.25. **Virtual account** means a distinct part of the Internet Portal where the User can submit the request for the loan in the Internet-Based Loan Auction or claim in the Internet-Based Claims Auction and to which only the User has the authorised access after entering the login data, namely the Username and Password;
- 2.26. **GCTC** means the General Commercial Terms and Conditions for Investor's Participation in Loans and Provision of Payment Services forming an integral part of the Framework Agreement;
- 2.27. **AML Act** means Act No. 253/2008 Coll., on selected measures against legitimisation of proceeds of crime and financing of terrorism as amended;
- 2.28. **Borrower's/Investor's Settlement Account** means a non-interest bearing virtual bank account linked to the Bank account of iService established for the needs of a particular Borrower or Investor.

### 3. Achieving the Status of a Borrower

#### 3.1. Registration and Creation of the Virtual User Account

- 3.1.1. In order to register and create the Virtual User Account on the Internet Portal the User, who wishes to achieve the status of the Borrower, is obliged to enter the name and surname, selected Username and e-mail address, or other data required by the Internet Portal and accept the Conditions by ticking (clicking on) the relevant box on the Internet Portal. By ticking (clicking on) the relevant box on the Internet Portal the User declares that they have carefully and in detail read these Conditions, understood their content and the User undertakes to comply with these Conditions. The User is also obliged, by ticking (clicking on) the relevant box on the Internet Portal, to grant consent to processing their personal data.
- 3.1.2. Following the proper and correct completion of the required data, their delivery and approval of the binding effect of these Conditions (subpar. 3.1.1. of the Conditions), and granting consent to processing the personal data (subpar. 3.1.1. of the Conditions) the Virtual User Account will be created automatically for the User, who wishes to achieve the status of the Borrower, which will result in completing the registration process of the User, who wishes to achieve the status of the Borrower.
- 3.1.3. The User must always enter the correct and true data required under subpar. 3.1.1 of the Conditions. Entering the incorrect or untrue data will result in denying or cancelling the registration of the User, and/or denial to create or cancellation of the Virtual User Account.
- 3.1.4. The User is entitled to enter and use only one Username, which may not be libellous, defamatory, obscene, it must not be confused with the name of another User and may not create a false impression of the User, their personality, identity, characteristics, and connections with other persons. The Internet Portal is authorized to refuse the Username entered by the User during registration, which does not meet the criteria set out in the preceding sentence, and to prompt the User to select a new Username.
- 3.1.5. Through the Internet Portal the User is entitled to create and use only one Virtual User Account for the User, who wishes to achieve the status of an Investor and one Virtual User Account for the User, who wishes to achieve the status of a Borrower. Violation of this obligation constitutes the reason for denial or cancellation of the User's registration and/or denial to create a new Virtual User Account or cancellation of all Virtual User Accounts.
- 3.1.6. The User acknowledges that based on the registration and creation of the Virtual User Account the User

will not be automatically entitled to use all services provided through the Internet Portal (i.e. including, without limitation, the option to enter into the Loan Agreement). The right to use all services provided through the Internet Portal will ensue for the User and by achieving the status of the Borrower under the terms and conditions specified in these Conditions.

- 3.1.7. User, who wishes to achieve the status of the Borrower, acknowledges that creating the application for a loan and achieving the status of the Borrower is subject to successful registration on the Internet Portal and creation of the Virtual User Account (subpar. 3.1 of the Conditions), successful internal verification (subpar. 3.2 of the Conditions) and external verification of the User and assessment of the User's financial standing (scoring) (subpar. 3.3 of the Conditions).

### **3.2. Internal Verification of the User Wishing to Achieve the Status of a Borrower**

3.2.1. After registration and creation of the Virtual Account (subpar. 3.1.2 of the Conditions) the User, who wishes to achieve status of a Borrower and to create the application for a loan, must enter personal data, contact information, information concerning the bank details, information on employment and income, as well as other information to the extent required on the Internet Portal through the on-line form generated by the Internet Portal.

3.2.2. In addition to the data specified in subpar. 3.2.1 of these Conditions, the User is entitled to provide, on a voluntary basis, another data on their function, scope of business, marital status, employment, education and other additional information.

3.2.3. The User must always enter the correct and true data required under subpar. 3.2.1 and 3.2.2 of these Conditions. Entering the incorrect or untrue data will result in terminating the verification of the User, and/or denial to create or cancellation of the Virtual User Account.

3.2.4. Based on the data entered by the User, who wishes to achieve status of a Borrower (subpar. 3.2.1 and 3.2.2 of the Conditions), iService will perform internal verification of the accuracy and correctness of the data with the actual situation according to publicly available databases and registries. The User will be informed about the result of the internal verification by e-mail immediately.

3.2.5. In the case any discrepancy is identified between the data entered by the User (subpar. 3.2.1 and 3.2.2 of the Conditions) with the actual situation, iService will terminate the process of verifying the User and will be entitled to cancel the User's registration and the Virtual User Account.

3.2.6. Following the instructions provided to the User via e-mail (subpar. 3.2.4 of the Conditions), the User will send, by registered mail to the address of iService within 5 days from the date the information on the result of the internal verification is delivered (subpar.3.2.4 Conditions) the originals and/or copies of other documents according to the instructions specified in the e-mail sent to them in line with subpar. 3.2.4 of these Conditions. The User may scan and upload all the documents through the application on the Portal within the aforementioned time limit. Otherwise iService is entitled to terminate the process of verifying the User and to cancel the User's registration and the Virtual User Account.

### **3.3. External Verification and Assessment of User's Financial Standing (Scoring) and Creditworthiness, Achievement of Borrower Status**

3.3.1. In order to achieve the Borrower status, the User will undergo the external verification (subpar. 3.3.2 of the Conditions) and assessment of the User's financial standing (scoring) and creditworthiness (subpar. 3.3.3 of the Conditions).

3.3.2. External verification of the User, who wishes to achieve the status of the Borrower, iService will ensure comparing the data entered by the User under subpar. 3.2.1 of the Conditions and/or notified through the documents and papers delivered by the User with the data about the User specified in the non-public databases and registers. In the case any discrepancies are identified, iService will terminate the process of

verifying the User and Virtual User Account. In the case compliance is identified, iService will ensure assessment of such User's financial standing (scoring) and creditworthiness of such User (subpar. 3.3.3 of the Conditions).

3.3.3. Assessment of the financial standing and creditworthiness (scoring) of the User who wishes to achieve the status of a Borrower, iService, a. s. will perform assessment of such User's creditworthiness (standing), through the automated assessment of the financial standing (assessment of the data entered by the User during registration and their assessment by the internal expert algorithm that takes into consideration the relevant incomes and expenses of the User, their personal and property characteristics, credit risk associated with particular persons as well as other relevant socio-demographic and other data) and manual verification (verification of the identity, employment relationship and wage with the employer by phone and other methods according to the internal methodology). For the purpose of manual assessment of the financial standing according to the preceding sentence the User must provide consent to all entities concerned for providing the required data and information and/or release all entities concerned from confidentiality concerning the required data and information on the User. The User will be informed about the result of this assessment of the financial standing (scoring) immediately by e-mail, which will include information on compliance or non-compliance with the conditions for achieving the status of the Borrower.

3.3.4. In the case of unsuccessful assessment of the financial standing and creditworthiness (scoring), iService will terminate the process of verifying the User and will be entitled to cancel the User's registration and Virtual User Account.

3.3.5. In the case of successful assessment of the financial standing and creditworthiness (scoring), the e-mail will also include information about categorisation of the User in the relevant Rating Group and determine the interest rate and maximum amount of the loan that can be provided to the User in the case of achieving the Borrower status. In the case the successful assessment of the financial standing and creditworthiness (scoring) results in completion of the User verification process, automatic activation of the Virtual User Account will be performed. iService will provide the Borrower with the list of the Validation Codes together with specification of the acts, activities and services, performance of which is conditioned by entering the Validation Code. At the moment the Virtual User Account is activated, the User will achieve the status of the Borrower entitled to use the services of the Internet Portal.

#### **3.4. Provision of Internet Portal Services to the User Who Became a Borrower**

3.4.1. After the User achieved the status of a Borrower, iService will provide this User in particular with the following services:

- a) active access to the Internet-Based Loan Auction operated on the Internet Portal (i.e. including, without limitation, placing the demand for loan in the Internet-Based Loan Auction, establishment of the Internet-Based Loan Auction, administration of auction, completing and processing the auction) for the purpose of creating the opportunity to enter into the Loan Agreement with iService according to the results of the Internet-Based Loan Auction;
- b) administration of the Virtual Borrower Account;
- c) Provision of other services in using the Internet Portal specified in greater detail in these Conditions.

### **4. Achieving the Status of an Investor**

#### **4.1. Registration and Creation of the Virtual User Account**

4.1.1. In order to register and create the Virtual User Account on the Internet Portal the User, who wishes to enter into the Framework Agreement with iService, a. s. and thus achieve the status of the Investor, is obliged to enter the name and surname, selected Username and e-mail address, Investor's Bank account, or

other data required by the Internet Portal and accept the Conditions by ticking (clicking on) the relevant box on the Internet Portal. By ticking (clicking on) the relevant box on the Internet Portal the User declares that they have carefully and in detail read these Conditions, understood their content and the User undertakes to comply with these Conditions. The User is also obliged, by ticking (clicking on) the relevant box on the Internet Portal, to grant consent to processing their personal data.

- 4.1.2. Following the proper and correct completion of the required data, their delivery and approval of the binding effect of the Conditions (subpar. 4.1.1 of the Conditions) and granting consent to processing the personal data (subpar. 4.1.1 of the Conditions), the Virtual User Account will be created automatically for the User, who wishes to achieve the status of the Investor.
- 4.1.3. The Internet Portal will subsequently send the email to the User, to which a copy of these Conditions, binding version of the Framework Agreement (including the GCTC), pre-contractual information required by the applicable legal regulation and the list of the Validation Codes.
- 4.1.4. In addition to the data specified in subpar. 4.1.3 of these Conditions the User is entitled to provide also other information about them on a voluntary basis.
- 4.1.5. The User must always enter the correct and true data required under subpar. 4.1.1 and 4.1.3 of the Conditions. Entering the incorrect or untrue data will result in denying or cancelling the registration of the User, and/or denial to create or cancellation of the Virtual User Account.
- 4.1.6. The User is entitled to enter and use only one Username, which may not be libellous, defamatory, obscene, it must not be confused with the name of another User and may not create a false impression of the User, their personality, identity, characteristics, and connections with other persons. The Internet Portal is authorized to refuse the Username entered by the User during registration, which does not meet the criteria set out in the preceding sentence, and to prompt the User to select a new Username.
- 4.1.7. Through the Internet Portal the User is entitled to create and use only one Virtual User Account for the User, who wishes to achieve the status of an Investor and one Virtual User Account for the User, who wishes to achieve the status of a Borrower. Violation of this obligation constitutes the reason for denial or cancellation of the User's registration and/or denial to create a new Virtual User Account or cancellation of all Virtual User Accounts.
- 4.1.8. The User acknowledges that based on the registration and creation of the Virtual User Account the User will not be automatically entitled to use all services provided through the Internet Portal (i.e. including, without limitation, the option to use the Internet-Based Loan Auction and Internet-Based Claims Auction). The right to use all services provided through the Internet Portal will ensue for the User by entering into the Framework Agreement with iService, a. s. and by achieving the status of the Investor under the terms and conditions specified in these Conditions.
- 4.1.9. User, who wishes to enter into the Framework Agreement on Cooperation with iService, a.s. and thus achieve the status of the Investor, acknowledges that entering into the Framework Agreement on Cooperation and achieving the status of the Investor is subject to successful registration on the Internet Portal and creation of the Virtual User Account (subpar. 4.1 of the Conditions) and successful verification of identity (4.2 of the Conditions).

## 4.2. Verification of User's Identity, Achieving the status of Investor

4.2.1. After creation of Virtual User Account for the User, who wishes to achieve the status of an Investor, such User is obliged to confirm consent to the version of the Framework Agreement (including GCTC) by entering the Validation Code in the relevant box and deliver to iService the following documents for the purpose of verifying the identity and identification purposes:

4.2.1.1. User – natural person:



- a) a copy of the ID card;
- b) a copy of another identification document (e.g. driver's licence);
- c) a copy of the document confirming existence of the Investor's (User's) Bank Account.

The User may also scan and upload the documents through the application on the Internet Portal so that all data are legible and so that the documents under subpar. a) and b) of this Article include also a copy of image of the individual identified in the identity card of such quality as to allow verification of their identity.

#### 4.2.1.2. User – legal person

- a) copy of the document proving existence of the legal person (e.g. extract from the Commercial Register);
- b) a copy of the ID card of a natural person authorised to represent the legal person;
- c) a copy of another identification document (e.g. driver's licence) of a natural person authorised to represent the legal person;
- d) a copy of the document confirming existence of the Investor's (User's) Bank Account,

The User may also scan and upload the documents through the application on the Internet Portal so that all data are legible and so that the documents under subpar. b) and c) of this Article include also a copy of image of the natural person authorised to represent the legal person identified in the identity card of such quality as to allow verification of their identity.

The User will be informed about the result of this verification of identity immediately by e-mail, which will include information on successful or unsuccessful verification of the User's identity, i.e. fulfilment or non-fulfilment of the conditions for signing the Framework Agreement and becoming the Investor.

4.2.2. In the case of unsuccessful verification of the User's identity (subpar. 4.2.1 of the Conditions) and determination of discrepancies in the data entered by the User during the registration and data in the submitted documents, iService, a. s. will terminate the process of registering such User, will not enter into the Framework Agreement on Cooperation with the User and will be entitled to cancel the registration and the Virtual User Account.

4.2.3. In the case of successful verification of the User's identity (subpar. 4.2.1 of the Conditions) and compliance of the data entered by the User during their registration with the data specified in the presented documents, the e-mail (subpar. 4.2.1 of the Conditions) will also include information on compliance with the terms and conditions for entering into the Framework Agreement on Cooperation with iService, a. s. and achieving the status of the Investor. Successful verification of identity and delivery of e-mail under subpar. 4.2.1 of GTC will result in completing the process of registering the User, automatic activating the Virtual User Account and the Framework Agreement on Cooperation becomes effective, where the User achieves the status of the Investor entitled to use the services of the Internet Portal.

### 4.3. Provision of the Internet Portal Services to the User Who Became an Investor

4.3.1. After the User achieved the status of an Investor, under the Framework Agreement, iService will provide this User in particular with the following services:

4.3.1.1. active access to the Internet-Based Loan Auction and Internet-Based Claims Auction;

4.3.1.2. allow the Investor to acquire the Participation in Loans, which iService will provide to the individual Borrowers based on the results of the Internet-Based Loan Auction and acquire the share in earnings and losses of the loans;

- 4.3.1.3. allow the Investor to assign their Participation in Loan to another Investor or to assume Participation in Loan of another Investor according to the result of the Internet-Based Claims Auction;
- 4.3.1.4. ensuring the administration of the Participation in Loans and providing other services related to the Investor's Participation in Loans;
- 4.3.1.5. opening of the Investor's Settlement Account, which is interconnected with the Bank Account of iService, to which the Investor will transfer from the Investor's Bank Account the funds for the purpose of participating in the Internet-Based Loan Auction and Internet-Based Claims Auction;
- 4.3.1.6. allow the Investor to make the payment orders associated with assuming the Participation or Investor's Participation in Loans in the Internet-Based Loan Auction or Internet-Based Claims Auction through the Internet Portal;

provided that the Investor must pay the fees, in the amount specified in the Framework Agreement, for the Internet Portal services to iService in line with the Framework Agreement.

## **5. Internet-Based Loan Auction and Internet-Based Claims Auction**

- 5.1. Internet-Based Loan Auction and Internet-Based Claims Auction is an automatic instrument operated on the Internet Portal for the purpose of matching the supply of the individual Investors' Participation in Loans provided by iService to the individual Borrower and demand of the individual Borrowers for the loans or for the purpose of matching the supply of the existing Investors' Participation in Loans and demand of other Investors for assuming Participation in Loans in line with the instructions specified on the Internet Portal and these Conditions and the Framework Agreement (including GCTC) valid and effective on the date each individual auction is held (subpar. 5.7 and 5.13 of the Conditions). The result of auction is the basis for the decision of the Borrower and Investor about entering into the Loan Agreement with iService and determining its essential prerequisites, i.e. in particular the amount of the loan, interest rate and maturity, and for assuming the Investor's Participation in Loan, and/or the basis for the decision by the two Investors to enter into the Claim Assignment Agreement and determination of its essential prerequisites, i.e. particularly the specifications of the assigned claim resulting from the Investor's Participation in Loan and the amount of the consideration for the assignment.
- 5.2. The Borrower will enter their demand for Loan in the Internet-Based Loan Auction through the special electronic on-line form generated by the Internet Portal, where the Borrower is obliged to determine the detailed specifications of the required loan including its parameters. In particular, the following data: required amount of the loan, the purpose of required loan, maturity period, required set of insurances and other data specified in the on-line form. In entering their demand for a loan the Borrower is obliged to comply with the maximum amount of the loan determined by assessment of their financial standing (scoring) (subpar. 3.3.5 of the Conditions).
- 5.3. The Investor will enter their supply of Participation in Loan (or the rights and obligations arising from the Participation in Loan) into the Internet-Based Claims Auction through the special electronic on-line form generated by the Internet Portal, where the Investor is obliged to specify the required consideration for assignment of the existing Participation in Loan and other data, if any, required by the on-line form. The Investor is entitled to offer for assignment several or even all their existing Participations in loan which resulted from the Loan Agreement entered into through the Internet-Based Loan Auction . In such case the subject matter of the Internet-Based Claims Auction and the Claim Assignment Agreement includes all such Participations in loans.
- 5.4. Participation of the Investor and Borrower in each individual auction and entering into each individual Loan Agreement or Claim Assignment Agreement according to the result of such auction is conditioned by:
  - consent of the Investor and Borrower to the content of the Conditions, valid and effective on the date the validity of individual auction commences and published and available on the Internet Portal by ticking (clicking on) the relevant box on the Internet Portal;



- consent of the Investor to the content of GCTC, which form a part of the Framework Agreement, valid and effective on the date the validity of individual auction commences and published and available on the Internet Portal;

The Investor's involvement in the Internet-Based Loan Auction is conditioned also by transferring the funds in the minimum amount corresponding to the offered Participation in Loan (investment) in the determined currency from their Individual bank account to the Bank Account of iService. The investment amount will be subsequently credited to the Settlement Account of this Investor.

The Investor's involvement in the Internet-Based Loan Auction is conditioned also as follows:

- 5.4.1. In the case of the Investor, who wishes to become a creditor concerning the claim subject to assignment (i.e. assuming the existing Participation in Loan of another Investor): the Settlement Account of such Investor must contain sufficient funds in the determined currency, namely in the minimum amount of the offered sum of the consideration for assigning the claim;
  - 5.4.2. In the case of the Investor, who wishes to assign their claim (i.e. the existing Participation in Loan to another Investor, existence of Participation in Loan of the Borrower resulting from successful Internet-Based Loan Auction and provision of loan to the Borrower by iService.
- 5.5. In the Internet-Based Loan Auction and Internet-Based Claims Auction the Investor is entitled to go through the demands for loans from the individual Borrowers or supply of claims (i.e. existing Participations in Loan) of other Investors, and through their data published on the web site, and ask the Borrowers or Investors the questions with regard to their demand for loan, supply of claims (i.e. existing Participation in Loan), Borrower's employment, income, education and other similar information, which a Borrower or Investor will answer. The questions of the Investors and answers of the individual Borrowers or Investors are available to all Internet Portal Users on the Internet Portal. The Investor may not ask the Borrower or another Investor the questions that unreasonably and unlawfully interfere with the rights to protection of personality of the Borrower or Investor, and / or questions about their race, colour, language, belief and religion, political or other opinions, trade union activities, national or social origin, nationality or ethnic origin group, gender or other status etc. The Borrower or the Investor is not obliged to answer questions of another Investor. If they decide to answer the questions raised by the Investor, they must answer truthfully and knowingly and not conceal any relevant information.

### **Internet-Based Loan Auction**

- 5.6. Through the Internet Portal and Internet-Based Loan Auction the Investor is entitled to distribute the offered (invested) amount of Participation in Loan in the determined currency among individual Borrowers individually, based on their own evaluation of disclosed data and the demand for loan of individual Borrowers (subpar. 5.4 of the Conditions). In selecting the individual Borrowers and distributing the offered (invested) amount of Participation in Loan (subpar. 5.4 of the Conditions) the Investor is obliged to respect the minimum and maximum amount of the loan, which can be provided by iService to the individual Borrowers, set by the Internet Portal, minimum and maximum amount of the Participation in Loan (investment), the determined currency of the loan as well as other restrictions determined by the Internet Portal so that the risk of credit default is sufficiently diversified among several Borrowers. The interest rate is set by the Investor individually for each their investment based on their own evaluation of disclosed data and the demand for loan of individual Borrowers; the interest rate for the individual Borrowers determined by the Internet Portal represents only the recommended interest rate, provided that the Internet Portal will set the limits for the deviation, if any, from the recommended interest rate. Based on the selection of the individual Borrowers and distribution of the offered (invested) amount of the Participation in Loan up to the amount of the Participation in Loan (investment) offered in the said currency by the Investor, the funds on the Settlement Account of the Investor will be blocked. Performed selection of the individual Borrowers and distribution of the offered (invested) amount of the Participation in Loan the Investor is not entitled to change or withdraw.
- 5.7. Validity period of each auction, the subject matter of which is entering into the Loan Agreement, is determined by the Internet Portal [www.zlutymeloun.cz](http://www.zlutymeloun.cz).

- 5.8. If based on the Internet-Based Loan Auction the required loan is created from the offers of loans of the individual Investors for the Borrower as at the time the validity of auction expires (subpar. 5.7 of the Conditions), the auction will be successful and completed regardless of the amount of the loan required by the Borrower in their demand (subpar. 5.2 of the Conditions).
- 5.9. If based on the Internet-Based Loan Auction the required loan in the amount required by the Borrower or in the minimum amount required by the Internet Portal is created from the offers of Participation in Loans of the individual Investors for the Borrower through their demand (subpar. 5.2 of the Conditions) even prior to the time the validity of auction expires (subpar. 5.7 of the Conditions), the auction will be successful and completed at the discretion of the Borrower either upon due expiry of the term of the auction (subpar. 5.7 of the Conditions) or a manual premature termination by the Borrower.
- 5.10. The final interest rate on the loan provided to the Borrower will be determined as the weighted average of interest rates set by the individual Investors involved in providing the loan to the Borrower in the form of their Participation.
- 5.11. If based on the Internet-Based Loan Auction the required loan in the minimum amount set by the Internet Portal is not created from the offers of Participations in loan of the individual Investors for the Borrower as at the time the validity of auction expires (subpar. 5.7 of the Conditions), the auction will be unsuccessful. The Borrower will be informed by e-mail from the Internet Portal about unsuccessful completion of the auction. In such case the supply of the Investor's Participations will be cancelled automatically and iService will deblock the blocked funds on the Investor's Settlement Account.
- 5.12. After successful completion of the auction, the aim of which is to enter into the Loan Agreement (subpar. 5.8 and 5.9 of the Conditions), the Internet Portal will send an e-mail to the Borrower, which will include information about successful completion of the Internet-Based Loan Auction and successful creation of the particular offer of the loan in the required amount from the offers of the individual Investors' Participations. The e-mail will also include the form specifying the conditions of the offered loan, an indicative timetable for repayment of the loan, Loan Agreement, insurance conditions in the case the insurance policy is selected, and deadline for acceptance of the sent draft Loan Agreement, or other terms and conditions and instructions in connection with conclusion of the Loan Agreement. In the case the Borrower fails to provide consent to the draft Loan Agreement within the time limit from delivery of the draft Loan Agreement, iService will not provide the loan to the Borrower. In the case the Borrower rejects the draft Loan Agreement, iService will inform the Investor of such fact and deblock the blocked funds on the Investor's Settlement Account. In the case the Borrower expresses their consent to the Loan Agreement, iService will inform the Investor of such fact. Subsequently iService will deblock the blocked funds in the amount of the Investor's Participation in Loan and transfer them to the Borrower's Bank account. The Investor will be granted Participation in Loan at the moment when iService provides the loan to the Borrower under the Loan Agreement.
- 5.13. The Investor is entitled to replace the loan selection in the Internet-Based Loan Auction for the purpose of assuming the Participation in Loan provided to the Borrower by iService by activating the Autoinvest - automatic tool provided by the Internet Portal. Based on the Investor's settings of the Autoinvest the Internet Portal will select the loans automatically, in which the Investor will invest their funds. Autoinvest can be activated and its particular settings can be set by the Investor during registration of the Investor in the Internet Portal and creating their Virtual Account or later during the term of the Framework Agreement after having achieved the status of an Investor. The Investor is anytime entitled to change the settings of the parameters in Autoinvest or deactivate the instrument. The change in the settings of the Autoinvest parameters will apply to the Internet-Based Loan Auction, which will be published after the change of the parameters. The Investor acknowledges that even in the case that Autoinvest is activated, the Internet Portal may not perform loan selection. Determination whether or not the Internet Portal makes loan selection based on the activated Autoinvest, will be performed using the internal algorithm of the Internet Portal, which is programmed so that none of the Investors is discriminated. Loan selection made using the Autoinvest is otherwise considered to be selection made by the Investor and all applicable provisions apply to them.

## Internet-Based Claims Auction

- 5.14. In using the Internet Portal and Internet-Based Claims Auction the Investor is entitled to offer individually and at their own discretion their existing Participation in Loan (and/or the resulting rights and obligations), arising under the Loan Agreement entered into the Internet-Based Loan Auction, for assignment to another Investor (Investor's offer) (subpar. 5.3 of these Conditions). The period of the Internet-Based Claims Auction is not set in advance. The Investor, who offered their existing Participation in Loan for assignment (subpar. 5.3 of the Conditions), is entitled to terminate the Internet-Based Claims Auction at any time until the time when some of the Investors, who wish to become the creditors in the offered Participation in Loan, accepts the required amount of consideration (subpar. 5.17 of the Conditions).
- 5.15. Based on the Investor's offer (subpar. 5.3 of the Conditions) other Investors wishing to become a creditor in the offered Participation in Loan, are entitled to enter their offers for entering into the Claim Assignment Agreement through the Internet Portal during the Internet-Based Claims Auction even through the Internet Portal. Each Investor wishing to become a creditor in the offered Participation in Loan is obliged to specify in their offer the amount of the offered consideration for the assigned Participation in Loan and the validity period of the offer. If the object of the Internet-Based Claims Auction includes several or all Investor's Participation in Loan (subpar. 5.3 of the Conditions) the offer of the Investor, wishing to become a creditor in the Participation, must include the total amount of the consideration for all Participations offered. At the same time they must have sufficient funds on their Settlement Account in the determined currency and at least in the amount of the consideration offered by them for assignment of the Participation; the funds in the determined currency in the amount of the consideration offered by them for assignment of the Participation will be blocked for that purpose during the entire validity period of the offer.
- 5.16. The Investor, who offered their existing Participation in Loan for assignment (subpar. 5.3 of the Conditions) is entitled to accept the current highest offer of the Investor, wishing to become a creditor in the offered Participation in Loan (subpar. 5.15 of the Conditions); upon acceptance of the highest offer the Internet-Based Claims Auction is considered completed and the Investor, who offered the Participation in Loan for assignment, and the Investor, who accepted the offer, must enter into the Claim Assignment Agreement, within 5 days from the date the auction is completed.
- 5.17. If during the Internet-Based Claims Auction any Investor accepts the amount of the required consideration for assignment of the offered Participation in the Investor's bid (subpar. 5.3 of the Conditions), the auction is considered to be completed, and the Investor, who offered their Participation for assignment, and the Investor, who accepted the amount of the consideration, must enter into the Claim Assignment Agreement, within 5 days from the date the auction is completed.
- 5.18. After completion of the auction in the manner under subpar. 5.16 and 5.17 of these Conditions, the Internet Portal will send the e-mail to both Investors, which will include information on completed Internet-Based Claims Auction, successful assignment of the claim and the copy of the Claim Assignment Agreement to be signed by iService, a. s. in the name and on behalf of both Investors (under the authorisation of the Framework Agreement). The e-mail for the Investor acting as an assignee will also include information about the conditions and parameters of the Participation, in respect of which the Investor became the creditor under the Claim Assignment Agreement as well as other information and documents related to the assigned Participation.

## 6. Contractual Relationship Between iService and Borrower

- 6.1. The User wishing to achieve the status of the Investor and the User wishing to achieve the status of the Borrower acknowledge that after successful completion of the Internet-Based Loan Auction (subpar. 5.8 and 5.9 of the Conditions) and after accepting the draft Loan Agreement by the Borrower (subpar. 5.12 of the Conditions), iService and Borrower will enter into the Loan Agreement.
- 6.2. Under the signed Loan Agreement iService will provide the Borrower with the loan, the parameters of which are set by the Internet-Based Loan Auction. All rights and obligations of the Borrower and iService resulting from

provision of the loan (i.e. the manner of entering into the Loan Agreement, spending the loan, repaying the loan, consequences of delay in repaying the loan, immediate maturity of the loan, method of enforcing repayment of the loan, termination of the Loan Agreement and other matters) are regulated in the Loan Agreement, which includes the General Commercial Terms and Conditions for Providing the Loans.

6.3. User wishing to achieve the status of the Investor acknowledges that by acquisition of the Participation in Loan to be provided by iService to the Borrower on the basis of successful completion of the Internet-Based Auction, the Investor has no direct claim against the Borrower, but it concerns only the relationship between iService and Borrower.

## **7. Contractual Relationship Between iService and Investor**

7.1. The User wishing to achieve the status of the Investor and the User wishing to achieve the status of the Borrower acknowledge that all rights and obligations of the Investor and iService resulting from origination of the Investor's Participation in Loan for the Borrower after successful completion of the Internet-Based Loan Auction (subpar. 5.8. and 5.9 of the Conditions and after accepting the draft Loan Agreement by the Borrower (subpar. 5.12 of the Conditions) or successful completion of the Internet-Based Claims Auction (subpar. 5.16 and 5.17 of the Conditions) are regulated in the Framework Agreement, which includes GCTC, entered into by the Investor and iService

7.2. The Framework Agreement entered into by the Investor and iService regulates in particular the manner of assuming the Investor's Participation in Loan, assuming the share in the earnings, losses and loan, termination of the Investor's Participation in Loan, conditions of opening and maintaining the Settlement Account and provision of the payment services by iService, enforcement of the sums owed by the Borrower, information on the risks associated with assuming the Participation in Loans, termination of the Framework Agreement and other matters.

7.3. User wishing to achieve the status of the Borrower acknowledges that if iService provides the loan on the basis of the successful completion of the Internet-Based Auction and the Investor holds Participation in Loan, the Borrower has no direct obligation towards the Investor.

## **8. Termination of Registration of Virtual Borrower and Investor Account**

8.1. iService is entitled to terminate the registration and the Virtual Account of the Borrower and/or Investor only if:

8.1.1. these Conditions determine so;

8.1.2. the Framework Agreement with the Investor is terminated and all obligations between the Investor and iService resulting from the Framework Agreement are settled;

8.1.3. the Loan Agreement with the Borrower is terminated and all obligations between the Investor and iService resulting from the Loan Agreement are settled.

## **9. Other Information on the Internet Portal**

9.1. The Internet Portal is available non-stop to the User.

9.2. For safety and technical reasons iService is entitled to block the User's access to the Internet Portal for a necessary period.

9.3. Users acknowledge that iService will deal with the User's inquiries and requirements during iService Working Hours only.

9.4. The User is obliged to protect their access data to an Internet portal, namely the Username, Password and a list of validation codes from the theft, loss or misuse. In the event of a theft, loss or misuse of the User's access data, the User is obligated to promptly inform iService of the fact. After iService receives the information according to the previous sentence, iService is entitled to block the User's access to the Internet Portal until the User activates their Virtual Account using new login data.

## **10. Changes to Conditions**

10.1. The User acknowledges and agrees that iService is entitled to unilaterally change and/or amend these Conditions without prior notice to the User. Changes and amendments to the Conditions are effective from the moment of their publication on the Internet Portal. In the case the change of the Conditions affects the change of the contractual documentation entered into by the Borrower and iService or between the Investor and iService, the Conditions will be amended in line with the applicable provisions of the contractual documentation.