

# GROWTH LOAN AGREEMENT

## General Terms & Conditions

### 1. DEFINITIONS

- 1.1. All capitalised terms used in this Agreement are as defined in Appendix A (Definitions) of these General Terms and Conditions.

### 2. INTRODUCTION

- 2.1. MXNEY, a Danish incorporated limited liability company registered with the Danish Financial Supervisory Authority, in Danish: Finanstilsynet (FTID 41128) as a lending business in accordance with applicable anti-money laundering laws, is inter alia specialised in providing growth capital to ecommerce businesses to help them increase sales and scale their businesses.
- 2.2. The Business is an ecommerce business selling products and/or services online.
- 2.3. The Agreement sets forth the terms and conditions applying when MXNEY provides the Growth Loan Amount to the Business in one or more loans (each a Tranche).

### 3. ISSUANCE OF THE GROWTH LOAN

- 3.1. MXNEY will make available and issue the Growth Loan Amount to the Business in one more loans (each a Tranche) as specified in the Order Form.
- 3.2. On the Commencement Date, MXNEY will make available and issue a Tranche in full to the Business by making a MXNEY-Card available with a Balance equal to the Tranche Amount.
- 3.3. If MXNEY has agreed to provide more than one Tranche, MXNEY shall make available and issue a new Tranche to the Balance on the date the Business has repaid all Outstanding Tranche Amounts. Such Tranche will automatically be made available and issued in full to the Balance on such date, provided (1) no Event of Default has occurred, (2) all the Covenants, Representations and Warranties are true and correct, and (3) the Tranche can be approved by MXNEY pursuant to section 20 of these General Terms and Conditions.

### 4. USE OF THE GROWTH LOAN AMOUNT

- 4.1. The Business may only use the Growth Loan Amount to pay Approved Marketing Services and Supplier Invoices through

MXNEY's online platform, but cannot be used for any other purposes, such as acquisition of companies, investment in shares or other related assets, repayment or prepayment of any loans or indebtedness of the Business.

- 4.2. The Business can see its current Balance and transactions, incl. payment amounts, fees, adspend and payment of Supplier Invoices and the like via the Business' customer login to MXNEY's online platform or upon request to MXNEY.
- 4.3. In case of an Event of Default, any suspected fraud, misuse, and/or abuse of the MXNEY-Card or in case of material changes in MXNEY's credit scoring of the Business, MXNEY may in its sole discretion block the MXNEY-Card Balance.

### 5. FEES

- 5.1. The Business undertakes to pay to MXNEY the Total Fixed Fee in consideration for providing the Growth Loan to the Business. The Total Fixed Fee will be divided by the number of Tranches and each part of the Total Fixed Fee will be included in each Tranche Payment Amount and will thus be paid by the Business as part of the Business' repayment of the Tranche Payment Amount.

### 6. PAYMENTS

- 6.1. By signing the Agreement, the Business provides consent for and authorises MXNEY to originate direct debits from the Bank Account to provide for the payment of the Daily Payment Amounts until the Tranche Payment Amount for each Tranche has been paid in full to MXNEY. On the First Repayment Date and on each day until a Tranche has been repaid in full, MXNEY will calculate the Daily Payment Amount. Refunds, Chargebacks or cancellations by the Business' customers will not be deducted from the total daily Gross Revenue amount which MXNEY will use to calculate the Daily Payment Amount due.
- 6.2. MXNEY may in its sole discretion decide on the composition of Repayments, payment of the Fixed Fee, and Deposit within the Daily Payment Amount. The specific details for each day's payment amount will be available on MXNEY's online platform.
- 6.3. Starting on the First Repayment Date, direct debits will be initiated for each Daily Payment Amount on a daily basis or as otherwise decided by MXNEY in its sole discretion. Direct

debits can only be initiated on Business Days, thus, on the first day after a period of non-Business Days, the Daily Payment Amount on that day will be calculated based on the sum of the Gross Revenue which was generated on the preceding non-Business Days.

- 6.4. If the Business fails, omits, or refuses to make a payment of a Daily Payment Amount and/or any other due amounts owed to MXNEY, such amounts shall be paid by the Business with immediate effect upon request by MXNEY. MXNEY will charge the Business an Administrative Fee for each direct debit payment that has been missed.
- 6.5. If, at any time, there is an Overdue Amount, then the Business hereby authorises MXNEY to originate a direct debit in respect of the Overdue Amount from the Bank Account.
- 6.6. If MXNEY is unable to collect payment of an Overdue Amount pursuant to the provisions of section 6.5, MXNEY will be entitled to charge interest on such Overdue Amount on a daily basis at a monthly rate equal to 9% plus EURIBOR, commencing on the day of the missed payment and continuing until fully and irrevocably paid, whether before or after judgment.

### 7. PREPAYMENT

#### 7.1. Voluntary Prepayment

- 7.1.1. Upon the Business' request to MXNEY, the Business may at any time during the term of this Agreement make prepayments in full or in part of the Outstanding Tranche Amount to MXNEY.

#### 7.2. Mandatory Prepayment

- 7.2.1. Upon the occurrence of:
  - a) a Change of Control; or
  - b) the sale of all or substantially all assets of the Business whether in a single transaction or a series of related transactions;

all Outstanding Tranche Amounts and all other outstanding amounts owed by the Business to MXNEY under this Agreement or any other agreements entered into between

MXNEY and the Business, shall become immediately due and payable by the Business to MXNEY.

## 8. TECHNICAL REQUIREMENTS

8.1. The Business shall at all times during the term of the Agreement ensure and comply with the following technical requirements:

- a) Connect, integrate and maintain MXNEY's access to the Business's Shop System, open banking, bookkeeping system and marketing channels as deemed necessary by MXNEY and instructed, from time to time.
- b) Install and maintain the MXNEY app and/or plugin in the Business's Shop System.
- c) Maintain its correct and necessary Bank Account information, including, but not limited to, IBAN, SWIFT, registration number and bank account number.
- d) All other technical requirements informed by MXNEY from time to time during the term of this Agreement.

8.2. The Business shall upon demand and with no undue delay ensure to comply with the technical requirements set forth in section 8.1 above and as instructed by MXNEY during the Term.

8.3. The Business cannot raise any claims against MXNEY for damages, including loss of revenue due to system crashes or errors. The Business is encouraged to maintain adequate backup systems.

## 9. COVENANTS, REPRESENTATIONS AND WARRANTIES

9.1. As of the date of this Agreement and during the term of this Agreement, each of the Covenants, Representations and Warranties set forth in Appendix B shall be true and correct in all material aspects.

9.2. In the event of inaccuracies in or breaches of the Covenants, Representations and Warranties which constitute an Event of Default, each Owner(s) undertakes by signing this Agreement, unconditionally and irrevocably, jointly and individually, upon first written demand of MXNEY, to be liable to promptly and completely indemnify and pay to MXNEY any due amounts not paid accordingly and timely by the Business.

## 10. KYC & ONBOARDING

10.1. For anti-money laundering purposes, MXNEY may be required to obtain the name, address, date of birth, social security number and other identifying information of the authorised signatories and the Business's direct or indirect Owner(s), including its beneficial owners (as applicable) that will allow MXNEY to identify said individuals. MXNEY will verify this information with the Business, the authorised signatories, beneficial owners and others.

10.2. As part of the onboarding process, the Business is obliged to provide MXNEY with all relevant KYC material and the Bank Account information without undue delay.

## 11. DEPOSIT

11.1. MXNEY will during the Term of this Agreement collect a Deposit. The Deposit will be included in each Tranche Payment Amount and will thus be paid by the Business as part of the Business' payment of the Tranche Payment Amount.

11.2. MXNEY may use, apply or retain all or any portion of the Deposit i) for the payment of any amount owed by the Business and due or to reimburse or compensate MXNEY for any liability, expense, loss or damage which MXNEY may suffer or incur by reason thereof, and ii) for the payment of any VPL Amount, if applicable.

11.3. MXNEY shall not be required to keep the Deposit separate from its general accounts. After the expiry or termination of the Agreement, MXNEY shall no later than 14 days after request from the Business return that portion of the Deposit not used or applied by MXNEY pursuant to section 11.2 of these General Terms and Conditions. No part of the Deposit shall be considered to be held in trust, to bear interest or to be considered a payment of any monies to be paid by the Business under this Agreement (excerpt from any amounts applied by MXNEY in accordance with section 11.2 of these General Terms and Conditions).

## 12. INFORMATION & DATA SHARING

12.1. MXNEY may share any customer and account information, as well as experiential, transactional, marketing and payment information regarding the Business's activity on a strict need-to-know basis with any of MXNEY's partners, service providers, subcontractors, and authorities. The reasons MXNEY may share information about Business include, but are not limited to:

- a) for purposes of compliance with anti-money laundering laws and regulations;
- b) for purposes of legal processes;
- c) for purposes of reporting suspect information in cases of confirmed credit fraud;
- d) for purposes of collecting outstanding amounts and other amounts owed by the Business to MXNEY; and/or
- e) for purposes of providing its services to the Business.

To the extent the information is also considered "personal data", MXNEY will process and share the information in accordance with the applicable data protection rules.

## 13. CONFIDENTIALITY

13.1. Neither party is entitled to disclose any information to any other third party about this Agreement or its content, unless otherwise explicitly stated elsewhere in this Agreement.

## 14. ASSIGNMENT

14.1. MXNEY can sell, transfer or assign this Agreement at any time, or any of its rights and/or obligations under this Agreement and any other agreements between the Business and MXNEY, in whole or in part, without the consent of the Business. The business may not sell, transfer or assign any of its obligations under this Agreement or any other agreements between the Business and MXNEY. Any attempt by the Business to assign or delegate its obligations under this Agreement will be void and of no effect.

## 15. ELECTRONIC COMMUNICATION

15.1. MXNEY may send legally binding messages and notices under this Agreement to the Business via its online platform, which can be accessed through MXNEY's website, or by e-mail to the Business' email stated in the Order Form.

15.2. The Business understands and agrees that if MXNEY sends the Business an electronic communication but the Business does not receive it because its primary e-mail address on file is incorrect, out of date, blocked by the Business' service provider or the Business otherwise is unable to receive electronic communications, MXNEY will be deemed to have provided the communication to Business.

## 16. CHANGE OF INFORMATION

16.1. The Business must notify MXNEY promptly of any change to (i) its shareholders, and ii) its physical, e-mail and/or website address(es).

## 17. THE BUSINESS'S DEFAULT

### 17.1. Event of Default

17.1.1. In addition to the events of defaults identified elsewhere in this Agreement, the Business will be in default under this Agreement if:

- a. The Business fails to comply with any of the terms and conditions under this Agreement or any other agreements or documents now or hereafter entered into between MXNEY and the Business.
- b. The Business, in MXNEY's opinion, fails to comply with the Covenants, Representations and Warranties under this Agreement.
- c. The Business fails to deliver sufficient KYC documentation without undue delay as requested by MXNEY pursuant to section 10 of these General Terms and Conditions.
- d. The Business fails to comply with the technical requirements applicable from time to time, pursuant to section 8 of these General Terms and Conditions.
- e. The Business diverts its Gross Revenue to an account other than the Bank Account or to another legal entity, without the prior written consent of MXNEY.
- f. Any of the following events occur, with respect to the Business: insolvency, bankruptcy, dissolution, a Change of Control, death of any the Authorised Representative(s) or Owner(s), or legal incapacity of such persons.
- g. The dissolution of the Business by merger.
- h. MXNEY's prospects of repayment under this Agreement are, in MXNEY's reasonable judgment, in any way prejudiced, impaired or rendered insecure.
- i. The Business takes any action which allows non-PSP sales, including third-party or market-sales negatively affecting MXNEY's ability to receive duly payments pursuant to this Agreement.

- j. The Business has withheld information from or given false information to MXNEY in connection with the conclusion of this Agreement or otherwise in MXNEY's opinion has acted fraudulently or in any other way with bad intentions.

### 17.2. Consequences of the Business's Default

17.2.1. If an Event of Default occurs, MXNEY may in its sole discretion:

- a. Unilaterally terminate this Agreement, subject to the Business's obligation to pay to MXNEY any Outstanding Tranche Amount and all other amounts owed to MXNEY pursuant to this or any other agreement, including the Total Fixed Fee. In addition, if an Event of Default occurs, any Outstanding Tranche Amount and any other amounts, fees and costs pursuant to this Agreement and any other agreement between the parties, shall become due and payable immediately, at MXNEY's option, and the Business agrees to pay MXNEY any and all direct and indirect damages MXNEY incurs, including, without limitation, attorney's fees, court costs if permitted by applicable law, and agree to hold MXNEY harmless from any liability it may have to any other person(s) as a result of the default;
- b. Charge an Administrative Fee each day until the Event of Default has been duly rectified and/or all amounts owed by the Business to MXNEY have been paid in full; and
- c. Deduct any due amounts in the Deposit in accordance with section 11.2 of these General Terms and Conditions.

17.2.2. All other provisions of this Agreement will continue to apply and the Business's obligations herein shall survive termination of the Agreement until MXNEY has been fully satisfied, including any applied Administrative Fees.

### 17.3. MXNEY's Right to Collect

17.3.1. In addition to all rights and remedies available under applicable law and as otherwise set forth in this Agreement, and without waiver of any such rights and remedies, MXNEY may (in its sole discretion) take any or all of the following actions to enforce its rights to collect

from the Business any amounts due and owing as a result of the default:

- a. Place limitations on, and/or deduct funds owed to MXNEY from the Balance;
- b. Increase the Repayment Percentage, up to and including 100%;
- c. Originate a direct debit in respect of any Outstanding Tranche Amount from the Bank Account; and/or
- d. Originate a direct debit in respect of any Overdue Amount from the Bank Account.

## 18. INDEMNITY

18.1. The Business shall indemnify MXNEY on demand against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs and all other professional costs and expenses including legal expenses) suffered or incurred by MXNEY arising out of or in connection with a breach by the Business of this Agreement.

## 19. LIABILITY

19.1. Nothing contained in this section 19 will limit either party's liability for fraud.

19.2. Subject to clause 18.1, MXNEY will not be liable in contract, tort (including negligence) or for breach of statutory duty or in any other way for:

- a) Any economic losses (including loss of revenue, profits, contracts, business or anticipated savings);
- b) Any loss of goodwill or reputation; or
- c) Any special or indirect or consequential losses in any case, whether or not such losses were within the contemplation of the parties at the date of this Agreement, or were suffered or incurred by either party arising out of or in connection with this Agreement.

19.3. Subject to clause 19.1, MXNEY's total aggregate liability in contract, tort (including negligence or breach of statutory duty), misrepresentation (whether innocent or negligent), restitution or otherwise, arising in connection with the

performance or contemplated performance of this Agreement will be limited in aggregate to an amount equal to the Fixed Fee.

## **20. CREDIT APPROVAL & COMMENCEMENT DATE**

20.1. Each Tranche Amount specified in the Order Form is indicative and is subject to MXNEY's final credit- and risk approval. The Business hereby agrees and acknowledges that MXNEY, in its sole discretion, may waive a Tranche in full or reduce a Tranche Amount prior to such Tranche Amount being issued and made available to the Business by MXNEY if MXNEY's credit- and risk assessment gives rise hereto. In case a Tranche Amount is reduced, the Fixed Fee will be adjusted proportionally. MXNEY may in its sole discretion adjust the Repayment Percentage to ensure the same targeted repayment time if the credit- and risk assessment gives rise hereto.

20.2. Prior to a Tranche being made available and issued to the Business' Balance, MXNEY will provide a Credit Decision Letter specifying the final Growth Loan Amount, the final Tranche Amounts, the final Repayment Percentage and the final Fixed Fee, cf. Section 20.1 above. The Business agrees and acknowledges that the Credit Decision Letter will be a valid and binding part of the Agreement.

20.3. In case the Business' risk profile in MXNEY's reasonable opinion changes during the term of the Agreement, MXNEY is entitled to, from time to time, with not less than 7 days prior notice, change the Repayment Percentage and/or the Deposit.

## **21. RIGHT TO AUDIT**

21.1. MXNEY, or its representatives, shall upon request at any time during the Term have immediate access to and the right to examine the Business' place of business, inventory, offices, and other business locations, and all of its books, documents, papers, policies, procedures, records, i) to ensure compliance with the Agreement ii) to investigate claims of misinformation, defaults, inaccuracies in or breaches of the Covenants, Representations and Warranties, fraud, or other business irregularities, or iii) if MXNEY believes that an audit is necessary to address a material problem or issue that poses a threat to the Business' ability to meet its obligations under the Agreement.

21.2. The Business agrees to, and consents, that MXNEY is allowed to contact the Business' suppliers to verify the Business' purchase orders, payment of invoices and the like.

## **22. NO WAIVER BY MXNEY**

22.1. No delay, failure or discontinuance of MXNEY in exercising any rights under this Agreement and/or any other agreement or document now or later entered into between the Business and MXNEY shall affect or operate as a waiver of such rights; nor shall any single or partial exercise of any such rights preclude, waive or otherwise affect any other or further exercise thereof or the exercise of any other rights. Any waiver, permit, consent or approval of any kind by MXNEY of any breach of or default under this Agreement and/or any other document or agreement entered into, from time to time, by the Business and MXNEY must be in writing and shall be effective only to the extent set forth in such writing.

## **23. SEVERABILITY**

23.1. If any provision of this Agreement is determined to be void or unenforceable under applicable law or regulation, all other provisions of this Agreement shall be valid and enforceable.

## **24. GOVERNING LAW**

24.1. This Agreement is governed by Danish law and any disputes shall be settled by the Court of Copenhagen.

## APPENDIX A (DEFINITIONS)

**“Active Tranche Amount”** means the nominal DKK loan amount of the current issued Tranche as specified in the Credit Decision Letter, cf. Section 20.2

**“Administrative Fee”** means an administrative fee of DKK 1,000.

**“Agreement”** means this Growth Loan Agreement entered into between the Business and MXNEY, consisting of the Order Form, the General Terms and Conditions, the Credit Decision Letter, Appendix A (Definitions) and Appendix B (Covenants, Representations and Warranties) to the General Terms and Conditions.

**“Appendix A”** means the Appendix A (Definitions) of the General Terms and Conditions which is an integrated part of the Agreement.

**“Appendix B”** means the Appendix B (Covenants, Representations and Warranties) of the General Terms and Conditions which is an integrated part of the Agreement.

**“Approved Marketing Services”** means Google Ads, Facebook Ads, Instagram and such other marketing services as approved by MXNEY from time to time.

**“Authorised Representative”** means any individual who is authorised to execute binding documents on behalf of the Business. MXNEY may ask to see documentation confirming the appointment of the Authorised Representative.

**“Balance”** means the balance from time to time on the Business’ MXNEY-Card available for the Business to be applied to pay for Approved Marketing Services and Supplier Invoices pursuant to the terms of this Agreement.

**“Bank Account”** means the Business’ bank account as designated by the Business from time to time to MXNEY.

**“Business”** means the business as specified in the Order Form as the party entering into this Agreement as the borrower of the Growth Loan.

**“Business Day”** mean any day except any Saturday, any Sunday, any day which is a national holiday or any day on which banking institutions in Denmark, and the country in which the Business is located, are authorised or required by law or other governmental action to close.

**“Change of Control”** means (i) a transfer of the ownership over all or part of the share capital in the Business, whereby 50 per cent or more of the share capital of the Business is transferred, (ii) a transfer of voting rights in the Business, whereby 50 per cent or more of the voting rights in the Business are transferred or (iii) any other kind of transfer of the controlling interest in the Business.

**“Chargebacks”** means transactions that are disputed by a cardholder or card issuer and are returned in accordance with the card scheme rules.

**“Commencement Date”** means the later of (i) the Signing Date, (ii) the date when MXNEY has received all relevant information from the Business pursuant to the terms and conditions set forth in this Agreement, including, but not limited to, KYC and onboarding information pursuant to section 10 of these General Terms and Conditions, or (iii) the date when MXNEY provides its final Credit Decision Letter to the Business.

**“Covenants”** means the covenants set forth in section 1 of Appendix B to these General Terms and Conditions.

**“Credit Decision Letter”** means a written confirmation letter provided by MXNEY confirming its final credit- and risk approval pursuant to section 20 of these General Terms and Conditions setting forth the final (i) Growth Loan Amount, (ii) Tranche Amounts, (iii) Repayment Percentage, and (iv) Fixed Fee. The Credit Decision Letter will be an integrated part of the Agreement.

**“Daily Payment Amount”** means a nominal DKK amount equal to i) the Repayment Percentage of the Business’ daily Gross Revenue as recorded in the Shop System during the term of this Agreement, however never less than the Minimum Repayment Amount, ii) plus the Debit Fee per direct debit payment.

**“Debit Fee”** means a direct debit processing fee per direct debit being the higher of (i) DKK 3.50 or (ii) MXNEY’s actual cost of initiating a direct debit which is payable by the Business for each attempted direct debit initiated by MXNEY.

**“Deposit”** means the sum of daily deposits of 0,22% of the Active Tranche Amount for 90 days.

**“EURIBOR”** means the Euro Interbank offered rate for 1 week on the first Business Day of the week or, should EURIBOR be abolished, any interest rate benchmark adopted or administered by the European Money Markets Institute in place of EURIBOR. Provided that in case that such rate is less than zero; the rate shall be deemed to be zero.

**“Event of Default”** means (i) an event of default described in section 17 of these General Terms and Conditions, (in) any other of the events of defaults identified elsewhere in the Agreement, and (iii) any other of the Business’ breach of its obligations under the Agreement.

**“First Repayment Date”** means, in relation to the first Tranche, the date falling on the day after the end of the week after the Commencement Date, and in relation to any subsequent Tranche, the day after the said Tranche has been issued and made available to the Business by MXNEY.

**“Fixed Fee”** means the fixed fee in the nominal amount to be paid by the Business per Tranche as specified in the Credit Decision Letter.

**“General Terms and Conditions”** means MXNEY’s general terms and conditions to the Growth Loan which is an integrated part of the Agreement.

**“Gross Revenue”** means all of the Business’ gross revenue being the total nominal amount of revenue, excluding VAT, generated from the sale of its products and/or services, prior to any deductions as recorded in the Shop System. Refunds or cancellations will not be deducted from the total daily sales amount.

**“Growth Loan”** means the growth loan issued by MXNEY in one or more Tranches to the Business pursuant to this Agreement.

**“Growth Loan Amount”** means the aggregate nominal amount provided by MXNEY to the Business as one or more loans (Tranches) pursuant to the Agreement and as specified in the Credit Decision Letter.

**“Minimum Repayment Amount”** means 0.40% of the Tranche Amount.

**“MXNEY”** means MXNEY ApS, Company no. (CVR) 41086661, Mimersgade 47, 3., 2200 Copenhagen N, Denmark as lender, or any of its affiliates, if the Agreement has been assigned to such affiliate.

**“MXNEY-Card”** means a virtual issued payment card which can be used by the Business to pay its Approved Marketing Services from the Balance.

**“Order Form”** means the order form signed by the Business, the Owner(s) and MXNEY.

**“Outstanding Tranche Amount”** means the Tranche Amount plus Fixed Fee of a Tranche less the aggregate amount of all Repayments made by the Business to MXNEY in respect of such Tranche;

**“Overdue Amount”** means the difference (if any) between the Daily Payment Amount and the actual repayment of such Daily Payment Amount made by the Business.

**“Owner(s)”** means each person specified as Owner in the Order Form. Each Owner is a beneficial owner of the Business.

**“PSP”** means processor, acquirer, service provider or financial institution taking custody of, holding, possessing or issuing payment instructions with respect to the Gross Revenue through the Shop System.

**“Repayments”** means the portion of the Daily Payment Amount that is allocated towards paying off the Tranche Amount.

**“Repayment Percentage”** means the percentage specified in the Credit Decision Letter.

**“Representations”** shall mean the representations set forth in section 2 of Appendix B to these General Terms and Conditions.

**“Signing Date”** means the date when both the Business and MXNEY have signed the Order Form.

**“Shop System”** means the Business’ shop system as specified in the Order Form.

**“Supplier Invoices”** means any invoice from the Business’ suppliers relating to the Business’ acquisition of goods, products etc.

**“Term”** means the term of this Agreement which begins on the Signing Date and ends on the date that the total Growth Loan Amount, the Total Fixed Fee and all other amounts owed to MXNEY have been repaid by the Business in full in accordance with the terms of this Agreement.

**“Total Fixed Fee”** means the total nominal DKK fixed fee amount for the Growth Loan Amount equal to the Fixed Fee multiplied by the number of Tranches plus the VPL Amount from time to time.

**“Tranche”** means a loan in an amount of the Tranche Amount.

**“Tranche Amount”** means the nominal DKK loan amount of each Tranche as specified in the Credit Decision Letter.

**“Tranche Payment Amount”** means the aggregate nominal amount of the Tranche Amount plus the Fixed Fee per Tranche plus the Deposit and any other amounts related to that Tranche.

**“VPL Amount”** means a variable portfolio loss amount determined by MXNEY in its sole discretion. Such amount will be calculated by MXNEY and divided proportionally between its customers to cover MXNEY’s general operational expenses, costs, fees and/or losses related to its loan portfolio, including, but not limited to, increased cost of capital, losses or charge-offs on its loan portfolio from time to time, increased cost to serve, general cost increases due to changes in the general market and business environment, and other portfolio related costs or expenses throughout the Term.

**“Warranties”** means the warranties set forth in Section 2 of Appendix B to these General Terms and Conditions.



## APPENDIX B (COVENANTS, REPRESENTATIONS AND WARRANTIES)

### 1. Covenants

1.1 The Business agrees to comply with the covenants in this Agreement. In this regard, the Business and each Owner irrevocably agree that during the term of this Agreement, the Business shall:

- a) Not enter into any other arrangement, agreement or commitment relating to or involving the Gross Revenue or MXNEY-Card (e.g. factoring, pledge, sale, loan against, or sale or purchase of credits against), without MXNEY's prior written consent;
- b) Only use the Growth Loan Amount to pay for Approved Marketing Services and Supplier Invoices and shall ensure that the Growth Loan Amount is not being used towards acquisition of companies, investment in share or related assets, repayment or prepayment of any loans or debt of the Business, including due invoices.
- c) The Business may not change the PSP or Shop System without MXNEY's prior written consent.
- d) Not take any action that negatively impacts MXNEY's ability to collect Repayment Amounts through direct debit or debits;
- e) Maintain its existing line(s) of business throughout the course of this Agreement, including with respect to any additional product lines or services that are related to those currently being offered through its online shop:
- f) maintain total monthly spend on each of the Approved Marketing Services at a level that is at least 80% of the total monthly spend of the same month in the previous year, without the permission of MXNEY;
- g) Conduct its business in a manner consistent with past practice;
- h) Conduct its business under the name provided herein and maintain any and all of its physical or virtual places of business, unless the Business provides prior written notification to MXNEY and MXNEY does not object to the same;
- i) All Gross Revenue will be paid into the Bank Account;
- j) Not close the Bank Account;
- k) Maintain appropriate insurances for its business and show proof of payment to MXNEY on request;

- l) Not allow another person or company, including without limitations a franchisor company (if Business is a franchisee), to assume or take over the operation and/or control of the Business' business or business location, whether physical or virtual;
- m) Not sell, dispose, convey or otherwise transfer any of its business or assets (other than in the ordinary course of business), or pledge or grant other security over any of its business or assets without MXNEY's prior written approval;
- n) Not permit any event to occur that could cause diversion of its Gross Revenue or Daily Payment Amounts from MXNEY to any other entity;
- o) Maintain all of the Business' contact information current, including primary email address, the Business' phone number and physical address so that MXNEY can communicate with Business electronically;
- p) Cooperate fully with MXNEY to take all necessary actions required to effectuate each of its obligations in this Agreement, including but not limited, to signing any and all documents MXNEY deems necessary or appropriate;
- q) Provide any information requested by MXNEY in respect of its business.

### 2. Representations and Warranties

- 2.1 The Business and each Owner represent and warrant that all information provided to MXNEY prior to and under the Term of the Agreement are true and correct in all material aspects. The Business and each Owner further represent and warrant that the following shall remain true and correct in all material respect through the Term of this Agreement:
- a) The Business, acting through its Authorised Representative(s), has the power and authority to enter into and perform its duties and obligations under this Agreement and any documents required to facilitate the transactions contemplated by this Agreement.
  - b) This Agreement is fully binding on the Business.
  - c) The Business is not a party to any contract nor is it aware of any existing situation that would prevent the Business from entering into this Agreement.

- d) The Business has taken all necessary action to authorise its execution and delivery of, and performance under, this Agreement.
- e) The Business is solvent
- f) The Business or any of its Authorised Representatives and/or Owners are not aware of any circumstances that may negatively affect the Business' ability to repay any amounts owed to MXNEY pursuant to this Agreement.
- g) The Business has not sold and is not subject to any other contract or agreement that provides for the sale, assignment or any other transfer or security in the Business's future gross revenue from time to time, including its Gross Revenue. The Gross Revenue is and will be the proceeds of bona fide transactions of Business' customers arising out of the sale of products and/or services in the ordinary course of Business' business.
- h) The Business has not taken, and will not during the duration of this Agreement take, any action that negatively impacts MXNEY's ability to collect Tranche Payment Amounts, Daily Payment Amount and other outstanding amounts owed by the Business to MXNEY.
- i) The Business possesses and is in compliance with all permits, licenses, approvals, consents and any other authorisation necessary to conduct its business.
- j) There is no action, suit, claim, investigation or legal, administrative, or arbitration proceeding pending or currently threatened whether at law or in equity or by governmental authorities against the Business.
- k) The Business is validly existing and in good standing under any applicable laws. The Business has all requisite power and authority to borrow funds and to own, lease, pledge and operate its properties and assets and to carry on its business as presently conducted.
- l) The execution and delivery of, the consummation of the transactions contemplated hereunder, and compliance with the provisions of this Agreement, do not and will not conflict with other agreements to which the Business is a party or beneficiary, or result in any of the following: (1) violation or default of other agreements to which the Business is a party; (2) entitlement of any person or entity to receipt of notice or right of consent; (3) a right of termination, cancellation, accelerated or guaranteed rights or entitlement of any person or entity or entitlement of any



person or entity; or (4) creation of any claim on the properties or assets of Business.

- m) The Business is in compliance with all applicable rules and regulations.
- n) All taxes (including VAT) due and payable have been or will be duly filed and paid, on a timely manner (including any extensions).
- o) All tax reports have and will be true, correct, and complete. The Business has no material liabilities and, to the best of its knowledge, knows of no material contingent liabilities, except current liabilities incurred in the ordinary course of business.
- p) The Gross Revenue is currently and in the future will be generated in the ordinary course of business.
- q) Business will provide to MXNEY, from time to time at MXNEY's request, transaction files maintained by the Business, financial statements, information about the Business' financial condition and operations, and any other information related to past volumes, its sales, including third-party or marketplace sales, the Gross Revenue, or the transactions contemplated by this Agreement, whether formed for the purpose of audit or otherwise.
- r) The Business will upon request immediately give MXNEY the necessary accesses and provide all relevant material in order for MXNEY to conduct an audit in accordance with section 21.1 of the General Terms and Conditions.
- s) The Business will upon request and without undue delay provide information about its suppliers and relevant contact details of such.