

TrustBills platform terms and conditions

§ 1 Application of the platform terms and conditions, platform description, definitions

1.1. Application of the platform terms and conditions

- 1.1.1. The platform terms and conditions apply solely for the contractual relations between participants (clause 1.3.9) and TrustBills Marketplace GmbH (in the following: “TrustBills”) in accordance to the usage of the platform TrustBills.com (clause 1.2.1). Divergent terms and conditions by the participants are disallowed by TrustBills, unless, TrustBills has expressly agreed to the validity in writing. This also holds in the case that TrustBills provides services without reservation in knowledge of conflicting or deviating terms and conditions of participants.
- 1.1.2. The platform terms and conditions only apply to companies and institutions and public corporations and their foreign equivalents.

1.2. The platform provider and platform purpose and the offered services

- 1.2.1 TrustBills.com, accessible at www.trustbills.com, www.trustbills.de, marketplace.trustbills.com and other domains (in the following together: “platform”), is an internet auction platform which entitles companies to buy and sell trade receivables provided that they are approved participants. The receivables are being offered at the best price in accordance to the open Vickrey auction. TrustBills is neither buyer nor seller. Purchase agreements over trade receivables are solely arising between buyer and seller. TrustBills only provides the technical infrastructure to conclude purchase agreements and supports the contracting parties within the agreed extent during the transaction processing. TrustBills is not a financial institution or financial service provider, but platform provider. TrustBills does not deliver legal consultancy services, tax consultancy services or collection services. Individual services on the platform are not provided by TrustBills, but third-party-providers.
- 1.2.2 TrustBills is not liable for neither the legal validity nor the creditworthiness of the offered and sold receivables on the platform.
- 1.2.3 Identity and legal address of the platform provider: TrustBills Marketplace GmbH, Große Elbstraße 86, 22767 Hamburg; HRB 145 996 (in the following: „TrustBills“).
- 1.2.4 Storage possibility and insight into the contract text: Participants are able to look at the platform terms and conditions in the respective current form and are able to save them on their terminal device as well as printing, provided the terminal device is able to do so.

1.3. Definitions

- 1.3.1. “Service provider” and platform provider is TrustBills. TrustBills will perform individual settlement services during the processing and fulfilment of trade receivable purchase

contracts as described in the platform terms and conditions. The payment processing contract between the respective parties of the trade receivable purchase contract and the service provider takes place simultaneously with the conclusion of the trade receivable purchase contract, unless the parties agree otherwise.

- 1.3.2. “Third-party-providers” are companies, which offer their services on their own behalf and own account on the platform. Such services are labelled accordingly. The services may include ratings of participants or the calculation of the probability value for a specific future behaviour of participants and debtors. The terms and conditions of the third-party-provider apply (in this case). They are made available by the third-party-providers, for example using the third-party-providers’ link. The offers made by third-party-providers are not TrustBills offers. Solely the terms and conditions of the third-party-providers apply between the participants and third-party-providers. Trust-Bills does not check the third-party-provider offers for legality, correctness and completeness. The third-party-provider services may cause separate costs at the expense of the participant who uses such services. The prices are stated by the third-party-provider. A list of the third-party-providers is available at <https://www.trustbills.com/platform-documents>.
- 1.3.3. “First authorized person” is the person given in clause 2.2.3, who signs up the participant for registration and authorization.
- 1.3.4. “Trade receivables” are receivables between companies and institutions according to clause 1.1.2. for the sale of goods or the performance of services which are yet not paid for. Further details under clause 3.1.1.
- 1.3.5. “Buyer” is a participant who wants to acquire a trade receivable on the platform.
- 1.3.6. “Instruments of legitimization” are TrustKeys made available by TrustBills.
- 1.3.7. “Partner” is a distribution partner who cooperates with the platform provider.
- 1.3.8. “Platform terms and conditions” are the terms applying between TrustBills and the respective participants. They regulate the admission of participants, the access to the platform, the terms of the auction and the purchase and sale of the trade receivables offered on the platform.
- 1.3.9. “Participants” are domestic and foreign companies as well as domestic and foreign corporations, including public corporations, which, as legally independent entities, may and are able to conclude contracts on the purchase and sale of trade receivables on the platform. They want to be and are in accordance to the applying rules of the platform authorized participants. Consumers and sole traders cannot be participants.
- 1.3.10. “Seller” is a participant who offers a trade receivable on the platform.
- 1.3.11. “Settlement services” are the services to handle the sales of receivables provided by TrustBills in accordance to the platform terms and conditions. In particular, the transfer of payments of auctioned trade receivables and the transfer of the purchase price. The services take place in accordance to clause 7, unless otherwise agreed in writing between the trade receivable purchase contract parties and TrustBills.
- 1.3.12. “Fees” are fees charged by TrustBills. Fees are further specified in § 8 and in the price list.

1.4. Changes to the terms and conditions

- 1.4.1. TrustBills is entitled to change or complement the platform terms and conditions, as far as it is necessary in order to meet mandatory legal provisions or a change in jurisdiction. As well as to make changes or additions solely at the benefit of affected participants. In every other case a one-sided change or addition is only allowed if it is reasonable to the participants in consideration of TrustBills' concern. In particular, if, as a result of law changes, an unreasonable additional burden of costs and expenses to TrustBills occurs, and those unreasonable burdens can be avoided by a change in the platform's terms and conditions which is reasonable to the participants.
- 1.4.2. TrustBills will inform the participant about changes or additions in writing (electronic form is sufficient) at least two months prior to the entry into force ("notification of change"). The participants may object to the changes or additions for reasons of clause 1.4.1 sentences 3 and 4 within six weeks of notification to TrustBills Marketplace GmbH, Große Elbstraße 86, 22767 Hamburg. In case of no objection, the changes or additions become effective. TrustBills will give specific instructions on the legal consequences of no objection within the notification of change. In the event of a change for legal reasons to the detriment of the participants according to clause 1.4.1 sentence 3 and 4, the participants shall be entitled to an extraordinary right of termination. The right can be exercised within 6 weeks of notification.

§ 2 Registration process

2.1. Usage of the platform

Only authorized participants (clause 2.2) can use the platform. Participants must register and have to be activated first. Participants must not have been blocked by TrustBills during the time of platform usage.

2.2. Admission of participants

2.2.1 General requirements to participants

At its sole discretion, TrustBills will review participants for evidence of lack of economic viability prior to admission, without taking any responsibility for platform participants or third parties.

2.2.2 Platform login and registration

Every participant has to register with TrustBills and has to be authorized by TrustBills to trade trade receivables on the platform. TrustBills is not obligated to authorize participants and may reject applications without giving reasons. A contract of platform usage is concluded with authorization. Each participant is assigned to a participant account (company-platform-account).

The participant account is not transferable. Participants shall keep only one account. TrustBills reserves the right to delete accounts of incomplete registration after an appropriate period.

- 2.2.3 The registration process is conducted by TrustBills on its own responsibility.
- 2.2.4 The participant gives TrustBills a power of attorney for all business accounts for the purposes of transaction settlement, through which it intends to participate in trading on TrustBills.
- 2.2.5 TrustBills is authorized by the participant to transmit necessary customer data to other platform participants or public authorities for identification and anti-money laundering.
- 2.2.6 The legal representatives, who are signed in as such on TrustBills, have to be indicated as authorized to represent in the commercial register of the participant (or in an equivalent provided if there are no commercial register excerpts in the participant's home state).
- 2.2.7 The following participant data, inter alia, has to be indicated correctly with registration:
- a. Firm, name or designation;
 - b. Legal form and legal representatives
 - c. LEI (Legal Entity Identifier)
 - d. Register number, if existent;
 - e. Address of office or head office and the names of members of the representative body or of the legal representatives. If a member of the representative body or of the legal representatives is a legal person, the firm, name or designation, legal form, register number (if existent) and the address of office or head office are to be named.
 - f. Beneficial owners
- 2.2.8 Identification process
- The platform participants carry out the money laundering identification of their contract partners on their own responsibility.
- 2.2.9 Registration Fees
- To register, the participant pays the fee specified in the price list to TrustBills.
- 2.2.10 Sending of TrustKeys
- TrustBills sends Master TrustKeys to the business address of the participant. TrustKeys function as instruments of legitimization towards TrustBills and the participants, inter alia, to purchase and sell trade receivables.

§ 3 Tradable receivables, categories of assignment

3.1. Tradable receivables

- 3.1.1 Only trade receivables can be subject of auctions. This means, receivables resulting from a sale of goods between a supplier and a commercially operating debtor. Purchase contracts over goods which were bought in the first place for personal usage or for usage within the family or the private household of the debtor are excluded. “Goods” and “purchase of goods” includes the performance of services within the business sector. Receivables of or against private persons (consumers) as well as the sale and purchase of trade receivables by private persons is excluded. Also excluded are receivables which were previously assigned or transferred outside the platform, unless TrustBills has expressly permitted the auctioning of such receivables in individual cases. TrustBills does not perform any examination, especially does not check the solvency nor the reliability of the reseller.
- 3.1.2 Credit claims and securitised receivables are not allowed to be traded on the platform. Furthermore, financial instruments in terms of § 1 (11) German Banking Act (KWG) must not be offered.
- 3.1.3 The maturity of a receivable offered for auction must not be due earlier than eleven days from auction beginning.
- 3.1.4 It is impermissible to upload trade receivables for sale which are not (entirely) going to be paid for and the selling participant is aware of it.
- 3.1.5 Equally it is impermissible to upload receivables in which the underlying invoice amount and/or the maturity the debtor agreed on is not in line with the prevailing market terms. Also it is impermissible to upload trade receivables between companies associated under company law (intercompany receivables).
- 3.1.6 Furthermore, it is impermissible to upload trade receivables against partnerships, sole traders or other companies, for example, companies with only one natural person as shareholder, which enable conclusions about one specific natural person. Except, where the affected person has agreed to the seller to transmit his personal data in its necessary extent to potential buyers. The agreement has to be effective to the respective applicable data protection law. Appropriate consent must be presented to TrustBills by request.
- 3.1.7 With awareness or reasonable suspicion of an insolvency, imminent insolvency, current enforcement measures or over-indebtedness of the debtor the seller is not allowed to sell receivables against this debtor on the platform.
- 3.1.8 Sales of receivables must not violate valid export control law and must not be processed in currencies of embargoed countries. Receivables must not be traded if the purchase or sell violates a legal prohibition or embargo; or if the purchase or sell is impermissible without approval of state or supervisory authorities.
- 3.1.9 Trade receivables must not be subject to an absolute assignment prohibition. They have to be able to be assigned without certain form.

3.2. Exclusion of receivables

TrustBills is entitled to exclude trade receivables from the auction. Especially if they do not meet the platform's requirements or the trade is illegal for other reasons.

3.3. Categories of receivables and assignment

3.3.1 Disclosed assignment

With disclosed assignment the debtor of the trade receivable will be informed about the assignment and sale. The trade receivable is automatically passed over to the buyer with award of contract and conclusion of the trade receivable purchase contract. In case of disclosed assignment the seller is obliged to inform his debtor about the assignment of the trade receivable to the new creditor. If the seller has chosen direct payment from the debtor to the new creditor as payment method, he must also inform the debtor of the account information of the new creditor and ask him for payment to the new creditor. In the case of direct payment, the seller must ensure that the debtor pays directly to the new creditor. Informally, the debtor is also informed by TrustBills about the assignment and the information about the new creditor using the contact details provided by the seller.

3.3.1.1. category 1: Disclosed assignment, awareness of the debtor about the assignment, the debtor has given an irrevocable declaratory payment undertaking to the seller, the debtor pays the buyer directly.

3.3.1.2. category 2: Disclosed assignment, awareness of the debtor about the assignment, the debtor has not given an irrevocable declaratory payment undertaking to the seller, the debtor pays the buyer directly.

3.3.1.3. category 3: Disclosed assignment, awareness of the debtor about the assignment, the debtor has given an irrevocable declaratory payment undertaking to the seller, the debtor pays the so far known creditor.

3.3.1.4. category 4: Disclosed assignment, awareness of the debtor about the assignment, the debtor has not given an irrevocable declaratory payment undertaking to the seller, the debtor pays the so far known creditor.

3.3.2 Undisclosed assignment

With undisclosed assignment the debtor of the trade receivable will not be informed about the assignment and sale. The receivable is automatically passed over to the buyer with award of contract and conclusion of the receivable purchase contract.

3.3.2.1. category 5: Undisclosed assignment, no awareness of the debtor about the assignment, the debtor pays the last known creditor directly with exempting effect. In authority of the seller and within the settlement services TrustBills instructs the seller's bank to transfer the received payment of the debtor to an account of the buyer.

§ 4 Rights and obligations of the participants

Every approved participant is able to be buyer and seller of trade receivables.

4.1. Internet connection, hardware, software, data backup

The participant is responsible for his internet access and internet connection to the platform. The participant has to take care of adequately dimensioned and secured hardware and software which corresponds to the state-of-the-art to use the platform. Furthermore, he has to take care of the necessary means of telecommunication and the appropriate backup of his data corresponding to the state-of-the-art.

4.2. Correctness of information, Correction of information

4.2.1. Every participant has to supply the requested information to the best of one's knowledge and belief during the registration and validation. Same holds for the information requested from the seller and buyer, especially about the respective trade receivable, to be sold or purchased on the platform. If the participant is not sure about the correctness of his information, he shall refrain from supplying it.

4.2.2. When becoming known of the incorrectness of information, every participant has to correct it immediately. Especially changes of company names, authorized representatives and corporate purpose. For the correction of certain company data, fees must be paid in accordance with the price list.

4.2.3. Fees and charges for requests for the registration office, commercial register, or other registers resulting from a neglected notification of changes by the participant are to be paid by the participant.

4.2.4. Every participant who offers receivables on TrustBills has to upload the respective invoice on TrustBills. The invoice will be made available to the purchaser if the debtor does not (fully) pay in spite of payment request.

4.3. Special options of selling trade receivables

After registration the seller can always choose or exclude participants as potential buyers. A trade receivable seller may choose or exclude individual participants namely or he may also choose or exclude entire industries by given categories.

On the basis of sector data provided by the participants, which are not checked by TrustBills, the exclusion takes place technically by TrustBills. Participants excluded from the purchase will not be informed. The excluded or not chosen participants/groups are not able to see those receivables available for sale on TrustBills. The reasons for selection or exclusion of buyers are left to the seller.

4.4. International debt purchase and sale

If the sale of receivables or purchase of receivables relates to a trade receivable that is subject to foreign law from a participant's point of view and/or if the debtor and the participant are of different nationalities, the participant is referred to the international

context of the receivables trade and requested to pay attention to legal and tax specificities in this respect. The participant must confirm the acknowledgment of the note to TrustBills.

4.5. Release from liability by the seller

The seller releases TrustBills from any third-party claims resulting from false information responsibly provided by the seller. For example, such false information refers to the legal validity of the receivables or other properties of the trade receivable or debtor or that the trade receivable is enforceable and free from objections and pleas; and no counterbalancing situation exists; and/or the trade receivable assignment can take place without any formal requirements; and/or no form is required which is contradictory to the sale of the trade receivable on the platform according to the terms and conditions.

4.6. Secrecy and use of the instruments of legitimization

The use of instruments of legitimization shows TrustBills that the user of the instruments of legitimization is entitled and authorized by the participant to make announcements and to do business on the participant's behalf via the platform.

The participant must keep his TrustKeys and all access data to the platform confidential and protect them from unauthorized access. This also holds for participant's employees with no authorization (power of representation and authority to dispose) to trade on the platform. Participants are responsible for the actions transacted on the platform via the participant's account or by using the participant's TrustKeys or access data. This also holds for actions by unauthorized third parties.

However, if the participant passes on his instruments of legitimization to third parties or employees other than the ones authorized by the user, the persons using the instruments of legitimization are considered as authorized by the participant. Same holds if the participant is responsible for the loss of instruments of legitimization and/or has not informed TrustBills about the loss immediately.

TrustBills is entitled to block the participant's account and/or has the extraordinary right to terminate the contract to use the platform accordingly to these terms and conditions if there is suspicion of unauthorized passing on or unauthorized usage of the instruments of legitimization by the participant or his employees and vicarious agents.

The participant has to inform TrustBills about loss, passing on or misuse of access data or TrustKeys immediately

TrustBills explicitly advises to set up subaccounts with limited volume immediately after receiving the TrustKeys. Furthermore, to make use of the function to limit the transaction limit and the volume of sold receivables. Through TrustBills significant disposals can be performed, also by persons without power of disposition of corporate accounts. Therefore, participants are to monitor all corporate accounts thereupon if transactions by TrustBills are proper. For this purpose, in every transfer initiated by a User via TrustBills the account statement indicates that it was a TrustBills-transfer and which User initiated it.

4.7. Use of information

The participant is only allowed to use the platform and the provided information within valid legal regulations, for intentional personal informational purposes and for the initiation, conclusion and processing of a purchase contract. Same holds for information provided by other participants. For example, such information uploaded to the platform within sales offers or transmitted for the initiation, conclusion or processing of a purchase contract.

Information received by a participant in accordance to sales offers or the initiation, conclusion or processing of a purchase contract (in the following: “contract purposes”) shall only be used for those contract purposes. The participant is obligated to take care within his company that only persons who need the information for contract purposes shall get access to them. Notably, the participant needs to ensure that the information is not used to find out about prices or terms of other participants or debtors or to acquire customers.

4.8. Authorization to pass on and use information and data

Information and data is collected by TrustBills and shared with TrustBills by the participant. Every participant is obligated to ensure that he is authorized to pass on such information and data to TrustBills for the purposes concerned. Especially, this holds for all information and data about receivables and their debtors transmitted to TrustBills by the seller in connection with the upload of a trade receivable. The seller needs to ensure that TrustBills is authorized to publish those information and data on the platform within the auction offers and to use them to contact the debtor. For example, to inform about a sale of a trade receivable within disclosed assignment or to send payment reminders to the debtor within disclosed assignment.

Participants may only use personal data received by using TrustBills services for the contractual and precontractual communication. Usage for any other purpose is prohibited. Unless the participant explicitly approved to it, it is particularly prohibited to sell those data or to use them for sending advertising.

4.9. Sufficient funds

The participant’s bank account for which TrustBills has power of attorney shall always have sufficient cover. Every participant is obligated to ensure that that the respective account keeping bank is able to carry out the transfers instructed by TrustBills (e.g. sales price of a trade receivable or fees of TrustBills). For damage caused by a delay of the transfers and for which a lack of account coverage is the cause, the participant is liable.

4.10. Support during the transaction processing

On request, buyer and seller of a trade receivable are obligated to support TrustBills during the transaction processing to the necessary extent.

4.11. Examination of the invoice documents / advice

Participants are required to check the advice notes and invoices issued by TrustBills for their actual and tax-law accuracy and, if necessary, to correct them independently towards their contracting party.

4.12. Obligations

Furthermore, participants are committed to the following behaviour:

- 4.12.1. Contents breaking the law are not allowed to be made available or to be transmitted on or via the platform by participants. This, in particular, includes contents infringing criminal provisions, the competition law or third-party rights (e.g. trademark law, copyright law, industrial property rights or personal rights). When gaining knowledge of such contents, participants are obligated to inform TrustBills immediately by e-mail via care@trustbills.com.
- 4.12.2. While using the platform and during sales processes participants are obligated to observe the provisions of the act on tracing of profits from serious criminal offences (German Anti-Money Laundering Act – “GwG”). In particular, this includes the obligations regulated by the GwG of compliance of the due diligence and to identify contracting parties. Especially, buyer and seller are obligated to provide each other and TrustBills immediately with all information and documents required to adhere to the provisions of the GwG. It shall take place latest after request by the respective other party or by TrustBills.
- 4.12.3. Participants must respect all relevant penalties and embargo regulations. In particular it is prohibited to make sales contracts with persons or organisations affected by penalties or embargoes or to offer or purchase receivables from such affected persons or organisations. The trading of receivables in embargoed currencies or rather countries subject to embargo is prohibited, as well.
- 4.12.4. It is not allowed to offer or purchase receivables on the platform whose sale or assignment breaks the law, especially prohibitive laws. Receivables which disclose special personal data during their assignment or in connection with the purchase procedure are also included.
- 4.12.5. Unless provided by TrustBills, participants are not allowed to draw on tools, software or similar which enable or support automatic bidding.

4.13. Account authorization for TrustBills

Hereby, the participant entitles TrustBills account authorization to all bank accounts stated by him on TrustBills. This account authorization entitles TrustBills particularly to collect all fees according to clause 8 and for transaction processing according to clause 7.5. The transaction processing is a support service by TrustBills to simply ease the transaction. TrustBills will not process any transaction if getting aware of the insolvency of the account holder or of a corresponding application for such commencement according to the German Insolvency Act or, if the transaction is not processed due to wrong statements by the participant (BIC, name, claimed amount, etc.). TrustBills will not carry out automatic processing if the receivable can not be assigned automatically. Because e.g. only instalments or divergent repayment agreements take place.

If TrustBills does not provide transaction processing, the participant has to do it himself. In case errors occur during the transaction process, TrustBills is allowed to reverse the transaction to correct the error. Transaction processing by TrustBills starts with the end of an auction and ends not later 150 days after maturity of the trade receivable concerned.

4.14. Information about the enforcement of the trade receivable

The seller of receivables is obligated to reveal all information about the trade receivable (e.g. correspondence with the debtor, invoices and contracts relating to the trade receivable); and to support the buyer with the enforcement of the trade receivable. The seller authorizes the buyer and TrustBills to use the information for the purpose of enforcement of the trade receivable. This includes the passing on to law firms, collection agencies and other third parties.

4.15. Indemnity and information in case of breach of duty by the participant

In case other participants or third parties assert claims towards TrustBills because the participant breached duties under the contract with TrustBills, third-party rights or rights of other participants or legal provisions, the following applies:

The participant is obligated to indemnify TrustBills from and against such claims on request by TrustBills. The indemnity bond includes the absorption of attorneys', court and settlement fees in an adequate amount arising to TrustBills from legal defence. Further it includes the costs for legal consultation being necessary according to reasonable discretion by TrustBills. The participant is obligated to actively support TrustBills on the judicial and out-of-court settlement of such disputes. Whereby the exclusive right of action as well as the right to close judicial and out-of-court settlements about claims made against TrustBills remain to TrustBills. The participant's obligations regulated in this paragraph do not hold if the participant is not responsible for the breach.

On request, the participant is obligated to provide TrustBills with truthful and complete dossiers and information which are necessary to examine the validity of claims and an eventual defence.

Further claims by TrustBills against the participant remain unaffected.

§ 5 Payment history on TrustBills

- 5.1.** Prior to the approval trade receivables uploaded by sellers will be analysed by TrustBills by means of a payment history based on the data provided by the seller and if applicable by the debtor. The seller is requested to provide the following data about a specific debtor when uploading the first trade receivable against this debtor:

During the last year:

- Number of trade receivables the seller had against the debtor;
- Average underpayment;
- Average exceedance of the agreed payment date;

- 5.2.** After the first upload TrustBills monitors the fulfilment of each uploaded trade receivable of this debtor by accessing the accounts and adds the collected data to the payment history mentioned above.

- 5.3.** The analysis can only take place if there is no personal data of the debtor affected which he hasn't agreed to. The seller is responsible to make sure that the notice to TrustBills about data affecting the debtor and the publication of data about the debtor to potential buyers does not violate the debtor's rights. Clause 4.7 applies additionally.
- 5.4.** The following data about the debtor will be disclosed to potential buyers on the platform:
- risk of delay in payment and an underpayment for the uploaded trade receivable based on the debtor's payment history.
 - number of cases of absolute non-payment of the trade receivable amount (protracted defaults)

The actual chance of a delay in payment and an underpayment can vary due to other information or data. The analyses do not contain a price or a purchase recommendation.

§ 6 Auctioning process and trade receivable purchase contract between the participants

6.1. Bidder process and occurrence of the trade receivable purchase contract

- 6.1.1. On the platform TrustBills provides the participants with different offer formats and functions to conclude receivable purchase contracts.
- 6.1.2. The seller may choose between disclosed and undisclosed assignment.
- 6.1.3. The disclosed trade receivable purchase comes into existence between the buyer and the seller on the terms of the disclosed trade receivable purchase contract (<https://www.trustbills.com/platform-documents>). The undisclosed trade receivable purchase comes into existence between the buyer and the seller on the terms of the undisclosed trade receivable purchase contract (<https://www.trustbills.com/platform-documents>). The contracting parties agree on German law for the assignment. At the moment of conclusion of the contract the trade receivable will be assigned to the buyer. With undisclosed assignment the seller has to transfer the debtor's payment to the buyer.
- 6.1.4. With given input formats on the platform the seller provides the trade receivable and the favoured selling format as well as the duration and minimum price. In doing so he gives the necessary information about the debtor and the trade receivable, which can depend and vary on the properties of the respective debtor and the respective trade receivable. The minimum information for each uploaded trade receivable arises from the input mask for manual receivable input and the Excel or XML template.
- 6.1.5. Input options

The seller is able to manually enter individual trade receivables into a web form (input with a screen input mask) or to upload several receivables with a preconfigured Excel or XML file.

6.1.6. Currency of the offer

Every offer for a trade receivable shall be made in the currency in which the debtor has to pay for it. The currency is shown to potential buyers. To bid on a trade receivable in a specific currency, the bidder has to have a current account in this currency as a portfolio account on TrustBills.

6.1.7. Legal validity and solvency

6.1.7.1. Liability for the legal validity of the trade receivable

The seller guarantees the legal validity of the trade receivable and the freedom of pleas and objections and the assignability of the receivable (validity). Furthermore, he guarantees that there is no counterbalancing situation against the trade receivable. A performance guarantee (guarantee of the debtor's solvency) is not provided by the seller.

6.1.7.2. Possible restriction of the validity liability

The seller may restrict his guarantee according to clause 6.1.7.1 in the offer to 80% of the trade receivable's nominal value by a corresponding declaration. The restriction is shown in such sales offers and may be considered as a pricing factor by potential buyers. In case a buyer accepts an offer with this limited liability and the trade receivable purchase contract is conducted in this way, the following holds:

In the first place the trade receivable's guarantee of validity only persists up to 80% of the trade receivable's nominal value. It means the seller is not obligated to take responsibility for the underpayment of up to 20% of the trade receivable's nominal value resulting from non-existence if 20% or less of the trade receivable does not persist, for example because of pleas, contract modifications, etc. The buyer may make use of the trade receivable's whole amount (100%) if less than 80% of the trade receivable's nominal value persists.

6.1.7.3. Withholding tax and other deductionstax and other deductions

Regardless of whether a reduction to 80% in accordance with 6.1.7.2. is settled the seller warrants and guarantees that the debtor is obliged to pay 80% or 100% of the invoice amount of the trade receivable to the buyer, without deduction of withholding tax or other deductions. A possible reduction to 80% corresponding to 6.1.7.2. does not refer to withholding taxes and deductions, for which the seller is always liable to 100%.

6.1.8. Verification of the trade receivable

6.1.8.1. Before the trade receivable is activated as an offer on the platform, TrustBills verifies the concerned trade receivable in a limited way according to clause 7.2. A manual verification takes place if this computer-aided review does not lead to release. If the trade receivable can again not be released after this, TrustBills sends an email to the seller, informs about the rejection of the trade

receivable and asks him to check his data. If the seller then makes changes to the trade receivable, it requires a re-examination. TrustBills is not obligated to release trade receivables for sale or to communicate the reasons of rejection. A rejected release will not be publicised to other participants.

6.1.8.2. The positive review of a trade receivable and the release to sell takes place without any obligations; in particular, it does not lead to the buyer being able to rely on the legal validity of the existing receivable and the correctness of the information provided by the seller. In fact, the seller is solely responsible for this.

6.1.9. Starting price and auction duration

6.1.9.1. The seller determines the starting price (bottom price) and the auction duration using the platform's corresponding function. For the starting price, a fixed minimum amount may be specified by TrustBills as an euro amount, whose equivalent for non-euro receivables is determined in accordance with paragraph V. of the Price List, using the reference rates of the ECB. The duration of auction is either 1, 3 or 7 days, beginning with start of the auction by the seller according to clause 6.1.8. The days refer to full 24 hours starting with the release of the trade receivable (24 hours/78 hours/168 hours).

6.1.9.2. TrustBills is entitled to extend the auction duration via a random generator by a time period of maximal five (5) minutes. This shall prevent an offer being consciously made in the last second is in every case the highest bid. Furthermore, TrustBills may extend the auction duration by a necessary time period for technical reasons.

6.1.9.3. Due to technical reasons it is possible that for auction released trade receivables are not traceable immediately after release.

6.1.10. Offer to sale

A seller submits a binding offer to conduct a trade receivable purchase contract with the predetermined contents in the respective stated category (disclosed or undisclosed sale of receivables) on the stated and particular trade receivable when the following holds: The seller uploads a trade receivable on the platform and releases it for auction and purchase by confirming the corresponding button "start auction" on the website of the platform. If the seller determines a minimum price, the trade receivable purchase contract comes only into existence at the end of the auction duration when the highest bid is above or equal to the minimum price.

6.1.11. Bidder process

Every participant not excluded by the seller is constantly able to see the current status of offers on the platform and is able to submit bids until the end of auction duration. The bidder who submitted the highest price to purchase the respective trade receivable by the determined end of auction purchases the trade receivable. If the highest bidder is the debtor, payment of the auction price after the end of the auction results in premature payment of own payables. By acquiring the trade receivable, the debtor is both the

creditor and the debtor of the trade receivable, which extinguishes it. There is an “automatic bidding system” with increasing steps (so-called increments) to raise previous bids.

6.1.12. Offer acceptance

The buyer accepts the offer of the seller to sell the trade receivable by submitting a bid. The acceptance takes place under the condition precedent that the buyer is the highest bidder with expiry of the auction duration according to the highest price preliminary procedure as described in the following. A bid expires if another buyer submits a higher bid during the auction duration. Automatic bids through the bidding assistant are bids made by the buyer.

6.1.13. Correction of inputs and declarations

All inputs by the seller and buyer take place over the according input mask on the platform’s website. In every case, participants have the opportunity to check the correctness of their information and, if necessary, to correct them before submitting a binding declaration.

6.1.14. Dispatch and deposit of contract documents

The seller and the buyer receive the contract for the respective trade receivable sale by e-mail. In addition, these documents for the seller and the buyer are also available for download on the platform.

6.2. Abortion of the auction process, consequences

6.2.1. TrustBills is entitled to abort a running auction before the end of the auction duration if it is necessary to protect the platform or a participant or the debtor of a trade receivable or for legal or technical reasons.

6.2.2. If an auction is prematurely aborted, no valid contract between the buyer with the highest bid and the seller comes into existence.

6.2.3. Buyer and seller are able to revoke their offer or bid if the conditions of the revocation terms according to clause 6.3. are fulfilled.

6.2.4. In case of technical faults TrustBills is able to release the auction again after consultation with the seller.

6.2.5. A prematurely abortion of an auction will be reported to the seller and potential bidders.

6.3. Revocation

6.3.1 A subsequent correction of binding inputs by participants is technically not possible after an auction has been started. In case of pleas by a participant affecting his declarations, he has to get in touch with TrustBills immediately under care@trustbills.com. Revocations are only possible in accordance to clause 6.3.2. Sellers and buyers reserve the right to subsequently modify the contract outside of the platform after execution of the

receivable purchase contract. As far as this affects the amount of the trade receivable and/or the maturity, TrustBills shall be informed immediately via email to care@trustbills.com.

6.3.2 In the following cases the result of the auction can be revoked by the seller, the buyer or TrustBills immediately after the reason became known:

6.3.2.1. Obtainment of knowledge of facts which cancel the tradability of the trade receivable according to these platform terms and conditions (approved trade receivable);

6.3.2.2. Effective appeal of the issue of a declaration by the seller or buyer;

6.3.2.3. Existence of technical faults by TrustBills which were causal for the auction's result;

6.3.2.4. Existence of an important reason justifying the termination of the license agreement according to these platform terms and conditions.

6.3.3 In case of an effective revocation the trade receivable purchase contract is not existent. In case of technical faults TrustBills is able to release the auction again after consultation. If an auction is canceled prematurely by TrustBills, no valid contract between the buyer and the seller comes into existence.

6.4. Additional agreements

Additional agreements to trade receivables for sale with the debtor or modification of contract terms prior to conclusion of auction are only effective with the explicitly issued permit of TrustBills.

§ 7 Services by TrustBills

7.1. Adjustment of services

TrustBills is entitled to change or adjust its service content in the scope of technological, user interface-related or content-related further development provided that agreed services will not be substantially or unreasonably restricted for the participants. TrustBills will inform the participant about respective changes beforehand via email.

7.2. No binding verification of trade receivables or debtors

TrustBills verifies the trade receivables offered on the platform and/or its debtors only in a limited context for money laundering and crime prevention including consideration of embargos. Before release the trade receivables are automatically or possibly manually reviewed for plausibility by TrustBills referring to particular general information based on experience and probabilities. Therefore, the buyer is responsible to obtain necessary information before bidding for a trade receivable. TrustBills is not liable for the accuracy of the information and declarations provided by the seller. In particular,

TrustBills is not liable for the existence of the trade receivable and the creditworthiness or willingness to pay of the parties involved.

7.3. No verification of buyer and seller

Beyond the actions in the registration process TrustBills does not further verify the registered participants on the platform. This also holds for persons acting within an auction, especially, their creditworthiness or identity.

7.4. No verification of information provided by third parties

The platform includes references to different information offers of third-party-providers. E.g. credit agencies or credit rating providers which offer their services on their own behalf and own account which can be used by the participant on his own responsibility and his own costs if necessary. Those are not own information offers or services of TrustBills. TrustBills does not review these information offers of third-party-providers which are linked to the platform.

7.5. Services of TrustBills supporting the execution of transactions

7.5.1 Information of seller, buyer and debtor

7.5.1.1. Unsuccessful auction

If the auction expires without a bid on the relevant trade receivable, the system will show this.

7.5.1.2. Successful auction

TrustBills will send an email with the relevant trade receivable purchase contract and assignment agreement to the buyer and seller via the platform if a buyer is set after expiration of auction. This mailing is for information purpose only. The conclusion of contract between the parties comes already into existence in accordance to clause 6.

7.5.2 Transfer of the purchase price for successfully completed auction and invoicing

In case of a successfully completed auction TrustBills electronically instructs the account-holding bank after the end of the auction via EBICS-system to transfer the agreed purchase price from the bank account of the buyer to the listed bank account of the seller. This transfer is based on the account authorization for the listed bank account given to TrustBills from the buyer. The instruction of the bank takes place subject to sufficient cover of the account which is not guaranteed by TrustBills. The buyer stays obligated to pay the purchase price by himself. According to the case-law of the Federal Finance Court (Bundesfinanzhof BFH) and the European Court of Justice (Europäischer Gerichtshof EuGH) the difference between the purchase price of the trade receivable and the nominal amount of the receivable ("discount") can be classified as pay for a collection service. To standardize the processes for all participants, TrustBills automatically issues an invoice of the so-called discount to the seller on behalf and in authority of the buyer after the purchase of the trade receivable on the platform. TrustBills is allowed to opt for the sales tax and to disclose sales tax in the amount of 19% on behalf

of the participants regardless if the sales tax can be assessed in the individual case. The buyer verifies the invoice for correctness immediately and communicates pleas to TrustBills. After the purchase on the platform TrustBills automatically creates a receipt of the purchase price of the receivable to the buyer on behalf and in authority of the seller. The seller verifies the receipt for correctness immediately and communicates pleas to TrustBills via email to care@trustbills.com. In atypical cases, especially if the auction price is below the discount amount, there is no transaction support through TrustBills.

7.5.3 Transaction support for undisclosed assignment

In case of an undisclosed assignment the debtor pays to the bank account of the seller or the original seller of the trade receivable (provided that the trade receivable was re-sold on the platform). After payment of the sold trade receivable has been received TrustBills immediately electronically instructs the account-holding bank via EBICS-system to transfer the received payment from the bank account of the (original) seller to the listed bank account of the buyer. This transfer is based on the account authorization for the listed bank account given to TrustBills from the (original) seller. Hereby a delay occurs in the time frame which is common for bank transfers. The bank will perform the credit transfer only if the account is covered sufficiently. In the case of an insufficient cover on the bank account the seller is still obligated to pay the purchase price to the buyer. TrustBills reserves the right to ask the (original) seller of the receivable if particular data of cash receipts (purpose of the transfer, invoice number, amount, name of the transferring person) do not correspond completely to the relevant data of the sold receivable to ensure that the cash receipt is effectively relating to the sold receivable and therefore entitled to the buyer. The seller is obligated to cooperate for the clarification of these atypical cases. TrustBills is entitled to make a payment purpose due to allocation difficulties. If there has been a misallocation of payments due to allocation difficulties, there will be no reversal of the payment by TrustBills. In further atypical cases, especially if the auction price is below the discount amount, there is no transaction support through TrustBills.

7.5.4 Transaction support for disclosed assignment

Furthermore, if an disclosed assignment has taken place, the seller is obliged to inform the debtor about the sale. Informally, the debtor is also notified by TrustBills of the assignment via the contact details provided by the seller.

For the cases described in clause 3.3.1.1 and 3.3.1.2 the debtor is advised to pay on the account of the buyer so that no support on payment processing by TrustBills is necessary. The seller is obligated to request the debtor for payment to the buyer. TrustBills supports the payment process as in the case of undisclosed assignment if the debtor accidentally pays to the account of the seller and TrustBills becomes aware of this. This also holds for the cases described in clause 3.3.1.3 and 3.3.1.4 where the debtor pays to the account of the previous known creditor.

7.5.5 Payment reminder of the debtor at maturity for disclosed assignment

TrustBills sends at maturity date payment reminders to the debtor and the original holder of the trade receivable (contractual partner of the debtor) if no payment took place by

the debtor of the sold trade receivable of an disclosed assignment. The number of payment reminders, the dates on which the payment reminders will be send and the form (email or letter) is determined by TrustBills to reasonable discretion. At any time, the buyer is able to instruct TrustBills to stop the payment reminder process.

In case there is no payment made by the debtor after the payment reminders, TrustBills informs the original holder of the receivable and the buyer of the respective trade receivable about it. Then it is the responsibility of the buyer to take actions in his discretion to collect the trade receivable. The seller and the original holder of the trade receivable (contractual partner of the debtor) are obligated to fully support the buyer in this case. TrustBills will announce to the buyer the disclosure of the invoice deposited with TrustBills and, if applicable, of other deposited documents 40 days after the due date of the trade receivable and disclose these documents as evidence for the trade receivable 70 days after the due date. Until 150 days after maturity, the buyer shall not instruct the debtor to make payment to a different bank account. This also holds for instructions to a third party, e.g. legal firms or collection agencies, to make such an instruction. Thereby TrustBills is able to see if a receipt of payment has been made to the buyer's bank account monitored by TrustBills up to 150 days after maturity.

7.5.6 Payment reminder of the debtor after maturity for undisclosed assignment

TrustBills sends at maturity date payment reminders to the original holder of the trade receivable (contractual partner of the debtor) if no payment took place by the debtor of the sold trade receivable of an undisclosed assignment. Furthermore, TrustBills sends an information about the non-payment to the buyer. In case there is no payment made by the debtor after the payment reminders, TrustBills informs the original holder of the trade receivable and the buyer of the respective trade receivable about it. The number of payment reminders, the dates on which the payment reminders will be send and the form (email or letter) is determined by TrustBills to reasonable discretion. At any time, the buyer is able to instruct TrustBills to stop the payment reminder process. In case there is no payment made by the debtor after the payment reminders, TrustBills informs the buyer of the respective trade receivable about it. Then it is the responsibility of the buyer to take actions in his discretion to collect the trade receivable. The seller and the original holder of the trade receivable (the contracting party of the debtor) are obligated to fully support the buyer in this case. TrustBills will announce to the buyer the disclosure of the invoice deposited with TrustBills and, if applicable, of other deposited documents 40 days after the due date of the trade receivable and disclose these documents as evidence for the trade receivable 70 days after the due date. Until 150 days after maturity, the buyer shall not instruct the debtor to transfer to a different bank account. This also holds for instructions to a third party, e.g. legal firms or collection agencies, to make such an instruction. Thereby TrustBills is able to see if a receipt of payment has been made to the buyer's bank account monitored by TrustBills up to 150 days after maturity.

7.6. **Availability of the platform; impacts of interruptions to running auctions**

7.6.1 TrustBills does not owe a constant availability of the platform and its functionalities and the services offered on the platform. Especially, the risk of an unforeseen failure of the platform cannot be excluded. Though, TrustBills shall endeavour a closely uninterrupted supply of the platform.

- 7.6.2 TrustBills will inform the participants about an unforeseen failure of the platform lasting longer than 30 minutes via email, as far as it is possible within the existing technical conditions with reasonable effort.
- 7.6.3 In case measures are necessary to ensure the safety of the platform and to maintain the ongoing operations on the platform (e.g. by updates or upgrades) and such measures may lead to failures to the availability of TrustBills, TrustBills will plan maintenance windows during which it may be possible to have a planned shutdown of the platform. TrustBills will inform participants about upcoming maintenance windows and their expected duration and impacts by giving notice on the platform under status.trustbills.com. TrustBills will consider the legitimate interests of typical participants when planning and performing such operations. During the maintenance windows auctions will be interrupted and continued after the maintenance. The auction duration will be extended accordingly whereby a rounding of the auction duration to full hours is permitted.
- 7.6.4 In case of a platform failure lasting up to two hours the duration of all running auctions will be extended to an appropriate time of up to two hours.
- 7.6.5 In case of a platform failure lasting longer than two hours the duration of all running auctions will be extended by 24 hours, counting from the end of failure. In such a case, every seller is entitled to abort his running auctions. In case a seller aborts an auction based on such a failure, no purchase contract about the affected trade receivable comes into existence with the highest bidder at the time of abort or any other bidder. The bidders affected by such an abort will be informed by TrustBills via email.
- 7.6.6 As far as a platform failure leads to abort of auctions and TrustBills is responsible for it, TrustBills will refund or remit the already paid or incurred fees of the aborted auction to the participants.

§ 8 Fees

- 8.1.** TrustBills' fees arise from the price list (<https://www.trustbills.com/platform-documents>).
- 8.2.** TrustBills' fees do not include sales tax. Sales tax is applied and charged additionally by TrustBills at the statutory amount if it arises.
- 8.3.** Unless otherwise arranged, the fee payment will be made when due. TrustBills will electronically instruct the account keeping bank via the EBICS system to transfer the owed fee from to participant's account to TrustBills account. Basis for the instruction is the power of attorney of the current account.
- 8.4.** Unless there was an error by TrustBills, payments for TrustBills' fees are non-refundable – not even partially. This also holds if the transaction is subsequently reversed (e.g. due to challenge) or its amount is corrected (e.g. by mistake of a party on the applicable VAT rate of the trade receivable).

§ 9 Blocking

- 9.1.** TrustBills is able to block participant accounts temporary or definitively, if:
- there is suspicion that the participant has made false statements knowingly or grossly negligent. Especially during the registration;
 - there is reason to extraordinary terminate this contract on the part of the participant or TrustBills;
 - there is concern that unauthorized third parties use the participant account and/or
 - the participant repeatedly gives access to the platform to unauthorized persons.
- 9.2.** TrustBills immediately communicates the blocking and reasoning to the participant via E-Mail. Access will be restored with elimination of the reason, unless TrustBills terminates the contract.

§ 10 Term and termination

10.1. Term

The contact on the usage of the platform is concluded for an indefinite period.

10.2. Ordinary termination

The participant and TrustBills have the right to terminate the contract without giving reasons with a two-week notice. Nevertheless, auctions in which the terminating participant is involved and which are not yet completed will be completed contractually. Transaction support ends with the expiry of the notice period. Login details, password and TrustKey will be deactivated with expiry of the last transaction. Unless the usage is necessary to process the unfinished transaction, the participant is prohibited to use it by the effective date of termination. The right to block a participant remains unaffected.

10.3. Extraordinary termination

The extraordinary right of termination under clause 1.4.2 remains unaffected.

10.4. Form of termination

Terminations require the text form to be effective.

§ 11 Liability

11.1. General liability criterion

According to the legal provisions, TrustBills is liable for damages of the participants resulting from intentional or negligent behaviour by TrustBills, its legal representatives, executives or other vicarious agents. The same applies for personal injuries and for damages under the product liability law.

11.2. Limitation

Unless nothing else is stated in a guarantee provided by TrustBills, the liability of TrustBills is limited for damage claims according to the following provisions:

- 11.2.1 TrustBills is only liable for damages caused by slight negligence if they are based on the violation of contract-essential duties (cardinal duties). Cardinal duties are such contractual duties whose fulfilment enables the proper contract implementation and the participant can rely on its observance. As far as TrustBills is liable for negligence, the liability of TrustBills is limited to the damage that is typically expected.
- 11.2.2 The liability of TrustBills for negligently caused data loss and/or software is limited to the typical recovery expenses which are necessary if regularly and appropriate backups have been made by the participant.

11.3. Expenses

The provisions of the paragraphs above apply correspondingly to limit the obligation to compensate wasted efforts (§ 284 of the German Civil Code).

11.4. Vicarious agents

The preceding limitations of liability also apply for the benefit of vicarious agents of TrustBills.

11.5. Initial defects

The liability without fault of TrustBills as lessor for existing defects at the conclusion of contract (§ 536a (1) case 1 German Civil Code) is excluded.

§ 12 Final provisions

12.1. Applicable law

The law of the Federal Republic of Germany with exclusion of UN sales law (CISG) holds for the contractual relationship between TrustBills and the participant.

12.2. Place of jurisdiction

Is the participant merchant in terms of the German commercial code (HGB), legal entity under public law or a public separate estate the sole place of jurisdiction – even internationally - shall be Hamburg for any conflict, including tortious claims, arising directly or indirectly from the contractual relationship between TrustBills and the participant. The same place of jurisdiction applies if the participant has no general place of jurisdiction

within Germany, has transferred his residence or usual abode abroad after concluding the contract or his residence or usual abode is unknown at the time of filing of action.

12.3. Exclusion of set-off

Prevailing: The participant can only offset against receivables by TrustBills with undisputed or legally established counterclaims. In case of service deficiency by TrustBills, the participant is only entitled for a right of offset or retention if the offset or retention amount does not exceed the reduced value of the affected service or the potential cost of supplementary performance or correction of faults.

12.4. Severability clause

If any provision is invalid or unenforceable, the remainder of this contract will continue to be valid and enforceable. The parties are obliged to replace the invalid or unenforceable provision by agreeing on a valid and enforceable provision which comes closest to the economic intention of the initial provision. The last also holds in case of a gap within the platform terms and conditions.

12.5. Text form

Unless explicitly settled otherwise, all declarations shall be in text form.