

General Terms of Use

<https://credefi.finance/>

Welcome to *Credefi* Platform – the world's most advanced crypto peer-2-peer lending platform that combines the best practices of DeFi and traditional finance!

These Terms of Use shall apply between the users and the administrator of *Credefi* Platform in relation to the use of the Platform's functionalities, resources and services. The main services offered through the Platform include, without limitation, investing in credit portfolios, peer-to-peer lending and borrowing and doing trade finance on the Platform.

By accessing, viewing or using in any manner this Platform and its services, you confirm that you are at the minimal age of 18 years old or at the respective age of majority as defined by your nationality and have full legal capacity, experience, knowledge and ability to access and use Credefi Platform, and are aware of and accept unconditionally to be bound by these Terms. If you disagree on these Terms, please do not use this Platform and its services.

Definitions

"Website", "Site", "Platform" – the website with address (URL) <https://credefi.finance/> in addition to any sub-pages, APIs, mobile and other related software applications.

"Administrator", "We", "Us" – the company, Credefi Ltd., duly incorporated and operating under the laws of the Republic of Bulgaria, entered into the Commercial Register at the Registry Agency, with UIC 206396291, having its seat and address of management at: 1124 Sofia, Bulgaria, Yavorov District, 7 Boicho Voivoda Str., that owns and maintains the Platform.

"User", "You" – any person that uses the Platform and its Services.

"Lender" – a Platform User that enters into a Loan Agreement as a Lender.

"Borrower" – a Platform User that creates a loan request on the Platform and enters into a Loan Agreement as a Borrower.

"User account" – the set of data associated with any registered User using the Services of the Platform.

“Services” – any and all services that are offered on the Platform and can be accessed by the Users.

“Virtual currencies”, “Cryptocurrencies” – a digital representation of value that is not issued or guaranteed by a central bank or a public authority, is not necessarily attached to a legal tender and does not possess a legal status of currency or money, but is accepted by persons as a means of exchange and which can be transferred, stored and traded electronically.

“Tokens” – digital units that provide exclusive access to a product or Service of the Platform.

“CREDI” – an inflationary Token used for rewards on the Platform.

“xCREDI” – a variable supply, deflationary in the long run, Token created by burning CREDI and stabilizing the *Credefi* ecosystem.

“Stable coins” – a type of virtual currency that can be pegged to virtual currency, fiat money or exchange-traded commodities of legal tender.

“Blockchain” – a decentralized, distributed and public digital ledger consisting of records called blocks that is used to record transactions across many computers so that any involved block cannot be altered retroactively.

“Loan” – an amount of funds, backed up by the Borrower with a Collateral, issued by the Lender to the Borrower on the Platform and subject to repayment by the Borrower pursuant to the terms of the applicable Loan Agreement.

“Loan Agreement” – an agreement entered into by and between the Borrower and the Lender on the Platform according to the Platform’s terms.

“Collateral” – crypto or tangible assets that are provided by the Borrower as a means of protection for the Lender and its loan.

“Credit Portfolio” – a collection of projects, segmented and grouped on the basis of Borrowers’ risk profiles.

“Partner Financial Institution” – an undertaking other than a credit institution and an investment firm that performs payment services and others specifically listed in the Credit Institutions Act.

“Restricted Jurisdiction” – any jurisdiction that restricts and/or bans its residents from participating in blockchain projects and/or other projects related to cryptocurrencies.

1. Risk Notice. Disclaimers

1.1. *Credefi* Platform is not a financial institution within the meaning of Article 3 of the Bulgarian Credit Institutions Act and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and its amendments, nor is an investment fund and/or a financial intermediary. The Platform is solely an enabler between Lenders and Borrowers.

1.2. *Credefi* Platform is a DeFi lending marketplace where Users can meet to invest in or finance from other Users. When lending and borrowing via the Platform and its Services, Users enter into an agreement at their own risk and responsibility.

1.3. Nothing on the Platform, including but not limited to information and/or other published content, and/or Services constitutes investment advice, financial advice, trading advice or any other form of advice or recommendation by Us. Users acknowledge and agree that neither We nor any of the information providers, their affiliates nor any third parties will advise Users personally regarding the nature, potential, advisability, value or suitability of any particular investment. Users should conduct their own due diligence and consult a qualified financial advisor so as to make an informed investment decision.

1.4. Investing into Cryptocurrencies and Tokens generally involve a high degree of risk. There are various risk factors that may be involved such as, including, but not limited to, high volatility, new and unproven technology, software and protocols used, cyber attacks and other malicious activity, including fraud, regulatory changes, etc. The following risks entail circumstances under which our business, financial condition, results of operations and prospects could suffer. Purchasers agree and warrant that they shall engage in using the Platform and its Services at their own wish, risk and responsibility.

1.5. The volatility of Cryptocurrencies and their price bear risks for your investments and may result in significant losses, including over a short period of time. *Credefi* Platform does not warrant any profitability using the Services. There is no guarantee that Users will get a certain amount of funds or any funds, or not lose money as a result of using the Platform and its Services and functionalities due to any such possible value fluctuations, market irregularities or any other unforeseeable events at present.

1.6. The regulatory regime governing Blockchain, Cryptocurrencies, Tokens and other crypto assets is presently uncertain, fragmented and not uniform in the various jurisdictions. Any legislative and regulatory changes whatsoever might materially and adversely affect the value, structure, rights, use and transferability of the Tokens. Additionally, should a dispute arise, due to all of the above, Users might have limited or no legal remedies and recourses against the Administrator, other purchasers and holders of the Tokens, and/or any other natural person or entity that may interfere with the Administrator, its Website, the Tokens or your digital wallet/s.

1.7. The Ethereum blockchain on which CREDI/xCREDI Tokens are built might be subject to cyber attacks and/or any such other malicious activity, which may present a risk to the Platform, its Tokens, Services and functionalities and lead to harmful consequences, including, but not limited to, decrease and elimination of the value of the Tokens and a partial or complete loss of funds.

1.8. Despite our best efforts, *Credefi* Platform cannot and does not warrant accuracy, applicability, fitness for a particular purpose, including merchantability, reliability, quality or completeness of the information provided on the Website nor that the Services offered through the Platform will be at all times uninterrupted and error-free.

2. Validity and Scope of the Terms of Use

2.1. These Terms shall be considered a legal agreement that is binding for the Users and the Administrator. By accessing, viewing, registering or using in any manner this Platform and its Services, You confirm that You have been aware of and accept unconditionally to be bound by these Terms, the Privacy Policy, the AML/KYC Policy and all other rules and terms of the Administrator in writing, published on the Platform, which constitute an integral part of these Terms and are mandatory and binding as them.

2.2. These Terms do not govern any matters stemming from or relating to the provision of links to other websites, ads, services, products and software of third parties so long as they are not provided and thereby controlled by the Administrator.

2.3. The Administrator reserves the right to amend or edit these Terms at any time. Users will be notified for such amendments by the publication of the most lately updated Terms on the Platform as well as by direct communication with the Users when required by law. Any amendment shall enter into force and become valid from the moment of its announcement. If the User disagrees on the new updated version of these Terms, they shall not continue using the Platform and its Services. If the User

continues using the Platform and its Services, it will be considered that they have agreed with the latest published version of these Terms.

2.4. The Administrator provides correct and complete information on the Platform with all due care. However, it is possible to experience certain deficiencies and/or imprecisions when using the Platform due to human or technical error.

2.5. In case You have any doubts about the quality of the Services or the Platform's content or reliability, You should not continue using the Platform and its Services. In all other cases and despite the said doubts and reservations, if You continue using the Platform and its Services, the full responsibility for this decision is on You.

3. Access and Registration. User Account

3.1. Registered and unregistered Users can access and view the Platform and its content. Only registered Users are entitled to use the Services offered by the Platform.

3.2. Users can register on the Platform and create a User account with an email or by using their Facebook profile.

3.3. When registering with an email, the User should fill in the respective registration form on the Application. For completing the registration, the User will receive a confirmation email on his/her email. Users shall be entitled to change their email address and password used for their registration in compliance with procedures established on the Platform. Your username and password are unique to You and are not transferable.

3.4. The User is responsible for providing true, correct and complete information. The User is also responsible for maintaining the confidentiality of their account details, including password, and any activities that occur under their account. By agreeing with these Terms, the User shall bear the responsibility for any actions and/or inactions whatsoever referring to the use of their User account on the Platform.

3.5. Upon creating a User account, the User is not allowed to: (a) use another person's email or user name with the intention of claiming to be that person; (b) use a user name, subject to another person's rights, without explicit permission; (c) use an email or a user name that is indecent, insulting or otherwise inappropriate.

3.6. Your registration at *Credefi* Platform will be deemed your agreement to provide required personal information for identity verification. If You fail to provide information when required for the KYC/AML rules and procedures accessible here,

your registration might be rejected and the access to your User account might be restricted and/or terminated.

3.7. The Administrator reserves the right to temporarily or permanently restrict or block, entirely or partially, the User's access to the Platform and its Services when there are reasonable grounds. The Administrator shall have the right to restrict access to or block each and every User account, at any time and without prior notification, when the User has breached these Terms or provisions of the applicable legislation, including AML/CFT laws. In such case, the Administrator is not responsible for any damages or losses caused as a result of blocking the User account or restricting access to the Platform.

3.8. Users can request deletion of their User account from the Administrator. If Users have obligations concerning active pending transactions and Loan Agreements, the Administrator shall delete their accounts only after full performance of the contractual obligations. Pursuant to the applicable AML/KYC rules and regulations, information and documents connected to Users' identification and verification of identity shall be stored and maintained in the Administrator's archives for no less than 5 years.

3.9. Users who are residents of and/or are currently located in a Restricted Jurisdiction and/or are on any sanctions lists by governmental authorities, international organizations and other competent entities cannot register on the Platform, create a User account and use the Platform's Services. By agreeing with these Terms of Use, You hereby declare that You do not reside or are not currently located in a Restricted Jurisdiction; You are not placed on any such sanctions lists; and You shall not attempt to circumvent the said bans and restrictions.

3.10. Upon your breaching the provision of p. 3.9. above, including concealing relevant information thereof, the Platform reserves the right to stop rendering the Services to You and to block your User account.

4. General Restrictions on Use

When using the Platform or the Services, You are not allowed to do any of the following:

4.1. use the Platform in such a way that would or could unreasonably and disproportionately interfere with other Users' or any third parties' rights, or that is or may be against and/or infringing applicable laws (including, but not limited to countering money laundering, financing of terrorism and fraud) or any persons' rights under applicable laws (including, but not limited to IP rights);

- 4.2.** promote any illegal activity or advocate, promote or assist any unlawful act;
- 4.3.** decompile, disassemble, reverse engineer, copy, transfer or otherwise use the Platform's Services and content, except as permitted by these Terms;
- 4.4.** use the Services in a manner that: (a) is likely to interrupt, suspend, slow down or hinder the continuity of the Services, (b) constitutes an intrusion or attempt to break into the Services or the Platform's networking systems, (c) will divert of the Services' system resources, (d) may place a disproportionate load on the infrastructure of the Services, and (e) constitutes an attack on security and authentication measures of the Services or the Platform computer or networking systems.
- 4.5.** post, upload to, transmit, distribute or otherwise make available and use any content on the Platform in any manner that: (a) infringes the copyright, trademark, trade secret or other intellectual property or proprietary right of others, (b) violates the privacy, publicity or other rights of third parties, (c) is discriminatory, defamatory, obscene, threatening, abusive, unlawful, harassing or hateful, (d) is false or inaccurate and/or attempts to falsely state or otherwise misrepresent your identity or affiliation with a person or entity, (e) violates any law, civil or criminal; or (f) violates our Terms, policies and all other written rules on our Platform;
- 4.6.** use any automated or not automated or other processes for: a) extracting, collecting, storing, archiving or retrieval of information or other content for other Users of the Services and the Platform; b) interfering with the proper functioning of the Platform or any transactions being conducted through the Platform;
- 4.7.** bypass, remove, manipulate any elements of the security features and the implemented measures and technical means for protection of the Services and the Platform from unauthorized access and other destructive, malicious attacks and actions, including but not limited to any actions which aim to or result in blocking the access to the Platform and its Services, loading and distribution of illegal content, theft and loss of data from the Services and the Platform;
- 4.8.** engage in any activity that aims at misusing and/or attacking the Platform and its Services via introducing viruses and other malicious components and material.

Any attempt to defraud *Credefi* Platform may entail the application of appropriate measures of applicable AML rules and regulations and/or criminal law.

5. Crypto assets. Staking and withdrawals

5.1. The Platform's operational funds include only crypto assets, in particular Stable coins and Tokens. A full list of available funds usable on the Platform will be on

display in the User account in the relevant section before any loan requests or investments can be made or any other Service accessible through the Platform.

5.2. The CREDI Token is the main token of the Platform used thereby, with the following main functions: a) serves as a rewards distribution token for lending, liquidity provision and staking in the security module; b) an additional security layer of the Platform (CREDI Tokens available in the Platform security module can be used as a means for compensation in case of default loan and/or insufficient collateral); c) enables Platform Users to participate in the investment opportunities (any CREDI Token holder has the right to lend on the Platform).

5.3. The xCREDI Token is obtained by depositing CREDI in the security module whose functions and features, including but not limited to vesting period, staking rewards, liquidity, etc. are fully described in the relevant section on the Website.

5.4. Stable coins - DAI, USDC and USDT, can be lent on the Platform by any CREDI Token holder, both to credit portfolios and individual loans as part of the peer-to-peer lending and borrowing through the Platform.

5.5. Staking. Withdrawals

Users can stake crypto assets in different portfolios depending on their risk. The staking period is defined by the User and the reward (the annual percentage yield, or APY) is based on the risk of the respective credit portfolios.

Users can request early withdrawal, partially or fully, of their funds available on the Platform. In such case, the interest accrued shall be lost to the User. Users agree and acknowledge that any early withdrawal options shall be based on current Platform liquidity. In case there is a shortage of liquidity, a Users' waiting list shall be created and as early as deemed possible under the specific circumstances withdrawals shall be performed.

6. Rights and Obligations

6.1. User's Rights and Obligations

6.1.1. The User shall:

a) Use the Platform and its Services lawfully, according to their purpose and in compliance with these Terms;

b) Provide information which is true, accurate, up to date and not misleading in any respect upon registration on the Platform and when using the Platform and its Services and shall not use other person's identity or create User accounts through automatic means, shall not mislead or delude about the origin of any file, message

or other communication originating from the User. The User shall immediately notify the Administrator of any unauthorized use of their User account. Upon User's submitting false, wrong, misleading and/or not up-to-date information and documents, the Platform reserves the right to stop rendering Services. The Platform shall block the User's funds in his or her User account upon a legitimate request by the competent authorities;

c) Deliver any and all documents required for identification and verification purposes pursuant to our AML/KYC Policy;

d) Have access to the Services and resources of the Platform through the technologies and the means provided by the Administrator, realized through the normal functionality of the Platform;

e) Not use, reproduce, copy or distribute, in whole or individual parts of, the Platform, its resources, content and/or functionalities for any purpose whatsoever (commercial or non-commercial), except the permitted use explicitly specified in these Terms;

f) Not use the Administrator's trade mark and shall not infringe other Administrator's or third parties' intellectual property rights;

g) The User shall not have the right to withdraw from the Loan Agreement after it is signed and enters into force following the acceptance of the respective loan proposal provided by the Platform. The User is not entitled to the right of withdrawal pursuant to the respective exception as provided in the provision of Art. 57, p. 13 of the Consumer Protection Act.

6.1.2. The User shall have the right:

a) To use the Platform and its Services lawfully, according to their purpose and in compliance with these Terms of Use;

b) To create his or her own User account and make changes to it in compliance with these Terms of Use;

c) To request deletion of his or her account as set forth in p. 3.8. of these Terms;

d) To report any and all kinds of infringements committed by Platform Users of, including, but not limited to, these Terms, all other policies on the Website as well as applicable laws via a contact form on the Platform or email: team@credefi.finance

6.2. Administrator's Rights and Obligations

6.2.1. The Administrator shall have the right:

- a) At any time and at its sole discretion, to make amendments of the Services and the Platform in relation to developing and improving the quality of the Services as well as to offer new Services or cease offering some of the Services, without prior written notification to the User and without bearing responsibility thereby;
- b) To block the User's access to the Platform upon breaching these Terms, the Privacy Policy and all other written rules and terms which are an integral part of these Terms, in case of, without limitation, performing or an attempt to perform illegal activity, or actual threat to perform such activity by the User or by any individual using his/her account, or actions that threaten the security and the functionality of the Platform and its Services, or affect the legal interests of the Administrator or its partners, counterparties and other affiliated parties or to protect any other significant public interest;
- c) To temporarily restrict or stop providing the Services so as to improve the quality of the Services, to do a check-up, to fix errors, to make updates, etc.;
- d) To require from the User to deliver data and/or documents necessary for identification and verification purposes as set forth in the AML/KYC policies;
- e) To seek all remedies permitted by law for protection and compensation for committed or allegedly committed violations of the Terms of Use, Privacy Policy and all other written conditions, which are an integral part of these Terms;
- f) In case of suspicious transactions, the Platform has the right and obligation to notify the relevant government authorities pursuant to the applicable AML laws and regulations (for further review see our AML Policy available on the Platform). This may lead to, including, without limitation, freezing of funds and closing of the User account.

7. Limitation of Liability

7.1. The Administrator as well as its officers, directors, agents, joint ventures, employees, suppliers and advisors shall not be liable for:

- a) any damages, claims or expenses (including but not limited to legal costs) whether in contract, tort (including negligence), breach of statutory duty or otherwise which directly or indirectly are caused by or arise from or in connection with your use of or reliance on the Platform, its content, resources and functionalities;

b) any loss of profit, loss of business, loss in value, loss of data, of Tokens, hardware or software resulting from any types of failures, theft or hacking, or any other loss;

c) the quality of the related services, provided by other entities and organizations in connection with the functioning of the Internet, the social networks, hosting and other services, in case of disturbances in the traffic due to reasons which are within the liability of the Internet provider or the companies providing online and other services accessible through this Platform;

d) the quality of the Services resulting from the use of faulty technical means, devices and/or incorrectly configured software by the User, as well as for reasons which the User's Internet provider is liable for as well as for any direct, indirect, specific or incidental damages related to the use of software programs installed on the User's devices;

e) the quality and reliability of the Ethereum network, computer protocols, software applications, etc.

f) the Platform being unavailable or inaccessible at any time or for any period; and/or delays or interruptions, beyond the Administrator's reasonable control, to the delivery of the Platform's Services.

g) to the maximum extent permitted by law, for the accuracy and completeness of the Platform and its content and Services and for whether it is up-to-date and does not infringe the rights of any third party;

h) The Platform shall not make any tax withholdings or filings unless required by law to do so. The Platform shall not be liable for administering taxes, namely determining whether taxes apply to Users' transactions or for collecting, reporting or remitting any taxes arising from such transactions. Users are solely responsible for complying with applicable tax law, reporting and paying any taxes arising from their transactions on the Platform.

7.2. The cumulative liability of the Platform to the User or anyone else for any loss or damages resulting from any claims, demands or actions arising out of or relating to these Terms or use of the Platform, its content, Services and functionalities shall be to the minimum extent required by law.

7.3. The User shall indemnify *Credefi* Platform in full in respect of any liability sustained by Us for any loss, cost, damage or expense as a result of the User's breach of these Terms. Upon inappropriate and/or malicious use and/or other prohibited use under p. 4 of these Terms, Users agree to indemnify Us against any losses

suffered by Us or any third parties as a result of or in connection with such use.

7.4. All limitations of liability as set out in these Terms shall apply to the fullest extent permissible under the applicable law.

8. Intellectual Property Rights

8.1. The Platform contains images, signs, graphic logos, pictures, drawings, schemes, algorithms, formulas, graphics, trademark logos, databases and software which are property of or are licensed by the Administrator or third parties, holders of IP rights, and are protected by the Bulgarian, European and other applicable laws and conventions on copyrights and other intellectual property rights. The reproduction of the Services and the Platform and/or any elements thereof, which are subject to intellectual property rights, may be done only with the Administrator's or the respective rights' holders written consent.

8.2. The use of the Platform and its Services does not grant to Users any rights on the objects of intellectual property in whole or any part thereof.

9. Data Privacy

9.1. By accessing the Platform and using its Services, You agree that your personal data might be collected, processed and stored by the Administrator for the purposes of correct and full use of the Platform and its Services in compliance with these Terms and the Privacy and Cookie Policy accessible here, which is an integral part of these Terms. Your personal data shall also be duly handled in the form and manner as required by our AML/KYC Policy accessible here and any and all applicable AML/CFT laws.

9.2. The Administrator processes Users' personal data in the capacity of data controller within the meaning of § 1, point 2 of the Additional provisions under the Consumer Protection Act. The Administrator is not liable for the provision of incorrect or false data or data relating to third parties.

9.3. Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016 (General Data Protection Regulation) shall be applicable to matters relating to data processing and data privacy.

9.4. The Administrator shall ensure measures for data protection in compliance with the Consumer Protection Act, the GDPR and other applicable rules and regulations under Bulgarian and European legislation.

10. Controlling Authority

Controlling authority for consumer protection in Bulgaria is the Commission for Consumer Protection at address: 1000 Sofia, 4A Slaveykov Square, floor 3, 4 and 6; tel.: 0700 111 22, web address: www.kzp.bg. Further information on alternative dispute resolution for consumer disputes can be found on the website of the controlling authority – the Commission for Consumer Protection, at www.kzp.bg, and the platform for online dispute resolution - [ODR](#).

11. Governing Law

To all cases not explicitly specified in these Terms, the rules and regulations of the Bulgarian legislation shall be applicable. Any dispute arising from the use of the Platform and its Services, which cannot be amicably resolved through negotiations and/or by an authority for alternative dispute resolution, shall be referred to the Bulgarian competent court.

12. Communications and Contacts

In case of any questions and/or requests relating to the Platform and its Services functioning and maintenance, You can contact Us via email team@credefi.finance.

In force 22.10.2021

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