

## Basic Terms and Conditions for Private Investors Co-Investing with the Fund

<b>Private investor group</b>	Investors shall act as a joint group for the purposes of the Fund and, therefore, undertake their obligations before the Fund both collectively and individually, being jointly and severally liable for their implementation.
<b>Transfer of voting rights</b>	The Fund makes each investment as a "silent investor" and transfers the voting and other non-property rights (other than the right to sue) granted by the Fund's shares to the private investors, i.e. to a representative appointed by the investors. The Fund has the right to cancel the transfer of voting rights by giving 10 (ten) days' notice to the Investor Representative.
<b>Investor Representative</b>	Investors shall appoint a representative from among themselves who shall be responsible for the Fund's representation and communication with the Fund. The appointed Investor Representative shall also exercise the rights and obligations assigned to him/her (e.g. attend and vote at all general meetings of the portfolio company (hereinafter referred to as <b>Meetings</b> ), or vote on the basis of the Fund's shares). Investors have the right to replace the Investor Representative only with the Fund's consent.
<b>Voting at a general meeting of shareholders</b>	<p>Prior to voting on any matter at the Meeting, investors shall agree among themselves and ensure that all investors have the same vote on the matter. The Investor Representative shall vote on the basis of the Fund's shares in a manner (a) representing the best interests of the Fund and (b) in the same way as all investors are voting with their own shares. The Investor Representative shall inform the Fund about how the investors and the Investor Representative intend to vote at the Meeting.</p> <p>Investors may vote on certain material decisions relating to the protection of minority shareholders in the investment only with the prior written approval or consent from the Fund. The Fund does not require prior approval for decisions related to the normal course of business in the company.</p>
<b>Representation on the Board</b>	In case a Board of Directors is set up in a portfolio company, Investor Representatives must, as a general rule, arrange for one of the investors to be elected as a member of the Board.
<b>Reporting</b>	The investors shall arrange for the portfolio company and its management bodies to provide the Fund and

	<p>the investors with monthly financial data, quarterly financial statements and audited annual financial statements. Both the investors and the portfolio company shall also provide relevant information to assess the risks of money laundering, terrorist financing and/or tax fraud.</p>
<b>Transfer of shares</b>	<p>The parties undertake not to sell or otherwise transfer shares in the portfolio company (or the rights attached thereto) for the entire period of the lock-up (normally 3 years). After the end of the lock-up period, the shares may be disposed of in accordance with the terms and conditions laid down in the contract.</p> <p>Investors may transfer their shares among themselves only with the prior consent of the Fund</p>
<b>ROI limitation</b>	<p><i>1. If the investment qualifies for state aid (the company is small or very small, younger than five years, has not distributed profit to shareholders, has not taken over another company's operations, is not listed and was not created as a result of a merger):</i></p> <p>In case the Fund's ROI exceeds the established maximum limit, the remainder of the Fund's ROI is transferred to the investors.</p> <p>The maximum ROI limit is the level of income at which the Fund breaks even on the investment and earns the established maximum rate of return (4% or 6% of compound annual interest).</p> <p><i>2. If the investment is not eligible for state aid (any of the conditions listed in point 1 of this paragraph is not met):</i></p> <p>All income from the investment is distributed between the Fund and the private investors on a <i>pari passu</i> basis.</p>
<b>Divesting</b>	<p>The investors have a pre-emptive right to purchase the Fund's shares.</p> <p>The Fund divests no later than do the investors. Where the Fund and the investors sell their shares simultaneously, the Fund shall be afforded no less favourable treatment than the investors (except for the Fund's ROI limitation).</p> <p>Investors may redeem the Fund's shares if (i) the lock-up period has elapsed and the investors have secured a maximum income limit for the Fund or (ii) the lock-up period has not elapsed but the investors have guaranteed the Fund a maximum income limit for the entire lock-up period.</p>
<b>Investor liability</b>	<p>Investors are jointly liable for irregularities.</p>
<b>Requirements for investors</b>	<p>If the investor is a legal entity, it cannot be registered</p>

in a target territory as defined by the Lithuanian Law on Corporate Income Tax, and if the investor is an individual, he/she must not be a resident of such territories.

Each investor undertakes not to co-operate or maintain business relationships with entities incorporated in the territories of jurisdictions which do not co-operate with the European Union in the field of internationally harmonized taxation.

Payments made by private investors (in the case of an investment) must normally be made from an account with a credit or payment institution established in a Member State of the European Union.

**These Basic Investment Terms and Conditions are non-binding and do not create any legal obligation. This document is intended to provide an overview of the Fund's operating principles governing the relationship between the Fund and the private investors approved by the Fund at the time of the investment.**