

**TERMS AND CONDITIONS FOR
UAB PARTNERYSTĖS PROJEKTAI KETURI**

(a private limited liability company established and operating under Lithuanian law, registration number 304950437)

EUR 8,000,000

GUARANTEED FIXED RATE NOTES WITH THE MATURITY UP TO 3 YEARS, ISIN LT0000407561

guaranteed by

UAB EIKA

(a private limited liability company established and operating under Lithuanian law, registration number 121191079)

This document is not a prospectus for the purposes of the Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and no competent authority of any Member State has examined or approved the contents thereof.

The issue of the Notes is arranged as private placement. The Issuer plans to request the admission to trading of the Notes on the official bond list (the Baltic Bond List) of Nasdaq Vilnius within 12 months after the Issue Date, and for that purpose the Issuer will prepare a prospectus or equivalent document pursuant to the Prospectus Regulation.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer and the Guarantor and make its own assessment as to the suitability of investing in the Notes. These Terms and Conditions do not constitute an offer of Notes or an invitation by or on behalf of the Issuer, the Guarantor or the Issuing Agent to purchase any Notes. Neither these Terms and Conditions nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer, the Guarantor or the Issuing Agent to a recipient hereof and thereof that such recipient should purchase any Notes.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

The offer, sale and delivery of the Notes and the distribution of this document in certain jurisdictions is restricted by law. Persons into whose possession this document comes are required by the Issuer and the Issuing Agent to inform themselves about and to observe any such restrictions. In particular, the Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act (the “**Regulation S**”)) except in certain transactions exempt from the registration requirements of the Securities Act.

Article 5f of Regulation (EU) 833/2014 (as amended by Council Regulation (EU) 2022/328) and Article 1f of Regulation (EC) 765/ 2006 (as amended by Council Regulation (EU) 2022/398) prohibit the sale of euro denominated transferable securities issued after 12 April 2022 or units of undertakings for collective investment (UCIs) providing exposure to such transferable securities, to any Russian or Belarusian national, any natural person residing in Russia or Belarus or to any legal person, entity or body established in Russia or Belarus. This prohibition does not apply to nationals of a Member State or to natural persons holding a temporary or permanent residence permit in a Member State of the European Union, in a country member of the European Economic Area and Switzerland.

Dated, 26 April 2023

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1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

1.1.1 In these terms and conditions:

- (a) “**Accounting Principles**” means initially the generally accepted accounting principles, standards and practices in Lithuania as applied by the Issuer in preparing its annual financial reports and as of 31 December 2023 the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).
- (b) “**Business Day**” means a day in Lithuania (and in relation to the actions to be carried out by the Trustee, a day in Sweden), other than Saturday, Sunday or public holiday.
- (c) “**Business Day Convention**” means the first following day that is a Business Day.
- (d) “**Compliance Certificate**” means a certificate, in form and substance satisfactory to the Trustee, signed by an authorised signatory of the Issuer certifying that (i) the financial covenant on Minimum Liquidity set forth in Clause 9.1 is met on each day of the quarter to which the Compliance Certificate refers to; (ii) there was no breach of any undertakings set forth in Clause 8 (*General Undertakings*); (iii) so far as it is aware, no Event of Default has occurred and is continuing or, if it is aware that such event has occurred and is continuing, specifying the event and steps, if any, being taken to remedy it. If the Compliance Certificate is provided in connection with a Financial Report being made available, the certificate shall include calculations and figures in respect of the financial covenant on Equity Ratio set forth in Clause 9.2 and a statement that this financial covenant is met as per the last day of the quarter to which the Compliance Certificate refers to.
- (e) “**EUR**” means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.
- (f) “**Event of Default**” means an event or circumstance specified in Clause 10.3.
- (g) “**Final Maturity Date**” means the date specified in the Final Terms.
- (h) “**Final Terms**” means the final terms of these Notes, which shall complete these Terms and Conditions and constitute an integral part of these Terms and Conditions.
- (i) “**Financial Report**” means the financial statements of the Issuer prepared in accordance with the applicable law and Accounting Principles.
- (j) “**Group**” means the Issuer and its Subsidiaries from time to time (each a “**Group Company**”).
- (k) “**Guarantee**” means a guarantee provided by the Guarantor pursuant the guarantee undertaking dated 26 April 2023, whereby the Guarantor unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer under these Terms and Conditions in respect of the Notes.
- (l) “**Guarantor**” means UAB EIKA, a private limited liability company incorporated under the laws of Lithuania, with registration number 121191079 and address at A. Goštauto g. 40B, Vilnius, Lithuania.
- (m) “**Interest**” means the interest on the Notes calculated in accordance with Clauses 6.1 to 6.3.

- (n) **“Interest Payment Date”** means the Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the Final Terms and to the extent such day is not a Business Day, adjusted in accordance with the relevant Business Day Convention.
- (o) **“Interest Period”** means (i) in respect of the first Interest Period, the period from (and including) the Issue Date to (but excluding) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant).
- (p) **“Interest Rate”** has the meaning given in the Final Terms.
- (q) **“Issue Date”** has the meaning given in the Final Terms.
- (r) **“Issuer”** means UAB Partnerystės projektai keturi, a private limited liability company incorporated under the laws of Lithuania, with registration number 304950437 and address at A. Goštauto g. 40B, Vilnius, Lithuania.
- (s) **“Issuing Agent”** means Luminor Bank AS, a bank incorporated under the laws of Estonia, with registration number 11315936 and address Liivalaia 45, 10145, Tallinn, Estonia, represented in Lithuania by Luminor Bank AS Lithuanian Branch, with registration number 304870069 and address at Konstitucijos pr. 21A, Vilnius, Lithuania.
- (t) **“Market Loan”** means any loan or other indebtedness where an entity issues commercial paper, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on Nasdaq Vilnius or any other regulated market or unregulated recognised marketplace.
- (u) **“Material Adverse Effect”** means a material adverse effect on (i) the ability of the Issuer to comply with its obligations under the Terms and Conditions, (ii) the business, operations, assets, condition or prospects (financial or otherwise) of the Issuer, or (iii) the validity or enforceability of the Terms and Conditions or the Guarantee.
- (v) **“Nasdaq CSD”** means the Issuer's central securities depository and registrar in respect of the Notes, Nasdaq CSD SE Lietuvos filialas (a Lithuanian branch of Nasdaq CSD SE, which is licenced under the Regulation (EU) No 909/2014 (Central Securities Depositories Regulation, CSDR)), with registration number 304602060 and address at Konstitucijos pr. 29-1, Vilnius, Lithuania, or another party replacing it, as central securities depository.
- (w) **“Nasdaq Vilnius”** means the regulated market (as defined in the Directive 2014/65/EU) of AB Nasdaq Vilnius, with registration number 110057488 and address at Konstitucijos pr. 29, Vilnius, Lithuania.
- (x) **“Noteholder”** means the person who is registered on a Securities Account with respect to a Note.
- (y) **“Partnership Agreement”** has the meaning given in Clause 3.
- (z) **“Project”** has the meaning given in Clause 3.
- (aa) **“Securities Account”** means the account for dematerialised securities opened in the name of Noteholder with a financial institution, which is a member of Nasdaq Vilnius.

- (bb) “**Subsidiary**” means, in relation to the Issuer, any legal entity, in respect of which the Issuer, directly or indirectly, (i) owns shares or ownership rights representing more than 50 per cent of the total number of votes held by the owners, (ii) otherwise controls more than 50 per cent of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body, or (iv) exercises control as determined in accordance with the Accounting Principles. On the date of these Terms and Conditions, the Issuer has the following Subsidiary: UAB Samogitia miestelis, a private limited liability company incorporated under the laws of Lithuania, with registration number 305668921 and address at A. Goštauto g. 40B, Vilnius, Lithuania.
- (cc) “**Terms and Conditions**” means these Terms and Conditions, as completed by the Final Terms.
- (dd) “**Trustee**” means Intertrust (Sweden) AB, registration number 556625-5476, address Sveavägen 9, Box 162 85, 103 25, Stockholm, Sweden, or another party replacing it, as trustee, in accordance with these Terms and Conditions.
- (ee) “**Trustee Agreement**” means the agreement entered into on or before the Issue Date between the Issuer and the Trustee, or any replacement trustee agreement entered into after the Issue Date between the Issuer and the Trustee.

1.1.2 The terms not defined in this Clause 1.1 shall have the meaning given to them in other Clauses of these Terms and Conditions.

1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) “**person(s)**” include references to natural or legal persons, or other subjects that do not have the rights of a legal person;
- (c) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (d) a “**regulation**” includes any law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and
- (f) unless otherwise specified, words importing the singular shall also include the plural and vice versa. Words in one gender shall cover all other genders;
- (g) unless explicitly specified otherwise, references to “**days**” shall be references to calendar days;
- (h) the terms “**include**” and “**including**” shall be construed “without limitation”;
- (i) a time of day is a reference to Lithuanian time.

1.2.2 An Event of Default is continuing if it has not been remedied or waived.

1.2.3 No delay or omission of the Trustee or of any Noteholder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

2. ISSUANCE AND STATUS OF THE NOTES

2.1 Notes. Final Terms

2.1.1 In accordance with these Terms and Conditions, as completed by the Final Terms, the Issuer issues notes with an aggregate principal amount of EUR 8,000,000 (the “Notes”).

2.1.2 By subscribing for Notes, each initial Noteholder, and, by acquiring Notes, each subsequent Noteholder (i) agrees that the Notes shall benefit from and be subject to these Terms and Conditions, as completed by the Final Terms and (ii) agrees to be bound by these Terms and Conditions, as completed by the Final Terms.

2.1.3 The copy of the Final Terms shall be made available by the Issuer or Trustee upon a separate request.

2.1.4 In case of any inconsistency between these Terms and Conditions and the Final Terms, the Final Terms shall prevail.

2.2 Type of securities

The Notes are fixed-term, non-equity debt securities, under which the Issuer shall become the debtor of the Noteholders and assume obligations for the benefit of the Noteholders.

2.3 Currency of Notes

The Notes are denominated in EUR.

2.4 Denomination

The denomination of each Note is EUR 100,000 and integral multiples of EUR 1,000 in excess thereof.

2.5 Minimum investment amount. Investors

The Notes are offered for subscription by qualified investors (as defined in the Prospectus Regulation) for a minimum investment amount of EUR 100,000.

2.6 Form of Notes

The Notes shall be issued as registered book-entry (dematerialised) securities as entries within Nasdaq CSD. No physical certification shall be issued.

2.7 Status of Notes

The Notes constitute direct, general, unsubordinated and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future direct, general, unsubordinated and unconditional obligations of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.

2.8 Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer under these Terms and Conditions in respect of the Notes. The Guarantee, subject to its terms and conditions,

shall constitute direct, general and unconditional obligations of the relevant Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured obligations of the relevant Guarantor, save for such obligations as may be preferred by mandatory provisions of law.

2.9 Transferability

The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local regulation to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

3. USE OF PROCEEDS

The Issuer shall use the net proceeds from the issue of the Notes for (i) the provision of intra-group loan to its Subsidiary (UAB Samogitia miestelis) for the purposes of development of the construction of military unit in Šiauliai, Lithuania (the “**Project**”), in accordance with the partnership agreement concluded between the Issuer as an investor, the Subsidiary (UAB Samogitia miestelis) as a private entity and Ministry of National Defence of Republic of Lithuania as a public entity, dated 8 January 2021 (the “**Partnership Agreement**”), (ii) repayment of the intra-group loan to UAB Eika (parent company of the Issuer) used by the Issuer to finance the Project, provided that on the repayment date the share capital of the Issuer is not less than EUR 6,000,000.

4. PAYMENTS IN RESPECT OF THE NOTES

4.1 Method of payment

Payments of amounts (whether principal, interest or otherwise) due on the Notes shall be made to those Noteholders that on the 5th Business Day prior to the due date for such payment (the “**Record Date**”) are shown in Nasdaq CSD.

4.2 Payments subject to fiscal law

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Clause 5 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments. However, the Noteholders may be obliged to cover commissions and/or other expenses, which are charged by the credit institutions or investment brokerage firms in relation to such payments. The Issuer and/or the Trustee shall not compensate the Noteholders for any such expenses.

4.3 Payments on Business Days

If the due date for payment of any amount in respect of any Note is not a Business Day, the Noteholder shall not be entitled to payment until the next following Business Day nor to any further interest or other sum in respect of such postponed payment.

5. TAXATION

5.1 All payments of principal and interest by or on behalf of the Issuer or Guarantor in respect of the Notes shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments, or governmental charges of whatever nature (the “**Taxes**”), unless the withholding or deduction of the Taxes is required by the applicable laws. In such a case, the Issuer or, as the case may be, the Guarantor shall withhold or deduct any such required amounts from the payments due to the Noteholders, and shall account to the relevant authorities in accordance with the applicable laws of the Republic of Lithuania for the amounts so required to be withheld or deducted. The Issuer or the Guarantor shall not be obliged to make any additional compensation to the Noteholders in respect of such

withholding or deduction and / or to indemnify any of the Noteholders if taxes are payable under the applicable laws of the Republic of Lithuania or any other country on any amounts payable with respect to the Notes.

- 5.2 If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Lithuania, references in these Terms and Conditions to the Republic of Lithuania shall be construed as references to the Republic of Lithuania and/or such other jurisdiction.

6. INTEREST

- 6.1 The Notes bear interest on their outstanding principal amount from and including the Issue Date at the Interest Rate, payable semi-annually in arrears on each Interest Payment Date. Each Note will cease to bear interest from the due date for redemption unless, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder.

- 6.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.

- 6.3 Interest shall be calculated on the basis of a 360-day year comprised of 12 months of 30 days each, i.e. day count convention 30E/360 shall be used. When interest is required to be calculated in respect of a period of less than a full year (other than in respect of the first Interest Period) it shall be calculated on the basis of (i) the actual number of days in the period from and including the date from which interest begins to accrue (the “**Accrual Date**”) to but excluding the date on which it falls due, divided by (ii) the actual number of days from and including the Accrual Date to, but excluding the next following Interest Payment Date.

7. REDEMPTION AND REPURCHASE OF THE NOTES

7.1 Redemption at maturity

- 7.1.1 The Issuer shall redeem all of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the principal amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

- 7.1.2 The Noteholders shall not be required to provide any requests to redeem the Notes, as upon the Final Maturity Date the nominal value thereof with the accrued but unpaid Interest shall be transferred to the accounts indicated by the Noteholders without separate requests/ of the Noteholders. As of that moment the Issuer shall be deemed to have fully executed the obligations related to the Notes and their redemption, disregarding the fact, whether the Noteholder actually accepts the funds or not. In case requisites of the account of the Noteholder changes, he/she/it shall have an obligation to promptly inform the Issuer thereof.

7.2 Redemption for tax reasons

- 7.2.1 The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 but not more than 60 days' irrevocable notice to the Noteholders in accordance with Clause 16 (*Notices*) at their principal amount together with the Interest accrued to, but excluding the date of redemption, if:

- (a) the Issuer or the Guarantor has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Republic of Lithuania, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and

- (b) such obligation cannot be avoided by the Issuer or the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes or, as the case may be, the Guarantee, were then due.

7.2.2 Prior to the publication of any notice of redemption pursuant to this Clause 7.2, the Issuer shall deliver to the Trustee (i) a certificate signed by the director of the Issuer or, as the case may be, the Guarantor stating that the obligation referred to in Clause 7.2.1(a) above cannot be avoided by the Issuer or the Guarantor taking reasonable measures and (ii) an opinion of independent legal advisers of recognised standing to the effect that the relevant circumstances referred to in Clause 7.2.1(a) above apply as a result of a relevant change or amendment.

7.2.3 Upon the expiry of any such notice as is referred to in this Clause 7.2, the Issuer shall be bound to redeem the Notes in accordance with this Clause 7.2.

7.3 Voluntary redemption at the option of the Issuer

7.3.1 The Issuer may redeem the outstanding Notes on a Business Day:

- (a) falling on 24 months after the Issue Date, at a price equal to the principal amount together with accrued but unpaid Interest to, but excluding, the date of redemption; or
- (b) falling on 30 months after the Issue Date, at a price equal to the principal amount together with the accrued but unpaid Interest to, but excluding, the date of redemption.

7.3.2 Redemption in accordance with this Clause 7.3 shall be made by the Issuer giving not less than 15 but no more than 30 days' notice to the Noteholders and the Trustee (which notice shall be irrevocable and shall specify the date fixed for redemption).

7.4 Mandatory partial redemption

7.4.1 The Issuer shall redeem the Notes in the part constituting 50 per cent of the aggregate principal amount of the Notes on a Business Day falling on 18 months after the Issue Date, at a price equal to the principal amount together with accrued but unpaid Interest to, but excluding, the date of redemption).

7.4.2 The Issuer shall redeem the Notes from each Noteholder on a *pro rata* basis.

7.5 De-listing Event, Listing Failure, Change of Control Put Option

7.5.1 If at any time while any Note remains outstanding, (i) a De-listing Event (as defined below), (ii) a Listing Failure (as defined below), or (iii) a Change of Control (as defined below) occurs, each Noteholder shall have the option (the "**Put Option**") (unless, prior to the giving of the notice referred to in Clause 7.5.2, the Issuer gives notice to redeem the Notes under Clause 7.2 or 7.3) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, all or part of its Notes, on the Put Date (as defined below) at a price per Note equal to 103 per cent of the principal amount together with the Interest accrued to, but excluding, the Put Date (as defined below).

In this Clause:

“**De-listing Event**” is deemed to have occurred if at any time following the listing of the Notes, trading in the Notes on Nasdaq Vilnius is suspended for a period of 15 consecutive Business Days (when Nasdaq Vilnius is at the same time open for trading).

“**Listing Failure**” is deemed to have occurred if at any time following the Issue Date the Notes are not listed on the Nasdaq Vilnius (Baltic Bond List) within 12 months after the Issue Date.

“**Change of Control Event**” means (i) the occurrence of an event or series of events whereby one or more persons, acting in concert, acquire control over the Issuer and where “**control**” means (A) acquiring or controlling, directly or indirectly, more than 50 percent of the total voting rights represented by the shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders) or (B) the right to, directly or indirectly, appoint or remove at least a majority of the members of the board of directors of the Issuer; or (ii) the direct or indirect sale, transfer, conveyance or other disposition, in any transaction or a series of related transactions, of all or substantially all of the properties or assets of the Group as a whole to any person or group of persons acting in concert, other than the Issuer or one of its Subsidiaries, except when any of the afore-mentioned actions listed in paragraph (ii) above are performed in accordance with the Partnership Agreement.

- 7.5.2 Promptly upon the Issuer becoming aware that a De-listing Event, Listing Failure or Change of Control has occurred, the Issuer shall give notice to the Noteholders in accordance with Clause 16 (*Notices*) specifying the nature of the De-listing Event, Listing Failure or Change of Control and the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Clause 7.5.
- 7.5.3 To exercise the Put Option, the Noteholder must notify the Issuer at any time falling within the period (the “**Put Period**”) of 30 days after notice referred to in Clause 7.5.2 is given, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the Issuer or the Trustee within the Put Period (the “**Put Exercise Notice**”). Payment in respect of any Notes will be made, if the Noteholder duly specified a bank account in the Put Exercise Notice to which payment is to be made, on the date which is the 5th Business Day following the expiration of the Put Period (the “**Put Date**”) by transfer to that bank account. A Put Exercise Notice, once given, shall be irrevocable.
- 7.5.4 For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the Noteholder may incur as a result of or in connection with such Noteholder’s exercise or purported exercise of, or otherwise in connection with the Put Option (whether as a result of any purchase or redemption arising therefrom or otherwise).
- 7.5.5 If the Notes held by at least one Noteholder have been redeemed pursuant to this Clause 7.5, the Issuer may, on not less than 30 but not more than 60 days’ irrevocable notice to the Noteholders in accordance with Clause 16 (*Notices*) given within 30 (thirty) days after the Put Date, redeem on a date to be specified in such notice at its option, all (but not some only) of the remaining Notes at a price per Note equal to 101 per cent of the principal amount together with the Interest accrued to, but excluding, the date of redemption.
- 7.5.6 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 7.5, if a third party in connection with the occurrence of a De-listing Event, Listing Failure or Change of Control, as applicable, offers to purchase the Notes in the manner and on the terms set out in this Clause 7.5 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If the Notes tendered are not purchased

within the time limits stipulated in this Clause 7.5, the Issuer shall repurchase any such Notes within 5 Business Days after the expiry of the time limit.

7.6 Purchase of Notes by Issuer, Guarantor, Group Company

The Issuer, the Guarantor or any Group Company may at any time purchase Notes in the open market or otherwise and at any price. Such Notes may be held, resold or surrendered by the purchaser through the Issuer for cancellation. Such Notes shall grant limited rights as it is further described in Clause 13.2.2.

8. GENERAL UNDERTAKINGS. REPRESENTATIONS AND WARRANTIES

8.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 8 for as long as any Notes remain outstanding.

8.2 Nature of business

The Issuer shall procure that no substantial change is made to the general nature of the business as carried out by the Issuer or any Group Company on the Issue Date.

8.3 Disposals of assets

8.3.1 Except as explicitly permitted pursuant to Clause 8.3.2, the Issuer shall not (and shall procure that no other Group Company will) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any of its assets (including, for the avoidance of doubt, financial assets and receivables).

8.3.2 Notwithstanding Clause 8.3.1, assets of the Subsidiary UAB Samogitia miestelis created while implementing the Project may be disposed of in accordance with the Partnership Agreement.

8.4 Reporting

8.4.1 The Issuer shall:

- (a) prepare and make available the annual audited Financial Reports to the Trustee and Noteholders not later than 5 months after the expiry of each financial year;
- (b) prepare and make available the quarterly interim unaudited Financial Reports to the Trustee and the Noteholders not later than 2 months after the expiry of each relevant interim period;
- (c) prepare and make available a Compliance Certificate to the Trustee and the Noteholders (i) when a Financial Report is made available, and (ii) at the Trustee's reasonable request, within 20 days from such request;
- (d) on a quarterly basis or at the Trustee's reasonable request within 20 Business Days from such request, prepare and make available report on the implementation of the Project, which shall include (i) amount of works done/paid for in EUR and in per cent from total amount of the Project related works, (ii) expected Project completion date (as completion is defined in the Partnership Agreement), (iii) any developments that might have an adverse impact on the Project schedule or cause a breach of agreed deadlines;

- (e) upon listing of the Notes on Nasdaq Vilnius (i) prepare the Financial Reports in accordance with the Accounting Principles and make them available together with Compliance Certificate in accordance with the regulations of Nasdaq Vilnius and the Law on Securities of the Republic of Lithuania, (ii) prepare and publish other information in accordance with the regulations of Nasdaq Vilnius and the Law on Securities of the Republic of Lithuania.

8.4.2 For as long as the Notes are not admitted to trading on Nasdaq Vilnius, the documents listed in Clause 8.4.1 shall be provided to the Noteholder via email. Afterwards, the abovementioned documents shall be disclosed in accordance with the requirements applicable by Nasdaq Vilnius and, upon a relevant request, shall be made available to the Noteholder via email.

8.5 Negative Pledge

8.5.1 Except as explicitly permitted pursuant to Clause 8.5.2, the Issuer shall not (and shall procure that no Group Company will) incur, create or permit to subsist any security over all or any of its present or future assets or revenues or rights or enter into arrangements having a similar effect.

8.5.2 Notwithstanding Clause 8.5.1, any security may be provided by the Subsidiary UAB Samogitia miestelis for the implementation of the Project in accordance with the Partnership Agreement, including, but not limited to, any securities created in accordance with the senior loan agreement concluded by Subsidiary UAB Samogitia miestelis for the financing of the Project.

8.6 Distributions

8.6.1 Except as explicitly permitted pursuant to Clause 8.6.2, the Issuer shall not (and in cases indicated in paragraphs (d) and (e) below shall procure that no other Group Company will):

- (a) pay any dividends in respect of its shares;
- (b) repurchase or redeem any of its own shares;
- (c) reduce its share capital or other equity with repayment to shareholders;
- (d) repay any loans granted by its direct or indirect shareholders or pay interest thereon;
- (e) make any other similar distributions or transfers of value to the Issuer's, or its Subsidiaries', direct or indirect shareholders or any legal or natural person affiliated with such direct and indirect shareholders,

(paragraphs (a) to (e) above are together and individually referred to as a "**Restricted Payment**").

8.6.2 Notwithstanding Clause 8.6.1, a Restricted Payment may be made:

- (a) if made by a Subsidiary to the Issuer;
- (b) if made by the Issuer to the Subsidiary UAB Samogitia miestelis for the implementation of the Project in accordance with the Partnership Agreement;
- (c) by the Issuer to the Guarantor for the purpose or repayment of intra-group loan used by the Issuer to finance the Project, provided that on the repayment date the share capital of the Issuer is not less than EUR 6,000,000 and the Compliance Certificate to be provided to the Trustee confirms that: (i) no Event of Default is outstanding, continuing or would occur from such Restricted Payment; (ii) the financial covenants

set forth in Clause 9 (*Financial Undertakings*) are met and shall be complied with immediately after such Restricted Payment.

8.7 Financial Indebtedness

The Issuer shall not, as long as the Notes are not redeemed in full, incur, create or permit to subsist any Financial Indebtedness other than Permitted Debt.

In this Clause:

“Financial Indebtedness” means any indebtedness as defined in accordance with the Accounting Principles in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any leases, to the extent the arrangement is or would have been treated as lease in accordance with the Accounting Principles as applicable on the Issue Date (a lease which in the Financial Reports of the Issuer is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, note, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a) to (f).

For the avoidance of doubt, deferred tax liability shall not be treated as Financial Indebtedness.

“Permitted Debt” means incurrence of any of the following items of Financial Indebtedness as defined in accordance with the Accounting Principles:

- (a) incurred under or in connection as a result of issuance of Notes by the Issuer under these Terms and Conditions;
- (b) taken up from a Group Company (provided that it is subordinated to the obligations of the Issuer under these Terms and Conditions);
- (c) incurred in order to fully refinance the Notes and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Notes (taking into account the rules and regulations of the Nasdaq CSD);
- (d) any financial indebtedness under any hedging arrangements entered into on market terms and as part of the ordinary course of business of the Issuer and for non-speculative purposes;

always provided that: (i) a Compliance Certificate is provided to the Trustee additionally confirming that (A) no Event of Default has occurred and is continuing, nor would result from the additional borrowing and (B) the financial covenants as set forth in Clause 9 (*Financial Undertakings*) are met and shall be in compliance immediately after such additional borrowing; and (ii) such other documents and information as is agreed between the Trustee and the Issuer are provided to the Trustee.

8.8 *Pari passu* ranking

The Issuer shall ensure that its payment obligations under the Notes at all times rank at least *pari passu* with all its other direct, unconditional, unsubordinated and unsecured obligations, except for those obligations which are mandatorily preferred by law, and without any preference among them.

8.9 Admission to trading

The Notes shall be applied for introduction to trading on Nasdaq Vilnius (the Baltic Bond List) once the Notes shall be subscribed and fully paid by the investors and registered with Nasdaq CSD. The Issuer expects that the Notes shall be admitted to trading on the Nasdaq Vilnius within 12 months as from the Issue Date at the latest. Disregarding this, the Issuer shall put its best endeavours so that this term would be as short as practicably possible. The Issuer shall also put its best efforts to ensure that the Notes remain listed on Nasdaq Vilnius. The Issuer will cover all costs which are related to the admission of the Notes to Nasdaq Vilnius.

8.10 Representations and warranties

8.10.1 The Issuer represents and warrants to the Noteholders and the Trustee that:

- (a) the Issuer, the Subsidiary and the Guarantor are duly incorporated and validly existing as legal entities in their jurisdiction of incorporation, and operating under the laws of jurisdiction of their incorporation;
- (b) all the Issuer's and the Guarantor's obligations assumed under these Terms and Conditions and the Guarantee are valid and legally binding to them and performance of these obligations is not contrary to the applicable law, their constitutional documents or any agreement concluded by them;
- (c) the Issuer has all the rights and sufficient authorisations to issue the Notes and the Guarantor has all the rights and sufficient authorisations to provide the Guarantee and fulfil their respective obligations;
- (d) the Issuer has performed all the formalities required for issuing the Notes and the Guarantor has performed all the formalities required for providing the Guarantee;
- (e) all information that is provided by the Issuer to the Trustee and Noteholders is true, accurate, complete and correct as of the date of presenting the respective information and is not misleading in any respect;
- (f) the Issuer and the Guarantor are solvent, able to pay their debts as they fall due, there are no liquidation or insolvency proceedings pending or initiated against the Issuer and the Guarantor;
- (g) there are no material legal or arbitration proceedings pending or initiated against the Issuer or the Guarantor which may have, a Material Adverse Effect on the Issuer's or the Guarantors' financial position or profitability;
- (h) there are no criminal proceedings pending or initiated against the Issuer or the Guarantor.

8.10.2 The Issuer's representations and warranties in Clause 8.10.1 are valid on the date of these Terms and Conditions and will remain valid until fulfilment of all obligations arising from the Notes.

9. FINANCIAL UNDERTAKINGS

The Issuer undertakes for so long as any amount is outstanding under the Notes to comply with the financial covenants set out in this Clause 9.

9.1 Minimum liquidity

9.1.1 The Issuer shall in aggregate at all times maintain a combined Free Cash of minimum EUR 360,000 (the "**Minimum Liquidity**").

In this Clause, a "**Free Cash**" means on any date the amount of unrestricted, unpledged and freely available cash on the Issuer's accounts.

9.1.2 The Minimum Liquidity covenant shall be observed on each day and published in the quarterly Financial Reports.

9.1.3 In case of the breach of Minimum Liquidity requirement, the Free Cash amount has to be restored in 30 days.

9.1.4 The Issuer shall provide the Trustee with such further information as the Trustee may request (acting reasonably), including, for the avoidance of doubt, calculations, figures and supporting documents in respect of Minimum Liquidity covenant.

9.2 Equity Ratio

9.2.1 The Issuer shall ensure that Equity Ratio of the Issuer is at all times 30 per cent or greater.

In this Clause:

"**Equity Ratio**" means Equity divided by Total Assets.

"**Equity**" means the aggregate book value of total equity of the Issuer at the end of any relevant period (according to the latest semi-annual or annual Financial Report).

"**Total Assets**" means the aggregate book value of the Issuer's total assets according to the latest semi-annual or annual Financial Report.

9.2.2 Equity Ratio shall be tested once per quarter.

9.2.3 In case of the breach of Equity Ratio requirement, the Issuer together with the Compliance Certificate has to provide the Trustee with the list of measures, which would evidence the restoration of Equity Ratio during next three months but not later than until next Equity Ratio testing date. The Issuer shall provide the Trustee with such further information as the Trustee may request (acting reasonably), including, for the avoidance of doubt, calculations, figures and supporting documents in respect of Equity Ratio covenant.

10. EVENTS OF DEFAULT

10.1 If an Event of Default (as defined below) occurs, the Noteholders representing at least 30 per cent of the principal amount of the outstanding Notes may at any time falling within the period of 60 days after the notice on Event of Default in accordance with Clause 10.2 is given (the "**Early Repayment Notice Period**"), by written notice to the Issuer and the Trustee declare the Notes and the Interest accrued on such Notes to be prematurely due and payable, provided that an Event of Default is continuing on the date of receipt of the above-

mentioned Noteholders' notice by the Issuer. Payment in respect of such Notes will be made on the date which is the 5th Business Day following the expiration of the Early Repayment Notice Period (the "**Early Repayment Date**"). Interest on such Note accrues until the Early Repayment Date (excluding the Early Repayment Date). If the payment in respect of the Notes is not made on the Early Repayment Date, the Noteholder shall inform the Trustee and the Trustee shall seek for the instruction or confirmation of the Noteholders (representing at least 30 per cent of the principal amount of the outstanding Notes) to enforce the Guarantee, in such manner and under such conditions that the Trustee finds acceptable.

10.2 The Issuer shall notify the Noteholders and the Trustee about the occurrence of an Event of Default (and the steps, if any, taken to remedy it) in accordance with Clause 16 (*Notices*) promptly upon becoming aware of its occurrence.

10.3 Each of the following events shall constitute an event of default (an "**Event of Default**"):

- (a) **Non-payment:** The Issuer does not pay on the due date any amount payable by it under the Terms and Conditions, unless the non-payment is remedied within five days from the due date;
- (b) **Breach of financial covenants:** The Issuer does not comply with any financial covenant as set forth in Clause 9 (*Financial Undertakings*) and such non-compliance is not remedied within: (i) 30 days in case of the breach of Minimum Liquidity requirement; or (ii) 3 months period when Equity Ratio covenant was tested in accordance with the next relevant Financial Report.
- (c) **Breach of other obligations:** The Issuer, the Guarantor or any Group Company does not perform or comply with any other obligation under these Terms and Conditions, and such non-compliance is not remedied within 30 days of the earlier of the Trustee giving notice or the Issuer becoming aware of the non-compliance.
- (d) **Cross-Default:**
 - (i) Any Financial Indebtedness of the Issuer, the Guarantor or any Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (howsoever described under any document relating to the Financial Indebtedness of the Issuer, the Guarantor or any Group Company); or
 - (ii) Any security interest securing Financial Indebtedness over any asset of the Issuer, the Guarantor or any Group Company is enforced,

provided that no Event of Default shall occur under this Clause 10.3(d) if the aggregate amount of Financial Indebtedness referred to herein is less than EUR 500,000.

- (e) **Insolvency:** The Issuer, the Guarantor or any Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under these Terms and Conditions) with a view to rescheduling its financial indebtedness or the value of the assets of the Issuer is less than its liabilities (taking into account contingent and prospective liabilities);
- (f) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 days of commencement or, if earlier, the date on which it is advertised and (ii) in relation to the Subsidiaries, voluntary liquidations) in relation to:

- (i) winding-up, dissolution, administration or reorganisation (in Lithuanian: *nemokumas, likvidavimas, bankrotas, restruktūrizavimas*) (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer, the Guarantor or any Group Company;
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver or other similar officer in respect of the Issuer, the Guarantor or any Group Company or any of their assets; or
 - (iii) any analogous procedure or step is taken in any jurisdiction in respect of the Issuer, the Guarantor or any Group Company.
- (g) **Mergers and demergers:** A decision is made that the Issuer, the Guarantor or any Group Company shall be demerged or merged if such merger or demerger shall have a Material Adverse Effect, provided that a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default.
- (h) **Guarantee not in force:** the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.
- (i) **Impossibility or illegality:** (i) It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of these Terms and Conditions, or (ii) if the obligations under these Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable.

10.4 The liability of the Issuer in accordance with these Terms and Conditions shall be limited to the compensation of the direct loss. The Issuer shall not be liable for indirect and/or consequential loss.

11. DISTRIBUTION OF PROCEEDS

11.1 All payments by the Issuer relating to the Notes and, if applicable, all payments by the Guarantor relating to the Notes and Guarantee following an acceleration of the Notes in case of Event of Default, shall be distributed in the following order of priority, in accordance with the instructions of the Trustee:

- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee, (ii) other costs, expenses and indemnities relating to the protection of the Noteholders' rights, (iii) any non-reimbursed costs incurred by the Trustee for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Trustee in relation to a Noteholders' Meeting or a Written Procedure;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions or the Guarantee.

11.2 If the Trustee makes any payment under the Clause 11.1, the Trustee, as applicable, shall notify the Noteholders of any such payment at least 15 Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid.

12. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

- 12.1 If any person other than a Noteholder wishes to exercise any rights under these Terms and Conditions or the Guarantee, it must obtain a power of attorney or other authorisation from the Noteholder or a successive, coherent chain of powers of attorney or authorisations starting with the Noteholder and authorising such person.
- 12.2 A Noteholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under these Terms and Conditions or the Guarantee in relation to the Notes for which such representative is entitled to represent the Noteholder.
- 12.3 Unless otherwise required by law, the Trustee shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clause 12.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Trustee has actual knowledge to the contrary.

13. DECISIONS BY NOTEHOLDERS

Important note: The Law on the Protection of Interests of Owners of Bonds issued by Public and Private Companies of the Republic of Lithuania shall not be applicable to the Notes, including to initiation, convocation and holding of noteholders' meetings. Accordingly, the procedure for the decisions of the Noteholders as described in this Clause 13 shall not be subject and shall not meet requirements of the Law on the Protection of Interests of Owners of Bonds issued by Public and Private Companies of the Republic of Lithuania.

13.1 General provisions

- 13.1.1 The decisions of the Noteholders shall be passed at a meeting of the Noteholders (the "**Noteholders' Meeting**") or in writing without convening the Noteholders' Meeting (the "**Written Procedure**") at the choice of the Trustee.
- 13.1.2 Subject to Clause 13.2.5 and Clause 14 (*Minor Modifications*), a Noteholders' Meeting or a Written Procedure may, at the request of the Issuer, make decisions that are binding on the Noteholders on: (i) any amendments to the Terms and Conditions, and (ii) a temporary waiver regarding the Terms and Conditions. In any event the modification of these Terms and Conditions shall be subject to written approval by the Issuer.
- 13.1.3 The Trustee shall have a right to convene the Noteholders' Meeting or instigate the Written Procedure at any time and shall do so following a written request from the Noteholders who, on the day of the request, represent not less than 1/10 of the principal amount of the Notes then outstanding (excluding the Issuer and its Subsidiaries).
- 13.1.4 The Trustee may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if: (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Trustee that an approval shall not be given; or (ii) the suggested decision is not in accordance with applicable regulations.
- 13.1.5 In case convening of the Noteholders' Meeting or instigation of the Written Procedure is requested by the Noteholders, the Trustee shall be obliged to convene the Noteholders' Meeting or instigate the Written Procedure within 1 month after receipt of the respective Noteholders' written request.
- 13.1.6 Decisions passed at the Noteholders' Meeting or in the Written Procedure shall be binding on all Noteholders irrespective of whether they participated at the Noteholders' Meeting or in the Written Procedure.

13.1.7 Information about decisions taken at the Noteholders' Meeting or by way of the Written Procedure shall promptly be provided to the Noteholders in accordance with Clause 16 (Notices), provided that a failure to do so shall not invalidate any decision made or voting result achieved.

13.1.8 All direct reasonable and documented expenses in relation to the convening and holding the Noteholders' Meeting or a Written Procedure shall be covered by the Issuer.

13.2 Quorum and majority

13.2.1 Only those who were appearing in Nasdaq CSD as the Noteholders by the end of the 5th Business Day prior to the date of the Noteholders' Meeting (in case the Noteholders' Meeting is convened) and only those who were appearing in Nasdaq CSD as the Noteholders by the end of the 5th Business Day after sending the communication on instigation of the Written Procedure (in case the Written Procedure is instigated) or proxies authorised by such Noteholders, may exercise their voting rights at the Noteholders' Meeting or in the Written Procedure.

13.2.2 If the Issuer and/or its Subsidiaries are the Noteholders, their principal amount of the Notes shall be excluded when a quorum is calculated. In addition, such Notes shall not carry the right to vote in the Noteholders' Meeting or provide replies in the Written Procedure and they shall not be taken into account in determining how many Notes are outstanding for the purposes of these Terms and Conditions.

13.2.3 Quorum at the Noteholders' Meeting or in respect of the Written Procedure only exists if (i) at least two or more persons representing at least 50 per cent or (ii) one Noteholder holding 100 per cent of the principal amount of the Notes then outstanding are present in the Noteholders' Meeting or provide replies in the Written Procedure.

13.2.4 If a quorum does not exist at the Noteholders' Meeting or in respect of the Written Procedure, the Issuer can convene a second Noteholders' Meeting or instigate a second Written Procedure, as the case may be. The following terms shall apply in relation to such second Noteholders' Meeting or second Written Procedure:

- (a) the date of request of the second Noteholders' Meeting or second Written Procedure shall be deemed to be the relevant date when the quorum did not exist;
- (b) quorum at such second Noteholders' Meeting or in respect of the second Written Procedure only exists if (i) at least two or more persons representing at least 10 per cent or (ii) one Noteholder holding 100 per cent of the principal amount of the Notes then outstanding are present in the second Noteholders' Meeting or provide replies in the second Written Procedure;
- (c) the notice of the second Noteholders' Meeting or the second Written Procedure must be given in the same manner as the notice of the original Noteholders' Meeting or the Written Procedures. The notice must also include the requirements for a constitution of a quorum.

13.2.5 The consent of Noteholders representing at least 75 per cent of the aggregate principal amount of the Notes then outstanding attending the Noteholders' Meeting or participating in the Written Procedure shall be required to make any amendments to the Terms and Conditions, including:

- (a) change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes;

- (b) change Clause 2.7 (*Status of the Notes*), Clause 10 (*Events of Default*) or Clause 17 (*Governing Law and Jurisdiction*);
 - (c) waive a breach of or amend undertakings set out in Clause 8 (*General undertakings. Representations and Warranties*) or Clause 9 (*Financial Undertakings*);
 - (d) change the quorum requirements of the Noteholders' Meeting or Written Procedure;
 - (e) change the majority required for the decisions of the Noteholders' Meeting or Written Procedure.
- 13.2.6 Any decision which extends or increases the obligations of the Trustee, or limits, reduces or extinguishes the rights or benefits of the Trustee, under the Terms and Conditions or the Guarantee shall be subject to the Trustee's consent, as applicable.

13.3 Noteholders' Meeting

- 13.3.1 If a decision of the Noteholders is intended to be passed at the Noteholders' Meeting, then a respective notice of the Noteholders' Meeting shall be provided to the each person who is registered with Nasdaq CSD as a Noteholder (on a date selected by the Trustee, which falls no more than 5 Business Days prior to the date on which the notice is sent) in accordance with Clause 16 (*Notices*) no later than 10 Business Days prior to the meeting.
- 13.3.2 The notice pursuant to Clause 13.3.1 shall include:
- (a) time for the meeting;
 - (b) place for the meeting;
 - (c) agenda for the meeting (including each request for a decision by the Noteholders)
 - (d) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights;
 - (e) a form of power of attorney.
- 13.3.3 Only matters that have been included in the notice indicated in Clause 13.3.2 may be resolved at the Noteholders' Meeting.
- 13.3.4 The Noteholders' Meeting shall be held in Vilnius, Lithuania, and its chairman shall be the Issuer's representative appointed by the Issuer.
- 13.3.5 The Noteholders' Meeting shall be organised by the chairman of the Noteholders' Meeting.
- 13.3.6 The Noteholders' Meeting shall be held in English with translation into Lithuanian, unless the Noteholders present in the respective Noteholders' Meeting unanimously decide that the respective Noteholders' Meeting shall be held only in Lithuanian or English.
- 13.3.7 Representatives of the Issuer and persons authorised to act for the Issuer may attend and speak at the Noteholders' Meeting.
- 13.3.8 Minutes of the Noteholders' Meeting shall be kept, recording the day and time of the meeting, attendees, their votes represented, matters discussed, results of voting, and resolutions which were adopted. The minutes shall be signed by the keeper of the minutes, which shall be appointed by the Noteholders' Meeting. The minutes shall be attested by the chairman of the Noteholders' Meeting, if the chairman is not the keeper of the minutes, as well as by one of the persons appointed by the Noteholders' Meeting to attest the minutes. The minutes

from the relevant Noteholders' Meeting shall at the request of a Noteholder be sent to it by the Issuer.

13.4 Written Procedure

13.4.1 If a decision of the Noteholders is intended to be passed by the Written Procedure, then a respective communication of the Written Procedure shall be provided to each person who is registered with Nasdaq CSD as a Noteholder (on a date selected by the Trustee, which falls no more than 5 Business Days prior to the date on which the communication is sent) in accordance with Clause 16 (Notices).

13.4.2 A communication pursuant to Clause 13.4.1 shall include:

- (a) each request for a decision by the Noteholders;
- (b) a description of the reasons for each request;
- (c) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights;
- (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote "yes" or "no" for each request) as well as a form of a power of attorney;
- (e) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least 10 Business Days from the communication pursuant to Clause 13.4.1) and a manner of a reply; and
- (f) a statement that if the Noteholder does not reply to the request in the stipulated time period, then it shall be deemed that the Noteholder has voted against each request.

13.4.3 When the requisite majority consents have been received in a Written Procedure, the relevant decision shall be deemed to be adopted even if the time period for replies in the Written Procedure has not yet expired.

13.5 Additional Issuer's undertakings

13.5.1 For the purpose of or in connection with any Noteholders' Meeting or any Written Procedure, at the request of the Trustee, the Issuer shall promptly obtain the list of the Noteholders and provide it to the Trustee.

13.5.2 The Issuer shall issue any necessary power of attorney to the Trustee or such persons employed by the Trustee, as notified by the Trustee, in order for such individuals to independently obtain information directly from the Nasdaq CSD in respect of the Notes and Noteholders. The Issuer may not revoke any such power of attorney unless directed by the Trustee or unless consent thereto is given by the Noteholders.

14. MINOR MODIFICATIONS

14.1.1 The Notes and these Terms and Conditions may be amended by the Issuer without the consent of the Noteholders where such modification is made for the purpose of rectifying obvious errors and mistakes or is required to comply with mandatory provisions of applicable regulation.

14.1.2 The Issuer shall have a right to amend the technical procedures relating to the Notes in respect of payments or other similar matters without the consent of the Noteholders, if such modifications are not prejudicial to the interests of the Noteholders.

15. TRUSTEE

Important note: The Trustee appointed in accordance with these Terms and Conditions does not qualify as a trustee of the holders of notes for the purposes of the Law on Companies of the Republic of Lithuania and of the Law on the Protection of Interests of Owners of Bonds issued by Public and Private Companies of the Republic of Lithuania. Accordingly, the Trustee shall not have rights and obligations established in the above listed laws.

15.1 Appointment of the Trustee

- 15.1.1 By subscribing for Notes, each initial Noteholder, and, by acquiring Notes, each subsequent Noteholder agrees to and accepts the appointment of the Trustee to act as its agent in all matters relating to the Notes, these Terms and Conditions and the Guarantee, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions or the Guarantee) in any legal or arbitration proceedings relating to the Notes held by such Noteholder, including the winding-up, dissolution, liquidation or insolvency (or its equivalent in any other jurisdiction) of the Issuer.
- 15.1.2 Each Noteholder shall immediately upon request provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Terms and Conditions or the Guarantee. The Trustee is under no obligation to represent a Noteholder which does not comply with such request.
- 15.1.3 The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Terms and Conditions or the Guarantee.
- 15.1.4 The Trustee is entitled to fees for all its work that is related to its duties performed under these Terms and Conditions or the Guarantee, in such capacity and to be indemnified for direct reasonable and documented costs, losses and liabilities on the terms set out in the Terms and Conditions, the Guarantee and the Trustee Agreement and the Trustee's obligations as Trustee under the Terms and Conditions or the Guarantee are conditioned upon the due payment of such fees and indemnifications.
- 15.1.5 The Issuer shall on demand by the Trustee pay all direct reasonable and documented costs for external experts engaged by it: (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering: (A) an event or circumstance which the Trustee reasonably believes is or may lead to an Event of Default; or (B) a matter relating to the Issuer or the Terms and Conditions which the Trustee reasonably believes may be detrimental to the interests of the Noteholders under the Terms and Conditions; (iii) in connection with any Noteholders' Meeting or Written Procedure; or (iv) in connection with any amendment (whether contemplated by the Terms and Conditions or not) or waiver under the Terms and Conditions.
- 15.1.6 The Trustee may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.
- 15.1.7 The Issuer and the Trustee shall not agree to amend any provisions of the Trustee Agreement without the prior consent of the Noteholders if the amendment would be detrimental to the interests of the Noteholders.
- 15.1.8 The Trustee shall be entitled to inform the Noteholders about any breach of the Trustee Agreement by the Issuer.

15.2 Duties of the Trustee

- 15.2.1 The Trustee shall represent the Noteholders in accordance with these Terms and Conditions and the Guarantee.
- 15.2.2 When acting pursuant to these Terms and Conditions or the Guarantee, the Trustee is always acting with binding effect on behalf of the Noteholders. The Trustee is never acting as an advisor to the Noteholders or the Issuer. Any advice or opinion from the Trustee does not bind the Noteholders or the Issuer.
- 15.2.3 When acting pursuant to these Terms and Conditions or the Guarantee, the Trustee shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 15.2.4 The Trustee shall treat all Noteholders equally and, when acting pursuant to these Terms and Conditions or the Guarantee, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in these Terms and Conditions, the Guarantee and the Trustee Agreement.
- 15.2.5 The Trustee is entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as trustee, without having to first obtain any consent from the Noteholders or the Issuer. The Trustee shall, however, remain liable for any actions of such parties if such parties are performing duties of the Trustee under the Terms and Conditions or the Guarantee.
- 15.2.6 Other than as specifically set out in the Terms and Conditions or the Guarantee, the Trustee shall not be obliged to monitor (i) whether any Event of Default has occurred, (ii) the financial condition of the Issuer and the Group, (iii) the performance, default or any breach by the Issuer or any other party of its obligations under the Terms and Conditions or the Guarantee, or (iv) whether any other event specified in these Terms and Conditions or the Guarantee has occurred or is expected to occur, and should the Trustee not receive such information, the Trustee is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Trustee does not have actual knowledge of such event or circumstance.
- 15.2.7 The Trustee shall (i) review each Compliance Certificate delivered to it to determine that it meets the requirements set out in these Terms and Conditions and as otherwise agreed between the Issuer and the Trustee, (ii) check that the information in the Compliance Certificate is extracted from the financial statements delivered pursuant to Clause 8.4 or other relevant documents supplied together with the Compliance Certificate, and (iii) verify that the Issuer according to its reporting in the Compliance Certificate meets the relevant financial covenant(s) or tests. The Issuer shall promptly upon request provide the Trustee with such information as the Trustee reasonably considers necessary for the purpose of being able to comply with this Clause 15.2.7.
- 15.2.8 The Trustee shall ensure that it receives evidence satisfactory to it that the Terms and Conditions and the Guarantee which are required to be delivered to the Trustee are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Trustee with such documents and evidence as the Trustee reasonably considers necessary for the purpose of being able to comply with this Clause 15.2.8. Other than as set out above, the Trustee shall neither be liable to the Issuer or the Noteholders for damage due to any documents and information delivered to the Trustee not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 15.2.9 Notwithstanding any other provision of the Terms and Conditions or the Guarantee to the contrary, the Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.

15.2.10 If in the Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

15.2.11 The Trustee shall give a notice to the Noteholders: (i) before it ceases to perform its obligations under the Terms and Conditions of the Guarantee by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Terms and Conditions, the Guarantee or the Trustee Agreement; or (ii) if it refrains from acting for any reason described in Clause 15.2.10.

15.3 Additional arrangements in relation to the Guarantee

15.3.1 The Guarantee is granted only for the benefit of the Noteholders. However, it provides that only the Trustee may exercise the rights under the Guarantee and only the Trustee has the right to enforce the Guarantee. As a consequence, the Noteholders shall not be entitled, individually or collectively, to take any direct action to enforce any rights in their favour under the Guarantee.

15.3.2 The Trustee shall (in its sole discretion and without first having to obtain the Noteholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Trustee's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Guarantee or for any other purposes in accordance with these Terms and Conditions.

15.3.3 The Guarantee shall be released upon repayment in full of the Guaranteed Obligations (as defined in the Guarantee), provided that all unpaid fees, costs, expenses and indemnities payable to the Trustee under the Trustee Agreement and the Terms and Conditions have been duly settled.

15.4 Limited liability of the Trustee

15.4.1 The Trustee will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions or the Guarantee, unless directly caused by its negligence or wilful misconduct. The Trustee shall never be responsible for indirect and/or consequential loss.

15.4.2 The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.

15.4.3 The Trustee shall have no liability to the Issuer or the Noteholders for damage caused by the Trustee acting in accordance with instructions of the Noteholders given in accordance with these Terms and Conditions or the Guarantee.

15.4.4 The Trustee shall neither be liable to the Issuer or the Noteholders for damage due to any documents and information delivered to the Trustee not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

15.4.5 Any liability towards the Issuer which is incurred by the Trustee in acting under, or in relation to, the Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Terms and Conditions.

15.5 Replacement of the Trustee

- 15.5.1 Subject to Clause 15.5.2, the Trustee shall have the right to resign due to justifiable reasons by submitting a respective written notice (by letter or email) to the Issuer, in which case the Noteholders shall in consultation with the Issuer appoint a successor Trustee at a Noteholders' Meeting or by way of the Written Procedure initiated or convened by the retiring Trustee. The justifiable reasons may, inter alia, include the following:
- (a) any facts or circumstances occurring until the Final Maturity Date that would render any further action by the Trustee illegal, unethical or cause reputational risks to the Trustee;
 - (b) the Issuer provides false information regarding its ultimate beneficial owner or is non-compliant with applicable AML laws;
 - (c) the Issuer or related person of the Issuer is subject to local or international sanctions (i.e., the restrictive measures imposed by the United Nations Security Council, the European Union, the Republic of Lithuania or Office of Foreign Assets Control (OFAC) of the United States).
- 15.5.2 No later than 40 Business Days after the receipt of the relevant notice under Clause 15.5.1 by the Issuer a successor trustee must be appointed by the Issuer and the Noteholders, who must take over the obligations of the retiring Trustee. If a successor Trustee has not been appointed within the term set out in this Clause, the duties and obligations of the retiring Trustee shall be deemed to have terminated.
- 15.5.3 In addition to Clause 15.5.1, the Trustee may resign by giving notice to the Issuer and the Noteholders not less than 60 days before the resignation, in which case the Noteholders shall in consultation with the Issuer appoint a successor Trustee at a Noteholders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.
- 15.5.4 If the Trustee is insolvent or becomes subject to insolvency proceedings, the Trustee shall be deemed to resign as Trustee and the Issuer shall within 10 Business Days appoint a successor Trustee.
- 15.5.5 A Noteholder (or Noteholders) representing at least 25 per cent of the principal amount of the Notes then outstanding (subject to Clause 13.2.2) may, by notice to the Issuer (such notice shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Trustee be dismissed and a new Trustee appointed.
- 15.5.6 If the Noteholders have not appointed a successor Trustee within 90 days after (i) the earlier of the notice of resignation under Clause 15.5.3 was given or the resignation otherwise took place; or (ii) the Trustee was dismissed through a decision by the Noteholders, the Issuer shall within 30 days thereafter appoint a successor Trustee.
- 15.5.7 Any successor Trustee appointed pursuant to this Clause 15.5 must be an independent and reputable company which regularly acts as agent under debt issuances.
- 15.5.8 The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under these Terms and Conditions.
- 15.5.9 The Trustee's resignation or dismissal shall in relation to Clause 15.5.3 only take effect upon the earlier of (i) appointment of a successor Trustee and acceptance by such successor

Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee, and (ii) the period pursuant to Clause 15.5.6 having elapsed.

- 15.5.10 Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of these Terms and Conditions or the Guarantee but shall remain entitled to the benefit of these Terms and Conditions or the Guarantee and remain liable under these Terms and Conditions or the Guarantee in respect of any action which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under these Terms and Conditions or the Guarantee as they would have had if such successor had been the original Trustee.
- 15.5.11 In the event that there is a change of the Trustee in accordance with this Clause 15.5, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under these Terms and Conditions, the Guarantee and the Trustee Agreement.

16. NOTICES

- 16.1 Noteholders shall be advised of matters relating to the Notes:
- (a) for as long as the Notes are not admitted to trading on Nasdaq Vilnius, by a notice in English and Lithuanian sent to the Noteholders via emails;
 - (b) as of the date when the Notes are admitted to trading on Nasdaq Vilnius, by a notice published in English and Lithuanian on the website of Nasdaq Vilnius (www.nasdaqbaltic.com) and Central Regulated Information Base (www.crib.lt) and other means, if and as applicable.
- 16.2 Any notice shall be deemed to have been received by the Noteholders when sent or published in a manner prescribed in this Clause 16.

17. GOVERNING LAW AND JURISDICTION

- 17.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Lithuania.
- 17.2 Any dispute or claim arising out of or in relation to these Terms and Conditions, including any non-contractual obligation arising out of or in connection with the Notes, shall be finally settled by the courts of the Republic of Lithuania
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