

## Platform terms and conditions - UK

Date: • 14 December 2023

*These terms and conditions apply to Funderbeam clients whose service provider is Funderbeam Markets Limited, incorporated in England and Wales, being clients resident in the UK and (subject to conditions) also outside the European Economic Area and Singapore*

### 1 INTRODUCTION

- 1.1 Funderbeam Markets Limited ('Funderbeam', 'we' or 'us') is authorised and regulated by the FCA under number 794918
- 1.2 We operate a Platform for investment in shares, debt securities and other investments ('Investments') as set out in these Terms and Conditions.
- 1.3 When a person ('you' or 'Investor' or where specified 'Lead Investor') submits an application to become an Investor and/or a Lead Investor' on our Platform, you accept, and to the extent appropriate, undertake to comply with, these Terms and Conditions, and they form the basis of a binding agreement between you and us consisting of:
  - 1.3.1 these Terms and Conditions;
  - 1.3.2 the terms and conditions that a secondary market we provide you with access to requires you to follow (including the [Marketplace Rules of](#) the Marketplace Operator); and
  - 1.3.3 the Fee Schedule;
  - 1.3.4 an Investment Agreement
  - 1.3.5 any applicable policy including the Privacy Policy and Terms of Use (each available on our website)(together, the 'Platform Agreements').
- 1.4 In addition to the Platform Agreements, we may offer services or products or make available Investments which are subject to additional terms and/or documentation, e.g. an Investment Agreement.
- 1.5 While we require Fundraising Companies to register as Investors (and be subject to these Terms and Conditions), we will enter into separate terms with Fundraising Companies and these separate terms will prevail as between us and such Fundraising Company in the event of inconsistency with these Terms and Conditions.
- 1.6 The Glossary in the Schedule to these Terms and Conditions sets out the definitions of words and phrases used in these Terms and Conditions and gives the rules for interpreting them.

1.7 For the purpose of FCA Rules, the Platform Agreements, including these Terms and Conditions, are our client agreement with you. Please read these Terms and Conditions, and the remainder of the Platform Agreements, carefully and print a copy for your future reference. A link to the latest version of these Terms and Conditions for you to download or print (and the amendment history) will also be available under your account settings.

1.8 We will regard the Platform Agreements as setting out all the terms agreed between you and us with respect to your use of the Platform. If you do not agree with these Terms and Conditions, or any other aspect of the Platform Agreements, please do not make any further use of the Platform. Please contact us by e-mail at [markets@funderbeam.com](mailto:markets@funderbeam.com) if you have any questions about these Terms and Conditions and we will try to get back to you within 3 Business Days.

## **2 REGISTERING AS AN INVESTOR**

2.1 To register as an Investor or a Lead Investor on our Platform, you must:

- 2.1.1 If you are an individual, be at least 18 years old, and provide us with the identification documentation we request;
- 2.1.2 If you are not an individual (for example you are a company), provide us with such confirmations of status or other documents as we may require; and
- 2.1.3 With respect to any securities or investments offered by a US domiciled Fundraising Company, you confirm and agree that you are not a US resident or US person (as defined in Regulation S of the U.S. Securities Act of 1933 (the "Act")) and are not acquiring any Investments for the account or benefit of any US person.

2.2 By registering as an Investor, you confirm that:

- 2.2.1 You are not breaching any requirement of applicable law binding on you in the country or state where you are located or resident;
- 2.2.2 You have read and understood the non-exhaustive risk warnings at clause 13 of these Terms and Conditions as well as those set out on the Platform, and are prepared and able to accept the risks of investing via our Platform;
- 2.2.3 If you are not an individual (for example, you are a body corporate) you confirm that you have the appropriate internal and any external, including regulatory, if required, authorisation to enter into the Platform Agreements; and
- 2.2.4 Except as specifically agreed with us, you invest on your own account and not on behalf of any third-party investor. You confirm that unless we agree otherwise, you are not acting as trustee, broker,

- investment manager or in any other capacity as representative of a third party;
  - 2.2.5 You have submitted to Funderbeam accurate and updated data;
  - 2.2.6 You are aware that Funderbeam may have an obligation to provide the Marketplace Operator and relevant authorities with information on you and your transactions, and you agree to the disclosure of such information;
  - 2.2.7 You undertake not to use Funderbeam or the Services as per clause 4.1 for the purpose of attainment of illegal objectives and not to exercise your rights in bad faith or for the purpose of causing harm to Funderbeam;
- 2.3 Before we accept you as an Investor, you must provide us with certain confirmations of your status and must answer to our satisfaction questions which we put to you to ascertain your knowledge, experience and understanding of risks of investing via our Platform.
- 2.4 We may, in our discretion, ask further questions or apply other tests in respect of particular Investments.
- 2.5 You should note that a Lead Investor has specific responsibilities as are set out in more detail in clause 5 of these Terms and Conditions and any Investment Agreement. We will ask additional questions designed to ascertain whether any person attempting to register as a Lead Investor has sufficient skills, experience and other qualities for such a role. Our acceptance of a person as a Lead Investor does not imply any endorsement of the opinions of any such individual on our part.
- 2.6 It is essential that you provide accurate and truthful information in response to any questions we may ask you and any declarations which we may ask you to give when you register as an Investor.
- 2.7 Subject to Applicable Law, we may in our discretion refuse to allow you to use the Platform and/or may refuse to make certain Investments available to you and shall not be obliged to give any reasons for our refusal.
- 2.8 We may make such further enquiries or obtain such further documents in connection with your application to use the Platform as we consider appropriate (including any that are referred to in clause 16 of these Terms and Conditions).
- 2.9 You must keep any Security Details required to access the Platform safe at all times and should not disclose them to any third party. You must tell us immediately if there is any breach of security, loss, theft or unauthorised use of the Security Details. You will be responsible for any use of the Security Details where you have allowed another person to use them

deliberately, negligently or in breach of these Terms and Conditions and any other aspect of the Platform Agreements.

### **3 CATEGORIZATION - RETAIL OR PROFESSIONAL CLIENTS**

3.1 Unless specifically agreed otherwise, we will categorize you as a retail client for the purposes of FCA Rules.

3.2 Where we specifically agree, and where permitted to do so by FCA Rules, we may categorize you as a professional client. Where we do so, you must inform us of any changes in your circumstances which might affect our categorization of you.

3.3 Where we reasonably consider it appropriate in accordance with FCA Rules, we may propose to you a different categorization.

3.4 You may also request a different categorization. We will consider any request you may make to be categorized in a different way but are not obliged to agree to any change in how we have categorized you.

3.5 For Funderbeam to categorize any person as a professional client under Applicable Law, it may require information as to that person's knowledge, experience and understanding of the risks of any investment activity. Where it requires such information from such person, that person must answer all questions Funderbeam may put to it fully and truthfully, and you hereby undertake to do so.

3.6 Any person must promptly inform Funderbeam of any circumstances which might affect its categorization.

3.7 Where Funderbeam has correctly categorized a person as a professional client, Funderbeam is entitled to assume that such party has the necessary level of experience and knowledge to understand the risks involved in relation to any investment service or transaction.

### **4 SERVICES PROVIDED VIA PLATFORM**

4.1 The Services we provide via the Platform are to enable:

- 4.1.1 Fundraising Companies to raise funds;
- 4.1.2 Investors to invest in Investments;
- 4.1.3 Trading of Investments via the Marketplace subject to the Marketplace Rules.

4.2 Where you are registered as an Investor, you may view information about Investment Offers available on our Platform.

4.3 Each Investment Offer will normally be divided into two phases:

- 4.3.1 The **Indications Phase** – this enables Fundraising Companies and/or the Lead Investor to gauge initial interest and to consider on what terms (if any) a firm proposal of investment can be made. The information provided at the Indications Phase will be limited and subject to confirmation if the Investment Offer progresses to the next stage.
- 4.3.2 The **Proposals Phase** – based on the reaction of Investors, the Fundraising Company may make available final and complete information to those Investors it selects to receive such information. Those to whom the offer is made can agree to invest on the basis of the information and terms provided to them and any agreement to invest on the part of an Investor will be binding on such Investor subject to Applicable Law (and any rights of cancellation set out in clause 10 of these Terms and Conditions).

4.4 The Investments made available to you via the Platform may include:

- 4.4.1 **Loan Note Structure** – you subscribe for a debt security in a special purpose vehicle company, which uses the funds to subscribe for shares or other financial instruments issued by a Fundraising Company. Returns under the debt securities for which you subscribe will be subject to receipts under the shares or other financial instruments held by the special purpose vehicle company.
- 4.4.2 **Nominee structure** – shares in the Fundraising Company are held in custody for you by Funderbeam Nominee in accordance with the terms set out in clause 7.
- 4.4.3 **A direct investment structure** – you will be registered direct as shareholder, bondholder or other relationship with the Fundraising Company or issuer of the Investment; and
- 4.4.4 **Such other investments** (which may include funds or collective investment undertakings) as we may specify.

4.5 If you choose to invest, you will be required to enter into one or more Investment Agreements relating to your Investment. If the terms of any Investment Agreement are inconsistent with these Terms and Conditions, then the Investment Agreement shall take priority in relation to that Investment.

4.6 Before entry into any Investment, you may be required to answer further questions relating to your investment knowledge and experience and may be required to agree to specific documentation relating to that Investment.

4.7 We will comply with FCA Rules in relation to any information or material posted to the Platform, including taking reasonable care to ensure that it

is clear, fair or not misleading. Neither we nor the Lead Investor (nor a Syndicate Administrator) provides any advice on the merits of investing in any Investment made available via the Platform nor do we or the Lead Investor (nor a Syndicate Administrator) make any personal recommendation as to investment via the Platform. You should take such relevant advice as is appropriate in your circumstances. If you are unsure of any investment decision you should seek a professional financial adviser.

#### 4.8 With respect to a US domiciled Fundraising Company;

- 4.8.1 all offers and sales of securities or investments prior to the expiration of the distribution compliance period specified in paragraph (b)(2) or (b)(3) of Rule 903 of Regulation S under the U.S. Securities Act of 1933 (the “Act”), as applicable, shall be made only in accordance with the provisions of Rule 903 or 904 of such Regulation, as applicable; pursuant to registration of the securities under the Act; or pursuant to an available exemption from the registration requirements of the Act; and
- 4.8.2 such securities or investments will not be offered or sold to a U.S. person, as defined in Rule 902(k) of Regulation S, and may not be used to engage in hedging transactions with regard to such securities or investments prior to the expiration of the distribution compliance period specified in paragraph (b)(2) or (b)(3) of Rule 903, as applicable, unless in compliance with the Act; and
- 4.8.3 such securities or investments contain a legend (via physical certificates or electronic book-entry) to the effect that transfer is prohibited except in accordance with the provisions of Regulation S, pursuant to registration under the Act, or pursuant to an available exemption from registration; and that hedging transactions involving those securities may not be conducted unless in compliance with the Act; and
- 4.8.4 by contract and/ or a provision in its bylaws, articles, charter or comparable document, it will refuse to register any transfer of the securities not made in accordance with the provisions of Regulation S, pursuant to registration under the Act, or pursuant to an available exemption from registration.

## **5 THE ROLE OF THE LEAD INVESTOR (AND SYNDICATE ADMINISTRATOR)**

- 5.1 The Lead Investor will be an Investor for a specific Investment. He or she will be selected and appointed by the Fundraising Company. The role of the Lead Investor will be subject to the detailed terms set out in the Investment Agreement, as summarized in clauses 5.2 – 5.7 below.

5.2 The Lead Investor will assist with co-ordinating and facilitating investment. He or she may assist in clarifying points raised by Investors in relation to an Investment Offer.

5.3 The Lead Investor may express opinions as to issues that are raised in relation to an Investment.

5.4 The Lead Investor may also facilitate the transmission of information to Investors. If requested to do so, he or she may cast votes in respect of shares on behalf of Investors.

5.5 The Lead Investor is not an investment adviser, investment manager or other person carrying on investment activities by way of business or on a professional basis. If you require professional financial advice, you should seek this from an appropriately authorised professional who specializes in Investments of the relevant kind.

5.6 The Lead Investor will disclose in the Investment Offer Materials any and all fees earned by him or her in relation to his or her role as Lead Investor.

5.7 The Lead Investor does not act as agent or representative of Funderbeam and subject to Applicable Law, Funderbeam takes no responsibility for any actions he may take and/or opinions he or she may express.

5.8 The Syndicate Administrator will be selected and appointed by the Fundraising Company. He or she may also facilitate the transmission of information to Investors.

5.9 The Syndicate Administrator is not an investment adviser, investment manager or other person carrying on investment activities by way of business or on a professional basis. If you require professional financial advice, you should seek this from an appropriately authorised professional who specializes in Investments of the relevant kind.

5.10 The Syndicate Administrator does not act as agent or representative of Funderbeam and subject to Applicable Law, Funderbeam takes no responsibility for any actions he may take and/or opinions he or she may express.

5.11 If the Fundraising Company does not appoint a Lead Investor or Syndicate Administrator, the Fundraising Company will be appointed as its own Syndicate Administrator.

## **6 CLIENT MONEY AND INVESTMENTS**

6.1 In order to invest via the Platform, you must have deposited sufficient funds, using the payment methods specified on the Platform.



6.2 Funds deposited will be held as Client Money in accordance with FCA Rules including CASS.

6.3 Any amount received on your account (including any dividends, interest or other returns on any Investment) will also be held by us as Client Money in accordance with CASS.

6.4 Client Money will be held in a segregated account with an EEA Credit Institution or other person as permitted by FCA Rules. Unless otherwise specifically agreed, no interest will be paid in respect of Client Money.

6.5 Where we hold Client Money for you, we will open a Wallet for you. The Wallet will reflect:

6.5.1 Client Money held for you; and

6.5.2 Investments held by you

(together as the 'Funds')

6.6 When you agree to a proposal to invest, the amount of Client Money will be blocked in your Wallet, which means that it may not be used for any other purpose or withdrawn unless the Investment does not proceed.

6.7 Where you have agreed to invest and there are insufficient funds in your Wallet to cover the Investment, you must transfer sufficient funds within the time specified in the relevant investment proposal. If you fail to do so, we may regard this as a material breach of these Terms and Conditions and may terminate these Terms and Conditions in accordance with clause 17.

## **7 NOMINEE AND CUSTODY ARRANGEMENTS**

7.1 Where we hold shares and other Investments on your behalf, we will do so in accordance with CASS Rules. This will not normally apply if you invest via a direct investment structure in accordance with clause 4.4.3.

7.2 We will identify, record and hold all clients' Investments separately from any of our own investments and other assets, and in such a way that we can identify the assets at any time.

7.3 Wherever practical to do the shares and other Investments will be held by Funderbeam Nominee and where this is the case the Funderbeam Nominee will hold the Shares and other investments as nominee upon trust for the Investor. However, depending on the location of the Fundraising Company, Investments may be held by a third party (including a custodian or depositary) where to do so is consistent with



Applicable Law and local market practice. We will decide, depending on Applicable Law and market practice in the relevant jurisdiction, whether your Investments are to be registered or recorded in our name or in the name of the Funderbeam Nominee or in the name of a Relevant Third Party.

7.4 The legal or regulatory requirements and market practices that apply in each jurisdiction for the separate identification and segregation of the Investments may be different. This may have any of the following consequences:

7.4.1 Investments held by a Relevant Third Party who is subject to insolvency (or any similar proceedings) may not be treated in the same way as they would be if they were held by Funderbeam or the Funderbeam Nominee. For example, a Relevant Third Party (or an insolvency practitioner appointed to deal with the assets of the Relevant Third Party) may claim to have a lien or other security interest in respect of the Investments.

7.4.2 Investments held by Funderbeam or the Funderbeam Nominee but located in a jurisdiction other than the jurisdiction of Funderbeam or Funderbeam Nominee, may not be segregated and separately identifiable in the same way as they would be if they were held in the jurisdiction in of Funderbeam or Funderbeam Nominee. This means that, in the event of a failure, the Investments may not be as well protected from claims made on behalf of general creditors.

7.5 Investments held on your behalf may be pooled with the Investments of other clients. We will keep records to show that your Investments are held on your behalf and do not belong to us. You will nevertheless not be registered as the owner of the relevant Investment on the records of the issuer of that Investment. Where there is an un-reconciled shortfall in assets held (for example in the insolvency of a third party holding those assets) you may share proportionately in that shortfall with other clients.

7.6 We will not be liable for any losses that you may suffer should any third party which is not an Affiliate become insolvent, or if any of your assets held by a Relevant Third Party or Funderbeam Nominee are not adequately protected, unless we have failed to exercise due skill, care and diligence in selecting or retaining that third party.

7.7 Provision of information to, and exercise of rights by Investors shall be in accordance with the relevant Investment Agreement.

## **8 ACCESS TO THE MARKETPLACE**

8.1 Investors who wish to buy or sell their Investments may send orders to their Service Provider (Funderbeam Markets Limited) who will place their

orders on a secondary market called the Marketplace. The Marketplace is operated by the Marketplace Operator, a recognised market operator and regulated entity in Singapore. Investors can only access the Marketplace via their Service Provider (which is a Trading Member of the Marketplace). Investors accessing Marketplace remain clients of their Service Provider and under the protection of the requirements of the regulator under which that Service Provider operates (ie the FCA).

8.2 The Marketplace is operated under the Marketplace Rules. You hereby agree to be bound by the Marketplace Rules when trading on the Marketplace. You agree that your Service Provider (as Trading Member) and the Marketplace Operator may enforce the Marketplace Rules against you, including but not limited to the prohibitions on insider dealing and market abuse, and the sanctions set out in paragraph 6.2 of the Marketplace Rules.

8.3 To send an order to your Service Provider to buy or sell Investments via Marketplace, you must:

- 8.3.1 log into your account on the Platform using your Security Details;
- 8.3.2 select the Investment which you may be interested in buying or selling and the quantity and purchase price at which you may be interested in buying or selling;
- 8.3.3 ensure that you have sufficient cash in your Wallet if you are to act as Buyer (or that you hold the relevant Investments if you are to act as Seller); and
- 8.3.4 follow the instructions that appear on the Marketplace.

8.4 Where you do not have sufficient funds in your Wallet to enter into a transaction which you have ordered, you must transfer sufficient funds to your Wallet before any transaction can be entered into. Where you have agreed to invest, but do not subsequently transfer sufficient funds to your Wallet in order to be able to do so, we shall be entitled to treat this as a material breach of these Terms and Conditions and may terminate your relationship with us in accordance with clause 17.

8.5 A transaction on the Marketplace via your Service Provider will be entered into as follows:

- 8.5.1 Seller and Buyer agreeing to enter into the transaction directly between themselves;
- 8.5.2 An Investor buying an Investment will assume the rights and obligations of the Seller under any relevant Investment Agreement as if he or she was an original party to the Investment Agreement, and will also be deemed to agree to the terms of any shareholders' agreement, the issuer of the Investment's articles of association, and relevant company law and regulation;

- 8.5.3 Orders will be transmitted by your Service Provider between Buyers and Sellers in the order in which they are received;
  - 8.5.4 Neither Funderbeam nor any Affiliate will be party to any agreement to buy or sell using the Marketplace; and
  - 8.5.5 Your Funderbeam Service Provider's activities will be limited to transferring your orders to the Marketplace.
- 8.6 In the case of any Investments registered in the name of the Funderbeam Nominee (as nominee of the relevant investor) which are the subject of a transfer or ownership in accordance with the Marketplace Rules, upon completion of such transfer the Funderbeam Nominee shall then hold such Investments as nominee for the investor who has acquired the relevant Investment in accordance with these Terms and Conditions.
- 8.7 Trades on the Marketplace are carried out electronically. To the extent that the law of the jurisdiction in which an issuer of any Investment is incorporated requires wet ink or hard copy signatures, whether to effect or formalise any such trade or transfer, or in order to record the relevant transaction in order to confirm or facilitate payment of stamp duty taxes, stamp duty reserve taxes or similar taxes that may be payable on the trading or transfer of an Investment, you agree that any director of the relevant issuer, or of Funderbeam or Funderbeam Nominee, may:
- 8.7.1 execute such transfer document on your behalf, on condition that the terms of the trade set out in the hard copy transfer replicate those of the electronic trade; and
  - 8.7.2 forward any such document to the relevant governmental or regulatory authority to formalise the transfer of the Investment or the payment of the relevant taxes.
- 8.8 There is no guarantee that any Fundraising Company will seek or maintain access to its Investments on the Marketplace, and that in the event of a non-cash Exit (as defined in the relevant Investment Agreement) Investors may end up holding Investments in a new or different Fundraising Company and which may also not be accessible on the Marketplace.

## **9 RESTRICTIONS RELATED TO TRANSACTIONS**

- 9.1 We may, in our discretion, impose daily restrictions on transactions which can be entered into using the Platform, including size limits for transactions or not permitting any transactions on any given day or for any specified period.
- 9.2 We may additionally prevent or restrict your using the Marketplace generally or on a transaction-by-transaction basis if (for example):

- 9.2.1 We believe you have outstanding obligations arising under previous transactions;
  - 9.2.2 Your Wallet has been blocked;
  - 9.2.3 We reasonably believe that the instructions do not come from you;
  - 9.2.4 We reasonably believe that you are using the Platform in a way which we consider to be abusive.
- 9.3 We may restrict or suspend use of the Marketplace either generally or in the case of any Investor where we believe this is required by Applicable Law or is necessary because of an Event beyond our Reasonable Control.
- 9.4 Subject to the provisions of the applicable Investment Agreement, you agree that:
- 9.4.1 you shall effect any and all transfers of Investments only through the Platform or Marketplace and not by any other means;
  - 9.4.2 you shall not transfer the Investments or the rights to the Investments (whether legal or beneficial) to anyone who is not a user of the Platform or Marketplace or a Trading Member's Client as defined in the Marketplace Rules, and subject to Applicable Law, any such transfer shall be null and void, invalid and ineffective, and we and the relevant Fundraising Company shall not be bound to recognise such transfer. You hereby undertake to indemnify and save harmless us from and against any and all losses, liabilities, costs (including legal costs and experts' and consultants' fees), charges, expenses, actions, proceedings, claims and demands which we may at any time and from time to time sustain, incur or suffer as a result of or arising out of any breach of this clause 9.4.2

## **10 CANCELLATION**

- 10.1 If you are a Consumer you will have a right to cancel your agreement with us as constituted by the Platform Agreements within 14 days of entering into it by giving us notice to the contact details given in clause 27. If you cancel your agreement with us, all funds you have paid will be returned to you provided you have not agreed to make an Investment.
- 10.2 You agree that you will have no right to cancel an Investment once you have agreed the terms of an Investment Agreement.
- 10.3 You also agree that you will have no right to cancel any transaction into which you have entered using the Marketplace, unless otherwise set out in the Marketplace Rules.

## **11 FEES AND CHARGES**

- 11.1 You must pay Fees and Charges in the amount and with the frequency specified in the Fees Schedule and/or any Investment Agreement.
- 11.2 We may deduct Fees due to us or any third party (including a Lead Investor) or Charges incurred by you from any money received in respect of any Investment, money held for you on the Client Money Account or by liquidating any Funds that you hold in your Wallet.
- 11.3 If you have not paid us any amount to us when due following our written reminder you must additionally pay us late payment interest at a rate equal to the base rate of the Bank of England plus 2% together with any costs and expenses (including for our internal management time) which we reasonably incur in recovering this amount.
- 11.4 You should be aware that you may also incur fees and charges in connection with your use of a payment service provider or bank. You should check these with your payment service provider or bank.
- 11.5 All sums payable under the Platform Agreements are exclusive of value added tax or other applicable sales tax, which shall be added to the sum in question. They also include any stamp duty tax, stamp duty reserve tax or other similar taxes that may be payable on the subscription, trading and transfer of Investments.
- 11.6 Charges includes any fines imposed by the Marketplace Operator by way of disciplinary sanction as set out in the Marketplace Rules upon (a) you as an Investor or Fundraising Company or (b) us as Trading Member due to your conduct.

## **12 STATEMENTS AND CONTRACT NOTES**

- 12.1 We will make available to you, on a real-time basis, the particulars of transactions, assets, moneys, charges, credits and other matters in the form of electronic records stored on the electronic facility of the Platform, the Wallet, and you consent to such particulars being made available to you through the Wallet. We will therefore not furnish to you a monthly or quarterly statement of account.
- 12.2 Clause 12.1 above notwithstanding, you may request from us a statement of account, and in such event, we will provide you with it as soon as practicable.
- 12.3 We will give you a contract note in respect of each transaction involving the subscription for, sale or purchase of Investments that you enter into via the Platform. The absence of a contract note will not affect the validity of any such transaction that is recorded as executed on the Platform or the Marketplace.

12.4 It is your responsibility to review all particulars which have been available on the Platform in accordance with clause 12.1, and all contract notes and statements received, to ensure that they are accurate. If you believe that any such particulars available on the Platform, or any contract note or statement received by you, is incorrect, because it refers to an Investment which you have not subscribed for, purchased or sold, or for any other reason, you must inform us immediately.

## **13 RISKS**

13.1 Investing via our Platform and trading in the Marketplace is inherently risky. You should consider the risks set out in the Risk Disclosure Statement and in the Investment Offer Materials before deciding to invest or trade via our Platform, acknowledging that the risks as set out therein are designed to provide a point of reference but may not be exhaustive, and that by proceeding to invest, you undertake to us that you have made your own assessment of the risks involved in investing.

13.2 If you invest via our Platform you should ensure that this is part of a diversified portfolio, containing different types of investments with varying characteristics and risks.

13.3 You should carefully consider your own tax position and seek independent appropriate advice on the tax consequences of investing via our Platform.

13.4 We can answer any questions you may have as to the factual and operational aspects of our Platform but at no time will we provide investment, financial, legal or taxation advice to any person. If you need advice as to whether any Investment on our Platform is suitable for your personal circumstances, you should consult an independent personal adviser who is experienced in advising on Investments of this kind.

## **14 CONFLICTS OF INTEREST**

14.1 There may be situations where there is a conflict of interest or potential conflict of interest between our interests and the interests of a client or between the interests of different clients. An example is that we perform services for both Fundraising Companies and Investors.

14.2 Under Applicable Law, we must have in place arrangements with a view to taking all reasonable steps constituting or giving rise to a material risk of damage to the interests of our clients. Details of our conflicts of interest policy are available at our Webpage.

14.3 If a conflict of interest arises, we shall not be obliged to disclose or take into account any information or other matter which comes to our notice

or the notice of any Affiliate or any of the employees, directors, agents of us or any Affiliate:

- 14.3.1 Where we reasonably believe that this would be a breach of any duty of confidentiality owed to such person; or
- 14.3.2 Which does not come to the actual notice of the individual providing the service in question.

## **15 YOUR DATA**

15.1 With respect to the data submitted by you, you undertake to:

- 15.1.1 update the registration and profile information and to keep it current and accurate;
- 15.1.2 post through the Platform only content that you own, have created, or which you have clear permission to publish; and
- 15.1.3 be responsible for the content you upload, post, email, transmit, or otherwise make available on or through the Platform;

15.2 You also acknowledge and agree that subject to Applicable Law:

- 15.2.1 we do not endorse any Investor's content and are not responsible or liable for any such content, even though it may be unlawful, harassing, defamatory, privacy-invading, abusive, threatening, harmful, vulgar, obscene, or otherwise objectionable, or may infringe upon the intellectual property or other rights of another; and
- 15.2.2 we do not have an obligation to pre-screen any content. However, we have the right (but not the obligation) in our sole discretion to refuse, edit, move, or remove any content that is submitted on or through the Platform.

15.3 When acting as an Investor, you agree that some content regarding you or the syndicate may be made available to the public through our Website and/or Marketplace.

## **16 FINANCIAL CRIME AND FINANCIAL SANCTIONS**

16.1 Funderbeam has obligations under Applicable Law in relation to the prevention of market abuse, financial crime, fraud, tax fraud, bribery, corruption, money-laundering, terrorism financing, drug trafficking and other serious crimes, and in relation to international sanctions.

16.2 Included in our responsibilities under Applicable Law are obligations to ascertain essential information concerning our clients and others with whom we have a business relationship and making reports to agencies



involved in the prevention, investigation, prosecution and enforcement of such measures.

16.3 You agree and undertake promptly to provide any information we may require in relation to the matters set out in this clause 16.

16.4 You confirm that you have read the information on our website about the use of [video-mediated identification and verification](#) and agree to its use.

16.5 You confirm that when completing any video-mediated interview with us you will provide us with true and complete information. Where it is discovered that you have provided incomplete, untrue or misleading information, we reserve the right to terminate our relationship with you.

## 17 TERM AND TERMINATION (i.e. ending the Agreement)

17.1 The agreement between us constituted by the Platform Agreements shall continue in force until either party terminates it (i.e. ends it) in accordance with this clause 17.

17.2 You may terminate the Platform Agreements at any time by notice to us given in accordance with clause 22, save for an Investment Agreement which you may only terminate in accordance with its specific terms.

17.3 We may terminate or suspend the Platform Agreements by notice to you if:

17.3.1 You breach any part of any Investment Agreement or any of the Platform Agreements (including these Terms and Conditions) to an extent that we would regard as material;

17.3.2 We reasonably consider that we are required to end the Agreement under Applicable Law, , including but not limited to being in breach of the obligations stipulated in clauses **Error! Reference source not found.** and **Error! Reference source not found.** on the terms set by Funderbeam;

17.3.3 We suspect you have been involved in fraud, money laundering or other illegal activities;

17.3.4 Any sum due and payable to us is not paid by you to us in accordance with these Terms and Conditions or under any of the Platform Agreements;

17.3.5 You are or become a citizen or resident of any country or territory where we reasonably believe we cannot provide Services (or where you do so may lead to significant detriment to us);

17.3.6 You use the Services in any of the following ways:  
(i) In a way that causes, or is in our view likely to cause, the Services or access to them to be interrupted or damaged in any way;

- (ii) To send or reuse material which is illegal, offensive, abusive, indecent, obscene, defamatory or menacing;
- (iii) To send or reuse material in breach of copyright, trademark, confidence, privacy or other intellectual property right; and/or
- (iv) Which consists of or contains software, viruses, political campaigning, commercial solicitation chain letters, mass mailings or spam;
- (v) In a way which we consider may cause annoyance, inconvenience or needless anxiety to other users.

17.4 If we terminate your Investor status, we may (subject to Applicable Law) limit your access to the Services in a way that we only accept outgoing payments and/or selling instructions and/or transfer of the Investments and do not permit you to make further Investments or purchases.

17.5 If following termination in accordance with this clause 17, you have not submitted respective instruction(s) within a reasonable time or such time as specified by us, we reserve the right to sell your Investments on the Marketplace at the best price which in our reasonable opinion can be reasonably obtained at that time. The funds from the sale of the Investments shall be delivered to your cash account known to us or, as the case may be, held by us until you send us information about your valid cash account. You also agree, that we can deduct from any proceeds received any sums which we reasonably consider to be due to us under any of the Platform Agreements or any Investment Agreement (including any amount we reasonably consider to be due to us under clauses 19.1 and/or 19.2) and any reasonable expenses we may incur (including banking fees) in relation to termination.

17.6 In the event of your death, we will comply with the applicable law governing your estate. We will be authorised to act in accordance with any reasonable instructions given to us by any person(s) acting in any legal capacity as your representatives on death, on production by them of appropriate identifying material authorising them to act in this capacity. We will not, however, permit such persons to make further Investments and will only accept their instructions in relation to withdrawal of cash and sale of Investments.

17.7 If there is a Multiplier and you terminate the Platform Agreements you may only transfer an amount of Investments corresponding to a whole un-multiplied amount, such that if the Multiplier is ten (10), you may only transfer Investments in multiples of ten (10).

17.8 You are responsible for all administrative and operational requirements to hold or receive such assets including opening personal securities accounts with brokers, central securities depositories or otherwise.

## **18 AMENDMENTS (changing the Platform Agreements)**

18.1 We may change the terms of the Platform Agreements, including these Terms and Conditions, by notice to you or by posting the amended version on the Platform.

18.2 We will normally only make changes in the following circumstances:

- 18.2.1 to reflect significant changes in law or regulation which have been made or which we expect to happen;
- 18.2.2 to reflect changes in external interest rates or currency rates;
- 18.2.3 to introduce new measures to protect us against fraud or financial crime;
- 18.2.4 to change our contact details;
- 18.2.5 to put right any obvious mistakes;
- 18.2.6 to reflect other legitimate cost increases or reductions associated with providing our Services to you;
- 18.2.7 where we reasonably believe that the changes would make the Platform Agreements easier to understand, fairer or more favourable to you;
- 18.2.8 to reflect what we believe to be overall improvements in how we provide the Services (including to accommodate new technology or systems which we introduce or to reflect changes in the banking, investment or financial system);
- 18.2.9 to suspend, modify or withdraw any part of the Services where we have concluded in our discretion that it is no longer practical or economic to continue to provide it on the basis set out in the Platform Agreements.

18.3 We will give notice of changes by posting them on the Platform or by e-mail to you.

18.4 We will normally give you 14 days' notice of any change except where we reasonably consider that it is beneficial to you or is required by Applicable Law. If you are unhappy with any changes to the Agreement, you may terminate the Agreement within the period of notice (after which you will be deemed to have accepted it).

## **19 EVENTS BEYOND OUR REASONABLE CONTROL**

19.1 Neither we nor you will incur any liability whatsoever for any partial or non-performance of any obligations by reason of any Event beyond the Reasonable Control of the relevant party.

19.2 We will use reasonable efforts to mitigate the effect of any Event beyond our Reasonable Control.

## **20 LIABILITY**

- 20.1 If you are a Consumer, you will be liable to us for any loss or damage suffered by us as a directly foreseeable consequence of any material breach of the Platform Agreements by you or any fraud or wilful misconduct by you.
- 20.2 If you are not a Consumer, you will indemnify us for all costs, losses, expenses, claims or damages or charges which arise as a direct or indirect consequence of your use of the Platform.
- 20.3 We will only be liable to you for any loss or damage which arises as a directly foreseeable consequence of our breach of the Agreement or our gross negligence, breach of FCA Rules or fraud.
- 20.4 We will not be liable to you for any loss or damage whatsoever as a direct or indirect result of a court's or other judicial or administrative body's refusal to accept the position that the Fundraising Company is not engaging in a 'public offer' as that term is used in section 755 of the UK's Companies Act 2006 or in FSMA.
- 20.5 We will not be liable to you for any indirect, incidental, punitive or consequential damages, loss of business, loss of profits, loss or corruption of data, loss of goodwill or reputation caused by us under the Platform Agreements.
- 20.6 Our liability to you for any loss or damage arising in connection with any specific Investment shall be limited to no more than the amount you invested (or in the case of any transaction on the Marketplace, the purchase price of any Investment).
- 20.7 Our total liability to you shall in no circumstances exceed the limit of our professional indemnity insurance which at the latest update of these Terms and Conditions was £1,000,000.
- 20.8 Nothing in the Platform Agreements excludes or restricts our liability for death or personal injury, fraud or fraudulent misrepresentation or any liability to the extent that any such liability cannot be excluded or restricted under FCA Rules.
- 20.9 We shall not be responsible for or liable to you for any loss to you arising as a result of any act or omission or any error of judgment in complying with our reporting or other obligations under Applicable Law.
- 20.10 You waive all rights, claims, actions or proceedings whatsoever which you may have against us for any cost, loss, damage, claim and expenses which you may suffer as a consequence of us acting in accordance with

any instructions from you. You undertake to indemnify us and our officers, directors and employees against all damages, claims, liabilities, costs and expenses which any of us may suffer or incur in the course of or as a result of anything done or omitted to be done for the purpose of carrying out any transaction relating to the activities to which these Terms and Conditions apply or for your account, or otherwise complying with your instructions under these Terms and Conditions, and which are not attributable to gross negligence, fraud or wilful default on the part of us or any of our officers, directors or employees.

## **21 REMEDIES**

21.1 The rights and remedies conferred upon the parties to an Investment Agreement shall be in addition, and without prejudice, to all other rights and remedies available to it at law, in equity, by statute or otherwise.

21.2 You acknowledge and agree as an Investor that:

- 21.2.1 irreparable damage would occur if any of the provisions of an Investment Agreement were not performed by you in accordance with their specific terms or were otherwise breached by you;
- 21.2.2 Funderbeam, the Company and/or the Lead Investor may have no adequate remedy at law and that monetary damages may not be a sufficient remedy for any such failure or breach; and
- 21.2.3 accordingly, each of Funderbeam, the Company and/or the Lead Investor shall be entitled to specific performance of the terms of an Investment Agreement, including, an injunction or injunctions to specifically enforce its terms and provisions without the necessity of establishing that monetary damages would not be an adequate remedy.

## **22 NOTICES**

22.1 Unless specified otherwise in any Investment Agreement, any notice, request or other communication to be given or made by you to us shall be made electronically via the Platform or by sending an e-mail to [markets@funderbeam.com](mailto:markets@funderbeam.com).

22.2 This does not apply to any formal notice of legal proceedings which must be given by post to the address specified at clause 27 or such other address as we shall specify from time to time.

22.3 We may communicate with you either by electronic communication via the Platform, by e-mail or (where we consider it appropriate) by post or telephone.

22.4 All communications between us shall be in English.

22.5 Communications by us to you shall be deemed to be received:

22.5.1 If sent by post to an address in the UK two Business Days after posting (or five Business Days if sent to an address outside the UK);

22.5.2 If sent by e-mail or electronic communication, immediately on sending provided that we do not receive notice of non-transmission or non-receipt.

## **23 COMPLAINTS AND COMPENSATION**

23.1 If you are dissatisfied with any aspect of our Services or the Platform, you can send a formal complaint to [complaints@funderbeam.com](mailto:complaints@funderbeam.com).

23.2 Your complaint will be considered independently and in accordance with FCA Rules and our Complaints Handling Policy, available on our Website. If you do not consider that we have adequately resolved your complaint, you may have a right to complain to the Financial Ombudsman Service. Details of FOS complaints process is available on their website at [www.financial-ombudsman.org.uk/](http://www.financial-ombudsman.org.uk/). Its postal address is Exchange Tower, London E14 9SR.

23.3 If we are unable to meet our financial obligations to you, you may be able to claim compensation from the Financial Services Compensation Scheme ("FSCS") For further information about the FSCS (including eligible claimants and amounts involved) please see the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk) or telephone the FSCS on 0800 678 1100..

## **24 IMPORTANT LEGAL PROVISIONS**

24.1 If any provision of the Platform Agreements becomes invalid or unenforceable, the provision will be treated as if it were not in the Platform Agreements and the remaining provisions will still be valid and enforceable.

24.2 All disclaimers and exclusions in the Platform Agreements shall survive termination.

24.3 Our failure to insist on you strictly complying with any provision of the Platform Agreements or any or omission on our part will not amount to a waiver unless expressly stated in writing that it is a waiver stipulating the provision it is intended to waive.

24.4 These Terms and Conditions, and the other Platform Agreements, are supplied in English and all communications between us including documentation shall be in English.

24.5 Nothing in the Platform Agreements is intended to confer any benefit on any person who is not a party to the Agreement and no third party shall have any rights to enforce any of its terms.

## **25 ASSIGNMENT, TRANSFER AND DELEGATION**

25.1 The provisions of the Platform Agreements are personal to you and you shall not assign or transfer any of your rights or obligations under them.

25.2 Subject to Applicable Law, we may delegate our functions and responsibilities under the Platform Agreements. Except where otherwise stated, we will remain responsible to you for the performance of that function or responsibility.

25.3 We may assign or transfer our rights and obligations under the Terms and Conditions to an appropriately regulated person on 30 days' notice to you.

## **26 APPLICABLE LAW AND DISPUTE RESOLUTION**

26.1 The Platform Agreements shall be governed by and construed in accordance with the law of England and Wales and English law shall govern any communications between you and us including any communication, discussion or negotiation before entry into the Platform Agreements.

26.2 Subject to any overriding provision of Applicable Law, all disputes arising out of or relating to the Platform Agreements shall be subject to the exclusive jurisdiction of the English courts.

## **27 FUNDERBEAM MARKETS LIMITED**

Funderbeam Markets Limited is a private limited company incorporated in England and Wales with company number 10992526, whose registered office and principal place of business is Douglas Houghton House, 231 Vauxhall Bridge Road, London, SW1V 1AD, United Kingdom. It is authorized and regulated by the Financial Conduct Authority under FRN 794918).

Contact details:

E-mail: [markets@funderbeam.com](mailto:markets@funderbeam.com)

Post: Funderbeam Markets Ltd, Douglas Houghton House, 231 Vauxhall Bridge Road, London, SW1V 1AD, United Kingdom

## **28 WIND-DOWN OF FUNDERBEAM NOMINEE**



28.1 In the event of the announcement by Funderbeam of its orderly wind-down or the termination of the Funderbeam Nominee structure, or upon (or immediately before where permitted by law) the insolvency of Funderbeam:

28.1.1 The Fundraising Company agrees to promptly;

(1) transfer and register all platform investors in proportion to the assets held on their behalf through the Funderbeam Nominee directly into its cap table as full legal/ beneficial owners of the relevant asset, Instrument, or financial instrument issued by the Fundraising company (each a “**Transferring Asset**”), as either (a) owners of a whole number of such Transferring Asset, (b) co-owners of a portion of such Transferring Asset or (c) owners of a fraction of such Transferring Asset, in each case as permitted according to the local corporate law or regulations of the jurisdiction of incorporation of the Fundraising Company;

(2) waive (and procure the waiver of) all restrictions, permissions or similar that may exist in the governing documents of the Fundraising Company that may otherwise inhibit or prevent such transfer and registration; and

(3) sign such documents and or forms as may be necessary to give effect to these terms;

(and in each case at its own cost including payment of any taxes).

28.1.2 The Investor agrees to promptly;

(1) open whatever accounts may be necessary with the Fundraising Company and / or central securities depository to give effect to the transfers and registrations of its Transferring Assets; and

(2) sign such documents and or forms as may be necessary to give effect to these terms;

(and in each case at its own cost including payment of any taxes).

## **SCHEDULE**

### Glossary - Definitions and Interpretation

1. The following capitalised terms when used in the Agreement shall have the following meanings:

**Affiliate** - An undertaking in the same Group as Funderbeam.

**Applicable Law** - Any law, statute, ordinance, rule, regulation, order or determination of any governmental or regulatory authority or any

requirement of any official body (including any taxation authority) which is binding on us including the Financial Services and Markets Act 2000 ("FSMA"), MiFID and the Handbook of Rules and Guidance of the Financial Conduct Authority ("FCA Rules").

**Business Day** - Any day which is not a weekend or a public holiday in the UK or Estonia.

**Buyer** - An Investor who wishes to buy an Investment using the Marketplace.

**CASS** - The Client Assets Sourcebook contained in FCA Rules.

**Consumer** - Any natural person using the Platform and the Services for purposes outside his or her trade, business or profession.

**EEA Clients** - Investors from the European Economic Area

**Events Beyond a party's Reasonable Control** - Includes any acts of God, war, revolution civil disorder, terrorist attack, strikes or industrial disputes, acts or regulations of any government (including the repeal or amendment of any current Applicable Law), regulatory or supranational bodies or authorities, breakdown, failure or malfunction of any communications or computer service.

**FCA** - The UK Financial Conduct Authority or any successors.

**FCA Rules** - The Handbook of Rules and Guidance of the Financial Conduct Authority.

**FSMA** - Financial Services and Markets Act 2000.

**Funderbeam Group** - A group of entities belonging to the same group as Funderbeam and being direct or indirect subsidiaries of Funderbeam Ltd.

**Funderbeam Nominee** - Funderbeam Nominees Ltd, Funderbeam or any Affiliate company we designate from time to time to act in the capacity of a nominee, custodian or depositary whether in Estonia or any other jurisdiction.

**Funderbeam Singapore** - Funderbeam Markets Pte. Ltd., incorporated and registered in Singapore with company number 201810046G whose registered office is at 6 Shenton Way, OUE Downtown 2, #22-08, Singapore 068809, holding Capital Markets Service Licence CMS100863.

**Fundraising Company** - The business or undertaking seeking investment via the Platform whether or not it is a company or other body corporate. For the avoidance of doubt, the term "Fundraising Company" includes both trading companies seeking capital and Investment product providers (such as the managers or distributors of investment funds).

**Group** - Has the meaning given in section 421 UK Companies Act 2006.

**Indications Phase** - Has the meaning given in clause 4.3.1.

**Investment** - An investment in shares, debt securities and other investments made by the Investor via the Platform.

**Investment Agreement** - An agreement to enter into a specific Investment in accordance with clause 4.5.

**Investment Offer** - The seeking of investment funds by a Fundraising Company.

**Investment Offer Materials** - All information posted to the Platform in relation to an Investment Offer.

**Investor** - A person who has registered to use the Platform as an Investor.

**Lead Investor** - A person performing the responsibilities set out in clause 5.

**Marketplace** - A marketplace operated by the Marketplace Operator under the Marketplace Rules, as at the date of these Terms and Conditions operated in Singapore by Funderbeam Singapore.

**Marketplace Operator** - An entity belonging to the Funderbeam Group, and as at the date of these Terms and Conditions, being Funderbeam Singapore.

**Marketplace Rules** - the terms and conditions of the Marketplace, as at the date of these Terms and Conditions being located at the following link on the Website: [www.funderbeam.com/agreements](http://www.funderbeam.com/agreements).

**MiFID** - Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.

**Multiplier** - the notional amount of underlying assets in the Fundraising Company corresponding to your Investment specified in the Investment Agreement

**Non-EEA Client** - Investors who are not EEA Clients or Singapore Clients

**Platform** - The investment platform provided by Funderbeam.

**Proposals Phase** - Has the meaning given in clause 4.3.2

**Relevant Third Party** - A third party appointed by us to provide nominee, custody or depositary services of any Investments in any jurisdiction.

**Security Details** - Any user name and password necessary for you to access the Platform.

**Seller** - An Investor who wishes to sell Investments using the Marketplace.

**Services** - The Services we provide via the Platform as set out in more detail in clause 4.1 of the Agreement.

**Service Provider** - Funderbeam Markets Limited, for clients and Investors in the UK (and under certain conditions Non-EEA Clients)

**Singapore Client** - Investors who are Accredited, Expert or Professional Singapore Investors

**Syndicate Administrator** - A person performing the responsibilities set out in 5.5, which may also be the Fundraising Company.

**Trading Member** - is the Service Provider

**US Person** - A natural person residing in the US (regardless of whether they have US citizenship), a Green Card holder (that is, a person who has permanent resident status in the US), a person physically located in the US when placing a trade, a US government employees including military personnel (even if stationed overseas), a natural person with a significant connection to the US as determined by Funderbeam (which criteria may include; US web domain/ IP address, US tax residency, US nationality, US mailing address, US phone number/ dial code, US physical presence, US location of a significant portion of the individual's financial and legal relationships, US immigration status); a partnership or corporation organized or incorporated under US laws, a non-US partnership or corporation formed by US persons principally to invest in unregistered securities, a US located agency or branch of a foreign entity, a non-discretionary account held by a dealer or other fiduciary for the benefit or account of a US person, a discretionary account held by a dealer or other fiduciary organized incorporated or resident in the US, any estate of which any executor or administrator is a US person, any trust of which any trustee is a US person; all as further defined in Regulation S of the US Securities Act of 1933.

**Wallet** - the facility on the Platform to view Investments and money held.

**Website** - Funderbeam website at [www.funderbeam.com](http://www.funderbeam.com)

2. In these Terms and Conditions, unless a contrary intention appears:

2.1 use of the singular shall include the plural and vice versa;

2.2 use of any gender or neuter includes the other genders;

2.3 headings are used for reference only;

2.4 references to any legislation or all include any successor legislation or rule, and are to UK legislation or rules unless expressed otherwise;

2.5 a time-of-day shall be construed as a reference to London time; and

2.6 any phrase introduced by the terms 'including', 'include', 'in particular' or any similar expression is to be construed as illustrative and does not limit the sense of the words preceding those terms.