

TERMS AND CONDITIONS FOR ISLAMIC INVESTORS

The following terms and conditions for Investors (**Investor Terms**) explain the Beehive online platform (**Beehive**), how to become an investor on Beehive (**Investor**) and use the website www.beehive.ae (**Site**). These Investor Terms explain all the Beehive products, some of which may not be relevant, available (including in the event you do not meet Beehive's minimum requirements, as set out below) or of interest to you.

We, us and our means Beehive P2P Limited, a company incorporated in the Dubai International Financial Centre, under licence number CL2352. Beehive P2P Limited is regulated by the Dubai Financial Services Authority (**DFSA**) for "operating a loan crowdfunding platform" under licence number F004422.

References to **you** and **your** mean you as a user of the Site and the services provided via Beehive, whether as an individual or on behalf of the entity you represent, provided in each case that the Investor criteria set out below are satisfied.

By becoming an Investor on Beehive, you must comply with these Investor Terms. These Investor Terms should be read alongside, and are in addition to, our General Terms of Use and our Finance Conditions (**Murabaha Conditions**) (both accessible online at www.beehive.ae/terms-and-conditions) and our Privacy Policy (accessible online at www.beehive.ae/privacy-policy) which are incorporated in these Investor Terms by reference. You should read each of these documents carefully to ensure you understand and agree to be bound by them.

These Investor Terms come into force and create legal obligations with which you will be bound to comply from the moment you complete your registration on the Site and indicate your acceptance to these Investor Terms by clicking on "Agree" on the Site. By using the Site and the financing services secured via Beehive, you confirm that you have read, understood and agree to be bound by these Investor Terms, the General Terms of Use, the Murabaha Conditions and the Privacy Policy (each as amended from time to time).

Where you are acting as an appointed representative of a partnership, company or other business you confirm that you have the authority to enter into these Investor Terms on behalf of the partnership, company or business you represent and that your partnership, company or business agrees to be bound by these Investor Terms. If you do not agree to these Investor Terms, you will not be able to become an Investor.

Each Murabaha Contract entered into between an Investor and a business on the Site (**Business**) includes the Murabaha Conditions. The Murabaha Contract is a separate binding legal agreement directly between you and the Business you finance. Your relationship with the Business is governed exclusively by the relevant Murabaha Contract. For the avoidance of doubt, we are not party to your Murabaha Contract. Each Murabaha Contract includes the Murabaha Conditions and the specific Key Contract Terms that are relevant to that Murabaha Contract.

You will be invited to accept the Murabaha Conditions during your registration to use Beehive and agree to be bound by them, in your capacity as an Investor, in all your financing transactions entered into on Beehive.

If you enter into a Murabaha Contract as an appointed representative of a partnership, company, or other business you will be required to warrant that you are duly authorised to act on its behalf. Breach of this requirement may result in legal action being taken against you personally.

1. Registering as an Investor

1.1. To become an Investor, you must meet the following minimum eligibility criteria:

- 1.1.1. you must be an individual, an investment vehicle or a business in the form of a company, free zone company, professional licensee, sole trader, partnership or public body;
- 1.1.2. if you are lending in your capacity as an individual you must: i) be aged eighteen (18) years or over; ii) satisfactorily complete the Investor questionnaire available on www.beehive.ae; iii) provide evidence of a permanent residence address; and iv) provide a copy of your passport or other photographic ID;
- 1.1.3. if you represent an investment vehicle, you must have: i) have a current valid company registration document, or share register issued by the appropriate licencing authority; and ii) have a proof of address of the investment vehicle;
- 1.1.4. if you represent a business, the business must: i) have a current valid company registration document or trade licence issued by the appropriate licensing authority; and ii) have a permanent place of business;

- 1.1.5. if you represent a public body, you must be able to provide documentary evidence that proves that the body is valid and has been established in accordance with any applicable laws; and
- 1.1.6. you must have a valid United Arab Emirates (UAE) or international bank account with a valid IBAN or equivalent number;
- 1.1.7. you must have a minimum of AED 5,000 credited to your Beehive Account, within 30 days of your Investor Account being activated; and
- 1.1.8. you must maintain a minimum balance of at least AED 5,000 to keep your account active.
- 1.2 To become a Working Capital Finance (**WCF**) Investor you must have a minimum of AED 5,000 credited to your Beehive Account.
- 1.3 The minimum eligibility criteria listed above are not exhaustive and we reserve the right in our sole discretion to reject any application to become an Investor where we deem appropriate. Where you do not meet the criteria listed above, you may be otherwise permitted to become an Investor subject to our prior written approval, which may be withheld in our absolute discretion. All decisions made by us shall be final.
- 1.4 You shall solely be responsible for securing all appropriate permits, licences, authorities' approvals and waivers (**Permissions**) required for performing financing activities on Beehive. Unless otherwise required under applicable laws and regulations, we do not make any separate enquiries to find out if you have the appropriate Permissions in place.
- 1.5 When you apply to become an Investor, we will carry out "know your customer" procedures including identity verification, anti-money laundering and fraud checks on you as an individual or appointed legal representative or authorised signatory of the business or legal entity you represent. We use our own internal guidelines and policies when assessing Investor applications. We may require you to send us certified copies of various documents as part of this process, including passports and other identification documents, powers of attorney and any other documentation we may require in order for Beehive to be able to carry out, and be satisfied that it has complied with, all necessary "know your customer" or other similar checks under all applicable laws and regulations. If you do not provide all of the documentation requested by us, or the documentation you provide is not accepted by us, you will not be able to become an Investor.
- 1.6 It is your responsibility to ensure that the information we hold on record for you is up to date. You agree to inform us as soon as reasonably possible if any of the information you provide to us changes at any time. Beehive will also carry out reviews on you on an ongoing basis and it is your responsibility to provide us with updated documentation as requested by us.

2. Our Role

- 2.1. Our principal role is to act as a conduit to bring you together with prospective Businesses, to provide a streamlined process for entering into Murabaha Contracts and to co-ordinate and facilitate the payment and collection of sums due under or in connection with those Murabaha Contracts (including certain limited actions if a Business defaults, as set out in these Investor Terms or any other applicable terms) in coordination with our duly licenced third parties. Other than those activities you authorise us to carry out in these Investor Terms, we will not perform any decision-making functions on your behalf. You shall retain complete control and discretion over whether or not to grant a Murabaha Contract to a Business, and on what terms, as well as over all other aspects of your participation on Beehive.
- 2.2. We allocate each Business a risk band classification at the time a Request for Funding (**RFF**) is processed, which is based on information included in the Business' application and the results of our external credit rating agency report. Unless otherwise required under applicable laws and regulations, we do not edit or verify the information submitted or uploaded by a Business to the Site. The provision of a risk band classification is intended to be indicative only and you will need to form your own opinion regarding the creditworthiness of any Business and undertake your own research, analysis and assessment of each Business for each financing, and where appropriate, to seek your own independent financial advice.
- 2.3. We are committed to providing accurate and reliable information about a Business in our communications. However, we rely on the information provided to us by the Business, as well as third parties, during our facilitation. While we strive to ensure that the information we provide is accurate and up to date, to the maximum extent permitted under applicable laws and regulations, we do not accept liability for any inaccuracies or omissions in the information supplied by the Business or other third parties.
- 2.4. You warrant, represent and undertake to us that all information provided to us, including in the course of the Investor registration and / or review process will be complete, true and accurate in all respects and not misleading in any way. You acknowledge that fraud and fraudulent misrepresentation are crimes under UAE

Federal Law No 3 of 1987 and may be punishable by a fine and / or a custodial sentence.

3. Client Monies and protection of your funds

- 3.1. All client monies (the **Client Monies Account**) are held in a segregated custodian account through Emirates NBD PJSC (**ENBD**) (a company regulated by the Central Bank of the UAE). All client monies are held directly by Beehive and not via a third-party agent.
- 3.2. All monies are held in one client monies account and are therefore co-mingled (including Islamic and conventional monies). The Client Monies Account does not accrue any interest or profit.
- 3.3. You are subject to the protection conferred by the DFSA's Client Money Provisions and as a consequence:
 - 3.3.1. these monies will be held separately from monies belonging to Beehive; and
 - 3.3.2. in the event of Beehive's insolvency, winding up or other Distribution Event stipulated by the DFSA, the Client Monies will be subject to the DFSA's Client Money Distribution Rules.
- 3.4. All Client Monies are held by ENBD, which is a federal UAE bank and as such operates under the laws of the UAE. UAE laws and market practices, and the insolvency and legal regime applicable in that jurisdiction may differ from the regime applicable in the DIFC.
- 3.5. As a DFSA regulated entity, Beehive must have a contingency plan and manual in place which is reviewed at least annually, to cover the unlikely event that it ceases business. Being regulated, Beehive has a ring-fenced minimum capital commitment which would be utilized if the Business were to cease trading. All Murabaha Contracts are entered into directly between the Investors and the Businesses and Beehive is not party to these contracts. Therefore, the Murabaha Contracts survive Beehive's cessation. Beehive would look to complete an orderly run off and continue to collect dues and release these to investors as the contracts unwind.

4. Becoming an Investor and uploading funds

- 4.1. Once we have reviewed all your personal details and verified the documentation you provided to us, we will confirm to you by email whether your application to become an Investor has been successful. If your application is successful, you will be notified by email and will be allocated a unique reference number (**URN**). This communication signifies that you are registered on Beehive as an Investor and are now eligible to provide financing to Businesses. You must use your URN for all transactions and communications on the Site. Any information, notices and documents to be given and delivered by Beehive to you pursuant to the provisions of these Investor Terms will be in writing and shall be sent by email, hand or by registered post to you at the email or address provided by you during the registration process on the Site or as updated by you from time to time.
- 4.2. We will have no liability to you if your application to become an Investor is ultimately unsuccessful and will in no circumstances be liable to provide you with further details as to why your application has been rejected. All decisions made by us shall be final.
- 4.3. If your application to become an Investor is successful, you will be able to credit funds to the Client Monies Account using your URN. These funds will be added to your individual account (**Beehive Account**) which you can review via "View Statement" on the Site. These funds may be used to fund investments made by you on Beehive. All funds credited by you to make investments, and profit earned by you on your investments, shall be held in the Client Monies Account.
- 4.4. You will be free to transfer funds into the Client Monies Account by bank transfer or cheque. You cannot make cash transfers or use your credit card to transfer funds to the Client Monies Account. We require you to use an account held with a UAE or international bank and which is maintained in your sole or name or jointly with another person, or in the name of the business or organisation you represent, with an IBAN number or foreign equivalent.
- 4.5. Once we receive funds from you and we have credited these to your Beehive Account, you can start financing. Any applicable fees may be deducted from time to time from the balance of funds we hold for you. The funds held in the Client Monies Account on your behalf will be held until they are withdrawn by you, applied towards applicable fees or transmitted to a Business (at which time it will be transferred to the relevant Business' bank account).
- 4.6. You may only withdraw funds from your Beehive Account in excess of the aggregate total value of financings made and live Bids (as defined below) you have made on Beehive. Funds may only be paid into your specified UAE or international bank account with a valid IBAN number (or foreign equivalent) and which is maintained in your sole name or jointly with another person.

- 4.7. Withdrawals of funds from your Beehive Account are permitted after ninety (90) days from the date the transfer is made. All bank charges relating to withdrawals from your Beehive Account will be paid by you in full and netted off your repayment.
- 4.8. We may suspend or place limitations on your Beehive Account at any time if we believe it is appropriate in order to comply with our legal or regulatory obligations or these Investor Terms. This may include periods where we need to obtain additional client identification documents, and / or your country of residence changes to a jurisdiction in which Beehive does not do business.
- 4.9. For more details about how we use your information, please refer to our privacy policy at www.beehive.ae/privacy-policy.

5. PROFESSIONAL AND RETAIL CLASSIFICATION

- 5.1. We need to classify you as either a Retail Client or a Professional Investor (as defined in the DFSA Rulebook COB 2.3) before you can use the Site and the services provided by Beehive. This classification may limit the amount of funds you can transfer in any one year and the amount you bid per RFF.
- 5.2. By default, you will be classified as a Retail Client. Under the DFSA rules, this will limit:
 - 5.2.1. the maximum you can transfer to Beehive in a calendar year to AED360,000; and
 - 5.2.2. the maximum exposure per Business across all products to AED36,000
- 5.3. Please note that the maximum amount you can transfer as set out in clause 5.2.1 may be less if you have transferred monies in a prior calendar year and have not invested all those funds. Your account will show if the amount you can transfer is less than AED360,000.
- 5.4. Beehive will implement measures, such as automated checks and regular reviews, to monitor and ensure that the limits under clause 5.2 are complied with.
- 5.5. If you wish to be classified as a Professional Investor, please contact us and we will discuss the additional steps we need to undertake. Please be advised that a higher level of protection is available to Retail Investors. In particular, the limits specified under clause 5.2 will not apply in the event you are classified as a Professional Investor.
- 5.6. Once Beehive has first classified a Person as a Professional Investor, that Professional Investor has a right at any subsequent time to ask, to be re-classified as a Retail Investor.

6. TERM FINANCE AND PROJECT FINANCE

- 6.1. This section relates only to term finance (**Term Finance**) and project finance (**Project Finance**) and describes:
 - 6.1.1. An overview of the financing process
 - 6.1.2. How Bids are made
 - 6.1.3. The contract that is entered into between you and the Business
 - 6.1.4. Profit and repayment by the Business
 - 6.1.5. How you can transfer your contract to another Investor
 - 6.1.6. Our fees

6.2. The Financing Process

- 6.2.1. There are three ways to provide Term Finance on Beehive:
 - 6.2.1.1. by self-selection of Businesses using the Beehive search tool to identify RFFs that you might be interested in and bidding on those RFFs in online auctions via the Beehive marketplace (**Marketplace**) for a murabaha part (**Murabaha Part**);
 - 6.2.1.2. by choosing to purchase individual Murabaha Parts already financed by other Investors on the transfer facility on the Site (**Transfer Facility**); or
 - 6.2.1.3. by pre-selecting the types and profiles of Businesses that you would like to finance and then using Auto-bid to automatically select the RFFs that you Bid on that match your pre-selected criteria in online auctions.

6.2.2. You can also use a combination of the above ways to provide financing.

6.2.3. For Project Finance, Bids are made via the Marketplace. There is no Transfer Facility for Project Finance.

6.3. The Bidding Process

6.3.1. All applications to acquire funds on Beehive are carefully reviewed by our credit team and classified at the initial application stage into risk bands. The risk classifications awarded are based on our review and data obtained from external credit reference agencies. Businesses which pass this screening process will be permitted to create an RFF. The risk band and the tenure of the financing will determine the pre- fixed profit rate.

6.3.2. Once you have decided which Business(es) you want to finance, you will be invited to choose the amount that you want to advance by way of financing. Provided you have credited sufficient funds to the Beehive Account, this offer to finance, known as a bid (**Bid**), then becomes active and shall be entered into the live auction on Beehive. You can increase your Bid by increments of AED500. The maximum Bid you may submit per Business is unlimited, subject to the amount of finance to be raised at the time of your Bid, the funds you have credited to the Beehive Account and the regulatory limits described under clause 5.2 above.

6.3.3. The Bid process is on a first-come basis until the RFF is funded fully. All Bids on Beehive will be subject to such minimum bid rate as we may set from time to time and shall be no less than AED500 per Bid.

6.3.4. If you are using Auto-bid, you will be free to choose your preferred risk bands, tenures and the amount of the Bid per risk band. We will automatically bid funds available to you in your Beehive Account on all live RFFs that match your pre-selected criteria up to the levels you have set and the regulatory limits described under clause 5.2 above. Beehive will not make any assessment as to whether RFFs for which bids are automatically made pursuant to this clause 6.3.4 are suitable for you. The profit rate offered is the pre-fixed rate based on the risk band and tenure of the RFF. Auto-bid will finance up to the maximum amount per Bid that you have specified to anyone (1) RFF identified as matching your pre-set amounts, assuming you have sufficient funds in your Beehive Account and the regulatory limits described under clause 5.2 are complied with. If there are insufficient funds, Auto-bid will default to the minimum bid amount of AED500 per business and multiples thereof.

6.3.5. You can place manual Bids as well as use Auto-bid on RFFs.

6.3.6. All Bids made by you in an auction are final and shall be binding unless:

- 6.3.6.1. the RFF auction period expires and the RFF in respect of which you submitted your Bid is not funded fully;
- 6.3.6.2. the Business declines the aggregated financing offer (**Murabaha Offer**), including the Bid made by you and other Investors on Beehive;
- 6.3.6.3. the Business cancels the auction prior to expiry of the auction period; or
- 6.3.6.4. we withdraw an auction for an RFF, including in the event of a material change affecting the Business, its business, its RFF or the carrying out of its RFF or due to any breach of any applicable terms.

6.3.7. An RFF must be funded fully in order for a Bid to be accepted. A completed RFF will be made up of the sum of the Bids made. The Business can then accept the Murabaha Offer or allow it to lapse (which will happen five (5) working days after the date of expiry of the RFF auction period) in which case your Bid shall be deemed unsuccessful and the amount of the Bid shall be released back into your Beehive Account.

6.3.8. We reserve the right to withdraw auctions on Beehive (including in the event of a material change affecting the Business, its business, an RFF or the carrying out of an RFF) , and to suspend the availability of Auto-bid, at any time for any reason and without prior notice. We may also change the minimum and maximum amounts that you can Bid in an auction. We will send you an electronic notification of any such amendments on the Site. Unless it is impractical to do so, you will be given at least 14 days' notice before any such changes shall take effect.

6.3.9. You can monitor your portfolio of investments on Beehive in the "My Bids" section of the Site.

6.4. The Murabaha Contract

- 6.4.1. Every Murabaha Contract you enter into on Beehive will incorporate the Murabaha Conditions. You will be invited to accept the Murabaha Conditions when you sign up as an investor on Beehive. Each time you submit a Bid you will be agreeing to be bound by the Murabaha Conditions.
- 6.4.2. Once an RFF is funded fully (by your Bid and Bids made by other Investors) the Business will be invited to accept the Murabaha Offer. Once the Murabaha Offer has been accepted by the Business it cannot be cancelled or amended by the Business and the Business will be required to enter into a Murabaha Contract with you. As a condition precedent of the Murabaha Contract, the Business will be required to provide signed and dated cheques from a recognised bank for the financing secured; one undated cheque for the full amount of the financing secured; and for Term Finance and Project Finance, either (i) separate cheques for each instalment of the financing which will be payable on the dates that each payment will fall due for Term Finance and Project Finance; or (ii) one unsigned cheque for the amount of an instalment and the confirmation that monthly transfers will be made electronically.
- 6.4.3. Provided the Murabaha Offer is accepted, and the conditions precedent specified above are satisfied, your Beehive Account will be debited and your investment will be updated, which you can review in the "My Investments" section of the Site. The Murabaha Contract shall be entered into between you and the Business for your Murabaha Part. No profit will accrue on the financing until the Murabaha Contract is formed.
- 6.4.4. If the Business fails to provide the requested cheques within the specified timescales the conditions precedent will not be satisfied and the Murabaha Contract shall not be formed. In these circumstances your Bid will be released and will be free for you to invest in one or more other Businesses on Beehive.
- 6.4.5. Once the Murabaha Contract is formed, the amount of your Bid shall be transferred from your Beehive Account to the bank account of the Business.
- 6.4.6. If you acquire a Murabaha Part, as set out below, from another Investor, the relevant Murabaha Contract will be assigned to you from the transferring Investor and you will become a party to the Murabaha Contract with the Business and the relevant monies will be transferred from your Beehive Account to the account of the transferring Investor. Information on the transfer of Murabaha Parts is set below in these Investor Terms and clause 14 "Assignment" of the Murabaha Conditions.
- 6.4.7. Each time you acquire or transfer a Term Finance Murabaha Part, a document will be automatically produced which will detail the legal terms of your acquisition or transfer (**Transfer Certificate**) to the Business.
- 6.4.8. In all Murabaha Contracts and Transfer Certificates, we will identify you by your name or the name of your business and disclose your business registration details and the relevant Business will also be separately identified and their business registration details will be disclosed to you. Any notices and communications between Investors and a Business should be sent directly to us. You acknowledge and agree that in order for binding legal obligations to be created between a Business and Investors pursuant to a Murabaha Contract or Transfer Certificates, we must identify you by your name or the name of your business to the relevant Business, and you hereby consent to such disclosure for this purpose.

6.5. Profit and Repayments

- 6.5.1. The repayments due to you under each Murabaha Contract can be viewed in the "My Investment" section of the Site. The Murabaha Contract governs the frequency and amount of each repayment.
- 6.5.2. All repayments and profit accrued will be credited to your Beehive Account and you will be able to view them in the "My Investment" and "My Transaction" section of the Site.
- 6.5.3. All repayments will be made to Investors without deduction of tax (except for UAE VAT). It is your responsibility to account for any other taxes that may be payable on your repayments to any tax authorities. You also acknowledge and agree that you shall be solely responsible for estate or succession planning in managing how your Beehive Account may be accessed, or any credit balance withdrawn or transferred to your nominated beneficiaries in the event of your death or incapacity.

6.6. Transferring your Murabaha Part (Term Finance only)

- 6.6.1. If you want to recover the money you have financed before the term of a Murabaha Contract expires, you can transfer your Murabaha Part to other Investors by transferring your Murabaha Part on the Transfer Facility.

6.6.2. Please refer to Clause 14 "Assignment" of the Murabaha Conditions which explains your rights and obligations in respect of the transfer a Murabaha Part.

6.6.3. Please note that you cannot transfer:

- 6.6.3.1. a portion of a Murabaha Part only;
- 6.6.3.2. a Murabaha Part until one instalment repayment has been made;
- 6.6.3.3. a Murabaha Part with three (3) or fewer repayments remaining;
- 6.6.3.4. a Murabaha Part where the Business concerned is in arrears or where the Business is in default (as set out in these Investor Terms or any other applicable terms) (i.e. has missed a repayment).

6.6.4. You cannot apply a mark-up or mark-down on the profit rate on the Murabaha Part you decide to transfer.

6.6.5. The transfer price of a Murabaha Part will be the outstanding principal amount plus any administrative fees that either you or the new Investor (as the case may be) wish to charge by mutual agreement.

6.6.6. You can transfer your Murabaha Parts on the Transfer Facility on an individual basis, and you will decide exactly which Murabaha Parts you wish to transfer. You can select the Murabaha Parts you want to transfer in the "My Investment" section of the Site, and these Murabaha Parts will be listed on the Transfer Facility for transfer.

6.6.7. If you acquire a Murabaha Part, you will be assigned the right to receive payment of instalments for the Murabaha Part and shall be charged the transfer price set by the transferring Investor. Such amount shall be deducted from the funds held for you in your Beehive Account and credited to the transferring Investor.

6.6.8. If you transfer a Murabaha Part, the right to receive payment of future instalments shall be assigned by way of transfer to the buying Investor and the price of the Murabaha Part shall be deducted from the buying Investor and credited to you in your Beehive Account after deduction of the Sale Fee (see below).

6.6.9. You may not acquire a Murabaha Part on the transfer facility until you have completed at least one successful Bid via the Marketplace or via our Working Capital Finance product described below.

6.7. Investor Fees

6.7.1. We have the right to charge a fee for Investor take-on which will cover the cost of our third-party providers undertaking "know your customer" checks. The maximum cost of this will be a one-off AED40 and this will be deducted from your first transfer.

6.7.2. If you decide to transfer a Murabaha Part we will also charge a Murabaha Part sale fee of 0.50% (**Sale Fee**) of the total outstanding principal value of each Murabaha Part transferred.

6.7.3. We reserve the right to waive, reduce or increase the applicable fees from time to time. We will send you an electronic notification of any amendments to our fees on the Site. Unless it is impractical to do so, you will be given at least 14 days' notice before any such changes take effect.

6.7.4. You acknowledge that all fees payable to us are to compensate us for our, and our associated companies', roles in administrating and facilitating the services provided in connection with Beehive. For further detail on Beehive's fees, costs and charges payable pursuant to or in connection with these Investor Terms and any Murabaha Contract and the basis on which they are calculated, please refer to www.beehive.ae/borrow.

6.7.5. Beehive is VAT registered and its Tax Registration Number assigned by the Federal Tax Authority is 100275274700003. All Investor fees are inclusive of VAT which Beehive will pay on your behalf.

7. WORKING CAPITAL FINANCE

7.1. This section relates only to working capital finance (**Working Capital Finance**) and describes:

- 7.1.1. An overview of the Working Capital Finance process
- 7.1.2. How bids are made
- 7.1.3. The contract that is entered into between you and the Business
- 7.1.4. Profit and repayment by the Business

7.1.5. Our fees

- 7.2. For the avoidance of doubt, you cannot transfer Working Capital Finance Murabaha Contracts to other Investors via the Transfer Facility.

7.3. The Financing Process

- 7.3.1. Before you can invest in a Business' RFF, you must set your **Investor Parameters** (as defined below).
- 7.3.2. Each Business will upload their invoices / purchase orders (individually, an **Invoice / Purchase Order** being a RFF) onto the Site and the Business will then seek finance against the Invoice / Purchase Order. A Business can request up to 80% or 100% depending on whether Customers or Suppliers are being financed. (**Percentage Funding**).
- 7.3.3. Your "Investor Parameters" will determine what offers you make to a Business and consist of the following criteria:
- 7.3.3.1. Percentage Funding that you wish to offer to a RFF for a Murabaha Part;
 - 7.3.3.2. total exposure that you wish to have on one (1) RFF;
 - 7.3.3.3. the maximum length of financing, being the longest term for which you wish to provide finance; and
 - 7.3.3.4. the risk bands that you wish to invest in.
- 7.3.4. Once you have set your Investor Parameters as defined above, you will be making an offer to Businesses for any RFF that they make which meets your Investor Parameters, which will become a Bid. Investor Bids will be placed in the following order of priority: (1) Institutional Investors; (2) Professional Investors; (3) Retail Investors. You can amend your Investor Parameters at any point, and these will be applied to all future RFFs on which you have not previously made a Bid or where you have already entered a Murabaha Contract.

7.4. The Bidding Process

- 7.3.5. All Businesses which apply for funding on Beehive are carefully reviewed by our credit team, and the Businesses' specific customers (**Customers**) and suppliers (**Suppliers**) against which they will be seeking finance are checked by us. We also receive a signed undated security cheque for the full credit facility that is agreed which has to be in Beehive's possession before any Working Capital Finance RFFs are allowed to be uploaded by the Business on the Site.
- 7.3.6. Once a Business and their Customers / Suppliers are approved on our Site, the Business is able to upload their Invoices / Purchase Orders and state the repayment date (**Repayment Date**) that the Business is seeking. The Site then matches the RFF with the Investors on our Site who have matching Investor Parameters.
- 7.3.7. If a Business agrees with the terms, then they accept the Bids from the Investors. The cost of finance (**Cost of Finance**) will be fixed. Your Bid will be reserved for forty-eight (48) hours during which the Business must email Beehive a copy of the Invoice / Purchase Order, proof of delivery if relevant and any other documents requested by us (**Supporting Documents**), which we will review. We will contact the Business if there is a discrepancy with any of the Supporting Documents.
- 7.3.8. A completed RFF will be made up of the sum of the Bids made to fund fully the RFF at the time the Business accepts the financing. The Business can then accept the Murabaha Offer or allow it to lapse (which will happen forty-eight (48) hours after the date of expiry of the RFF) in which case your Bid shall be deemed unsuccessful and the amount of the Bid shall be released back into your Beehive Account.

7.4. The Murabaha Contract

- 7.4.1. Every Murabaha Contract you enter into on Beehive will incorporate the Murabaha Conditions. You will be invited to accept the Murabaha Conditions when you sign up as an Investor on Beehive. Each time you submit a Bid you will be agreeing to be bound by the Murabaha Conditions.
- 7.4.2. Once an RFF is funded fully (by your Bid and Bids made by other Investors) the Business will be invited to accept the Murabaha Offer. Once the Murabaha Offer has been accepted by the Business it cannot be cancelled or amended by the Business and the Business will be required to enter into a Murabaha Contract with you. Your Beehive Account will be debited and your investment will be updated, which you can review in the "My Investments" section of the Site. The Murabaha Contract shall be entered into between you and the Business for your Murabaha Part. No profit will accrue on the Murabaha Financing until the Murabaha Contract is formed.

7.4.3. Once the Murabaha Contract is formed, the amount of your Bid shall be transferred from your Beehive Account to the bank account of the Business.

7.4.4. In all Murabaha Contracts, we will identify you by your name or the name of your business and disclose your business registration details and the relevant Business will also be separately identified and their business registration details will be disclosed to you. Any notices and communications between Investors and a Business should be sent directly to us, as set out in the Murabaha Conditions. You acknowledge and agree that in order for binding legal obligations to be created between a Business and Investors pursuant to a Murabaha Contract, we must identify you by your name or the name of your business to the relevant Business, and you hereby consent to such disclosure for this purpose.

7.5. Profit and Repayments

7.6.1.A Business can choose from two forms of repayment:

7.6.1.1. Payment by the Business to Beehive (**Indirect Payment**): Under the Indirect Payment, the Business' Customers pay the Business the amount due under the invoices and then the Business settles the financing with Beehive.

7.6.1.2. Payment by the Business' Customers to Beehive (**Direct Payment**): Under the Direct Payment, the Business gives its Customers our bank details and the Customers pay us the full Invoice amount and we then pay the Business the surplus payment of the unfunded Invoice less costs.

7.6.2. If a Business opts to repay the Murabaha Contract via the Direct Payment, the Business remains fully liable for the financing to you and the other Investors. Neither Beehive nor you or the other Investors have any claim over the Customers.

7.6.3. Neither Beehive nor you or the other Investors take an assignment of an Invoice / Purchase Order and the title remains with the Business.

7.6.4.A Business may repay the entire financing of a request early at any time, at no extra cost, provided they pay in full the Murabaha Contract relating to the request. A Business cannot part-pay an individual request.

7.6.5. Notwithstanding the provisions above, on early repayment of the Murabaha Contract, a Business may ask the Investors for a rebate. Any such rebate so granted by the Investors, will be based on the value of the Murabaha Contract in excess over the Cost of Financing as calculated up until the date the early repayment was made. We will calculate the amount of any rebate.

7.6.6. When we receive payment, either from the Business or their Customer, we will credit your Beehive Account with the relevant principal and profit. You will be able to view them in the "My Investment" and "My Transaction" section of the Site.

7.6.7. The repayments due to you under each Murabaha Contract can be viewed in the "Working Capital Finance" section of the Site. The Murabaha Contract governs the amount of each repayment.

7.6.8. Beehive is VAT registered and its Tax Registration Number assigned by the Federal Tax Authority is 100275274700003. All investor fees are inclusive of VAT which Beehive will pay on your behalf. With the exception of UAE VAT, all repayments will be made to Investors without deduction of tax. It is your responsibility to account for any other taxes that may be payable on your repayments to any tax authorities. You also acknowledge and agree that you shall be solely responsible for estate or succession planning in managing how your Beehive Account may be accessed, or any credit balance withdrawn or transferred to your nominated beneficiaries in the event of your death or incapacity.

7.6. Murabaha Extensions

7.6.1. If a Business does not repay the Murabaha Contract by the Repayment Date, Beehive may, on your behalf but at our discretion, grant the Business an extension of 30 days. The Business will enter into a new Murabaha Contract (**Extended Murabaha Contract**) which will have the same 30-day profit rate as per the original Murabaha Contract which will be payable to you. Beehive will charge the Business additional administrative fees for this, and you agree that the administrative fees are for Beehive's account for managing the Extended Murabaha Contract on your behalf.

7.7. Investor Fees

7.7.1. We have the right to charge a fee for Investor take-on which will cover the cost of our third-party providers undertaking "know your customer" checks. The maximum cost of this will be a one-off AED40.

7.7.2. We reserve the right to waive, reduce or increase the applicable fees from time to time. We will send you an electronic notification of any such amended fees on the Site. Unless it is impractical to do so, you will be given at least 14 days' notice before any such changes take effect.

7.7.3. You acknowledge that all fees payable to us are to compensate us for our, and our associated companies', roles in administrating and facilitating the services provided in connection with Beehive.

8. Our Appointment as Collection Agent

- 8.1. By accepting these Investor Terms, you agree to appoint us as your collection agent in the event of a default on the repayment of any Murabaha Part you have provided.
- 8.2. We may, in turn, appoint a registered and appropriately licenced recovery or debt collection agent to act on our behalf. You also authorise us to take all and any reasonable action to protect your rights as available in any relevant jurisdiction which may include:
 - 8.2.1. the taking of security cheque(s) from a Business;
 - 8.2.2. the registration of liens, charges and similar rights as available; and
 - 8.2.3. any other remedy or action as may be available from time to time in accordance with applicable law.
- 8.3. We may provide to you as the Investor certain information about the assets of that Business, if we hold such information for the Business, and/or an asset register detailing such assets together with estimated forced re-sale value of such assets on enforcement. In such circumstances, any asset valuation provided will be indicative of the value of the asset only and realisation on enforcement in connection with the sale of such asset may be lower than the value set out in the asset register.

9. Default

- 9.1. You agree that in the event of default under a Murabaha Contract, we shall be entitled to take the administrative steps set out in these Investor Terms on your behalf. In certain circumstances, we may act outside and/or ahead of the following process to pursue default payments (whether or not in formal default) where we consider this to be in the best interests of you and our other Investors. We may recover our reasonable costs and expenses for taking the action described in this clause from any amount recovered.
- 9.2. We may also seek to restructure Murabaha Contracts if we believe this is beneficial for you.
- 9.3. If the Business defaults on a payment, we will contact the Business, either by telephone or by visiting their premises within twenty-four (24) hours of notification of non-payment to inform them that we will reattempt to collect the outstanding payment in respect of that Murabaha Contract the next working day after the payment was due. If our reattempt to collect the full payment fails three (3) working days after the payment was due, or earlier if we believe the Business owner has left the UAE or has willingly defrauded you, the Business' Beehive account will be treated as an overdue account (**Overdue Account**) and we will issue a written notice to the Business.
- 9.4. If the Business does not reply within twenty-four (24) hours, a written legal notice will be issued. If there is no reply from the Business within twenty-four (24) hours, the Business will be in default under the Murabaha Contract and the outstanding balance shall immediately become due and payable by the Business (**Default**). We have the right to date and bank the full security cheque once the Business is in Default.
- 9.5. If the security cheque is not honoured, we may refer the default payment to an appropriately licenced recovery, security or collection agent (**Collections Agency**), who will attempt to collect the money on your and any other relevant Investors' behalf, and you authorise us to appoint such Collections Agency on your behalf. Any fees that the Collections Agency charges for this initial recovery will be added to the finance amounts due and payable by the Business that they are seeking to collect and will not automatically reduce the amount available for distribution to you. The Collections Agency may deduct up to 50%, or such lower percentage agreed by us, which is representative of market practice, of the amount it recovers from the Business and the remaining proceeds will be distributed to Investors. Where possible, this fee will be added to the outstanding financing amount so as not to reduce the amount Investors receive.
- 9.6. If the Collections Agency is unable to collect the monies, we will notify you in writing of this and you will then appoint us as your agent to pursue the collection of all of the outstanding Murabaha Parts. You acknowledge and agree that such agency appointment is required so that there is only one (1) claimant in any legal proceedings raised against the Business. You will have ten (10) working days to opt out of this agency appointment if you decide to pursue the Business yourself and must notify us of this intention in writing before the expiry of this period. At this point, we shall provide you with the relevant contact details for the Business to enable you to pursue your claim directly. If you fail to opt out, you will be deemed to have consented to this agency appointment. We will then investigate with the assistance of legal counsel the prospects of recovering debt through the courts. If deemed appropriate, we will instruct legal counsel to file proceedings to recover the monies. We will pay back to Investors in their proportionate share of any funds successfully recovered, less the costs, expenses, losses and any other liability (including (without limitation) legal costs) and any claims incurred

during the process. We will act in a fair and equitable manner to achieve maximum recovery for all affected Investors, which may include extending payment terms or transferring the debt to a third party.

- 9.7. You acknowledge and agree that commencing court proceedings will be an action of last resort. There are inherent risks in litigation and the outcome can never be guaranteed. We give no guarantee that any such action will be successful and you acknowledge that such action could result in you and other Investors being ordered by the court to pay damages. In the event that you agree to the agency appointment, you agree that:
- 9.7.1. you shall not make any admissions without our prior written consent;
 - 9.7.2. you shall allow us to conduct and/or settle all negotiations and litigation in connection with the Murabaha Contract; and
 - 9.7.3. at our request, you shall provide all reasonable assistance with such negotiations or litigation.
- 9.8. We will endeavour to keep you up to date with the progress of any efforts to collect overdue payments or collect on Overdue Accounts.
- 9.9. It is possible that the sums recovered pursuant to any collection action will not be sufficient to discharge all obligations owing by the Business at that time to all relevant Investors. If that is the case, then the Investors shall only be entitled to recover their proportionate share of such monies recovered. In addition, it is possible that there may be other creditors of the Business that have claims that may be recovered in priority to those of Beehive's Investors. Legal action is by no means a guaranteed route to repayment in the event of a Default or failure by the Business in meeting its payment obligations under a Murabaha Contract.
- 9.10. If, pursuant to paragraph 9.6, you opt out of the appointment of Beehive as your agent to pursue the collection of all the outstanding Finance Parts, we agree to act in accordance with your instructions to:
- 9.10.1. appoint you as a separate agent or as a co-agent jointly with us;
 - 9.10.2. assign any of our rights or transfer by novation any of our rights and obligations to you (whether in relation to the Finance Contract, any security cheque(s), any guarantee(s) or promissory note(s)); and/or
 - 9.10.3. exercise all (or any) of our rights, remedies, powers or discretions under any Finance Contract, in relation to any security cheque(s), any guarantee(s) and/or promissory note(s), for the purposes of obtaining or enforcing any judgment in any jurisdiction. We may recover our reasonable costs and expenses for taking the action(s) described in this clause from any amount recovered.

10. Exclusion of liability

- 10.1. We give no warranty and make no representation as to the ability of Businesses to meet their payment obligations under any Murabaha Contract and we are in no way liable for the debts of Businesses or any failure by them to meet their financial obligations. You acknowledge and agree that you are bidding and financing on Beehive entirely at your own risk.
- 10.2. Calculations we provide on the Site relating to the likely rate of return on financings are for guidance purposes only and should in no way be considered a guarantee of the return which may be realised.
- 10.3. We cannot guarantee that there will be sufficient Bids in respect of any RFF to fund fully the RFF and allow your funds to be invested or that there will be sufficient Businesses for you to invest in.
- 10.4. Where we have secured any form of personal guarantee or promissory note in support of a financing on your behalf as an Investor, you accept that the enforceability of such personal guarantee or promissory note shall be subject to normal legal risks and limitations and that we will not have ensured that any individual providing such a guarantee or promissory note has been independently advised of the impact of such a personal guarantee. Such guarantees or promissory notes can be open to challenge, including in circumstances where the individual granting the guarantee or promissory note has been subject to undue pressure or influence from a third party.
- 10.5. If you are an Investor on Beehive, you generally cannot also be a Business. An exception would be where you are investing in your own personal capacity, but you happen to be a director, owner or representative of a Business raising financing. You may not knowingly invest in your own Business on Beehive. We retain the right to grant specific exceptions to this rule but shall in no circumstances be obliged to do so.

11. Indemnity

- 11.1. You shall defend, indemnify, and hold us harmless, as well as our subsidiaries, affiliates, officers, directors, agents, employees, representatives, successors and assigns (collectively, **Beehive Indemnified Parties**), without limit, from and against any and all actions, claims, suits, demands, judgments, losses, costs,

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expenses, regulatory fines and / or damages, including attorney's fees, for or arising out of any breach by you of these Investor Terms or any Murabaha Contract and / or any third party claims arising out of any breach by you of these Investor Terms or any Murabaha Contract and / or failure to comply with any applicable laws and regulations. The provisions contained in this clause shall survive the termination or expiry of these Investor Terms.

- 11.2. Nothing in these Investor Terms shall exclude or limit any duty or liability which we may have under applicable laws and regulations.

12. General Terms

12.1. The information provided on the Site is directed solely at and is for use solely by persons and organisations that meet the criteria of an Investor as set out in clause 1 above and the equivalent criteria set out in the Terms and Conditions for Murabaha Businesses (accessible at www.beehive.ae/terms-and-conditions). This Site is not intended for distribution to, or use by, any person or entity in any jurisdiction where such distribution or use would be contrary to applicable law or regulation. Beehive's services are offered to you from, and these Investor Terms are entered into in, the Dubai International Financial Center, Dubai, United Arab Emirates.

- 12.2. Beehive has the right to suspend your Investor account if we believe that you are not abiding by these Investor Terms, if you attempt to use the Site for any purpose other than it is intended, or you attempt to contact other Investors, or you breach the Privacy Policy or any other applicable term.

- 12.3. We may fulfil any of our obligations, and exercise any of the rights granted to us under these Investor Terms, through a third party. We may assign any or all our rights and obligations under these Investor Terms to any third party.

- 12.4. If any clause or part of any clause of these Investor Terms is found to be void, unenforceable or invalid, then it will be severed from these Investor Terms, leaving the remainder in full force and effect, provided that the severance has not altered the basic nature of these Investor Terms.

- 12.5. No single or partial exercise, or failure or delay in exercising any right, power or remedy by us shall constitute a waiver by us of, or impair or preclude any further exercise of, that or any right, power or remedy arising under these Investor Terms or otherwise.

- 12.6. All disclaimers, indemnities and exclusions in these Investor Terms shall survive termination or expiry of these Investor Terms. To terminate these Investor Terms, you must provide us with written notice of your intention to terminate at least 90 days in advance of the desired termination date. We may terminate these Investor Terms for any reason upon 30-day prior written notice to you or such shorter notice period as required to comply with applicable laws and regulations or if ordered to do so by a court or authority or regulator of a competent jurisdiction. Upon termination of these Investor Terms, you will cease to be an Investor.

- 12.7. These Investor Terms and the documents referred to in them set out the entire agreement between you and us with respect to your use of Beehive and the services provided via the Site and supersede any and all prior or contemporaneous representations, communications or agreements (written or oral) made between you or us. These Investor Terms may be amended by us from time to time, by us sending you an electronic notification of any such amended Investor Terms on the Site. Unless it is impractical to do so, you will be given at least 14 days' notice before any such changes take effect.

- 12.8. Save as otherwise provided for in paragraph 12.9 below, these Investor Terms together with the documents referred to in them, and any non-contractual obligations arising out of or in connection with them, shall be governed by the laws of the Dubai International Financial Centre. You irrevocably submit to the exclusive jurisdiction of the Courts of the Dubai International Financial Centre over any claim or matter arising under or in connection with these Investor Terms and we submit to the non-exclusive jurisdiction of the Courts of the Dubai International Financial Centre in connection with the same.

- 12.9. In the event that the Murabaha Contract and these Investor Terms relates to:

12.9.1. financing to be issued to a Business that does not violate the provisions of Sharia and is incorporated in the Sultanate of Oman (Oman), the Murabaha Contract, and any non-contractual obligations arising out of or in connection with them, shall be governed by the laws of Oman, irrespective of the jurisdiction from which the finance originates or is sourced, funded, or issued. In such circumstances, any claim, dispute, or matter arising under or in connection with such Murabaha Conditions or any associated Murabaha Contract shall be submitted to, and finally settled by, arbitration in accordance with the rules of arbitration of the Oman Commercial Arbitration Centre (OCAC) applicable at the date of the request for arbitration (OCAC Rules), which OCAC Rules are deemed to be incorporated by reference into this paragraph 12.9.3. The tribunal shall consist of three (3) arbitrators appointed in accordance with the OCAC Rules. The place of arbitration shall

be Muscat, Oman, and the language of the arbitration shall be English.

- 12.10. Any arbitration award granted under clause 12.9.1 above shall be final, non-appealable and binding on the Parties and the Parties renounce any right to request any court to decide any issue of law, any right of appeal to the courts in respect of any interlocutory or final judgment or award and / or any right to challenge enforcement of any award on grounds of the domestic public policy of the enforcing tribunal.
- 12.11. Notwithstanding paragraphs 12.8 and 12.9 above, the Investor and Beehive shall not be prevented from taking proceedings relating to any claim or matter arising under or in connection with these Murabaha Conditions or any Murabaha Contract in any other courts with jurisdiction.
- 12.12. We will run promotions at times which you may choose to avail. Subject to applicable laws and regulations, Beehive has the right to offer and cease promotions at its full discretion and also has the right to remove promotions given if an investor is abusing the promotion. This includes, but is not limited to, withdrawing funds to include the promotion within a short duration. Such promotions are subject to review and approval of the Shari'a Supervisory Board prior to offering them to investors.

13. About us

- 13.1. Beehive is a company incorporated in the Dubai International Financial Centre under licence number CL2352, and whose registered office and principal place of business is at Level 1, Innovation Hub, Gate Avenue, DIFC, United Arab Emirates (PO Box 506943).
- 13.2. Beehive's ultimate Holding Company is Emirates Telecommunications Group Company (Etisalat Group) PJSC, a company listed on the Abu Dhabi Securities Exchange, registered address being Etisalat Building, 1, Sheikh Rashid Bin Saeed Al Maktoum St, Abu Dhabi, United Arab Emirates (PO Box 3838).

14. Contacting us

- 14.1. Should you have any questions about these Investor Terms, or wish to contact us for any reason whatsoever, please find our contact details: www.beehive.ae/contact-us.
- 14.2. In the event that you have a complaint regarding any aspect of our service, you can email the Compliance department at compliance@beehive.ae. The Compliance department will then carry out an impartial review of the complaint with a view of understanding whether we acted fairly and within our contractual obligations. A final written response will be provided outlining the outcome of the review. If you do not feel your complaint has been resolved satisfactorily by us, you may then refer the matter to the DFSA. The DFSA is the independent regulator of all financial services conducted within the DIFC. Contact the DFSA: <https://www.dfsa.ae/make-enquiry>. Further information can be found at www.dfsa.ae.
- 14.3. A copy of Beehive's complaints policy will be provided free of charge upon request.
- 14.4. All information, notices and documents required to be given and delivered by the Business to Beehive must be in writing and shall be sent by hand or by registered post to Beehive at Level 1, Innovation Hub, Gate Avenue, DIFC, Dubai, United Arab Emirates (PO Box 506943).