

luteCredit Finance S.à r.l. bonds Subscription Process (Auction)

1. The Organizer of the Auction – AB Šiaulių bankas, Registration No. 112025254, legal address: Tilžės str. 149, Šiauliai, Lithuania, hereinafter **“the Organizer”**.
2. The Provider of Subscription Undertakings and trade data for settlement instruction – AS Nasdaq Tallinn, Registry Code 10359206, legal address: Maakri tn 19/1, 10145 Tallinn, Estonia, hereinafter **“Exchange”**.
3. The subject of the Subscription process – public offering of up to 500 000 bonds of **luteCredit Finance S.à r.l., hereinafter “the Issuer”**, with a nominal value of EUR 100. The interest rate will be determined after allocation process (the expected interest rate shall fall in the range of 9,5% to 11,5%), ISIN code **XS2378483494**, hereinafter **“the Securities”**.
4. The Participants of the Auction – only licensed credit institutions or investment firms to whom the status of Exchange Member has been assigned, are eligible to participate in the Auction. All Exchange Members, having access to Genium INET trading system may participate in the Auction by submitting orders on own account or on behalf of its clients. The offering in Genium INET is directed to all retail investors in Lithuania, Latvia and Estonia.
5. The legal basis for Subscription Process, is the Nasdaq Baltic Member Rules. Baltic Member Rules and the Rules shall be binding on each Exchange Member participating in the Auction.
6. The Place of Subscription process – the orders are submitted as buy orders entered in the Exchange Trading system, hereinafter – **“Trading system”**.
7. The Subscription period – the period of Subscription process takes place from 06-09-2021 (First Auction day), 10:00 until 24-09-2021, 15:30 EET .
8. The Exchange Members can enter buy orders in the Trading system during the Subscription period every Exchange trading day from 9:00 to 16:00 and until 15:30 on the last day of the Subscription period. The orders can be modified or cancelled until 15:30 on the last day of the Subscription period. After 15:30 on the last day of the Subscription period orders cannot be entered, modified or cancelled. All times denoted are in EET time.
9. The Exchange Member is responsible for entering its clients’ orders in the Trading system according to these Rules. The Member’s clients order submission takes places according to the Member’s internal rules and procedures.

10. The Subscription process is hidden – the Members can see only own orders in the order book.
11. Investors orders shall be entered in submarket “TSE Equity Auctions” order book IUTEIPO: (ISIN code: **XS2378483494**).
12. The buy order must include:
 - a. Price of one security expressed in percentage of nominal;
 - b. Quantity expressed in nominal value;
 - c. Client reference;
 - d. Order capacity;
 - e. Client ID short code (in case order capacity is Agent);
 - f. Client ID qualifier (Firm/Personal);
 - g. Investment Dec short code (in case order capacity is Principal);
 - h. Execution Decision short code;
 - i. Time validity – “GTC” (Good-Till-Cancel);
 - j. Order reference (optional).
13. The issue price for retail investors is fixed at EUR 100.
14. In addition to the order data specified in Paragraph 12, name and surname of a natural person or name of a legal person, natural person's personal identification code or registration number of a legal person, address of natural or legal person, securities account number, Client's custodian's BIC code, Client's country of residence, investor category (retail or institutional) shall be provided. This information shall be sent in an encrypted Excel file to e-mail TSBaltic@nasdaq.com by 17:00 on the day the order is entered in the Trading system. The provided additional data specified above shall be linked with the Client/Order reference of the entered order by the Client's account operator.
15. Order allocation will be performed by the Issuer according to the rules set in the Prospectus and will be done outside the Exchange's Trading system. Rules set in the Prospectus will be made publicly available at least one business day prior to the Auction at website www.nasdaqbaltic.com.
16. The Organizer shall provide the Exchange with the allotment (distribution) of securities.
17. Settlement procedure – **the Settlement date is 06-10-2021**. Graphical representation of Auction settlement process is presented in Appendix A of these Rules.

- a. The Settlement shall be carried out at the international securities depository Clearstream Banking SA Luxembourg (hereinafter the CBL) in accordance with the rules established by the CBL, as well as these Rules.
 - b. Partial settlement of the Auction transactions shall not be allowed.
 - c. The Organizer shall represent **IuteCredit Finance S.à r.l. (the Issuer)** in organizing and managing settlement and act as a paying agent and account manager of the **IuteCredit Finance S.à r.l.**
 - d. In order to participate in the Auction, Auction participant must be a participant in the international securities depository Euroclear Belgium or CBL, or have an agreement with the participant in the relevant depository under which the firm can settle securities and funds in payment systems through a system operated by Euroclear Belgium or CBL.
 - e. In order to settle Auction transactions, Auction participants that are eligible to receive the bonds after allocation is performed by the Issuer, must provide the following information to the Organizer:
 - i. Receiving Agent's (REAG) BIC code: MGTCBEBEECL (Euroclear) or CEDELULLXXX (Clearstream Banking Luxembourg);
 - ii. Receiving Agent (REAG) account number.
18. Place of settlement (PSET) of Auctions transactions will be Clearstream Banking Luxembourg (CBL) CEDELULLXXX. After order allocation information is provided to the Exchange by the Organizer, the Exchange shall provide the Auction participants and the Organizer with the results of execution of their orders separately by each order and aggregated order execution information. The information shall be provided by e-mail in an encrypted xls computer file. The notification shall contain the following information:
- a. Order book ticker;
 - b. ISIN code;
 - c. Auction participant code;
 - d. Order size in nominal value (in euros);
 - e. Transaction date;
 - f. Settlement date;
 - g. Common Reference Number: "IUTECREDITIPO"
 - h. Executed part in nominal value (in euros);
 - i. Price (in percentage of nominal value);
 - j. Turnover (in euros).
19. After order allocation information is provided to Auction participants, each Auction participant must immediately provide settlement details (Receiving Agent's (REAG) BIC code and account number opened with a Receiving Agent (REAG)) to the Organizer by sending an email to vp.apskaita@sb.lt.
20. Taking into account the information provided by the Exchange on the concluded Auctions transactions not later than one business day **before the Settlement Day (by 5 pm)**:

- a. **luteCredit Finance S.à r.l.** or its agent must submit an instruction to deliver securities to the the Organizer (Free of Payment) account in CBL;
- b. the Organizer , representing luteCredit Finance S.à r.l., must submit instruction to receive securities from the luteCredit Finance S.à r.l., (Free of Payment) and instructions to receive funds from auction participants and deliver securities to auction participants (Delivery versus Payment).
- c. Auctions participants must submit DVP instructions to receive securities from and deliver funds to Šiaulių bankas.

21. Taking into account the information provided by the Exchange on the concluded transactions, on the Settlement Day:

- a. **luteCredit Finance S.à r.l.**, no later than by 10.00 am, shall transfer the newly distributed securities to the AB Šiaulių bankas CBL account;
 - b. Auction participants, no later than by 12.00, must generate the funds required for the settlement of auction transactions in their accounts held with the CBL or Euroclear Belgium;
 - c. Eurobond transfers and cash settlements under concluded auctions transactions shall be executed in the CBL by 3.00 pm in accordance with the principle of simultaneity of securities transfers and cash settlements (Delivery versus Payment);
 - d. AB Šiaulių bankas shall transfer the funds received from auction participants for newly distributed securities to the account of luteCredit Finance S.à r.l. by 5 pm.
22. If, in the course of the actions specified in paragraph 20, a shortage of funds is found in the account of an Auction participant required to deliver funds, the settlement for auction transactions shall be transferred to the settlement instructions execution queue and re-executed in accordance with the CBL rules.
23. If, in the course of the actions specified in paragraph 20, a shortage of securities is found in the account of AB Šiaulių bankas in CBL, settlement of auction transactions shall be transferred to the settlement instructions execution queue and re-executed in accordance with the CBL rules. If auction participants incur additional storage costs due to the storage of funds with the CBL (for example, they have to pay interest for the storage of funds), these costs shall be covered by AB Šiaulių bankas.
24. If Auction transactions are not settled until 12-10-2021 due to the fault of Auction participants or their custodians, AB Šiaulių bankas can terminate transactions unilaterally, returning securities back to **luteCredit Finance S.à r.l.** and may require the auction participants to cover the costs incurred by AB Šiaulių bankas due to failed transactions.

25. AB Šiaulių bankas CBL account details for settlement:
- a. Receiving agent (REAG) BIC – CEDELULLXXX.
 - b. Receiving agent (REAG) account number – 88672.
 - c. Place of Settlement (PSET) – CEDELULLXXX.
26. The Exchange Member, in accordance to the Exchange regulations, shall pay commission fees for transactions concluded in the Subscription process on own account or on behalf of its clients according to the fees for auction transactions set forth by the Exchange.
27. The Parties shall at all times comply with the data protection standards as provided under the GDPR, applicable law and data protection policies of the Exchange. The Privacy Letter of the Exchange sets out personal data handling practices under GDPR to safeguard privacy while fulfilling obligations, ensure the efficient operation of markets and satisfy regulatory obligations. The Privacy Letter could be found under this link:
[http://www.nasdaqbaltic.com/files/baltic/rules_regulations/Privacy%20Letter%20for%20Members%20and%20Clients%20-%20Nordic Baltic Exchanges.pdf](http://www.nasdaqbaltic.com/files/baltic/rules_regulations/Privacy%20Letter%20for%20Members%20and%20Clients%20-%20Nordic%20Baltic%20Exchanges.pdf)

Appendix A

Auction settlement process

