

Lenders' Terms and Conditions

IMPORTANT NOTICE

PLEASE READ THE FOLLOWING BEFORE PROCEEDING WITH YOUR REGISTRATION:-

- (a) **THESE TERMS AND CONDITIONS ARE THE TERMS UPON WHICH YOU WILL PARTICIPATE IN THE MONEXO PLATFORM IN THE EVENT THAT YOU ARE ACCEPTED BY MONEXO AS A LENDER**
- (b) **IF YOU DO NOT ACCEPT ANY OF THESE TERMS, PLEASE DO NOT PROCEED WITH THE REGISTRATION PROCESS**

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1. DEFINITIONS

In these Terms, the following words shall have the following meanings:

- **"Accepted Funds"** has the meaning at Clause 7.1(iii).
- **"Administrator"** has the meaning at Clause 5.2.
- **"Approved Person"** has the meaning at Clause 4.2.
- **"Borrower"** means any person registered as a borrower with Monexo.
- **"Borrower Terms"** means the Borrower's Terms and Conditions as are applicable at the commencement of the relevant Loan Period in relation to that Transaction.
- **"Changes"** shall have the meaning at Clause 11.3.
- **"Confirmation"** has the meaning at Clause 6.2(ii).
- **"Drawdown Date"** means the date upon which the Administrator releases Funds to the relevant Borrower.
- **"Exiting Member"** shall have the meaning at clause 8.3.
- **"Fixed Interest Rate"** has the meaning at Clause 6.1(i)
- **"Funds"** means any monies paid by a Member to the Administrator which:-
 - (i) are held by the Administrator on behalf of a Member; or,
 - (ii) have been paid by the Administrator, on behalf of a Member, to a Borrower in accordance with Clause 7.1.
- **"Hong Kong"** means the Hong Kong Special Administrative Region of the People's Republic of China.
- **"Loan Period"** means the period for which any loan is made by a Relevant Member to be determined in accordance with Clauses 6.1 and 7.2.
- **"Member"** means any prospective lender who has been successfully registered with Monexo.
- **"MLO"** has the meaning at Clause 3.1.

- **"Monexo", "we" or "us"** means Monexo Innovations Limited, a company incorporated in Hong Kong whose registered office is at Room 1104, Crawford House, 70 Queen's Road Central, Hong Kong.
- **"Offered Funds"** has the meaning at Clause 6.2(i).
- **"Offered Interest Rate"** has the meaning at Clause 6.1(ii).
- **"Offer Date"** has the meaning at Clause 6.1.
- **"Offer Period"** shall mean the period of thirty (30) days commencing on and inclusive of the Offer Date.
- **"Property"** means a tenanted property in Hong Kong owned by a Borrower (if applicable).
- **"Relevant Member"** has the meaning at Clause 7.2.
- **"Rental Assignment"** means such form of rental assignment (if any) as shall be granted by the Borrower in respect of any Loan.
- **"Screening Grade"** means a combined grading for the relevant Property (if applicable) and the creditworthiness of the Borrower (or in the case of a corporate Borrower, the individuals who own that company) published by Monexo on the Website.
- **"Target Funding"** has the meaning at Clause 6.1.
- **"Terms"** means these Lenders' Terms and Conditions.
- **"Transaction"** means any loan transaction with a Borrower in which you may wish to participate through the Website.
- **"User Terms"** means the terms of use for the Website already accepted by you.
- **"you"** means any person applying to become a lender registered with Monexo.
- **"Website"** means the www.monexo.co website.

2. **WEBSITE USER TERMS**

2.1 The User Terms that you have already accepted when accessing the Website shall continue to apply during the registration process with Monexo and, should the registration be successful, whilst you use the Website as a Member.

2.2 Without prejudice to the generality of Clause 2.1:

- (i) Details of any potential Transaction posted on the Website will not amount to an offer or solicitation of any nature by Monexo.
- (ii) Any information, projection or assumption included on the Website or generated by Monexo is not intended to give you any legal, financial, taxation or other professional advice.
- (iii) Should you propose to lend any money using the Website, you are strongly advised to obtain appropriate independent professional advice before proceeding.
- (iv) No warranties or representations (whether express or implied) are made by Monexo or anyone connected with Monexo (including their officers, agents, employees, affiliates and/or advisers) concerning the completeness, accuracy or reliability of any matter included on the Website or any other information provided by Monexo to you

or to any Member in connection with any potential Transaction or any Monexo product or service.

- (v) Monexo is not responsible for any delays or loss of or corruption of data as a result of either the use of the Website by you or your communications over the internet with Monexo, which are entirely at your risk. We will not accept any responsibility for any losses, claims or damages of any kind, whether direct or indirect or special or consequential or otherwise howsoever arising in relation to the foregoing.

3. MONEXO

- 3.1 Monexo is a money lender registered under the Money Lenders Ordinance, Cap 163 of the laws of Hong Kong (“**MLO**”). Monexo’s platform is not operated for the purposes of lending money or making loans but rather is a platform permitting prospective borrowers and lenders to directly enter into loan transactions with one another as well as carrying out risk assessment and support services to prospective borrowers and lenders.
- 3.2 No Members are permitted to use the Monexo platform to provide for interest rates deemed to be excessive under the MLO or which are otherwise unenforceable at law.
- 3.3 Monexo and its products and services are not registered under the Securities and Futures Ordinance Cap. 571 of the laws of Hong Kong (“**SFO**”). Monexo is not operating a Collective Investment Scheme as defined under the SFO and Members will retain discretion over the Funds described in the manner in these Terms.

4. MEMBERSHIP

- 4.1 Only those Members who accept these Terms shall have the ability to participate in a Transaction.
- 4.2 By accepting these Terms as a prospective Lender, you warrant that you are an “**Approved Person**”, namely, that you are not any of the following:-
 - (i) a politically exposed person;
 - (ii) a person under the age of 18 years;
 - (iii) a citizen of the United States of America;
 - (iv) a person involved in activities which fall under the scope of anti money laundering and counter terrorist financing legislation and regulations;
 - (v) a person who proposes to use the Monexo platform to lend and whose business (whether or not they carry on any other business) is that of making loans or who holds themselves out as such (save where they are registered under the MLO or are exempt from registration thereunder);
 - (vi) a person who is prohibited by any laws applicable to them from participating in any of the products or services offered by Monexo; or
 - (vii) in the case of a corporation, incorporated in a jurisdiction other than Hong Kong.
- 4.3 Monexo has the right to either (i) refuse an application of any person to become a Member or (ii) to require that an existing Member ceases to be a Member, in each case without giving any reason and without incurring any liability.
- 4.4 You agree that Monexo will undertake anti money laundering checks in respect of your application to become a Member and will require other relevant information of you, with which process you agree to fully and honestly co-operate. We would remind you of our privacy

policy and particularly the persons with whom we are permitted to share the information that you have provided to us.

- 4.5 You warrant that all financial and other information supplied to Monexo by or on behalf of you in connection with the Target Funding (as defined herein) is and will be complete and accurate in all material respects and not misleading and if there is any change or discrepancy in any financial and other information provided by you to Monexo, you warrant to notify Monexo of such discrepancy within 30 days of the Transaction.
- 4.6 In the event that any information provided by you is believed by Monexo, in its absolute discretion, to be incorrect, Monexo reserves the right to (i) amend the same (subject to the terms of our privacy policy) and/or (ii) suspend your membership until such information is corrected or verified to Monexo's satisfaction.
- 4.7 Any instruction received from your nominated email account shall be deemed to bind you without any further duty of enquiry on Monexo. This provision shall apply to individual, joint and corporate Members.

5. ADMINISTRATOR

- 5.1 By applying to be registered with Monexo you agree and confirm that:
- (i) all Funds paid by you will be (a) paid by you from a Hong Kong bank account in your name in Hong Kong dollars; and (b) deposited and held in one or more bank accounts operated by the Administrator; and
 - (ii) any sums that any Borrower repays under a Transaction shall be deemed by these Terms to be directed by the Relevant Member to be paid to the Administrator without the Borrower having any further obligation concerning the application of those monies.
- 5.2 For the purposes of these Terms, the "**Administrator**" shall be such person as is appointed by Monexo from time to time to deal with all Funds. At no time will Monexo hold any Funds save as provided at Clause 5.9.
- 5.3 For the time being and until further notice, the Administrator will be the Hong Kong Trust Company Limited of 6/F, Wyndham Place, 44 Wyndham Street, Central, Hong Kong and any changes of Administrator will be posted on the Website.
- 5.4 Monexo confirms that it will, at all times, instruct the Administrator to keep both:
- (i) the Funds segregated from the Administrator's own accounts;
 - (ii) records showing clearly that the Funds do not belong to Monexo or the Administrator; and
 - (iii) to procure that any Funds that are not Offered Funds or Accepted Funds are repayable to the Member within seven (7) working days of being so requested by that Member
- 5.5 It is a condition of the Administrator agreeing to act in such capacity that you confirm to Monexo by these Terms for the benefit of the Administrator that:
- (i) you will have no right of recourse against any monies held by the Administrator save only for your Funds; and
 - (ii) save for the Administrator's compliance with these Terms, the Administrator will have no further obligation to you.

- 5.6 In the event that Monexo is unable to continue to operate the Platform, then Monexo will procure that, under its agreement with the Administrator, the Administrator will use its reasonable endeavours to provide a basic service to receive payments in respect of then-subsisting Transactions subject to the payment to the Administrator of like fees as would otherwise be payable to Monexo pursuant to these Terms. However, in such circumstances, the Administrator shall not be involved in the creation of any new Transactions and, in respect of Funds not committed to a Transaction, these shall be returned to the relevant Member as soon as is reasonably practicable.
- 5.7 Monexo will endeavour to ensure that both: (i) the amount of Funds held by the Administrator belonging to each Member and (ii) the identification of which Funds are the subject of a particular Transaction, in each case as advised by Monexo to the Administrator, are both accessible by the Members on the Website and are updated on the Website at least on a regular basis provided that neither the Administrator nor Monexo shall be liable for any delay in updating such information
- 5.8 Monexo will send you emails from time to time advising you of the amount and status of your Funds based on the books maintained by the Administrator and, unless you raise an objection by email to Monexo within 30 days of being so informed by Monexo, you will be deemed to have accepted the contents of the advice sent to you.
- 5.9 In the event that an Administrator is unable (whether due to insolvency or other incapacity) or unwilling to perform its functions then, insofar as it is able under Hong Kong law, Monexo will perform the function of the Administrator pending the appointment of another Administrator. Should Monexo be otherwise unable under Hong Kong law to so act, then Monexo shall endeavour to appoint an alternative Administrator and shall not be responsible for any losses to Members pending such a new appointment.
- 5.10 Without prejudice to the generality of any other provision in these Terms, neither Monexo nor the Administrator shall have any obligation to provide any services where an event of force majeure or other circumstances beyond their control prevents either or both of them from performing their services for so long as such event is outstanding.

6. **OFFERED TRANSACTIONS**

- 6.1 Monexo will from time to time publish Screening Grades on the Website relevant to a prospective Transaction together with the proposed Loan Period and the amount of funding sought by the relevant Borrower ("**Target Funding**") who shall not be identified by name. This publication will also specify either:
- (i) the interest rate applicable to that prospective Transaction ("**Fixed Interest Rate**") which will be within Monexo's then applicable range of interest rates for such Screening Grade; or
 - (ii) an interest rate requested by a Borrower for that prospective Transaction ("**Offered Interest Rate**")

and the date upon which that prospective Transaction is published on the Website is referred to as the "**Offer Date**".

- 6.2 If you wish to participate in either: (i) a prospective Transaction with a Fixed Interest Rate; or (ii) a prospective Transaction with an Offered Interest Rate, then you may have the opportunity to do so by completing the relevant section on the Website, which will require you to both:
- (i) specify the amount of Funds that you may wish to commit to that prospective Transaction ("**Offered Funds**"), which amount must (a) not exceed the Funds belonging to you (excluding any fees due to Monexo) (b) be held by the Administrator in cash; (c) not exceed the amount of Target Funding then outstanding

for the prospective Transaction as advised by the Website; and, (d) be a multiple of such amount as Monexo may prescribe from time to time on the Website; and

- (ii) press a “confirm” button provided at the relevant section of the Website (“**Confirmation**”).

- 6.3 Should you indicate your Confirmation to Monexo for any prospective Transaction in accordance with Clause 6.2 within the Offer Period, then this will be an irrevocable instruction by you to Monexo to offer the Offered Funds to the relevant Borrower for the purposes of that prospective Transaction subject, however, to the terms of Clause 7. **Please note that, having pressed the Confirmation in respect of a Transaction, you are not permitted to withdraw your offer of the Offered Funds to participate in the prospective Transaction until after the expiry of the Offer Period and, if you have by that time become a Relevant Member in the circumstances described at Clause 7, the Offered Funds will be lent to the Relevant Borrower and the Offered Funds will not be returned to you even if you so request.**

7. **COMPLETED TRANSACTIONS**

- 7.1 If Monexo shall:

- (i) Receive Confirmations of Offered Funds of more than 60% but less than 100% of the Target Funding at the end of the Offer Period for the prospective Transaction, then you agree that such Transaction shall become legally binding and the Administrator will be immediately authorised to release the Offered Funds to the Borrower on the terms set out at Clause 7.2;
- (ii) Not receive Confirmations of at least 60% of the Target Funding by the expiry of the Offer Period, then the Offered Funds shall not be committed to that Transaction; or
- (iii) Receive Confirmations in excess of 100% of the Target Funding at any time during the Offer Period, then Monexo will, endeavour to, but shall not be obliged to, process all Confirmations on a first-come-first-served basis, those chosen Offered Funds being “**Accepted Funds**” and you agree that:
 - (a) any Accepted Funds shall immediately be treated in a like manner to that set out in Clause 7.1 (i) in respect of a legally binding Transaction; and,
 - (b) any Offered Funds that do not become Accepted Funds shall be treated in a like manner to that set out at Clause 7.1.(ii).

- 7.2 Any Member whose Offered Funds form a part of or the whole of any Transaction shall be referred to, in respect of that particular Transaction, as a “**Relevant Member**”. Each Relevant Member shall have been deemed to have made a separate loan to the Borrower:

- (i) in an amount of the Offered Funds;
- (ii) for the Loan Period which shall have been deemed to have commenced on the Drawdown Date;
- (iii) at the Fixed Interest Rate or Offered Interest Rate (as applicable); and,
- (iv) subject to the Borrower Terms.

You are recommended to fully acquaint yourself with the Borrower Terms before committing any Offered Funds under these Terms.

- 7.3 In the event that the Borrower has agreed to a Rental Assignment (if applicable), then Monexo will procure that the benefit of that Rental Assignment shall be held for the Lender in respect of the Loan.

8. **ANONYMITY AND DEFAULT**

- 8.1 By becoming a Member you agree that you will have no right, in respect of any Transaction in which you participate, to be informed of the identity of any of (i) the Borrower; or (ii) any other Relevant Member; or (iii) the Property (if applicable), in each case save in accordance with Clause 8.3.
- 8.2 In the event that the Borrower is in arrears of any payment for more than thirty (30) days, Monexo is irrevocably authorised by the Member to refer this matter to a collection agency of Monexo's choosing and, in so acting, Monexo will be the agent for each Relevant Member.
- 8.3 In the event that the collection agency referred to at Clause 8.2 is unable to recover any of the claimed sums from the Borrower within ninety (90) days of their appointment, any Relevant Member ("**Exiting Member**"), can elect in writing to Monexo that Monexo shall deliver up to that Relevant Member details of the identity of the relevant Borrower and/or the Property (if applicable) which are known to Monexo.
- 8.4 In the circumstances described at Clause 8.3, Monexo shall have no further responsibility in respect of the matter insofar as it relates to the Exiting Member's participation in the Transaction and the Administrator shall be instructed to remove the Transaction from its records insofar as it relates to the Exiting Member, in each case without further claim by the Exiting Member against Monexo or the Administrator.

9. **LIMITATIONS ON LIABILITY**

In addition to the other limitations in these Terms, the Member specifically confirms that:

- 9.1 Monexo conducts Screening Grades based on information known to it. Whilst Monexo will take reasonable steps to verify such information, (a) Monexo makes no warranty that the Screening Grades accurately reflect any matter relating to the Borrower and/or the Property (if applicable) and/or the veracity of any information that Monexo obtains from the Borrower and (b) Monexo is not making any representation concerning the Transaction and/or any information that it has derived from the Borrower and the Member accepts and confirms that (i) there is a risk that the Screening Grade may be incorrect and (ii) it should not rely on the Screening Grade or other information provided by the Borrower to Monexo alone in committing any Offered Funds and (iii) absent fraud or willful and material default, Monexo shall have no liability in respect of any losses resulting to the Member from any incorrect or misleading information being given in respect of any Transaction.
- 9.2 You will be responsible for all legal obligations that may apply anywhere in the world in relation to any Transaction in which you participate including but not limited to any taxation filings and payments to which you may be subject.
- 9.3 In the event of any claim made against Monexo, the Administrator and/or their respective officers, agents, employees and/or affiliates in respect of any breach of any of your obligations, including under Clause 9.2, you agree to indemnify and hold such parties harmless against all damages, losses costs and claims thereby incurred.

10. **COSTS**

- 10.1 It is a condition of being a Member that you agree (i) to be responsible for all of Monexo's costs and disbursements in relation to any Transaction in which you participate to the extent of your participation and (ii) in respect of such Transaction, that any such fees due to Monexo may be deducted from your Funds
- 10.2 Details of Monexo's costs appear in the Schedule to these Terms but may be subject to revision by Monexo in its absolute discretion and from time to time. In the event that such revisions are made, Monexo will post a notice of revised costs on its Website not less than 30 days prior to such revisions taking effect.

11. **GENERAL**

- 11.1 In the event of any conflict between these Terms and the User Terms, these Terms shall prevail.
- 11.2 All notices delivered to you under these Terms shall be sent to the latest email address that Monexo has on its records for you. Such notice shall be deemed to be sent at the time of dispatch.
- 11.3 Any changes to these Terms ("**Changes**") shall be posted on the Website not less than 30 days prior to their adoption. Unless you request the Administrator to return all Funds to you that are not then being applied for Transactions prior to the date of adoption of the Changes, you will be deemed to have accepted those Changes.
- 11.4 For the purposes of any time limitation in these Terms, time shall be of the essence.
- 11.5 These Terms may be translated into other languages but, in the event of any conflict between versions, the English language version shall prevail.
- 11.6 These Terms are governed by Hong Kong law and you agree that the Hong Kong courts have exclusive jurisdiction over the resolution of any disputes.

SCHEDULE

- Loan Servicing Fee Due at Monthly Repayment from borrower – 1.5% of repayment and other charges received from borrower
- Collection fees – This will be based on the actual collection fees paid to third party collection agencies when they are engaged. The collection fees may change from time to time and will be informed to you regularly.

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