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## Lending Agreement for an Impact Loan

### 1. This Agreement is made between:

**Name of borrower organisation**

'the Borrower'

and

**Each member of the crowd of participating Lenders identified in the Schedule** or 'Lender' in the singular use, 'the Lenders' in the collective use

### 2. Definitions and interpretation

**2.1.** All words and phrases used in this Agreement are intended to have their ordinary legal meaning unless otherwise specifically defined under this clause.

**2.1.1. Impact Loan** means a loan given to any enterprise in support of the enterprise's transparent pursuit and delivery of positive impacts for people and the planet, as defined in the Schedule to this Agreement.

**2.1.2. Schedule** means the readable and immutable digital record of the terms and other details of this Impact Loan stored on the Platform, and which is accessible via an active registered user login and defined by the unique Impact characteristics listed in the Schedule Information section of this Agreement.

### 3. About this Agreement

**3.1.** This Agreement is made pursuant to an Impact Loan facilitated by the LendForGood crowdlending platform (the Platform) operated by LendForGood Pty Ltd (LendForGood).

**3.2.** This Agreement is made between the Borrower and the Lenders identified in the Schedule.

**3.3.** The Impact Loan addressed by this Agreement is for the purposes and on the terms described in the Schedule.

**3.4.** To save any doubt, this Agreement is made only between the Borrower and the Lenders. LendForGood is not in any way or circumstances a

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party to this Agreement.

**3.5.** The record of this Agreement is documented in three parts:

- The version signed by the Borrower
- The series of identical versions signed by each Lender, that is, one signed version per participating Lender
- The Schedule

Interpretation of this Agreement is to take into account all three documented parts as the record of this Agreement.

#### **4. Roles and Responsibilities in relation to this Impact Loan**

**4.1.** To assist with the understanding and interpretation of this Agreement, the following roles and responsibilities apply in relation to this Impact Loan.

**4.1.1. The Borrower** is the promoter of the Impact Loan, offers the Impact Loan for participation by Lenders and is responsible for all claims made in the promotion and offer. The Borrower is responsible for ensuring that its performance of the Impact Loan is consistent with all of the terms of the Impact Loan and this Agreement. The Borrower is responsible for notifying the Platform as soon as possible after it knows or suspects that it will not be able to perform the Impact Loan consistent with the terms and this Agreement. This responsibility extends to complying with the parts of this Agreement that deal with non-performance.

**4.1.2. The Lenders** are participants in the Impact Loan, having independently exercised their own judgement to become so, and are responsible for ensuring that their participation is consistent with all of the terms of the Impact Loan and this Agreement. This responsibility extends to complying with the parts of this Agreement that deal with non-performance.

**4.1.3. The Platform** is the facilitator of the Impact Loan, acting as the Transaction Agent between parties. It is responsible for enabling Impact Loan transactions and ensuring that the record of these transactions and this Agreement is complete, immutable and stored securely. The Platform is responsible for ensuring that the record of any changes to the terms of the Impact Loan and this Agreement as may be negotiated between the Borrower and the Lenders is complete, immutable and stored securely. The Platform is responsible for formally notifying the Borrower, Lenders and any Intermediary supporting the Borrower as soon as it becomes aware of any non-Performance by the Borrower or the Borrower's default.

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**4.1.4.** When the Borrower's promotion, offer and performance of the Impact Loan is supported by an Intermediary registered on the Platform, **the Intermediary** is responsible for using its best endeavours to ensure that the Borrower is meeting its roles and responsibilities consistent with the Impact Loan and this Agreement. This responsibility extends to supporting the Borrower and the Lenders to apply the parts of this Agreement that deal with non-performance.

**4.2.** By joining this Agreement, the Borrower and the Lenders acknowledge that they understand and accept their respective roles and responsibilities, those of the Platform as transaction agent and of any Intermediary supporting the Borrower.

## **5. When this Agreement takes effect**

**5.1.** This Agreement takes effect when the Impact Loan addressed by this Agreement has been successfully subscribed.

**5.2.** When the Borrower offers the Impact Loan for crowd participation, the offer will nominate both a monetary value threshold and a date and time by when the offer closes. If Lender subscriptions to the Impact Loan have reached or surpassed the monetary value threshold by the date and time nominated in the offer, the Impact Loan is successfully subscribed and this Agreement takes effect.

## **6. The Terms and Other Details of the Impact Loan**

**6.1.** The terms and other details of the Impact Loan are as described in the Schedule. The terms and other details address matters such as:

**6.1.1.** The purpose of the Impact Loan

**6.1.2.** The monetary value of the Impact Loan including the monetary value threshold at which this Agreement takes effect

**6.1.3.** The date and times when the Impact Loan offer opens and closes

**6.1.4.** The settlement date of the Impact Loan

**6.1.5.** The identification and granting of any security attached to the Impact Loan

**6.1.6.** The interest rates and all interest rate arrangements attached to the Impact Loan

**6.1.7.** The length of term of the Impact Loan

**6.1.8.** The schedule of repayments of principal and interest due under the Impact Loan

**6.1.9.** Any other terms or details necessary to ensure accuracy and consistency with the promotion and offer of the Impact Loan

**6.2.** By joining this Agreement, the Borrower and the Lenders acknowledge that they have reviewed and have unequivocally accepted the terms

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and other details of the Impact Loan as described in the Schedule.

- 6.3.** Any and all changes to the terms and other details of the Impact Loan can only be made in accordance with the parts of this Agreement that address non-performance.

## **7. Foreign exchange risks and transaction costs**

- 7.1.** For any Impact Loan that involves foreign exchange transactions, LendForGood does not bear the foreign exchange risk on behalf of lenders or borrowers, or cover any transaction costs that lenders and borrowers may incur when exchanging, sending and receiving funds.

## **8. Non-Performance by the Borrower**

- 8.1.** Non-performance occurs when the Borrower fails to perform this Impact Loan, which means whenever:
- 8.1.1.** The Borrower provides notice to the Platform that it knows or suspects that it will not be able to perform the Impact Loan consistent with the terms of the Impact Loan and this Agreement, or
  - 8.1.2.** The Borrower fails to meet any of the terms of the Impact Loan and this Agreement.
- 8.2.** When non-performance occurs, the Platform will formally notify the Borrower, the Lenders and any Intermediary supporting the Borrower that the Impact Loan is impaired by non-performance.
- 8.3.** Upon receiving formal notice that the Impact Loan is impaired by non-performance, the Borrower must, within 10 business days, propose modifications to the terms of the Impact Loan and justify its proposal with adequate and sufficient evidence of its ability to perform under the modified terms. When preparing a proposal the Borrower must accept the assistance of any Intermediary supporting the borrower.
- 8.4.** The Borrower's proposal must be delivered to each Lender via the Platform, or where it is unable to be delivered via the Platform, via other electronic or physical means.
- 8.5.** Any and all proposed modifications to the terms of the Impact Loan can only be accepted on the basis of a majority vote by the Lenders. Each Lender participating in the Impact Loan has one vote. Within 10 business days of receiving a proposal to modify the terms, each Lender must communicate their vote via the Platform, or where unable to communicate their vote via the Platform, via other electronic or physical means. If a Lender fails to communicate their vote within 10 business days, their vote will be deemed to be in favour of the proposal.

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- 8.6.** If the proposal is accepted by a majority of the Lenders, the terms of the Impact Loan will be modified accordingly and the record of the terms and this Agreement will be updated by the writing of a new Impact Loan that entirely supersedes the original Impact loan.
- 8.7.** If the Borrower's proposal is rejected by a majority of the Lenders, or if the Borrower fails to propose and/or adequately and sufficiently justify modifications to the terms of the Impact Loan within the required time, any Lender may propose further action to be taken because of the Borrower's non-performance. Further action to rectify non-performance includes but is not limited to:
- 8.7.1.** A Lender's proposal of modifications to the terms of the Impact Loan
  - 8.7.2.** Initiating steps to enforce any security attached to the Impact Loan
  - 8.7.3.** Any other action designed to negotiate and address the Borrower's non-performance of the Impact Loan.
- 8.8.** When preparing a Lender's proposal a Lender may request the assistance of any Intermediary supporting the Borrower.
- 8.9.** The Lender's proposal must be delivered to each Lender via the Platform, or where it is unable to be delivered via the Platform, via other electronic or physical means.
- 8.10.** A Lender's proposal can only be accepted on the basis of a majority vote by the Lenders. Each Lender participating in the Impact Loan has one vote. Within 10 business days of receiving a proposal to modify the terms, each Lender must communicate their vote via the Platform, or where unable to communicate their vote via the Platform, via other electronic or physical means. If a Lender fails to communicate their vote within 10 business days, their vote will be deemed to be in favour of a Lender's proposal.
- 8.11.** If the Lender's proposal is accepted by a majority of the Lenders, the proposal must be delivered to the Borrower via the Platform, or where it is unable to be delivered via the Platform, via other electronic or physical means.
- 8.12.** Within 10 business days of receiving a Lender's proposal, the Borrower must formally accept or reject the Lender's proposal, via the Platform, or where it is unable to via the Platform, via other electronic or physical means.
- 8.13.** If the Borrower accepts the Lender's proposal, the terms of the Impact Loan will be modified accordingly and the record of the terms and this Agreement will be updated by the writing of a new Impact Loan that entirely supersedes the original Impact loan.

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- 8.14.** The writing of a new Impact Loan that entirely supersedes the original Impact loan will be conclusive evidence that the Borrower and the Lenders have successfully negotiated and addressed non-performance by the Borrower.

## **9. Default**

- 9.1.** The Impact Loan addressed by this Agreement is in default only after the Borrower and the Lenders have collectively used their best endeavours and acted in good faith to negotiate and address the Borrower's non-performance.
- 9.2.** To save any doubt, the Borrower and the Lenders are taken to have used their best endeavours and acted in good faith to negotiate and address the Borrower's non-performance only by following the non-performance procedure as described in this Agreement.
- 9.3.** If, after following the non-performance procedure as described in this Agreement, the Borrower and the Lenders have failed to negotiate modified terms and agree to a new Impact Loan, the Borrower will be in default.
- 9.4.** As soon as it becomes aware that the Borrower is in default, the Platform will formally notify the Borrower, the Lenders and any Intermediary supporting the Borrower that the Borrower is in default. When this occurs, the Platform will terminate the Impact Loan.
- 9.5.** When the Impact Loan has been terminated by the Platform, the Borrower, the Lenders acting collectively or any Lender acting alone are free to negotiate or pursue whatever further action they deem warranted or necessary to rectify the Borrower's performance or to recover any losses incurred as a consequence of the Borrower's default. Any and all actions taken by any party after the Impact Loan has been terminated by the Platform are entirely the responsibility of the party taking those actions.

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**10. Costs of managing non-performance and default**

- 10.1.** The Borrower and the Lenders carry any and all costs associated with any and all actions taken regarding the Borrower's non-performance, modifications to the terms of the Impact Loan or the Borrower's default. These costs include but are not limited to:
- 10.1.1.** Fees, charges and financial losses incurred because of the Borrower's non-performance, modifications to the terms of the Impact Loan, or the Borrower's default
  - 10.1.2.** Fees and charges incurred for advice and support to prepare and deliver proposed modifications to the terms of the Impact Loan
  - 10.1.3.** Costs, fees and charges incurred because of the enforcement of any security attached to the Impact Loan
  - 10.1.4.** Costs, fees and charges incurred because of the commencement of any proceedings against the Borrower or the Lenders
  - 10.1.5.** Costs, fees and charges incurred because of any other action in relation to the Impact Loan.

**11. No Recourse**

- 11.1.** By joining this Agreement, the Borrower acknowledges and agrees that, in the case of any financial losses or any other costs, fees or charges incurred because of its non-performance of the Impact Loan or its default, it has no recourse against the Platform, LendForGood or any related entities of LendForGood.
- 11.2.** By joining this Agreement, the Lenders acknowledge and agree that, in the case of financial losses or any other costs incurred because of non-performance by the Borrower or the Borrower's default, they have no recourse against the Platform, LendForGood or any related entities of LendForGood.

**12. No Assignment**

- 12.1.** The rights and obligations created by this Agreement cannot be assigned to any other party unless the Borrower and the Lenders provide their prior consent. The Platform will provide a process for requesting and consenting to assignments, and where assignment is consented to, the Platform will update the record of the Impact Loan to reflect the assignment.

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**13. Non-circumvention**

- 13.1.** The Borrower and the Lenders agree that all communications about the Impact Loan and this Agreement must only occur via the Platform and / or in accordance with the procedures and mechanisms defined by this Agreement.
- 13.2.** The Borrower and the Lenders must immediately notify the Platform of any circumventing communications they receive about the Impact Loan and this Agreement. The Platform reserves the right to suspend any aspects of performance, and any procedures and mechanisms under this Agreement if it knows or suspects circumventing communication is occurring. This is to protect transparency and the equal flow of information between parties about the Impact Loan and this Agreement.

**14. Termination**

- 14.1.** This Agreement terminates when:
- 14.1.1.** The Borrower has successfully performed the original or updated Impact Loan that this Agreement addresses by meeting all agreed terms of the Impact Loan, or
  - 14.1.2.** The Platform has terminated the Impact Loan as a consequence of the Borrower's default.

**15. Jurisdiction**

- 15.1.** This Agreement is governed by the relevant federal laws and courts of Australia.

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**16. Execution****BORROWER**

Signed on behalf of the BORROWER

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[OFFICEHOLDING, BORROWER]Signatory: [NAME OF AUTHORISED  
SIGNATORY]

Date:

**LENDER**

Signed by, or on behalf of, the LENDER

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[OFFICEHOLDING, LENDER]Signatory: [NAME OF AUTHORISED  
SIGNATORY]

Date:

**17. Schedule Information**

- 17.1. The Schedule for this Impact Loan can be accessed via the LendForGood digital platform by a logged in user and is defined by the loan information with the following unique characteristics:

Name of Borrower Organisation

Subscription open date