

**ANNEX 1 TO THE TERMS AND CONDITIONS OF THE UPP & CO KAUNO 53 OÜ NOTE  
ISSUE**

**FINAL TERMS OF THE NOTES**

**1. GENERAL PROVISIONS**

- 1.1. These Final Terms of the Notes (**the Final Terms**) constitute the specific terms and conditions of the Notes issued by the Issuer, under the Terms and Conditions of the UPP & CO KAUNO 53 OÜ Note Issue Program dated 7<sup>th</sup> April 2017 (**the Terms**).
- 1.2. The Final Terms constitute an inseparable part of the Terms and will at all times be interpreted and applied together with the Terms. Words and expressions used, which are defined in the Terms, shall have the same meanings in the Final Terms. In the event of inconsistency between the provisions of Final Terms and provisions of the Terms, the Final Terms shall prevail.
- 1.3. The Issuer is responsible for the adequacy, accuracy and completeness of the information provided for in these Final Terms.
- 1.4. The Notes offered under these Final Terms shall be subject to the terms specified in Section 0 of the Final Terms.

**2. TERMS OF NOTES**

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| 1. Issuer:                                       | UPP & CO KAUNO 53 OÜ   |
| 2. Securities to be issued:                      | Secured notes  |
| 3. Purpose of financing                          | Financing purchase of real estate by a subsidiary  |
| 4. Offering:                                     | Private placement within the meaning of Article 12(2) of the Securities Markets Act  |
| 6. Maximum Aggregate Nominal Value of the Issue: | EUR 4,700,000.00 during the whole Issue. The Issuer shall have the right, until the Issue Date (including) of each Issue, to increase or decrease the Maximum Aggregate Nominal Value of the Issue or cancel the |

Issue. The Issuer shall have the right, after the Issue Date of each Issue, to decrease the Maximum Aggregate Nominal Value of the Issue.

7. Information on Notes

7.1	Currency of denomination:	EUR
7.2	Nominal Value of a Note:	EUR 1,000.00
7.3	Subscription Period:	7 <sup>th</sup> April 2017 until 13 <sup>th</sup> April 2017
7.4	Additional Subscription Period:	Any period(s) of time determined by the Issuer for the Additional Issue between the Issue Date and the Final Issue Date
7.5.	Issue Date:	17 <sup>th</sup> April 2017
7.6	Additional Issue Date:	Any Banking Day determined by the Issuer for issuing the Notes after the Issue Date and on or before the Final Issue Date
7.7	Final Issue Date	19 <sup>th</sup> April 2017
7.8	Issue Price of a Note:	EUR 1,000.00
7.9	Issue Price on the Additional Issue Date	as determined by the Issuer in the form for the Purchase Offer provided to Investors
7.10	Payment Date of the Issue Price	Issue Date
7.11	Payment Date of the Issue Price of the Additional Issue:	as determined by the Issuer in the form for the Purchase Offer provided to Investors
7.12	Interest rate:	8% (30E/360)
7.13	Interest Payment Date(s):	17 <sup>th</sup> January, 17 <sup>th</sup> April, 17 <sup>th</sup> July and 17 <sup>th</sup> October of each year,

		starting from 17 <sup>th</sup> July (including). If an Interest Payment Date falls on a day that is not a Banking Day, interest shall be paid on the next Banking Day after the Interest Payment Date.
7.14	Maturity Date:	17 <sup>th</sup> April 2022
7.15	Redemption Price of a Note:	The sum of the Nominal Value of the Note and accrued interest
7.16	Early Redemption Date(s) and provisions	The Issuer has the right to redeem all or part of the Notes for the Nominal Value of the Notes and accrued interest any time after 17 <sup>th</sup> April 2021, subject to at least 10 Banking Days advance notice to the Investors by post or e-mail.
7.17	ISIN code:	EE_____
8.	Current account for payment of the Issue Price.:	EE362200221066006254 Swedbank AS SWIFT/BIC: HABAE2X
9.	Collateral:	Before the Merger: guarantee After the Merger: 2 <sup>nd</sup> rank mortgage
10.	Contact details of the Collateral Agent:	K53 Collateral Agent OÜ Ahtri 6a, 10151 Tallinn, Estonia Tel.: +372 626 4300 E-mail: k53@varul.com Attn: Marko Kairjak
11.	Register:	Estonian Central Register of Securities
12.	Registrar:	AS Eesti Väärtpaberikeskus
13.	Governing Law	Estonian

## 14. Jurisdiction and Dispute Settlement

### Estonian courts

The Issuer and the Investors acknowledge that ISIN code has not been granted to the Issue as of date of the Final Terms because the Notes of this Issue have not been registered in the Register as of the date of the Final Terms. The Investors authorise the Issuer to add ISIN code of the Notes of this Issue to Section 7.17 of the Final Terms in hand-written form upon registration of the Notes of this Issue in the Register. No separate or additional signing of the Final Terms or the amendment is needed. After adding ISIN code of the Notes as set forth above in this Section, such addition becomes inseparable and valid addition to the Final Terms.

## ANNEX 1 TO THE FINAL TERMS OF THE NOTES

### PURCHASE OFFER OF UPP & CO KAUNO 53 OÜ NOTES

The Issue of UPP & CO KAUNO 53 OÜ Notes (**the Notes**) shall be made in accordance with and under the Terms and Conditions of the UPP & CO KAUNO 53 OÜ Notes Issue dated 7<sup>th</sup> April 2017 (**the Terms**). This Purchase Offer is an inseparable part of the Terms and will at all times be interpreted and applied together with the Terms. Words and expressions used in this Purchase Offer, which are defined in the Terms shall have the same meaning in this Purchase Offer.

#### SUMMARY OF TERMS AND CONDITIONS

Issuer:	UPP & CO KAUNO 53 OÜ
Maximum Aggregate Nominal Value of the Issue:	EUR 4,700,000.00 during the whole Issue. The Issuer shall have the right, until the Issue Date (including) of each Issue, to increase or decrease the Maximum Aggregate Nominal Value of the Issue or cancel the Issue. The Issuer shall have the right, after the Issue Date of each Issue, to decrease the Maximum Aggregate Nominal Value of the Issue.
Nominal Value of a Note:	1,000.00
Issue Price of a Note:	EUR 1,000.00
Currency of denomination:	EUR
Interest rate:	8% (30E/360)
Interest Payment Date(s):	17 <sup>th</sup> January, 17 <sup>th</sup> April, 17 <sup>th</sup> July and 17 <sup>th</sup> October of each year, starting from 17 <sup>th</sup> July 2017 (including). If an Interest Payment Date falls on a day that is not a Banking Day, interest shall be paid on the next Banking Day after the Interest Payment Date.
Securities to be issued:	Secured notes
Subscription Period:	7 <sup>th</sup> April 2017 until 13 <sup>th</sup> April 2017
Payment Date:	Issue Date
Issue Date:	17 <sup>th</sup> April 2017

Maturity Date:	17 <sup>th</sup> April 2022
Early redemption provisions:	The Issuer has the right to redeem all or part of the Notes for the Nominal Value of the Notes and accrued interest any time after 17 <sup>th</sup> April 2021, subject to at least 10 Banking Days advance notice to the Investors by post or e-mail.
Collateral:	Before the Merger: guarantee After the Merger: 2 <sup>nd</sup> rank mortgage

## PLACING PURCHASE OFFER

Purchase Offer for subscribing to the Notes by an Investor with the aggregate Issue Price or the Issue Price on the Additional Issue Date less than EUR 100,000.00 shall not be accepted in the Primary Distribution without the express consent of the Issuer otherwise.

The Purchase Offer must be submitted by e-mail (info@unitedpartners.ee) to the Issuer at the latest by 12:00 (noon) (GMT+2) on 13<sup>th</sup> April 2017. The Investor shall retain the original copy of the Purchase Offer. A Purchase Offer shall be considered valid, if submitted during the Subscription Period, if drawn up substantially in the required form and substance, and if the Investor pays the amount indicated on the Confirmation by the established term. The Issuer may, at its sole discretion, treat as valid also Purchase Offers submitted after the Subscription Period, but before the Issue Date.

## ALLOCATION OF THE ISSUE

The allocation of the Issue will be done in accordance with the Terms. For the avoidance of doubt, the Issuer has the sole discretion to decide upon the allocation of the Notes to the Investors.

## WARRANTIES AND OBLIGATIONS OF THE INVESTOR

To submit a Purchase Offer, the Investor must have a securities account, opened with the Estonian Central Securities Register that is maintained and operated by AS Eesti Väärtpaberikeskus (**the Register**) in its own name or in the name of its nominee.

By submitting the Purchase Offer the Investor confirms that it (i) has read and understands the Terms (including the Final Terms and the Purchase Offer); (ii) agrees and commits to adhere to the Terms; (iii) is a sophisticated investor having broad experience and knowledge in the matters related to investments into financial instruments (including the financial instruments similar to the Notes); and (iv) has

consulted to the extent necessary with its advisors in legal, tax, finance and other relevant matters. By submitting this Purchase Offer the Investor makes an offer to enter into the Terms and the Purchase Offer. The Investor’s offer to enter into the Terms and the Purchase Offer shall be considered accepted by the Issuer subject to provisions of the Confirmation as at the sending of the Confirmation to the Investor.

By submitting the Purchase Offer, each Investor appoints K53 Collateral Agent OÜ (legal address: Ahtri 6a, 10151 Tallinn, Estonia, Estonia; register code 14236479[ ]) (and, if applicable, the person to whom the Collateral Agent may transfer its rights and obligations in accordance with Section 4.6 of the Terms) to perform the obligations and exercise the rights in connection with the Collateral and the Collateral Agreement as set forth in the Terms. In connection with the above, the Investor hereby acknowledges and understands that:

- the Collateral Agent has no obligations other than those expressly set out in the Terms, the Collateral Agreement and the Collateral Agent Agreement and the Investor understands the restricted nature of the obligations of the Collateral Agent;
- the Collateral Agent is under no circumstances guaranteeing the validity or enforceability of the Collateral established or to be established in accordance with the Terms and some of the Collateral Agreements may not be concluded by the time of subscription to the Notes;
- enforcement and establishment of the Collateral in accordance with the Terms shall depend on the co-operation of the Collateral Provider.

The Investor expresses its wish to acquire, through Primary Distribution, the below stated amount of the Notes, undertaking to pay the Issue Price for the number of the Notes stipulated in the Purchase Offer.

**PURCHASE OFFER**

Number of Notes subscribed	Aggregate Nominal Value of the Notes subscribed for (EUR)

**INVESTOR**

Name:	Contact person:
I.D.code/Reg.code:	Address:
Phone:	
Fax:	

E-mail:	
Securities account No:	Owner of the securities account and current account:
Current account No:	

Date:

Name and signature:



## ANNEX 2 TO THE FINAL TERMS OF THE NOTES

### PURCHASE OFFER OF UPP & CO KAUNO 53 OÜ NOTES (ADDITIONAL ISSUE)

The Issue of UPP & CO KAUNO 53 OÜ Notes (**the Notes**) shall be made in accordance with and under the Terms and Conditions of the UPP & CO KAUNO 53 OÜ Notes Issue dated 7<sup>th</sup> April 2017 (**the Terms**). This Purchase Offer is an inseparable part of the Terms and will at all times be interpreted and applied together with the Terms. Words and expressions used in this Purchase Offer, which are defined in the Terms shall have the same meaning in this Purchase Offer.

#### SUMMARY OF TERMS AND CONDITIONS

Issuer:	UPP & CO KAUNO 53 OÜ
Maximum Aggregate Nominal Value of the Issue:	EUR 4,700,000.00 during the whole Issue. The Issuer shall have the right, until the Issue Date (including) of each Issue, to increase or decrease the Maximum Aggregate Nominal Value of the Issue or cancel the Issue. The Issuer shall have the right, after the Issue Date of each Issue, to decrease the Maximum Aggregate Nominal Value of the Issue.
Nominal Value of a Note:	1,000.00
Issue Price of a Note on the Additional Issue Date:	EUR [ ]
Currency of denomination:	EUR
Interest rate:	8% (30E/360)
Interest Payment Date(s):	17 <sup>th</sup> January, 17 <sup>th</sup> April, 17 <sup>th</sup> July and 17 <sup>th</sup> October of each year, starting from 17 <sup>th</sup> July (including). If an Interest Payment Date falls on a day that is not a Banking Day, interest shall be paid on the next Banking Day after the Interest Payment Date.
Securities to be issued:	Secured notes
Additional Subscription Period:	[ ] until [ ]
Payment Date:	[ ]

Additional Issue Date:	[ ]
Maturity Date:	17 <sup>th</sup> April 2022
Early redemption provisions:	The Issuer has the right to redeem all or part of the Notes for the Nominal Value of the Notes and accrued interest any time after 17 <sup>th</sup> April 2021, subject to at least 10 Banking Days advance notice to the Investors by post or e-mail.
Collateral:	Before the Merger: guarantee After the Merger: 2 <sup>nd</sup> rank mortgage

## PLACING PURCHASE OFFER

Purchase Offer for subscribing to the Notes by an Investor with the aggregate Issue Price or the Issue Price on the Additional Issue Date less than EUR 100,000.00 shall not be accepted in the Primary Distribution without the express consent of the Issuer otherwise.

The Purchase Offer must be submitted by e-mail (info@unitedpartners.ee) to the Issuer at the latest by [ ] (GMT+2) on [ ]. The Investor shall retain the original copy of the Purchase Offer. A Purchase Offer shall be considered valid, if submitted during the Subscription Period, if drawn up substantially in the required form and substance, and if the Investor pays the amount indicated on the Confirmation by the established term. The Issuer may, at its sole discretion, treat as valid also Purchase Offers submitted after the Subscription Period, but before the Issue Date.

## ALLOCATION OF THE ISSUE

The allocation of the Issue will be done in accordance with the Terms. For the avoidance of doubt, the Issuer has the sole discretion to decide upon the allocation of the Notes to the Investors.

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To submit a Purchase Offer, the Investor must have a securities account, opened with the Estonian Central Securities Register that is maintained and operated by AS Eesti Väärtpaberikeskus (**the Register**) in its own name or in the name of its nominee.

By submitting the Purchase Offer the Investor confirms that it (i) has read and understands the Terms (including the Final Terms and the Purchase Offer); (ii) agrees and commits to adhere to the Terms; (iii) is a sophisticated investor having broad experience and knowledge in the matters related to investments into financial

instruments (including the financial instruments similar to the Notes); and (iv) has consulted to the extent necessary with its advisors in legal, tax, finance and other relevant matters. By submitting this Purchase Offer the Investor makes an offer to enter into the Terms and the Purchase Offer. The Investor’s offer to enter into the Terms and the Purchase Offer shall be considered accepted by the Issuer subject to provisions of the Confirmation as at the sending of the Confirmation to the Investor. By submitting the Purchase Offer, each Investor appoints K53 Collateral Agent OÜ (legal address: Ahtri 6a, 10151 Tallinn, Estonia, Estonia; register code 14236479[ ]) (and, if applicable, the person to whom the Collateral Agent may transfer its rights and obligations in accordance with Section 4.6 of the Terms) to perform the obligations and exercise the rights in connection with the Collateral and the Collateral Agreement as set forth in the Terms. In connection with the above, the Investor hereby acknowledges and understands that:

- the Collateral Agent has no obligations other than those expressly set out in the Terms, the Collateral Agreement and the Collateral Agent Agreement and the Investor understands the restricted nature of the obligations of the Collateral Agent;
- the Collateral Agent is under no circumstances guaranteeing the validity or enforceability of the collateral established or to be established in accordance with the Terms and some of the Collateral Agreements may not be concluded by the time of subscription to the Notes;
- enforcement and establishment of the Collateral in accordance with the Terms shall depend on the co-operation of the Collateral Provider.

The Investor expresses its wish to acquire, through Primary Distribution, the below stated amount of the Notes, undertaking to pay the Issue Price for the number of the Notes stipulated in the Purchase Offer.

**PURCHASE OFFER**

Number of Notes subscribed	Aggregate Nominal Value of the Notes subscribed for (EUR)

**INVESTOR**

Name:	Contact person:
I.D.code/Reg.code:	Address:
Phone:	
Fax:	

E-mail:	
Securities account No:	Owner of the securities account and current account:
Current account No:	

Date:

Name and signature: