

**TERMS AND CONDITIONS OF MAINOR ÜLEMISTE AS
NOTE ISSUE**

DATED 10 JUNE 2015

Mainor Ülemiste AS

Issue of Notes with the aggregate Nominal Value of EUR 5,000,000 due 26 November 2018¹

1. GENERAL PROVISIONS

- 1.1. These Terms and Conditions of the Issuer's Note Issue (the "**Terms**") regulate:
 - 1.1.1. the rights and obligations of the Issuer and the Investors related to the Notes issued in the Republic of Estonia under the Terms;
 - 1.1.2. the procedure for, and the terms and conditions of the Primary Distribution and redemption of the Notes under the Terms;
 - 1.1.3. other rights and obligations of the Issuer and the Investors in the performance of transactions and operations related to the Primary Distribution and redemption of the Notes under the Terms.
- 1.2. The Terms shall be available to the Investors at the Issuer's office located at the address indicated in the Terms.
- 1.3. By submitting the Purchase Offer every Investor confirms that it 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). By submitting the Purchase Offer every Investor agrees with the Terms and undertakes to adhere thereto.
- 1.4. By submitting a Purchase Offer each Investor undertakes not to transfer the Notes to any person, except to qualified investors (in Estonian: *kutseline investor*) within the meaning of § 6(2) of the Securities Market Act (in Estonian: *väärtpaberituruseadus*) and the Issuer, with settlement price (i.e. the price payable for the Notes by such persons buying the Notes) of less than EUR 100,000. The Investors may transfer the Notes to qualified investors within the meaning of § 6(2) of the Securities Market Act and to the Issuer also for the settlement price below EUR 100,000. The Investors also acknowledge that the resale of the Notes by the Investor might under specific conditions be considered as a public offer of securities requiring the preparation, making public and registering of the public offer prospectus with the Estonian Financial Supervision Authority (in Estonian: *Finantsinspeksioon*) in keeping with the Securities Markets Act, therefore the Investors undertake to adhere to the limits set in the Securities Markets Act, including, but not limited to Section 12(2) of the Securities Markets Act. Therefore, the Investors agree that prior to any resale of the Notes, they will consult with qualified legal advisers in order to prevent any secondary offer of the Notes to qualify as a public offer of the securities.
- 1.5. By submitting the Purchase Offer every Investor agrees with and accepts the Terms and its Annexes and undertakes to adhere thereto.
- 1.6. The Issuer is responsible for the adequacy, accuracy and completeness of the information provided in these Terms.

¹ The aggregate Nominal Value of the Issue may be changed by the decision of the Issuer until Final Issue Date (including).

2. INTERPRETATION

- 2.1. For the purposes of the Terms and other Note documents, the following definitions have the following meanings, if explicitly not stipulated otherwise in the respective documents:
- 2.1.1. **Additional Issue Date(s)** shall mean any Banking Day after the Issue Date and before or on the Final Issue Date on which the Investors who received confirmations under Section 8.6 below are required to transfer money to the Issuer as payment for the Notes
 - 2.1.2. **Aggregate Nominal Value of the Additional Issue** shall mean the total nominal value of the issued Notes during the Additional Subscription Period determined by the Issuer;
 - 2.1.3. **Aggregate Nominal Value of the Issue** shall mean the total nominal value of the issued Notes stipulated in the Annex 1 to these Terms;
 - 2.1.4. **Additional Subscription Period(s)** shall mean the period of time determined by the Issuer, but in any case not starting before the Issue Date and not ending on or after the Final Issue Date;
 - 2.1.5. **Allocation List** shall mean the document, approved by the Issuer, stipulating the extent of acceptance of the Purchase Offers submitted in the Primary Distribution by the Investors and the quantity of the Notes to be allocated by the Issuer to each Investor;
 - 2.1.6. **Application** shall mean an application for extraordinary early redemption of the Notes submitted by an Investor to the Issuer in accordance with these Terms;
 - 2.1.7. **Banking Day** shall mean a business day, i.e. any day, except Saturday, Sunday, a national or a public holiday in the Republic of Estonia;
 - 2.1.8. **Confirmation** shall mean a document, which is sent via e-mail by the Issuer to an Investor, and in which the Issuer informs the Investor of the partial or full satisfaction or the rejection of the Purchase Offer submitted by such Investor;
 - 2.1.9. **Current Account** shall mean the current account of the Issuer as set forth in the Annex 1 to these Terms;
 - 2.1.10. **Documents of the Notes** shall mean the documents listed in Section 6.1;
 - 2.1.11. **Early Maturity Date** shall mean a Banking Day before the Maturity Date, when the Issuer must redeem all of the Notes in accordance with the Terms (including Extraordinary Early Redemption);
 - 2.1.12. **Early Redemption Date(s)** shall mean the Banking Day(s) stipulated in the Annex 1 to these Terms;
 - 2.1.13. **Equity Ratio** shall mean the Issuer's total equity to Issuer's consolidated amount of assets at the end of the last Reporting Period;
 - 2.1.14. **Extraordinary Early Redemption Event** shall mean an event set forth in Section 11.1 of the Terms;
 - 2.1.15. **Final Issue Date** shall mean the Banking Day stipulated in the Annex 1 to these Terms;
 - 2.1.16. **First North** shall mean a multilateral trading facility (a so called alternative market) operated by NASDAQ OMX Tallinn AS in Tallinn, which is not a regulated market for the purposes of the Securities Markets Act (in Estonian: *väärtpaberituruseadus*) and other legal acts;
 - 2.1.17. **First Tranche Investor** shall mean the Investor to whom the Notes were issued on the Issue Date, in plural shall mean all or some of them;
 - 2.1.18. **Interest Payment Date(s)** shall mean the dates as set forth in the Annex 1 to these Terms;

- 2.1.19. **Investor** shall mean a registered holder of a Note in the Register or a person, who has placed a Purchase Offer, in plural shall mean all or some of them;
- 2.1.20. **Issue** shall mean the aggregate of the Notes issued under the Terms with the same ISIN code. For the avoidance of doubt, previous shall also include the Notes issued on the Additional Issue Date(s);
- 2.1.21. **Issue Date** shall mean a Banking Day stipulated in the Annex 1 to these Terms on which the Investors who received confirmations under Section 8.6 below are required to transfer money to the Issuer as payment for the Notes;
- 2.1.22. **Issue Price** shall mean the price set out in the Annex 1 of these Terms;
- 2.1.23. **Issue Price on the Additional Issue Date** shall mean the price set out in the Annex 1 of these Terms;
- 2.1.24. **Issuer** shall mean Mainor Ülemiste AS (legal address: Lõõtsa 6, Tallinn 11415, Estonia; registry code 10348595);
- 2.1.25. **Majority Investors** shall mean Investors whose holding in the Notes of the Issue represents at least 2/3 of the aggregate Nominal Value of outstanding Notes. Holdings held by the Issuer or Related Persons shall not be taken into account when calculating the above quorum (including when calculating the aggregate Nominal Value of outstanding Notes);
- 2.1.26. **Maturity Date** shall mean the Banking Day stipulated in the Annex 1 to these Terms;
- 2.1.27. **Nominal Value** shall mean the stated value of a Note stipulated in the Annex 1 to these Terms;
- 2.1.28. **Note** shall mean a debt security that is issued by the Issuer in accordance with the Terms approved by the Issuer's supervisory board (in Estonian: *nõukogu*) resolution as of 3 June 2015 and the management board resolution as of 3 June 2015 and that represents the Issuer's debt obligation in the amount of the Nominal Value of the Note and the interest payable on the Note, that is issued and is redeemable in accordance with the Terms;
- 2.1.29. **Notification** shall mean the notification sent by Majority Investors to the Issuer pursuant to Section 11.5 of the Terms;
- 2.1.30. **Primary Distribution** shall mean Subscription and the sale of the Notes to the Investors in accordance with the Terms, for the avoidance of doubt, previous shall also include the Subscription and sale of the Notes during the Additional Subscription Period(s);
- 2.1.31. **Purchase Offer** shall mean a document, which is submitted by the Investor to the Issuer substantially in the form stipulated in the Annex 2 to these Terms if submitted to the Issuer during the Subscription Period or in the Annex 3 or the Annex 4 to these Terms if submitted to the Issuer during the Additional Subscription Period and in which the Investor expresses its wish to acquire, through Primary Distribution, a certain amount of the Notes and undertakes to pay the Issue Price or Issue Price of on the Additional Issue Date, for the number of Notes indicated in the Purchase Offer;
- 2.1.32. **Qualifying Purchase Offers** shall mean the Purchase Offers which have been submitted according to the Terms and which are decided by the Issuer to be satisfied either wholly or partially in accordance with the Terms;
- 2.1.33. **Related Parties** shall mean any shareholders of the Issuer and the companies belonging to the same consolidation group with AS Mainor and members of the management board and supervisory board of such

companies and any companies directly or indirectly controlled by aforementioned persons;

- 2.1.34. **Redemption Price** shall mean the Nominal Value of the Notes;
 - 2.1.35. **Register** shall mean the Estonian Central Securities Register (in Estonian: *Eesti Väärtpaberite Keskreister*) that is maintained and operated by AS Eesti Väärtpaberikeskus;
 - 2.1.36. **Registrar** shall mean AS Eesti Väärtpaberikeskus that maintains and operates the Register;
 - 2.1.37. **Rejection** shall mean the rejection of the occurrence of the Extraordinary Early Redemption Event by the Issuer pursuant to Section 11.4 of the Terms;
 - 2.1.38. **Reporting Period** shall mean each of the periods as set forth in Section 3.5 of the Terms, for which the Issuer must prepare the reports;
 - 2.1.39. **Subscription** means submitting and receiving of Purchase Offers for the Notes;
 - 2.1.40. **Subscription Period** shall mean a period of time, stipulated in the Annex 1 to these Terms.
- 2.2. The headings in the Terms have been entered for convenience purposes only and shall have no impact on the interpretation of any provision of the Terms.
- 2.3. All references in the Terms to the time are references to the Estonian time (GMT+2).

3. OBLIGATIONS, WARRANTIES AND CONTACT DATA OF THE ISSUER

- 3.1. The Issuer shall, in accordance with these Terms, issue the Notes and perform the obligations arising from the Notes to the Investors.
- 3.2. The Notes are unsecured. The Issuer shall be liable to the Investors for due and complete performance of its obligations arising from the Notes with all of its assets in accordance with the applicable laws.
- 3.3. The Issuer warrants to the Investors at the date of these Terms and for as long as any Notes are outstanding and have not been redeemed in full in accordance with the Terms that:
 - 3.3.1. the Issuer is a duly incorporated and validly existing legal person acting pursuant to the laws of the Republic of Estonia;
 - 3.3.2. all the Issuer's obligations assumed under the Terms are valid and legally binding on the Issuer and performance of these obligations is not contrary to law or the Issuer's articles of association;
 - 3.3.3. the Issuer has all the rights and sufficient authorisations to issue the Notes and fulfil obligations arising from the Documents of the Notes and the Issuer has performed all the formalities required for issuing the Notes;
 - 3.3.4. all information that is provided by the Issuer to the Investors is true, accurate, complete and correct as of the date of presenting the respective information and is not misleading in any respect;
 - 3.3.5. the Issuer is solvent, able to pay its debts as they fall due, there are no liquidation, compulsory execution, reorganisation (in Estonian: *saneerimine*) or bankruptcy proceedings pending or initiated against the Issuer;
 - 3.3.6. there are no court or arbitration proceedings pending or initiated against the Issuer, where an unfavourable decision would have material adverse impact on the economic condition of the Issuer, with the exception of civil case number 2-13-32050.

- 3.4. The Issuer shall be obliged to comply with the following covenants until the Notes are fully repaid:
- 3.4.1. no distribution of dividends, payments for share repurchase or granting loans to shareholders or other Related Parties should occur after the issuance of Notes during the time any of the Notes are outstanding, with the exception of:
- a) dividend payments that do not exceed 1% of the total shareholders' equity per financial year according to the balance sheet on the 31 December on the preceding year according to the last audited annual financial report;
 - b) loans granted to the subsidiaries controlled by the Issuer. For the avoidance of doubt, if the Issuer provides loans to the subsidiaries controlled by the Issuer, the Issuer must hold control in such companies until the monies owed have been repaid in full;
 - c) loans granted to AS Technopolis Ülemiste. For the avoidance of doubt, if the Issuer provides loans to AS Technopolis Ülemiste, then the obligations under Clause 3.4.5 below must be fulfilled until the monies owed have been repaid in full;
 - d) loans granted to any Related Party, with the exception of persons referred to in Clause 3.4.1 b) and c), if the total principal value of such loans to such persons does not exceed EUR 1 000 000 per financial year. For the avoidance of doubt, if the Issuer provides loans to the persons referred to in this Clause, then such persons must remain as Related Persons until the monies owed have been repaid in full;
 - e) any re-purchases of shares of the Issuer, if the aggregate amount of shares repurchased during the term of the Notes does not exceed 20% of the outstanding shares of the Issuer at the date of the Terms;
 - f) any reasonable management fees to AS Mainor, if the total amount of such management fees does not exceed EUR 100 000 per financial year;
 - g) any reasonable management fees to the members of the management or supervisory board of the Issuer or any legal persons under the control of such persons, on the condition that such fees do not deviate from common market practice and are paid for services rendered during the course of the everyday business activities of the Issuer.
- 3.4.2. Equity Ratio shall not fall under 50% at the end of each Reporting Period;
- 3.4.3. the total equity of the Issuer shall not fall under EUR 40 000 000 at the end of each Reporting Period;
- 3.4.4. the Issuer may operate mainly in real-estate development, renting out real-estate and offering associated services;
- 3.4.5. the Issuer may not sell or transfer to any person more than 50% of the shares the Issuer holds in AS Technopolis Ülemiste at the date of the Terms. For the avoidance of doubt, any sale of shares of AS Technopolis Ülemiste must take place for fair value;
- 3.4.6. the Issuer may not encumber any land plots or other real-estate not encumbered at the date of the Terms, with the exception of encumbering such properties to finance the real-estate development activities undertaken by the Issuer;

- 3.4.7. the Issuer may deviate from the covenants set forth in this Section 3.4 upon the consent of the Majority Investors.
- 3.5. The Issuer undertakes to provide the Investors with the following information:
- 3.5.1. Its quarterly reports by the end of the first month following the quarter for which the report is prepared, and audited annual reports by the end of the second quarter following the financial year for which the report is prepared, all signed by the management board of the Issuer;
- 3.5.2. AS Technopolis Ülemiste quarterly reports by the end of the first month following the quarter for which the report is prepared, and audited annual reports by the end of the second quarter following the financial year for which the report is prepared, all signed by the management board of AS Technopolis Ülemiste;
- 3.5.3. Information on any new debt security issues within 5 (five) Banking Days after the issue;
- 3.5.4. Information on new share issues within 5 (five) Banking Days after the issue;
- 3.5.5. Information on changes in the shareholder structure and the management board of the Issuer stating name, surname and professional experience of a new member within 10 (ten) Banking Days after the change;
- 3.5.6. Information on any Notes repurchases by the Issuer including Nominal Value and price for each transaction not later than 5 (five) Banking Days after the relevant transaction;
- 3.5.7. Statement on default on the Notes within 5 (five) Banking Days after such an event has occurred;
- 3.5.8. Statement regarding occurrence or non-occurrence of an Extraordinary Early Redemption Event within 5 (five) Banking Days from each Interest Payment Date.
- 3.6. The Issuer shall guarantee that the information presented to the Investors is true, accurate, correct and complete.
- 3.7. Notices and documents to the Issuer shall be forwarded by using the following contact details:

Mainor Ülemiste AS
Ülemiste City, Karl Papello maja
Valukoja 7/2, Tallinn 11415
Estonia
Tel.: + 372 50 19 708
e-mail: info@mainorulemiste.ee
Attn: Aare Paloots

- 3.8. The Issuer has the right, but not the obligation to apply for admission of the Notes for trading on the First North. If the Notes are admitted to trading on the First North:
- 3.8.1. the Issuer undertakes to submit all information subject to disclosure under the rules of the First North via First North and within times specified in the rules of the First North and other applicable laws;
- 3.8.2. the Issuer undertakes to submit all notices to the Investors via First North before any disclosure by other communication methods specified in these Terms is used;
- 3.8.3. Section 1.4 of the Terms shall lose its effect from the time the Notes are admitted to trading on the First North;

- 3.8.4. any terms and conditions of the Documents of the Notes contrary to the rules of the First North or applicable laws shall lose their effect from the time the Notes are admitted to trading on the First North.

4. OBLIGATIONS OF THE ISSUER IN ARRANGING THE ISSUE

- 4.1. In arranging the Issue, the Issuer shall:
- 4.1.1. organise preparation of the documents required for the Issue;
 - 4.1.2. organise registering the Issue in the Register;
 - 4.1.3. organise the Primary Distribution, that is:
 - a) organise the direct offering of the Notes;
 - b) organise the receipt of the Purchase Offers;
 - c) determine the applicable interest based on the Purchase Offers submitted during the Subscription Period;
 - d) determine the Issue Price on the Additional Issue price based on the Purchase Offers submitted during the respective Additional Subscription Period, if needed;
 - e) at the end of the Subscription Period and the end of the Additional Subscription Period(s), determine the Qualifying Purchase Offers of the Investors;
 - f) return to the Investors, whose Purchase Offers were determined to be invalid or that were not satisfied, the monies paid by these Investors.
 - 4.1.4. perform other assignments directly related to the obligations set forth above in Section 4.1 that are stipulated in the Terms.
- 4.2. The Issuer shall be also entitled to call Investors' meeting upon request of the Investors and count votes in case changes are made to the Terms and this requires approval of the Investors.

5. NOTES

- 5.1. The Notes shall be denominated in Euros (**EUR**).
- 5.2. A Note shall be valid from the registration of the Notes in the Register until deletion of the Notes from the Register in accordance with Section 10.3 of the Terms.
- 5.3. Subject to limitations set forth in Section 1.4 as well as the Securities Markets Act, the Notes can be freely transferred and encumbered. The Notes are not convertible into share capital of the Issuer.
- 5.4. All payments to the Investors by the Issuer in connection with the Notes shall be made in the currency in which the Notes are denominated.

6. DOCUMENTS OF THE NOTES

- 6.1. The documents of the Notes are the following:
- 6.1.1. these Terms;
 - 6.1.2. the Purchase Offers;
 - 6.1.3. the Confirmations.
- 6.2. The Issuer shall gather and keep the documents submitted by the Investors. The Investors may acquaint themselves with the submitted documents and the Documents of the Notes at the location of the Issuer and make copies and excerpts there from at their own expense.

- 6.3. Each Investor can review the Purchase Offer submitted by it and/or the Confirmation received by it at the Issuer's office located at the address indicated in the Terms.

7. PRIMARY DISTRIBUTION

- 7.1. The Primary Distribution shall be carried out by way of private placement in accordance with § 12(2) of the Securities Market Act.
- 7.2. The maximum aggregate Nominal Value of the Notes issued on the Issue Date is EUR 2 000 000. The Issuer has the right, but not the obligation, to issue Notes up to the Final Issue Date and up to the Aggregate Nominal Value of the Issue. The Issuer shall have the right at its own discretion:
- 7.2.1. before the Issue Date to increase or reduce the maximum aggregate Nominal Value of the Notes issued on the Issue date or cancel the Issue;
- 7.2.2. before the Final Issue Date to increase or reduce the Aggregate Nominal Value of the Issue.
- 7.3. If the Issuer issues the Notes on the Additional Issue Date(s), then any First Tranche Investor has the pre-emptive right to purchase Notes issued on the Additional Issue Date(s) in proportion to the share of the Notes issued to that First Tranche Investor on the Issue Date in relation to all Notes issued on that Additional Issue Date. The Issuer must inform the First Tranche Investors of issuing Notes on the Additional Issue Date(s) and specify a term for the First Tranche Investors to exercise their pre-emptive right to purchase Notes. For the avoidance of doubt, pre-emptive right to purchase Notes is not transferrable and ends if the First Tranche Investor transfers its Notes. The First Tranche Investor has the right to subscribe the Notes on Additional Issue Date(s) for the same interest rate as is applicable to the Notes and for an Issue Price on the Additional Issue Date as determined by the Issuer taking into account the interest accrued, but not paid, until the respective Additional Issue Date.
- 7.4. The Issue shall be deemed to have occurred in respect of the Issue Date after the Issue Price and in respect of the Additional Issue Date after the Issue Price on the Additional Issue Date has been paid by all Investors and received by the Issuer in full and the Notes have been registered in the Register as set out in Section 7.6.
- 7.5. The latest on the 3rd (third) Business Day after the Issue Date and respectively after each Additional Issue Date(s), the Notes shall be registered in the Register in the securities accounts of the Investors (or their nominees) who subscribed to and paid for them in the course of the Primary Distribution.
- 7.6. The Issue shall be registered with the Register according to the Estonian Central Securities Register Act (in Estonian: *Eesti väärtpaberite keskregistri seadus*) and other applicable legal acts of Estonia.
- 7.7. The Issuer and the Related Parties have the right to purchase the Notes also during the Primary Distribution.

8. PURCHASE OFFERS AND CONFIRMATIONS

- 8.1. To submit a Purchase Offer, the Investor must have a securities account, opened with the Register in its own name or in the name of its nominee.
- 8.2. The Purchase Offers shall be submitted in the format and under the procedure as set forth:
- 8.2.1. during the Subscription Period in the Annex 2 to these Terms; and
- 8.2.2. during the Additional Subscription(s), if by First Tranche Investors in the Annex 3 to these Terms and in other cases in the Annex 4 to these Terms.

The Purchase Offers shall be prepared in writing.

- 8.3. 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 50,000.00 shall not be accepted in the Primary Distribution without the express consent of the Issuer otherwise.
- 8.4. The Purchase Offer must contain the following information:
 - 8.4.1. the Investor's or the nominee's name, personal identification code or register code and contact data (name of a contact person, address, telephone and fax numbers and email addresses);
 - 8.4.2. the securities account and current account numbers of the Investor or its nominee;
 - 8.4.3. the date of submission of the Purchase Offer;
 - 8.4.4. the number and the aggregate Nominal Value of the Notes to be subscribed on different potential interest rate levels by the Investor;
 - 8.4.5. the Investor's or the nominee's signature.
- 8.5. A Purchase Offer shall be considered valid, if submitted during the Subscription Period or the Additional Subscription Period(s) respectively, 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 and the Additional Subscription Period(s) respectively, but before the Issue Date and Additional Issue Date.
- 8.6. At the latest by 16:30 on 1 (one) Banking Days before the Issue Date and the Additional Issue Date(s) respectively, the Issuer shall submit a Confirmation to each Investor, who has not received such a Confirmation beforehand by e-mail.
- 8.7. The Issuer may reject any of the Purchase Offers for whichever reason. In case of rejection of the Purchase Offer, the reason for rejection shall not be indicated in the Confirmation.
- 8.8. Upon partial or complete satisfaction of the Purchase Offer, the Issuer shall indicate the following information in the Confirmation:
 - 8.8.1. the number of the Notes to be sold to the Investor;
 - 8.8.2. the Issue Date;
 - 8.8.3. the Issue Price or the Issue Price on the Additional Issue Date;
 - 8.8.4. the applicable interest rate determined by the Issuer based on Purchase Offers;
 - 8.8.5. the current account number of the Issuer;
 - 8.8.6. sum of the Issue Prices or the Issue Price of on the Additional Issue Date of the Notes to be sold to the Investor, i.e. the amount to be paid by the Investor for the Notes.
- 8.9. The terms of the Purchase Offer accepted by the Issuer as confirmed by the Confirmation shall be binding on each and every acquirer of the Notes.
- 8.10. Issuer may open Additional Subscription Period(s) at its discretion. If the Issuer opens Additional Subscription Period(s):
 - 8.10.1. any Additional Subscription Period must be at least 10 (ten) Business Days;

- 8.10.2. the Issuer shall inform the First Tranche Investors of opening the Additional Subscription Period and of the Aggregate Nominal Value of the Additional Issue;
- 8.10.3. during the first 5 (five) Banking Days of the Additional Subscription Period the First Tranche Investors can send Purchase Offers as set forth in the Annex 3 to the Issuer;
- 8.10.4. Investors, including First Tranche Investors not using their pre-emption right under Section 7.3, can submit Purchase Offers in the from set forth in the Annex 3 to these Terms until the end of the Additional Subscription Period;
- 8.10.5. after the time period specified in Section 8.10.3, the Issuer has the right to reduce the Aggregate Nominal Value of the Additional Issue.
- 8.11. Unless clearly identified otherwise in the Terms, the Notes issued on Additional Issue Date shall be issued in following the same procedure and carry same rights as Notes issued on Issue Date.

9. INTEREST PAYMENTS

- 9.1. The Issuer shall pay interest on the Nominal Value of the Notes. Interest shall be paid on each respective Interest Payment Date and shall be calculated on 30E/360 basis. Applicable interest rate shall be determined by the Issuer based on the Purchase Offers received during the Subscription Period.
- 9.2. Interest shall be calculated on the Nominal Value of Notes from the Issue Date up to and including the respective Maturity Date or, up to and including the Early Maturity Date, in case the Notes are redeemed on the Early Maturity Date.
- 9.3. The Issuer shall transfer the interest payments to the current accounts of those Investors who, according to the Register information, hold the notes at 8.00 am 3 (three) Banking Days before the Interest Payment Dates.
- 9.4. The interest payment on all in Interest Payment Dates is determined according to the following formula:
 - 9.4.1. $CPN = F * (C / 360) * D$, where
 - 9.4.2. CPN – value of an interest in EUR;
 - 9.4.3. F- Nominal Value;
 - 9.4.4. C – annual interest payable on the Notes;
 - 9.4.5. D – number of days between the Issue Date or following the first Interest Payment Date the last Interest Payment Date and the current Interest Payment Date (including both), calculated on 30E/360 basis.
- 9.5. If the Issuer does not pay timely any amount due under the Terms on the dates determined in the Terms, the Issuer shall be obliged to pay the Investors default interest in the rate of 0,05% of the delayed amount per each delayed day.

10. REDEMPTION AND EARLY REDEMPTION (CALL-OPTION)

- 10.1. The principal of the Notes shall be repaid to the Investors in 1 (one) lump sum payment on the Maturity Date together with the unpaid interest accrued up to the Maturity Date in accordance with Section 9.1 of these Terms and any other monies still owed to the Investors at the Maturity Date under these Terms.
- 10.2. The Redemption Price shall be paid to the Investors, who are the owners of the Notes according to the Register's information available 3 (three) Banking Days before the Maturity Date or Early Maturity Date. Upon full payment of the Interest and repayment of the Nominal Value of the Notes, the payment obligations of the Issuer in relation to the Notes shall be discharged.

- 10.3. Following the receipt of the complete redemption payments in the Investors' current accounts the Notes shall be considered redeemed. The Issuer shall arrange deletion of the redeemed Notes from the Register. The Issuer may choose not to delete the Notes from the Register in case of early redemption of Notes pursuant to Section 10.5 of the Terms. The Investors are obligated to co-operate with the Issuer and do all actions reasonably required for deleting the Notes from the Register.
- 10.4. The Issuer shall withhold income tax, if pursuant to the legal acts effective in the Republic of Estonia, income tax is to be withheld from the payments related to the Notes.
- 10.5. The Issuer has the right to buy all of the Notes back on the Early Redemption Date by paying the Investors an amount equal to the amount of the Nominal Value together with accrued interest. The Issuer shall notify the Investors by post or e-mail of its intention to buy back all or part of the Notes at least 30 (thirty) Banking Days before the Early Redemption Date.

11. EXTRAORDINARY EARLY REDEMPTION

- 11.1. An Investor shall have the right, but not the obligation, to demand immediate redemption of the Notes held by the Investor upon occurrence of any of the following circumstances:
 - 11.1.1. the Issuer has not paid the interest payments in full amount for longer more than 5 (five) Banking Days from the respective Interest Payment Date;
 - 11.1.2. an insolvency claim has been submitted (in Estonian: *pankrotiavaldu*) by the Issuer or by a third party in respect of the Issuer to the competent court of Estonia or a claim in effect similar to insolvency claim has been submitted, which provides interim relieve procedure from the claims of Issuer's creditors, such as the application for the reorganisation of the Issuer (in Estonian: *saneerimisavaldu*) and such claim is not withdrawn or proceedings not terminated by the respective court within 45 (forty five) Banking Days;
 - 11.1.3. the Issuer breaches any of the covenants set forth in Section 3.4 unless the breach is not cured within 14 (fourteen) Banking Days and the Issuer provides clear proof to the Investors that the breach has been cured in due time;
 - 11.1.4. the Issuer has filed an application for liquidation with the Estonian Commercial Register (*äriregister*);
 - 11.1.5. The Issuer fails to fulfil any of its obligations under any loan, credit, guarantee or capital/finance lease agreement or under any bond, letter of credit or any other instrument issued by a bank or financial institution when due nor within any originally applicable grace period (cross-default clause);
 - 11.1.6. The Issuer has failed to provide a quarterly report or annual report to the Investors pursuant to the Terms and the breach is not cured within 7 (seven) Banking Days.
- 11.2. The Issuer shall notify the Investors upon the occurrence of an Extraordinary Early Redemption Event within 5 (five) Banking Days unless otherwise set out in these Terms. In the absence of such notification, the Investors shall be entitled to proceed on the basis that no such Extraordinary Early Redemption Event has occurred or is expected to occur.
- 11.3. If an Investor receives information about occurrence of a possible Extraordinary Early Redemption Event from other sources than the Issuer, then the Investor will ask the Issuer by submitting a letter to the Issuer to confirm or reject this

information. The Issuer shall reply to the Investor in writing. If the Issuer does not respond to the question asked by the Investor under this Section within 5 (five) Banking Days from the receipt of the Investor's question, then the Extraordinary Early Redemption Event on the ground as set forth in the question of the Investor is deemed to have occurred on the day the period of 5 (five) Banking Days referred above expires.

- 11.4. In case the Issuer in a reasoned manner (i.e. providing for the reasons why the Extraordinary Early Redemption Event has not occurred) and acting in good faith within 5 (five) Banking Days from the date of the inquiry sent by the Investor to the Issuer pursuant to Section 11.3 of the Terms submits a Rejection by providing a reasoned explanation and documentary evidence to the contrary to the occurrence of the Extraordinary Early Redemption Event referred to in Section 11.1, the Extraordinary Early Redemption Event is considered not to have occurred. A copy of the Rejection shall be sent to all Investors.
- 11.5. If the Majority Investors acting in good faith, within 10 (ten) Banking Days from the date the Issuer forwarded the Rejection to the Investors under Section 11.6 of the Terms, send a Notification to the Issuer notifying the Issuer in a reasoned manner of the contrary (i.e. providing for the reasons why the Extraordinary Early Redemption Event has occurred), the Extraordinary Early Redemption Event is deemed to have occurred.
- 11.6. The Issuer shall inform the Investors whether or not the Extraordinary Early Redemption Event has occurred on the basis of procedure set forth in Section 11.4 and 11.5 of the Terms within 5 (five) Banking Days from:
 - 11.6.1. receipt of the Notification by the Issuer;
 - 11.6.2. expiry of the 10 (ten) Banking Days term for submitting the Notification unless the Issuer has received the Notification during this term.
- 11.7. If an Investor applies for extraordinary early redemption of the Notes under Section 11 of the Terms, such Investor shall submit an Application to the Issuer, indicating the grounds for requesting extraordinary early redemption. The Application can be submitted based on (a) Issuer's notification about occurrence of the Extraordinary Early Redemption Event or (b) inquiry sent by the Investor to the Issuer under Section 11.3 of the Terms to which the Issuer has not filed Rejection during the term set forth in Section 11.4 of the Terms.
- 11.8. The Investor shall lose the right to submit an Application with regard to an Extraordinary Early Redemption Event in case the Investor has not submitted the Application within 2 (two) months from the date the Investor became entitled to submit an Application under Section 11.7 of the Terms.
- 11.9. The Issuer shall inform other Investors of the Application filed by an Investor within 5 (five) Banking Days. The Issuer is not obligated to inform the Investors of the submission of the Application, if the Investors have been informed of submission of another Application within 30 (thirty) Banking Days before submission of the new Application.
- 11.10. Upon extraordinary early redemption of the Notes on grounds stipulated in Section 11.1 of the Terms, the Issuer shall pay the Redemption Price for the Notes and any accrued or unpaid interest subject to extraordinary early redemption to the Investor within 10 (ten) Banking Days after the receipt of the Application. For the avoidance of doubt, this means that the 10th (tenth) Banking Day following the day of receipt of the Application shall be the Early Maturity Date with regard to the Notes subject to extraordinary early redemption. The Redemption Price shall be determined by the Issuer that shall execute the payment of the Redemption Price in accordance with Section 10 of the Terms to the Investor(s) requesting extraordinary early redemption.

- 11.11. If the Investor, who has submitted the Application, transfers, fully or partially, the Notes subject to extraordinary early redemption before the Early Maturity Date, the Application shall be considered waived in respect of transferred Notes.
- 11.12. Subject to Section 11.8 of the Terms, if the Investor does not use the right or remedy arising from the Notes, this shall not be deemed waiver of such right or remedy, and the separate or partial use of any of the rights or remedies shall not prevent further or repeated use of the respective right or remedy or the use of any other right or remedy. The rights and remedies applicable to the Notes are accruing and do not exclude any other rights or remedies established by law.

12. AMENDING THE TERMS

- 12.1. The Terms can be amended pursuant to the procedure set forth in this Section.
- 12.2. The Issuer may apply for the consent of the Investors to alter the Terms (waiver). To apply for the waiver, the Issuer shall submit an application for the waiver to the Investors, setting out at least the following information:
 - 12.2.1. a description of the changes applied for;
 - 12.2.2. a reason for the changes applied for;
 - 12.2.3. the term within which the Investor can grant the waiver to the Issuer or refuse to grant the waiver;
 - 12.2.4. instructions concerning notification about the granting of the waiver to the Issuer or refusal to grant the waiver;
 - 12.2.5. a statement that the Investor who is willing to grant the waiver to the Issuer should notify the Issuer about it within the term specified in the application, and if the Investor does not notify about the approval to grant the waiver to the Issuer within the term specified in the application, the Investor shall be deemed as not having granted the waiver;
 - 12.2.6. contact details of the Issuer to be used for notification.
- 12.3. The term allowed for Investor to decide upon refusal to grant the waiver to the Issuer may not be shorter than 14 (fourteen) Banking Days. Investor shall submit signed applications with their decision to the Issuer by a deadline set in an application.
- 12.4. Subject to Section 12.5, a waiver is deemed to be approved if the Majority Investors have voted for granting the waiver unless the Issuer decides to require higher threshold for approving the waiver. The Issuer undertakes within 30 (thirty) Banking Days to offer Investors (other than Related Parties and the Issuer) who did not agree to grant the waiver to redeem the Notes at the Redemption Price.
- 12.5. An amendment or waiver of any term of these Terms that has the effect of changing or which relates to:
 - (a) the definition of "Majority Investors" in Clause 2.1.25;
 - (b) an extension to the date of payment of any amount under the Notes;
 - (c) a reduction in the amount of any payment of principal, interest or other fees payable;
 - (f) any provision which expressly requires the consent of all the Investors;
 - (g) this Section 12.5;shall not be made without the prior consent of all the Investors.
- 12.6. All amendments and supplements to the Terms shall enter into force as from the moment of signing the amendments by the Issuer and from issuing the waivers by

the Majority Investors (Clause 12.2) or all Investors (Clause 12.5) concerning such amendments and supplements.

13. FINAL PROVISIONS

- 13.1. The Terms, rights and obligations arising from the Notes shall be governed by the law of the Republic of Estonia.
- 13.2. The disputes related to the Terms or the Notes shall be resolved through negotiations. If the parties fail to reach an agreement, the claim for resolving the dispute shall be submitted to Harju County Court.
- 13.3. If a provision of the Terms is invalidated or deemed inapplicable by the court, it does not influence or change the validity, legitimacy or applicability of other provisions.
- 13.4. All notices under the Terms shall be sent by post or e-mail unless otherwise provided for in the Terms.
- 13.5. All notices of the Issuer to the Investors shall be sent to them by post to their addresses registered together with the securities accounts of the Investors, opened in the Register or by e-mail.
- 13.6. All notices are deemed received after reasonable time has passed from sending these.

ANNEX 1 TO THE TERMS AND CONDITIONS OF THE MAINOR ÜLEMISTE AS NOTE ISSUE

TERMS OF NOTES

- | | | |
|------|--|---|
| 1. | Issuer: | Mainor Ülemiste AS |
| 2. | Securities to be issued: | Unsecured Notes |
| 3. | Purpose of financing | Financing of principal activity – real estate development |
| 4. | Offering: | Private placement within the meaning of Article 12(2) of the Securities Markets Act |
| 5. | Type of notes: | Unsecured Notes |
| 6. | Aggregate Nominal Value of the Issue: | EUR 5 000 000 during the whole Issue, but during the Subscription Period up to EUR 2 000 000. The Issuer has the right to decrease or increase the Aggregate Nominal Value of the Issue before the Additional Issue Date or the aggregate Nominal Value of the Notes issued on Issue Date before the Issue Date |
| 7. | Information on Notes | |
| 7.1 | Currency of denomination: | EUR |
| 7.2 | Nominal Value of a Note: | EUR 1 000 |
| 7.3 | Subscription Period: | 10 June 2015 until 12 June 2015 |
| 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: | 16 June 2015 |
| 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 | 26 November 2015 |
| 7.8 | Issue Price of a Note: | EUR 1 000 |
| 7.9 | Issue Price on the Additional Issue Date | A sum of the Issue Price and any interest accrued after the last Interest Payment Date prior to Additional |

| | | |
|------|-------------------------------------|--|
| | | Issue Date and before the Additional Issue Date, that is EUR _____. |
| 7.10 | Interest rate: | Determined by the Issuer based on the Purchase Offers received during the Subscription Period, that is _____%. Interest is calculated based on 30E/360 |
| 7.11 | Interest Payment Date(s): | 26 August, 26 November, 26 February and 26 May of each year. 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 |
| 7.12 | Maturity Date: | 26 November 2018 |
| 7.13 | Redemption Price of a Note: | Nominal Value |
| 7.14 | Early Redemption Date(s) | 26 May 2018, 26 August 2018 |
| 7.15 | Early redemption provisions: | The Issuer has the right to buy the Notes back on Early Redemption Dates for the Nominal Value of the Notes and accrued interest. The Issuer shall notify the Investors that are currently owners of the Notes by post or e-mail of such a wish 30 (thirty) Banking Days in advance the latest. |
| 7.16 | Pre-emption right | First Tranche Investor has the pre-emptive right to subscribe to the Notes issued on the Additional Issue Date(s) in proportion to Notes that were issued to the First Tranche Investor on Issue Date. Such right is not transferrable and terminates if the First Tranche Investor transfers the Notes. |
| 7.17 | ISIN code: | EE_____ |
| 8. | Current Account of Issuer No.: | EE371010002037396005 (SWIFT/BIC: EEUHEE2X) at AS SEB Pank |
| 9. | Collateral: | None |
| 10. | Governing Law | Estonian |
| 12. | Jurisdiction and Dispute Settlement | Estonian courts |

The Issuer and the Investors acknowledge that the interest rate and the Issue Prices on the Additional Issue Date have not been determined as of date of the Terms as these depend on the Purchase Offers issued by the Investors and on the exact Additional Issue Date(s). The Investors authorise the Issuer to add Issue Prices on the Additional Issue Date and interest rate to Section 7.9 and Section 7.10 of the Annex 1 to the Terms respectively in hand-written form upon determining their values.

The Issuer and the Investors also acknowledge that the ISIN code has not been granted to the Issue as of date of the Terms because the Notes of this Issue have not been registered in the Register as of the date of the Terms. The Investors authorise the Issuer to add the ISIN code of the Notes of this Issue to Section 7.16 of Annex 1 of the Terms in hand-written form upon registration of the Notes of this Issue in the Register.

No separate or additional signing of the Terms or an amendment to the Terms is needed due to the referred amendments. After adding the referred information as set forth above in this Section, such additions become inseparable and valid additions to the Terms.

ANNEX 2 TO THE TERMS AND CONDITIONS OF THE MAINOR ÜLEMISTE AS NOTE ISSUE

PURCHASE OFFER OF MAINOR ÜLEMISTE AS NOTES

The Issue of Mainor Ülemiste AS Notes (**the Notes**) shall be made in accordance with and under the Terms and Conditions of the Mainor Ülemiste AS Notes Issue dated 10 June 2015 (**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: | Mainor Ülemiste AS |
| Aggregate Nominal Value of the Issue: | EUR 5 000 000 during the whole Issue, but during the Subscription Period up to EUR 2 000 000. The Issuer has the right to decrease or increase the Aggregate Nominal Value of the Issue before the Additional Issue Date or the aggregate Nominal Value of the Notes issued on Issue Date before the Issue Date |
| Nominal Value of a Note: | 1 000.00 |
| Issue Price of a Note: | 1 000.00 |
| Currency of denomination: | EUR |
| Interest rate: | Determined by the Issuer based on the Purchase Offers received from the potential Investors during the Subscription Period |
| Interest Payment Date(s): | 26 August, 26 November, 26 February and 26 May of each year. 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: | Unsecured notes |
| Subscription Period: | 10 June 2015 until 12 June 2015 |
| Issue Date: | 16 June 2015 |
| Maturity Date: | 26 November 2018 |
| Early redemption provisions: | The Issuer has the right to buy the Notes back on 26 May 2018 and 26 August 2018 for the Nominal Value of the Notes and accrued interest. The Issuer shall notify the Investors that are currently owners of the Notes by post or e-mail of such a wish 30 (thirty) Banking Days in advance the latest. |
| Pre-emption right | First Tranche Investor has the pre-emptive right to subscribe to the Notes issued on the Additional Issue Date(s) in proportion to Notes that were issued to the First Tranche Investor on Issue Date. Such right is not transferrable and terminates if the First Tranche Investor transfers the Notes. |

Collateral:

None

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 50,000.00 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@mainorulemiste.ee; cc: bonds@redgatecapital.eu) to the Issuer at the latest by 17:00 (GMT+2) on 12 June 2015. 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.

DETERMINATION OF THE INTEREST RATE

The Investor acknowledges that the interest rate applicable to the Notes shall be determined based on Purchase Offers received by the Issuer from potential Investors and upon the discretion of the Issuer.

The Investor undertakes to specify in the form below the interest rate levels and accompanying number of Notes on such interest rate levels the Investor is willing to subscribe to. For the avoidance of doubt, the Investor may select to subscribe the Notes on different interest rate levels. The Investor hereby confirms that the Investor is willing to subscribe Notes in the amount indicated in the highest marked interest level also on higher interest rate levels, if the interest rate determined by the Issuer is higher than the rate which the Investor marked. The Investor does not subscribe to any notes on the lower levels of interest that the Investor indicated on this Purchase Offer.

For the avoidance of doubt, the Issuer has the sole discretion to decide upon the applicable interest rate for the Issue based on the results of the Purchase Offers made by 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 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 the results of the bidding to determine the interest rate and provisions of the Confirmation as at the sending of the Confirmation to the Investor.

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

| Interest (% p.a. 30E/360) | Number of Notes subscribed (#) | Aggregate Nominal Value of the Notes subscribed (EUR) |
|----------------------------------|---------------------------------------|--|
| 7.00 | | |
| 6.75 | | |
| 6.5 | | |
| 6.25 | | |
| 6.00 | | |
| 5.75 | | |
| 5.50 | | |
| 5.25 | | |
| 5.00 | | |
| 4.75 | | |
| 4.50 | | |
| 4.25 | | |
| 4.00 | | |

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 3 TO THE TERMS AND CONDITIONS OF THE MAINOR ÜLEMISTE AS NOTE ISSUE

PURCHASE OFFER OF MAINOR ÜLEMISTE AS NOTES

The Issue of Mainor Ülemiste AS Notes (**the Notes**) shall be made in accordance with and under the Terms and Conditions of the Mainor Ülemiste AS Notes Issue dated 10 June 2015 (**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: | Mainor Ülemiste AS |
| Aggregate Nominal Value of the Issue: | EUR 5 000 000 during the whole Issue, but during the Subscription Period up to EUR 2 000 000. The Issuer has the right to decrease or increase the Aggregate Nominal Value of the Issue before the Additional Issue Date or the aggregate Nominal Value of the Notes issued on Issue Date before the Issue Date |
| Nominal Value of a Note: | 1 000.00 |
| Issue Price on the Additional Issue Date | [] |
| Currency of denomination: | EUR |
| Interest rate: | [] |
| Interest Payment Date(s): | 26 August, 26 November, 26 February and 26 May of each year. 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 Payment Date |
| Securities to be issued: | Unsecured notes |
| Additional Subscription Period: | [] until [], during the first 5 (five) Business Days of the Additional Subscription Period, the First Tranche Investors have the right to use the pre-emption right to subscribe to the Notes under Section 7.3 of the Notes |
| Additional Issue Date: | [] |
| Maturity Date: | 26 November 2018 |
| Early redemption provisions: | The Issuer has the right to buy the Notes back on 26 May 2018 and 26 August 2018 for the Nominal Value of the Notes and accrued interest. The Issuer shall notify the Investors that are currently owners of the Notes by post or e-mail of such a wish 30 (thirty) Banking Days in advance the latest. |
| Collateral: | None |

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 50,000.00 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@mainorulemiste.ee; cc: bonds@redgatecapital.eu) to the Issuer at the latest by 17:00 (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 or during the Additional 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 Additional Subscription Period, but before the Additional Issue Date.

ALLOCATION OF THE ISSUE

The First Tranche Investor is allowed to use its pre-emption right under Section 7.3 of the Terms and subscribe to a proportion of the Notes to be issued during Additional Subscription Period that is equal to the proportion of the Notes issued to the Investor on the Issue Date. If such maximum number is not a round figure the Issuer may round the number of the Notes subscribed by the Investor to the nearest round number of Notes. Such right may be used until [] 2015.

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 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 the results of the bidding to determine the interest rate and provisions of the Confirmation as at the sending of the Confirmation to the Investor.

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 (#) using pre-emption right under Section 7.3 of the Terms (if applicable) | Aggregate Nominal Value of the Notes subscribed (EUR) |
| | |

| | |
|---------------------------------------|--|
| Number of Notes subscribed (#) | Aggregate Nominal Value of the Notes subscribed (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: