

TERMS AND CONDITIONS OF THE BONDS ISSUED BY THE ISSUER

United Business International IBC

1. LEGAL AND FACTUAL STATUS OF THE BONDS

- 1.1. The legal and factual status of the bonds issued by the company **United Business International IBC**, registration No. 83568, with the registered office at: Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH 96960, represented by the executive of the company **LRI PARTNER GROUP LTD**, with the registered office at: Belmopan, Mountainview, Boulevard, Garden City Plaza Suite 5, Belize, registration No.: 47 386, registered by the registration agent of the company Trust Company Complex (hereinafter referred to as the "Issuer") has resolved to issue below-specified bonds.
- 1.2. The legal basis for bond issue shall be the legislation of the Marshall Islands, in particular the Business Corporations Act, as amended; these Terms and Conditions of the Bond Issue (hereinafter referred to as the "Terms and Conditions of the Issue") shall specify a comprehensive definition of rights and obligations related to the Bonds as well as information about the Bond issue.

2. ESSENTIAL CHARACTERISTICS OF THE BONDS, BOND FORMALITIES

2.1.	Issuer	United Business International IBC
2.2.	Name of the Bond	Bond United Business International 2016-I
2.3.	Form of the Bond	Securities upon name on order – (a regular bond not of a special type) in a materialized form
2.4.	Type of the Bond	Corporate bond
2.5.	Order number of the issue	1
2.6.	Issue price	100% (in words: a hundred percent) of the nominal value
2.7.	Nominal value	€ 9,000 (in words: nine thousand EUR)
2.8.	Currency of Bond denomination	EURO (€)
2.9.	Start date for subscription to the Issue	5.5.2016
2.10.	End date for subscription to the Issue	5.4.2021
2.11.	Date of the Issue	5.5.2016
2.12.	Bond maturity date	5 years, i.e., 5.5.2021
2.13.	Bond yield	1.5% p.a from 5.5.2016 to 4.5.2017; 3% p.a. from 5.5.2017 to 4.5.2018 2018; 7,1% from 5.5.2018 to 4.5.2021
2.14.	Interest maturity date	a lump sum together with the principal payment term i.e, 5.5.2021
2.15.	Numerical marking	Individual bonds shall be identified by an uninterrupted numerical line from 12016001 to 12016420, or - as the case may be - 12016840
2.16.	Method and place of the Bond subscription, method, and term of delivery of the Bonds to the individual subscribers, method and place of the payment of the nominal value of the	Payment of the yield of interest and redemption of the nominal value of the Bonds shall be made upon presentation of the Bond at the seat of the Issuer or at the seat of the executive of the company of the Issuer or at the seat of the director of the executive

	Bond and its yield	<p>of the company of the Issuer, either in cash or by a bank transfer to the bank account of the Bondholder. A responsible person shall inform the Issuer on the selected payment method on the basis of the instructions, duly provided to the Issuer. With regard to the Terms and Conditions of the Issue, the responsible person shall be the person of the Bondholder according to the Terms and Conditions of the Issue or his/her agent, who shall submit a power of attorney with an officially authenticated signature of the Bondholder. In the event of the cashless transfer to the bank account, the Bondholder shall inform the Issuer on the bank account number in writing. The signature of the Bondholder on the information on the bank account shall be officially authenticated.</p> <p>Repatriation of yields and redemption of nominal value abroad shall comply with the legislation valid in the Marshall Islands.</p> <p>The venue for the Bond subscription shall be the seat of the Issuer or the seat of the executive of the company of the Issuer or the seat of the director of the executive of the company of the Issuer. The Issuer shall deliver Bonds to their subscribers not later than thirty working days following the presentation of the confirmation of redemption of the amount of the issue price in cash at the seat of the Issuer or the bank account of the Issuer.</p> <p>Bonds, subscribed by a single subscriber with the total volume higher than the nominal value of the Bond, shall be substituted and represented by a bulk certificate.</p> <p>The venue for the cash payment of Bond yields and redemption of the nominal value of the Bond shall be the seat of the Issuer or the seat of the executive of the company of the Issuer or, in the case of cashless transfer, a current account of the Bondholder.</p>
2.17.	Availability of the Terms and Conditions of the Issue	<p>The Terms and Conditions of the Issue can be consulted on the websites of the Issuer at the address http://www.unitedbi.net, in the seat of the Issuer or in the seat of the executive of the company of the Issuer, where are available free of charge in the materialized form and on the electronic data carrier CD or flash disk. The Terms and Conditions of the Issue have been published on 5.5.2016</p>

3. ADDITIONAL INFORMATION

3.1. The estimated total nominal value of the Bonds shall be EUR 3,780,000 (in words: three million seven hundred eighty thousand EUR). In compliance with legislation in force on the Marshall Islands, the Bonds may be issued in a smaller or higher volume of the issue than the estimated total nominal value of the Bonds. In such a case, the increase in the volume of the Bonds shall be possible by max. 100% of the estimated total nominal value, i.e., to the amount of EUR 7,560,000 (in words: seven million five hundred sixty thousand EUR). The Issuer reserves the right to extend the subscription period of the Bonds. When such amount has been reached (max. 7,560,000), a new issue with the serial number 2 shall be issued.

3.2. Bonds shall be numbered, in the sequence from 12016001 to 12016420 or, as the case may be, 12016840.

3.3. Neither to the date of issue nor at any other later time the Issuer intends to ask for the admission of the Bonds to trading on a regulated market or multilateral business system. Subscription of the Bonds shall be offered to the limited group of selected and addressed private or institutional investors (including natural entities). The obligation to publish a prospectus shall not apply to the offer of the Bonds. The prospectus has not been drawn up.

3.4. Bondholders and Transfer of the Bonds

The Bonds are in a materialized form, registered, made to order. In relation to the Issuer, a person appearing in the register of the Bondholders, maintained by the Issuer, shall be entitled to exercise rights attached to the Bond, unless the law stipulates otherwise.

Transferability of the Bond shall not be restricted. The Bond shall be transferred by an endorsement and demonstration of such change in the person of the Bondholder to the Issuer. Legal entities, non-profit organizations and natural persons with their registered seats or places of residence outside the territory of the Marshall Islands or outside the territory of Belize may acquire the Bonds.

The Minute of Amendment to the change in the person of the Bondholder in the register of the Bondholders shall be demanded to make the transfer effective towards the Issuer; the Issuer shall be obliged to reflect such change immediately after its demonstration to the Issuer. A request for transfer of the Bonds shall be submitted directly to the Issuer. Transfer of the Bonds shall be permitted only until 5.4.2021.

3.5. Issue price: the issue price of the Bond to the date of issue shall equal to 100 % of the nominal value of the Bond. After the date of issue, the issue price shall be increased by a possible proportionate yield, if any, spreading over the period from the date of issue until the issue price redemption.

3.6. The assessment of the financial ability of the Issuer (rating) has not been made.

3.7. All activities related to the management of an independent register of the participation owners in the corporate bond, including their holders and, in addition, in particular organization of subscription, redemption, and payment of the Bond yields shall be organized by the Issuer himself.

3.8. The Bondholders shall be informed about any notices and other information about the Bonds as well as the information about a convention of the meeting of the Bondholders through the websites of the Issuer <http://www.unitedbi.net>.

3.9. In compliance with the legislation in force on the Marshall Islands, in particular the Business Corporations Act, the Issuer shall be entitled to acquire Bonds into his/her property and the Bonds, acquired by the Issuer before the Bond maturity date, shall not cease to exist unless the Issuer decides otherwise.

3.10. The Issuer shall be obliged to issue the issue of the Bonds successively (in tranches), both during the Issue period and Additional issue period.

3.11. Neither pre-emptive nor exchange rights shall be attached to the Bonds or rights of vote or rights to share in the liquidation balance. Separation of the right to the Bond yield from the Bond in the form of the issue of coupons as the independent securities shall be excluded.

Bonds shall constitute direct, unsubordinated and unconditional commitments of the Issuer, which have been and shall be equal in all respects (*pari passu*). Moreover, the Issuer undertakes to treat all Bondholders equally under the same terms and conditions.

Neither third person nor pledge shall guarantee the redemption of the Bond or payment of its yield.

3.12. The Issuer has decided that the right to the Bond yield shall not be separated from the Bond.

4. SUBSCRIPTION OF BONDS

4.1. Bonds can be subscribed only by:

- a) a natural person with the place of residence outside the territory of the Marshall Islands and territory of Belize;
- b) a legal entity with the seat outside the territory of the Marshall Islands and territory of Belize;
- c) a non-profit organization with the seat outside the territory of the Marshall Islands and territory of Belize
(hereinafter referred to as the “Subscriber”);
- d) The Issuer expressly reserves the right to reject a particular subscriber, even without identification of reason.

4.2. Issue period: The period for the subscription of the Bond issue shall start to run at 0:00 AM on 5.5.2016, to which the date of issue shall fall, and shall terminate on 05.04.2021 at 24:00 PM.

4.3. Subscription of the Bonds shall take place at the seat of the Issuer or at the seat of the executive of the company of the Issuer or at the seat of the director of the executive of the company of the Issuer by filling out of the Purchase Order for Subscription and Purchase of the Bonds.

Bonds, subscribed by a single subscriber with the total volume higher than the nominal value of the Bond, shall be substituted and represented by a bulk certificate. Bonds shall be subscribed by the registration into the register of subscribers.

4.4. Redemption of the issue price: the redemption of the issue price of subscribed Bond shall be made by the transfer to the bank account of the Issuer, identified in the Purchase Order, not later than five working days from the subscription date or in cash at the seat of the Issuer or at the seat of the executive of the company of the Issuer or at the seat of the director of the executive of the company of the Issuer or otherwise at discretion of the Issuer.

4.5. Delivery of the Bonds: The Issuer shall deliver Bonds to their subscribers not later than thirty working days following the submission of the confirmation of the redemption of the issue price to the bank account of the Issuer or in cash. Delivery of the Bonds shall be either personal, via post or consignment transport or otherwise depending on the agreement between the Issuer and the Bondholder.

4. CALCULATION OF BOND YIELDS

4.1. The calculation of Bond yields shall be made as follows: the nominal value of the Bond shall be multiplied by the annual fixed interest rate of the Bond, specified in the article 2.13 of the Terms and Conditions of the Issue for the period in question. The calculation of Bond yields shall be based on the platform of one year with 360 days and 12 months with 30 days (BC K – standard 30E/360).

4.2. The amount of the yield of interest, attached to one Bond for any period shorter than one year, shall be calculated as the multiple of the nominal value of such Bond, applicable interest rate and a relevant number of days, calculated according to the convention for the interest calculation E360.

4.3. The day, following the issue date, shall constitute the starting day for the calculation of the Bond yield.

4.4. The Bonds shall cease to bear interest on the day of their maturity or on the day of their pre-mature payment in harmony with the Terms and Conditions of the Issue.

5. TAXATION OF THE BOND YIELDS

5.1. The bond yield shall be taxed in compliance with the legal regulations of the Marshall Islands valid in the period of the yield payment.

6. PAYMENT OF BOND YIELDS AND BOND REDEMPTION

6.1. Bonds shall bear interest at the fixed interest rate specified in the article 2.13. of the Terms and Conditions of the Issue. The first payment of the bond yields shall be on 5.5.2021.

6.2. The Issuer shall pay the nominal value of the Bond as a lump sum on 05.05.2021 (“**maturity date of the Bond**”). Nevertheless, prior to the maturity date of the Bond, the Issuer shall be entitled to pay the

nominal value of the Bond including pro rata yield, whereas the Issuer shall announce the date of premature payment of the Bond in advance in harmony with the article 3.8 of the Terms and Conditions of the Issue, with a minimum of thirty working days' notice. Where the Issuer exercises his right to pay the nominal value of the Bond including pro rata yield prior to the maturity date of the Bond, the Issuer shall be obliged to treat all Bondholders equally under the identical terms and conditions, i.e., provided that the nominal value with pro rata yield of all Bonds of the issue is not prematurely paid, each Bondholder shall be paid the nominal value with pro rata yield of so many Bonds from all such paid Bonds as shall correspond with the ratio of all Bonds of such Bondholder to all bonds of the issue.

6.3. Payment of the yield of interest and redemption of the nominal value of the Bonds shall be made against the submission of such Bond at the seat of the Issuer or at the seat of the executive of the company of the Issuer or at the seat of the director of the executive of the company of the Issuer, either in cash or by the bank transfer to the bank account of the Bondholder. The responsible person shall inform the Issuer on the selected payment method on the basis of the instructions, duly provided to the Issuer. With regard to the Terms and Conditions of the Issue, the responsible person shall be the person of the Bondholder according to the Terms and Conditions of the Issue or his/her agent, who shall submit the power of attorney with the officially authenticated signature of the Bondholder. In the event of the cashless transfer to the bank account, the Bondholder shall inform the Issuer on the bank account number in writing. The signature of the Bondholder on the information on the bank account shall be officially authenticated.

6.4. Transfers of the Bonds during the maturity day of the relevant sum shall not be taken into account.

6.5. Where the day of the Bond redemption or Bond yield falls on the day not constituting a working day, the Issuer shall be obliged to pay such relevant amount on the following first working day, without any obligation to pay any interest or another yield accrued from such deferral.

6.6. The relevant amount to be paid shall be considered as paid on the day of its deduction from the bank account of the Issuer.

7. MEETING OF BONDHOLDERS, CONVOCATION OF THE MEETING OF BONDHOLDERS

7.1. Either the Issuer or the Bondholder may convene the meeting of Bondholders in harmony with the Terms and Conditions of the Issue.

7.2. If a moment comes when a decision about the common interests of the Bondholders is to be taken, the Issuer or the Bondholder or Bondholders may convene the meeting of Bondholders (hereinafter referred to as the "Meeting"), in harmony with the Terms and Conditions of the Issue. An entity, convening the Meeting, shall organize and technically arrange the Meeting and shall bear associated costs, unless the case of violation of the obligation of the Issuer to convene the Meeting of Bondholders without unnecessary delay and the Bondholder himself/herself convenes the Meeting instead of the Issuer. In such a case, the Issuer shall bear costs connected with the Meeting of Bondholders. The costs related to the participation in the Meeting shall solely bear the Bondholder.

7.3. The Issuer shall convene the Meeting without undue delay and shall ask for the standpoint of the Bondholders through such Meeting in the case that:

- a) the Issuer is in delay with the fulfilment of rights connected with the issued Bonds for more than 7 days following the day when the right could be exercised,
- b) changes which might rapidly deteriorate his ability to fulfil obligations arising from the Bonds, issued by the Issuer,
- c) proposal for an amendment or amendments to the Terms and Conditions of the Issue. The aforementioned shall not apply to the case of the amendment for which the consent of the Bondholders shall not be necessary according to the legislation in force. The amendment to such data must not cause any detriment to the Bondholders and the Issuer shall bear costs connected with such amendment,
- d) proposal for the transformation of the Issuer.

7.4. The Issuer shall convene the Meeting if the Issuer proposes a common procedure in case that - in view of the Issuer - might occur or has already occurred any case of failure to meet the obligation per Article 7 to the Terms and Conditions of the Issue.

7.5. A convener shall be obliged to publish the convening notice for the Meeting in the manner provided for in Article 3.8. of the Terms and Conditions of the Issue, not later than 15 (fifteen) days before the date set for the Meeting. If the Bondholder or Bondholders are conveners, they shall be obliged to deliver the convening notice for the Meeting to the Issuer in the identical term to the address of the seat of the Issuer.

7.6. The convening notice for the Meeting shall contain, as minimum:

- a) the business firm, seat and identification number of the Issuer,
- b) the identification of the Bonds in the minimum scope of the title of the Bonds and Issue date,
- c) the place, date and hour of the Meeting, whereas the place of the Meeting can be the place in the seat of the Issuer or in the seat of the executive of the Issuer, date of the Meeting must fall on the day which shall be a working day and the hour of the Meeting shall not be earlier than at 4 PM and
- d) the agenda of the Meeting including complete motions for resolutions of the individual points of the Meeting. The Meeting shall be entitled to resolve only the motions for resolutions, contained in the convening notice.

7.7. Only the Bondholder, submitting a relevant Bond prior to the date of Meeting (the date on which the Meeting shall be held shall be called the “Decisive day for the participation in the Meeting”) may vote. The Bonds retained in the possession of the Issuer to the day decisive for the participation in the Meeting of Bondholders and not ceasing to exist based on the decision of the Issuer to this day, shall not be attached with the right to vote and shall not be included for the purpose of a quorum of the Meeting. The Issuer shall be obliged to participate in the Meeting either personally or via his assignee. Furthermore, guests invited by the Issuer shall be entitled to participate in the Meeting.

7.8. Convened Meeting shall constitute a quorum provided that such Meeting is attended by the Bondholder or Bondholders entitled to vote, and the sum of all their nominal values of the Bonds is above 30% of the total nominal value of issued and so far unpaid Bonds. Before the start of the Meeting, the Issuer (either himself or through his assignee) shall inform about the number of all Bonds, whose holders shall be entitled to participate in the Meeting and vote in harmony with the Terms and Conditions of the Issue.

7.9. A chairperson, nominated by the Issuer, shall preside the Meeting convened by the Issuer. A chairperson, elected by a simple majority of participating Bondholders with the right to vote at the relevant Meeting, shall preside the Meeting convened by the Bondholder or Bondholders.

7.10. The Meeting shall resolve by a simple majority of votes of participating Bondholders. The number of votes of each Bondholder shall correspond with his/her share upon the total nominal value of issued and so far unpaid Bonds. The consent of 50% of votes of participating Bondholders shall be necessary to amend the Terms and Conditions of the Issue or to appoint and recall the common representative of the Bondholders.

7.11. By its resolution, the Meeting can elect a natural or legal entity as the common representative and authorize such representative to the common exercise of the rights before the court or another body, whereas the appointed representative shall be bound by the resolution of the Meeting and/or monitoring of the fulfilment of the Terms and Conditions of the Issue. The Meeting may recall such common representative in an identical way as used for his/her election, or substitute such representative by another common representative.

7.12. Unless a quorum at the Meeting has been established a quarter of an hour after its scheduled opening, the convener shall convene, if still necessary, a substitution Meeting of the Bondholders in such a way to be held within 6 weeks from the day of the convocation of the original Meeting of the Bondholders. The Bondholders shall be informed about the convocation of the substitution Meeting with an unchanged agenda not later than 15 days from the day of the convocation of the original Meeting of the Bondholders. The substitution Meeting of the Bondholders shall have a quorum irrespective of conditions, stipulated in the first paragraph.

7.13. Unless stipulated in the Terms and Conditions of the Issue otherwise, the convener shall prepare the Minutes of Meeting not later than 30 (thirty) days from the day of the meeting organization, specifying conclusions reached by the Meeting, in particular resolutions adopted by such Meeting. Not later than 30 (thirty) days from the day of the Meeting, the Issuer shall be obliged to publish all resolutions adopted by the Meeting in a method used to publish the Terms and Conditions of the Issue.

8. NOTICE

8.1 As stipulated in the Terms and Conditions of the Issue, notices addressed to the Bondholders shall be considered as valid if published in the English language at the websites of the Issuer <http://www.unitedbi.net>.

9. LANGUAGE, GOVERNING LAW AND JURISDICTION

9.1. The Terms and Conditions of the Issue have been formulated in the English language. Where the terms are translated into another language, the English version shall prevail in case of the conflict in their interpretation.

9.2. The Terms and Conditions of the Issue shall be governed and shall be interpreted in harmony with the law of the Marshall Islands, irrespective of the provisions of conflicting rules of law.

9.3. All disputes between the Issuer and Bondholder, arising in connection with this issue of Bonds and the Terms and Conditions of the Issue, shall be resolved by the courts of the Marshall Islands.

10. STATUTORY LIMITATION:

10.1. All rights related the Bonds shall be barred by the statute of limitation by lapse of 3 years from the day of the possibility of their first exercise.

11. DECLARATION OF THE ISSUER

11.1. The Issuer hereby declares that he undertakes to pay a sum owing in a method and place stipulated in the Terms and Conditions of the Issue. The Issuer himself shall organize activities related to the registration of holders of participation in the corporate bond, including their holders, and, in particular, the issue of the Bonds, redemption of the Bonds and payment of the Bond yields.

Issued on the Marshall Islands on 5.5.2016

Signature of the Issuer:

LRI PARTNER GROUP LTD
Company executive
United Business International IBC