

# LendCap PEER-TO-PEER LENDING

LEGAL · REGULATORY DISCLOSURE

## Peer-to-Peer Lending

Service Disclosure Statement

Crowdsphere Limited, trading as LendCap · Updated 5/3/2026

As a provider of a peer-to-peer lending service licensed by the Financial Markets Authority in New Zealand (the '**Service**'), we are required to give this Service Disclosure Statement to each retail investor who uses the Service ('**Lender**' or '**you**').

*Please read this document carefully. If you are not comfortable with the basis on which the Service operates, you should not use the Service.*

### 01 About This Service Disclosure Statement

#### REGISTERED ADDRESS

**LendCap (trading name of)**  
Crowdsphere Limited  
Level 2, City Chambers  
142 Featherston Street  
Wellington, New Zealand

#### CONTACT DETAILS

**Email**  
info@lendcap.co.nz

**Website**  
www.lendcap.co.nz/invest

**Licensed by**  
Financial Markets Authority, New Zealand

- › **Prepared: 5/3/2026.**
- › **Provided by:** Crowdsphere Limited ('LendCap', 'we', or 'us').
- › **Payment Agent:** Each loan originated by LendCap will have a Payment Agent responsible for handling Lender funds as described in this Statement.
- › **Security Agent:** Security provided by a Borrower as surety for a loan will be held on behalf of Lender(s) by a Security Agent as described in this Statement.
- › LendCap Nominees Limited will act as Payment Agent and/or Security Agent, or may appoint a third party to each role.
- › Other important information about the Service is available on LendCap's website [www.lendcap.co.nz](http://www.lendcap.co.nz), in our Client Agreement, our Privacy Policy, and the Website Terms of Use.

*You should read all associated documentation carefully. If you are not comfortable with the basis on which the Service operates, you should not use the Service.*

## 02 Description of the Service

- › LendCap, as the Trading name of Crowdsphere Limited, holds a market service licence from the Financial Markets Authority, which allows LendCap to offer a peer-to-peer lending service in New Zealand.
- › The Service principally involves providing a platform and facility to connect potential Lenders with businesses seeking funds ('**Borrowers**'). Funding is generally provided to Borrowers through the Service by multiple Lenders.
- › The Service also involves associated matters such as preliminary information searches in relation to Borrowers, funds handling arrangements, security registrations, and the co-ordination of collections services.
- › The **Security Agent** is appointed by Lenders to act as a 'bare trustee' — entering into each loan made through the Service as lender on behalf of each participating Lender. The Security Agent holds the loan and security agreements, and all related rights and obligations, on behalf of the relevant Lenders. The Security Agent's role is limited to an administrative function and any fees will be disclosed with each Loan.
- › The **Payment Agent** is appointed by Lenders to act as a 'bare trustee' in holding client funds on behalf of each Lender who has funded a Loan. The Payment Agent holds the client funds account on behalf of the relevant Lenders. The Agent's role is limited to an administrative function and any fees will be disclosed with each Loan.

## 03 How Lenders May Use the Service

- › You must register with LendCap and accept the Client Agreement before you are able to use the Service as a Lender.
- › Registration requires you to complete an online process, provide information about yourself (including identity confirmation), and confirm your understanding and acceptance of the Service documentation.
- › **You are only permitted to use the Service as a Lender if you meet LendCap's Lender eligibility criteria:**
  - (a) If you are an individual, be at least 18 years old and a New Zealand citizen or permanent resident. If you are not an individual, have your place of business in New Zealand. Persons outside New Zealand may be permitted if they can satisfy LendCap that their membership and any investment comply with applicable local laws and will not impose compliance obligations on LendCap or any Borrower.
  - (b) Satisfy LendCap's 'customer due diligence' requirements for the purposes of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.
  - (c) Provide all other information and documents required by LendCap as part of the online registration process.
- › LendCap may change the registration process and Lender eligibility criteria from time to time without prior notice. Any change that negatively affects your membership will be communicated to you. No change will affect existing Loans you have already made.

- › Once registration is complete, LendCap will consider your application. LendCap is not obliged to accept any application. If accepted, you will be registered as a Lender and may use the Service to make offers to fund loans appearing on LendCap's website.
- › There is no limit on the amount you may lend per loan, or in aggregate across all loans funded using the Service.
- › You must provide any additional information or documents requested by LendCap at any time, including information about the sources of funds you will use to invest, to comply with anti-money laundering legislation.
- › LendCap reserves the right to terminate your registration as a Lender at any time by notice. Such termination will not affect your rights and obligations in respect of any lending already completed using the Service.

## 04 How Borrowers May Use the Service

- › Borrowers must submit an application to LendCap, provide required information, and confirm acceptance of the Service documentation. A separate or updated application is required for any subsequent loans.
- › Borrowers must be seeking funds for business purposes and must meet LendCap's Borrower eligibility criteria (set out in Section 5 and available at [www.lendcap.co.nz](http://www.lendcap.co.nz)).
- › In accordance with our Fair Dealing Policy, LendCap must be satisfied that Borrowers are genuine and suitable, that information provided is not false or misleading, and that borrowing amounts do not exceed limits imposed under the Financial Markets Conduct Act 2013.
- › LendCap undertakes limited preliminary information searches on the Borrower and its directors and senior managers. The nature of these searches is set out in LendCap's Borrower background report, published on LendCap's website alongside the relevant loan information.
- › LendCap may change the Borrower application process, eligibility criteria, Fair Dealing Policy, and preliminary information searches from time to time without prior notice.
- › LendCap is not obliged to accept any Borrower application. If accepted, LendCap posts details of the lending opportunity on its website.

## 05 Borrower Eligibility Criteria

In order to use the Service, a Borrower must be accepted by LendCap via our pre-approval process. This involves a series of meetings to assess the creditability of the borrower and their proposed offer. A Borrower must also:

- (a) Be a business.
- (b) Operate in the form of an incorporated company, partnership, limited partnership, or trading trust.
- (c) Be seeking to borrow funds through the Service for the purposes of its business.
- (d) Not raise more than \$2 million in aggregate in any 12-month period through the Service.
- (e) Satisfy LendCap that the Borrower is genuine and suitable to offer a lending opportunity through the Service, and that the information provided is not false, misleading or unsubstantiated.

- (f) Agree to give LendCap all further information requested, including a trading history showing at least 2 years of profitable trading, financial accounts, a future business plan and financial model, and all other information specified at the time.
- (g) Agree to LendCap undertaking information searches in relation to the Borrower and its directors and senior managers, including credit history reports and other searches of publicly available information.
- (h) Agree to its information being posted on LendCap's website and shared in accordance with LendCap's Website Terms of Use and Privacy Policy.

## 06 Risks of Using the Service

*Loans made through the Service are inherently risky. You are entirely responsible for independently assessing the information provided about each lending opportunity and for any decision you make to lend, or not to lend, to any Borrower.*

- › When a lending opportunity is posted on LendCap's website, LendCap makes no representation as to, and is not liable for: (a) the accuracy or completeness of information provided by the Borrower or any third party; (b) the ability of the Borrower to repay the loan; (c) the value of any security offered; or (d) any other risks involved in lending to the Borrower.
- › When carrying out preliminary information searches, LendCap acts with the care, diligence, and skill of a prudent peer-to-peer lending service provider. However, LendCap relies on information provided by the Borrower and conducts only basic searches. You should not rely on this process as assuring the repayment of any loan.
- › Information about the rate of default by Borrowers is available on LendCap's website as and when relevant data is available.
- › While LendCap may disclose a background report (including a credit score or rating if determined) for a Borrower, no financial advice or recommendation is provided by LendCap or any other party in relation to any lending opportunity.

## 07 The Lending and Borrowing Process

- › LendCap's website provides details of all lending opportunities currently open for offers by registered Lenders.
- › A dedicated webpage is provided for each lending opportunity, including: a Borrower background report summarising details from the Borrower application; the results of LendCap's preliminary information searches; copies of the Borrower's business and financial details; the proposed loan agreement and any security agreement; and a question-and-answer facility during the offer period.
- › If, following your own independent assessment, you wish to make an offer to fund a loan (wholly or partially), you may do so at any time during the offer period through the LendCap website.
- › If, during the offer period, offered funds total the maximum amount sought, the loan is deemed **fully funded**. This means:

- (a) No further offers from Lenders are accepted.

**(b)** LendCap will inform Lenders by email that they have 7 working days to advise LendCap if they no longer wish to proceed. If no response is received within 7 working days, the Lender will be deemed to have confirmed their Loan and it will become an irrevocable firm Loan.

**(c)** At the expiry of the 7-working-day period, if less than 10% of Lenders withdraw their commitment and the Borrower signs and returns the documentation, LendCap will arrange for the Loan amount to be debited from the Lender's bank account or credit card by the Payment Agent.

**(d)** The loan agreement and (if applicable) security agreement is sent to the Borrower on the disclosed terms. When signed by the Borrower, this forms a legally binding contract between the Borrower and the Security Agent (as bare trustee for and on behalf of the relevant Lenders in proportion to their investments).

**(e)** LendCap or its appointed agent undertakes necessary security registrations against the Borrower.

**(f)** If the Borrower signs and returns the documentation within 2 working days, the loan will be advanced to the Borrower from Lender funds, less all fees or other amounts owing to LendCap by the Borrower.

› If a loan is not fully funded during the offer period, or if the Borrower fails to sign and return documentation within 5 working days, all offers made by Lenders will lapse without being accepted and no funds will be debited.

› Where a loan has been settled, all subsequent Borrower payments and recoveries are held by the Payment Agent on trust for the relevant Lenders. Each Lender is entitled to a proportionate share of all payments and recoveries (net of taxes, fees, and other amounts owing to LendCap) in proportion to their principal and interest.

› LendCap may have arrangements with wholesale investors to provide funding to Borrowers. Those wholesale investors are also Lenders. LendCap's processes ensure that all potential Lenders have access to the same lending opportunity information.

## 08 The Client Funds Account

› The client funds account is an account managed by the Payment Agent with a registered New Zealand bank, legally owned by the Payment Agent on trust for the relevant Lenders. Funds are held separately from any other Payment Agent account.

› Borrowers are required to make all loan repayments of interest and principal to the client funds account. All amounts recovered from Borrowers will be paid into the client funds account.

› Amounts held in the client funds account are pooled with amounts held for other Lenders. Each Lender has an interest proportionate to the amount of principal and interest then due to them. LendCap or its Payment Agent tracks each Lender's balance, current offers, and current transactions.

› Funds in the client funds account may only be used for:

**(a)** Lending to a Borrower as authorised by the relevant Lenders once a loan is settled.

**(b)** Paying fees and other amounts owing to LendCap, the Security Agent, or the Payment Agent.

**(c)** Deducting withholding tax as required by law.

**(d)** Paying proportionate amounts of payments and collections received from a Borrower to the relevant Lenders.

› Payments to the Borrower or Lender from the client funds account are made to the same New Zealand registered bank account from which funds were originally received.

- › Any interest accrued on the client funds account will be proportionally paid by the Payment Agent to the Lender less any applicable fees and/or withholding tax.

## 9 Disclosure Arrangements

LendCap's disclosure arrangements in relation to loans offered through the Service include:

- (a) This Service Disclosure Statement.
- (b) Our Lender Agreement.
- (c) A dedicated webpage for each lending opportunity, as described above.
- (d) An electronic record of all transactions made by you under the Service, made available through LendCap's website or through the Payment Agent's website portal.

- › Our Conflict of Interest Policy requires that we provide disclosure to you if LendCap or anyone associated with LendCap has a direct or indirect interest in any loan or Borrower, including the nature and extent of that interest and any fees above the standard disclosed amount.
- › All fees charged to both Borrowers and Lenders in connection with each lending opportunity — whether direct or indirect and however described — will be disclosed.

## 10 Fees and Charges Payable by Lenders

- › We do not charge any upfront membership fees or ongoing service fees directly to Lenders for using the Service (except as described below).
- › We or our Payment Agent will deduct withholding tax at statutory rates if you are not a New Zealand tax resident, or as otherwise required by law.
- › All costs, expenses, and liabilities incurred in relation to collections services are deducted from relevant payments and collections received from Borrowers, and paid to us before any payments are made to Lenders. Where possible, we will seek to recover such costs from the Borrower.
- › We may introduce new fees and charges in the future, or change existing fees and charges. We will provide advance notice of any such changes. New fees or charges will not apply retrospectively to any existing loans.

## 11 Fees and Charges Payable by Borrowers

- › The fees and charges payable by Borrowers are set out in the Borrower fee schedule and Borrower Terms, and disclosed in the offer information.
- › These fees are deducted from funds received in settled loans (before any payments are made to Borrowers), or from payments or collections received from Borrowers (before any payments are made to Lenders), and are paid to us. All such fees will be disclosed in the loan information.
- › We may introduce new fees and charges, or change existing fees and charges, with advance notice. New fees or charges will not apply retrospectively to any existing loans.

## 12 Restrictions and Interests Regarding LendCap and Its Associates

- › There are no restrictions or prohibitions on LendCap acting as a Lender or Borrower through the Service, or on persons or entities associated with LendCap doing so. However, relevant disclosure obligations will apply under our Conflict of Interest and Code of Conduct Policies.
- › There is no interest held by or in LendCap that may materially adversely impact on our ability to maintain fair, orderly, and transparent systems and procedures for providing the Service.
- › If LendCap or any of its managers, directors, or related parties have an interest in a Borrower or have undertaken any fee-based work for a Borrower, this interest will be disclosed in the Investee Pitch.
- › Armillary Limited (trading as Armillary Private Capital), contracted to provide day-to-day management of Crowdsphere, has the same shareholders as Quadriga Acquisitions Limited, which is a significant shareholder in Crowdsphere. There are no interests in Crowdsphere that may materially adversely impact on its ability to provide the Service fairly and transparently. LendCap has a compliance officer whose role is to monitor compliance with its Licence and internal policies.
- › If a Borrower is a client of Armillary Private Capital, the offer will disclose that Armillary Private Capital has provided and/or continues to provide services to it, has received fees from the Borrower, and may receive some of the fees payable to LendCap upon successful completion of the funding. Armillary Private Capital is the manager of Crowdsphere and related parties hold a 37.5% shareholding in Crowdsphere.

### 13 Monitoring and Collections

- › As part of the Service, LendCap and the Security Agent monitor whether Borrowers are making payments in accordance with their loan agreements. No other ongoing monitoring of Borrowers is carried out unless described in the offer information.
- › Where a Borrower defaults on any payment, LendCap immediately notifies the Borrower and the relevant Lenders and determines whether to take enforcement action. If enforcement action is taken, LendCap (or a third-party collections service provider) will initiate a standard enforcement process. Costs incurred in enforcement actions will be deducted as described in clause 10.3.
- › We are not liable to Lenders for any costs, losses, or liability arising directly or indirectly out of any Lender decision-making or enforcement process, except to the extent caused by our fraud, negligence, or wilful misconduct.

*You may not take any enforcement action yourself against any Borrower, and may not instruct the Security Agent to take any actions against the Borrower on your behalf.*

### 14 Business Termination

- › LendCap has a Business Termination Plan should events arise that prevent it from continuing to operate.

In summary, the Business Termination Plan provides that:

- (a) All current and recently closed Offers will be completed and no further Offers will be activated.
- (b) The Security Agent will continue to hold legal title to the loan and security assets on behalf of Lenders.
- (c) The roles of LendCap and the Security Agent will be offered to third parties to continue to manage on behalf of Lenders.
- (d) If no third party is willing to assume such duties, Lenders will be provided the opportunity to set up their own committee or similar arrangement to manage the Loan until repaid.

- › A copy of LendCap's Business Termination Plan is available upon request.

## 15 Complaints and Dispute Resolution

- › You may make any complaint about the Service in writing using the contact details above. All complaints are managed under our Complaints Handling Procedure, which ensures they are dealt with fairly and in a timely manner.
- › Alternatively, you may make a complaint directly to Financial Services Complaints Limited (FSCL), an independent approved dispute resolution scheme. Contact details: [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz) · Freephone 0800 347 257 · Financial Services Complaints Limited, PO Box 5967, Wellington 6011, New Zealand. Please reference LendCap and provide details of the complaint in writing.

## 16 Provision of Further Information and Documentation

- › Lenders (and associated persons) can request access to personal information held about them by LendCap, in accordance with our Privacy Policy.
- › You are also entitled to request access to copies (or extracts) of any other documents held by us that are relevant to you. Subject to applicable confidentiality, privacy, and legal restrictions, requested relevant documents will be provided within 5 working days of receiving a request.
- › Information can be requested by emailing: [info@lendcap.co.nz](mailto:info@lendcap.co.nz).
- › Our internal operating model, policies, and procedures are confidential and form part of LendCap's intellectual property. These will only be made available to regulators and approved audit bodies upon request.
- › There is no charge for the provision of requested information.

## 17 Changes to This Service Disclosure Statement

- › We may amend, supplement, vary, or replace the terms of this Service Disclosure Statement at any time. We do not need your consent unless the change materially affects the terms of any existing Loans. LendCap will give you notice of any changes. The current form of this Statement will also be available on LendCap's website.

### Lender Confirmation — Agreement to Proceed

You are required to positively confirm your understanding of, and agreement to, this Service Disclosure Statement in order to proceed to join the Service.

**I Agree** — I confirm I have read and understood this Service Disclosure Statement and agree to proceed.

**I Do Not Agree** — I do not wish to proceed and will not use the Service.