

Democratized Prime General Terms and Conditions - Auto Loan Pool Addendum

Auto Loan Pool Addendum

to

Democratized Prime General Terms and Conditions

Last Updated: March 27, 2026

1. Introduction.

This Auto Loan Pool Repo Addendum (this “**Addendum**”) supplements the [Democratized Prime General Terms and Conditions](#) (the “**T&Cs**”). It governs all transactions executed in the Auto Loan Pool (the “**Auto Loan Pool**”) on the Figure Markets Democratized Prime Platform (“**Demo Prime**” or the “**Platform**”) and controls in the event of conflict between this Addendum and the T&Cs.

This Addendum describes a Repurchase Agreement (“**Repo**”) for the Auto Loan Pool. The “**Repo Seller**” is Agora Vehicle Trust 2025-2 (“**Repo Seller**”). The “**Repo Buyers**” consist of lenders that participate through the Platform (“**Repo Buyers**”). Demo Prime Auto Loan Trust (“**Demo Prime Auto Loan Trust**”) acts as Administrative Agent for the Repo Buyers, through its independent Trust Administrator and Liquidation Agent. For each one-hour Settlement Period, the Repo Seller grants a first-priority perfected security interest in designated Auto Collateral to Demo Prime Auto Loan Trust for the ratable benefit of the Repo Buyers, together with a simultaneous obligation to repurchase such interest at the Repurchase Price at the end of the period. The security interest is effectuated through Figure’s digital lien registry (“**DART**”), which records the title transfer on-chain, within its electronic lien registry located on the Provenance Blockchain. The Auto Collateral are generally secured by loans on automobiles. For more information on the Auto Collateral in the Auto Loan Pool, see the Lending Pool page for the Auto Pool on Demo Prime (<https://www.figuremarkets.com/c/democratized-prime/lending-pools/>)

FOR THE AVOIDANCE OF DOUBT, IN THE EVENT OF AN INSOLVENCY BY THE REPO SELLER, ANY PLEDGE TO THE DEMO PRIME AUTO LOAN TRUST WILL BE CONSIDERED A SALE.

2. Definitions.

Capitalized terms not defined herein shall be as defined in the T&Cs. In addition to terms defined elsewhere in this Addendum, the following terms shall have the definitions ascribed to them:

“Advance Rate” means the maximum allowable Repo amount that a Seller can sell to Repo Buyers and shall equal 87.00% with respect to each Eligible Auto Loan; provided, however, that (a) the Advance Rate for any Eligible Loan that is greater than 60 days past due but less than 91 days past due shall mean 43.50% and (b) the Advance Rate for any Eligible Loan that is 91 days or more past due shall mean 0.00%.

“Administrative Agent” means the party acting as agent for the Repo Buyers with the authority to effectuate the Repo Buyers' interests under this Addendum; for the Auto Loan Pool, the Administrative Agent is Demo Prime Auto Loan Trust, which is independently administered by Wilmington Savings Fund Society, FSB (**“WSFS”**).

“Auctions & Pricing” means the hourly Dutch auction, which sets the **“Repo Rate”** for each Settlement Period, where Purchases occur at 00:00 and Repurchases occur at 59:59. The Repo Rate will be reflected as a percentage representing the total annualized appreciation of the Repo if financed at that rate for an entire year.

“Auto Loan” means a closed-end retail installment sale contract or loan agreement evidencing a loan made to a retail obligor for the purchase of a motor vehicle, secured by a first-priority perfected security interest in such motor vehicle.

“Auto Loan Pool Collateral Schedule” means the Collateral Schedule hereto specifying pool-specific parameters for the Auto Loan Pool (settlement currency, LTV Ratios, etc.).

“Automated Paydown” means an automated selection and sale of Collateral conducted by the Liquidation Agent via **“BWIC”** in the name of the Administrative Agent to reduce outstanding Repo Buyer amounts and restore LTV thresholds.

“BWIC” means a ‘bids wanted in competition’ sale process used in liquidations under Sections 5 and 9 of this Addendum, which is administered on Figure’s Connect Marketplace, which is an onchain marketplace for secondary trading of private credit.

“Close-Out Amount” means the netted amount determined at the end of each Settlement Period by the Platform Operator after termination of the transactions in the Auto Loan Pool, which nets out the Repurchase Price, accrued Repo Rate, permitted fees/costs (including Liquidation Agent costs), and realized liquidation proceeds.

“Closing & Records” means records on the Provenance Blockchain which include purchase and repurchase legs, substitutions, LTV determinations and overcollateralization outcomes, liquidations (including BWIC results), and allocations.

“Collateral” means, for any Settlement Period, the Auto Loans and related rights, proceeds, and records pledged to the Auto Loan Pool (via Figure Connect) for such Settlement Period, including substituted Auto Loans and income to the extent provided in the Collateral Schedule and Section 5.

“Collateral Value” means, for each Settlement Period, the value attributed to each Auto Loan for such Settlement Period as reflected on the Provenance Blockchain and recognized by Demo Prime Auto Loan Trust when calculating the overcollateralization of the pool, LTV Ratio, and Purchase Price.

“Custodial/Collections Account” means a segregated bank account or blockchain wallet under the control of the Administrative Agent or the Liquidation Agent, as applicable, for deposit of collections and liquidation proceeds relating to the Collateral.

“DART” means Digital Asset Registration Technologies, Inc. and any successor entity thereto. The system maintained by DART in which data relating to the Purchased Auto Loans is stored and referenced by a hash or other token on the Provenance Blockchain, including, as applicable, any encrypted object store utilized by DART for such purposes.

“Eligibility Criteria” means the loan-level and pool-level parameters for Auto Loans in the Annex (lien position, term, LTV, WA car value, FICO, documentation, geography/concentrations, delinquency/bankruptcy).

“Eligible Collateral” means, for any Settlement Period, an Auto Loan that relates to a financed vehicle located in the United States and satisfies the Eligibility Criteria outlined in the MRA.

“Event of Default” means events leading to a default by the Repo Seller under the MRA (see Sec. 11.1), including failure to pay Repurchase Price; failure to restore LTV Ratio thresholds; breaches of representations and warranties; servicing breaches; insolvency; or illegality.

“Fees” means platform fees for Auto Loan that are computed on Purchase Price per Settlement Period.

“Figure Prime” means Figure Demo Prime LLC, a Delaware limited liability company, the operator of the Platform.

“Governing Law (Auto Loan Pool)” means that Delaware law governs this Addendum and any incorporated MRA (notwithstanding Section 13 of the T&Cs).

“High LTV Ratio” means, for any Settlement Period, 97% LTV. If the Auto Loan Pool breaches this level for any Settlement Period, the Platform will alert the Repo Seller to inform them that they need to add Eligible Collateral or reduce funding.

“Ineligible Collateral” means Auto Loans that do not meet the Eligibility Criteria for the Auto Loan Pool; these Auto Loans are treated as having zero value and may cause LTV Ratio breaches if the Repo Seller does not substitute Eligible Collateral within the window provided in the Auto Loan Collateral Schedule.

“Liquidation Agent” means the agent acting at Demo Prime Auto Loan Trust’s instruction to conduct collateral liquidations for the benefit of Buyers; for the Auto Loan Pool, this will be WSFS.

“LTV Ratio” means, for any Settlement Period, the Purchase Price divided by the value of the Eligible Collateral for such Settlement Period.

“Master Repurchase Agreement (“MRA”) means a repurchase agreement (“Repo”) between Repo Seller, Agora Vehicle Trust 2025-2, and Demo Prime Auto Loan Trust, dated February 24, 2026, as amended effective March 9, 2026, available at on the Figure Markets Disclosures page, incorporated by reference. For the avoidance of

doubt, in the event of a conflict between the terms of the MRA and this Addendum, the terms of this Addendum shall control.

“Maximum LTV Ratio” means, for any Settlement Period, 100% LTV, the ratio where Repo Seller must take action to repurchase or add Eligible Collateral; failure to do so will trigger an Automated Paydown.

“Maximum Pool Rate” means the maximum pool rate set in the Auto Loan Collateral Schedule that applies during a liquidation/Default Event period.

“Platform” means the Democratized Prime decentralized lending marketplace operated by the Platform Operator.

“Platform Operator” means Figure Prime.

“Provenance Blockchain” means the layer one blockchain ledger used to record Auto Loan purchases/repurchases, including applicable motor vehicle authority asset-level information relating to Auto Loans, substitutions, overcollateralization and LTV outcomes, liquidations, and allocations.

“Purchase Price” means the amount paid by Repo Buyers through Demo Prime Auto Loan Trust at the start of a Settlement Period to acquire the security interest in the Auto Loan obligations contained in the Auto Loan Pool, which is equal to Collateral Value × Advance Rate.

“Repo” means, for any Settlement Period, a repurchase agreement financing executed under the MRA and this Addendum, where the Repo Seller grants a perfected security interest to Demo Prime Auto Loan Trust, representing the Repo Buyers, with a repurchase at the end of such Settlement Period.

“Repo Buyer” means a funder participating in the Auto Loan Pool via the Platform; each Repo Buyer receives their ratable share of the Repurchase Price and liquidation proceeds.

“Repo Rate” means the interest rate paid by the Repo Sellers to the Repo Buyers, determined by the Dutch Auction mechanism in Platform for the given Settlement Period.

“Repo Seller” means the party pledging the collateral to Demo Prime Auto Loan Trust and agreeing to repurchase the Auto Loan obligations from the Repo Buyers. For the Auto Loan Pool, this is Agora Vehicle Trust 2025-2.

“Repurchase Date” means for any Repo, the end of the one-hour Settlement Period for such Repo (or later if financing is rolled to the next Settlement Period) when Repo Seller must pay the Repurchase Price.

“Repurchase Price” means for any Repo, the Purchase Price for such Repo plus the Repo Rate accrued during the applicable Settlement Period, plus any applicable fees required to be paid by the Repo Seller.

“Rollover” means, for any Repo and any Settlement Period, the automatic deferral of the Repo to the next succeeding Settlement Period when auction pricing and Repo Buyer funding persist.

“Servicer” means Westlake Services, LLC.

“Settlement Period” means one hour, subject to the occurrence of a Rollover.

“Substitution” means replacement by the Repo Seller of Ineligible Collateral with Eligible Collateral, subject to the approval of the Administrative Agent, to preserve and restore the LTV Ratio to ensure it does not go over the Maximum LTV Ratio.

“Term” means, for each Auto Loan Repo Transaction, the applicable Settlement Period, subject to a Rollover.

“YLDS” means as defined in the T&Cs and is specified in the Auto Loan Collateral Schedule as the permissible settlement asset for Auto Loan.

Interpretation. Section references are to this Addendum only. Any references to variation or maintenance margin in the T&Cs do not apply to Auto Loan.

3. Auto Loan Pool Repo Buyer Eligibility.

By accessing the Platform, each Repo Buyer (i) shall be deemed to have assented electronically to the MRA, the T&Cs and this Addendum prior to transacting in the Auto Loan Pool, and (ii) appoints Demo Prime Auto Loan Trust as Administrative Agent with authority to ensure sufficient overcollateralization, that the Repo Seller has met its reserve requirement outlined in the MRA (for the benefit of the Demo Prime Auto Loan Trust and the Demo Prime Auto Loan Pool), and is within its permissible LTV Ratio. Each Repo Buyer acknowledges that substitution and liquidation will be performed by the Liquidation Agent in the name of the Repo Seller, and accepts that Demo Prime Auto Loan Trust, and its independent administrator, WSFS, act in a ministerial, non-fiduciary capacity unless expressly stated.

4. Payments for Auto Loan Pool.

4.1 Settlement Asset and Currency. Purchases and Repurchases shall settle in the settlement asset specified in the Auto Loan Collateral Schedule. The settlement asset may be a digital asset identified in the T&Cs (which includes the digital asset, YLDS). The settlement asset for fees shall be the same as the settlement asset for the related purchase or repurchase unless otherwise specified in the Auto Loan Collateral Schedule. For the avoidance of doubt, the settlement asset will not be in US currency.

4.2 Day-Count Convention and Accrual. Unless otherwise set forth in the Auto Loan Collateral Schedule, the repurchase rate accrues on an hourly basis over 8,760 Settlement Periods in a non-leap year, and on 8,784 Settlement Periods for a leap year. Accrued Repurchase Amounts are added to the Repurchase Price at the beginning of the next Settlement Period if a Repo is subject to a Rollover.

4.3 Timing of Payments. Purchase Prices are paid at the start of each Settlement Period. Repurchase Prices are paid at the end of such Settlement Period. Where the Repurchase is rolled over to the next Settlement Period, the proceeds of Purchases by replacement Repo

Buyers in the next Settlement Period are applied to the outgoing Repo Buyers at that next Settlement Period.

4.4 Application of Collections. Collections received by the Servicer on the Collateral shall be deposited into the Custodial/Collections Account. Prior to the occurrence of a Default Event, at the end of any Settlement Period the Administrative Agent may apply such collections to cure any shortfall resulting from the LTV being over 100%. Following a Default Event, collections received by the Servicer on the Collateral shall be applied as part of the close-out and liquidation waterfall in accordance with this Addendum and the Auto Loan Collateral Schedule.

4.5 Maximum Pool Rate. During a liquidation or following a Default Event, the rate identified as the Maximum Pool Rate in the Auto Loan Collateral Schedule shall apply in place of the regular Repo Rate until all unpaid amounts are satisfied.

4.6 Taxes and Withholding. Each party is responsible for payment of its own taxes. If any deduction or withholding is required by law from any payment, the paying party shall make such deduction or withholding and shall remit the net amount to the receiving party together with any applicable documentation. No party shall be required to gross-up any payment for taxes unless expressly stated in the Auto Loan Collateral Schedule.

4.7 Set-Off and Netting. The Administrative Agent may apply set-off and effect netting among amounts due to or from the Repo Seller and the Repo Buyers in accordance with this Addendum.

4.8 Fees. Platform fees for the Auto Loan Pool shall be computed on the Purchase Price per Settlement Period as specified in the Auto Loan Collateral Schedule. Fees may include liquidation administration fees payable from liquidation proceeds to the Administrative Agent, the Liquidation Agent, and the Platform Operator (currently there is no liquidation fee). Unless otherwise stated in the Auto Loan Collateral Schedule, fees are due at the time of the related Purchase or upon distribution of liquidation proceeds.

5. Auto Loan Collateral Mechanics.

5.1 Agreement Structure. Auto Loan Transactions for any Settlement Period operate exclusively as repurchase agreements that benefit from a first priority security interest over the Collateral for such Settlement Period. The Repo Seller grants to the Administrative Agent, for the ratable benefit of the Repo Buyers, a first-priority perfected security interest in the Collateral through DART (or other commercially available means for auto loans not within the DART registry). For the avoidance of doubt, no transfer of title to the Collateral to any Repo Buyer occurs under this Addendum.

5.2 Perfection and Recordation (DART and UCC). The pledged security interest granted hereunder is evidenced and perfected by authoritative entries in DART (or other commercially available means for auto loans not within the DART registry) and on the Provenance Blockchain, designating the Administrative Agent's controlled interest for the benefit of the Repo Buyers.

5.3 Maintenance of Perfection. The Repo Seller shall take all actions reasonably requested by the Administrative Agent to maintain the perfection and priority of the pledged security interest granted hereunder, including continuing DART entries (or other commercially available means for auto loans not within the DART registry).

5.4 Substitution to Preserve Overcollateralization. To preserve or restore the LTV Ratio, to ensure that it does not go over the Maximum LTV Ratio, the Repo Seller may substitute Eligible Collateral, subject to approval by the Administrative Agent, within the substitution window and of equal or greater value needed to restore the LTV Ratio to below the Maximum LTV Ratio.

5.5 Automatic Liquidation. Liquidation shall be triggered if the overcollateralization ratio (NWAC / DP Rate) falls below 1.5x at any time the Seller fails to pay any Repurchase Price when due. Upon such breach, the Repo Seller shall have a 48 hour cure period to restore compliance through collateral additions, paydowns, or other approved remediation actions. If the breach is not cured within such period, the Independent Trust Administrator shall have the right to take control of the collateral and liquidate the pool. In a liquidation, the Administrative Agent shall instruct the Liquidation Agent to conduct a commercially reasonable sale of sufficient Collateral, including through a BWIC process. Net proceeds shall be allocated to the Repo Buyers ratably, and any excess proceeds remaining after payment of due amounts and fees shall be returned to the Repo Seller. The shortfall will be prorated to repo buyers relative to the amount of filled assets that they had during the auction cycle that resulted in a shortfall. Unfilled offers will not be included in the calculation.

5.6 Servicing. The Collateral in the Auto Loan Pool will be serviced by the Servicer. The Servicer shall deposit all collections from the Collateral into the Custodial/Collection Account established under Sec. 6.3 of the MRA. The Administrative Agent may direct application of such collections in accordance with this Addendum.

6. Representations and Warranties.

6.1 Representations and Warranties of the Repo Buyer

Each Repo Buyer hereby represents and warrants to the Repo Seller and the Administrative Agent that, as of the start of each Settlement Period for each Repo in respect of the Auto Loan Pool that: (i) the Repo Buyer has full power and authority to enter into the MRA as amended by this Addendum; (ii) each of the MRA and this Addendum constitutes valid and legally binding obligation of the Repo Buyer, enforceable in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and Repo Buyer has all licenses and other regulatory approvals as may be required; (iii) the Repo Buyer has reviewed and understands the terms of the MRA, this Addendum, the T&Cs, the Figure Markets General Terms and Conditions, and understands that while the Repos are supported by the Collateral specific to the Auto Loan Pool; (iv) the Repo Buyer hereby confirms that each Repo is being funded by the Repo Buyer for the Repo Buyer's own account, not as a nominee or agent of any other Person; (v) the Repo Buyer is not relying upon any Person (other than the information made available on the Platform) in making or funding any Repo; (vi) Repo Buyer has not relied on Figure, the Repo Seller, or any other person or entity, or any of their respective representatives for tax, legal, financial or other advice.

6.2 Representations and Warranties of the Repo Seller

Repo Seller represents and warrants to the Repo Buyer that, as of the start of each Settlement Period for each Repo in respect of the Auto Loan Pool: (i) Repo Seller is the sole beneficial owner and holder of any Collateral, and the rights to that Collateral are not assigned or pledged

to any other Person; (ii) Repo Seller has good, indefeasible and marketable title to such Eligible Collateral and has full right and authority, subject to no interest or participation of, or agreement with any other person, to pledge, hypothecate, transfer, assign and sell or liquidate such Collateral to the Repo Buyer; (iii) the execution, delivery and performance of the Repo by the Repo Seller to the Repo Buyer (including any applicable Transaction Confirmation and all other instruments of transfer to be delivered in connection therewith) and the consummation of the transactions contemplated thereby will have been duly and validly authorized; (iv) any documentation executed in connection with the Repo shall be the legal, valid, binding and enforceable obligation of the Repo Seller, except as limited by applicable bankruptcy, insolvency or other similar laws affecting creditors' rights generally or general equitable principles; and (v) that Repo Seller will remedy any breaches of LTV thresholds via buyback or substitution within the periods set out in this Addendum.

6.3 Representations and Warranties of the Administrative Agent

The Administrative Agent hereby represents and warrants to the Repo Seller that: (i) the Administrative Agent is duly organized, validly existing and in good standing in its jurisdiction of organization; and (ii) the Administrative Agent has the corporate power and authority to transact the business it transacts, to execute and deliver this Addendum and to perform the provisions herein and thereof.

7. Risk Disclosure.

New initiatives like Democratized Prime are inherently unpredictable and risky, which Repo Buyer acknowledges when agreeing to transact on the Democratized Prime Platform. The Democratized Prime Platform utilizes smart contracts, auctions, and collateral management. Risks explicitly tied to its structure include:

- Collateral volatility and liquidity
- Pre-determined over-collateralization requirements
- Dutch auction model volatility
- Smart contract liquidation if loan-to-value ratios are breached
- Technological failures
- Fraudulent transaction activity

New products or services, such as Democratized Prime, may raise new and potentially complex regulatory compliance obligations, which may cause Democratized Prime to be changed in unexpected ways. Repo Buyers acknowledge and agree that their decision to participate and the determination of the desired rate are based entirely on their own independent analyses and assessment of all relevant factors, taking into account, at a minimum, a combination of (i) the liquidity of the Collateral, (ii) the volatility of the Collateral, (iii) the over-collateralization amount, and (iv) the quality of the Collateral.

Risks specific to the Auto Loan Pool include but are not limited to consumer borrowing and servicing performance, Auto Loan prepayment/refinance risk, legal and lien certificate defects, valuation and model risk, BWIC price realization risk, and basis, regulatory and bankruptcy law risks related to the use of YLDS as a settlement asset. No variation margin is used in this structure, requiring the overcollateralization of the Auto Loan Pool to remain sufficient or liquidation will occur.

The Auto Loan Collateral consists primarily of Auto Loans made to subprime and near prime borrowers originated by various third party Originators under lending programs designed to serve consumers who have limited access to traditional motor vehicle financing. There is a high degree of risk associated with subprime and near prime borrowers. The typical subprime and near prime borrower may have had previous financial difficulties or a limited credit history. Because the Receivables were made to consumers who are unable to meet the credit standards imposed by most traditional motor vehicle financing services, an Originator may charge interest on the Receivables at higher rates than those charged by many traditional financing sources.

Subprime and near prime Auto Loans such as those serving as Collateral therefore entail relatively higher risk and may experience higher levels of delinquencies, defaults, and net losses than prime Auto Loans. The performance of the Auto Loans will depend on a number of factors, including general economic conditions, employment levels, the circumstances of individual borrowers, underwriting standards at origination and the success of servicing and collection strategies. Consequently, no accurate prediction can be made of how the Auto Loans will perform based on credit bureau scores or other similar measures.

8. Limitations on Liability.

Repo Buyer understands and agrees that it is solely responsible for any losses, claims or disputes, whether direct or indirect or realized or unrealized, incurred in connection with Repo Buyer's account activities and during or as a result of an Automatic Liquidation. Repo Buyer further understands and agrees that under no circumstances is Figure or its affiliates liable for 'lost' expectation of profits or any other indirect or consequential damages. Repo Buyer further understands the limited role of Figure Prime as the operator of the Platform and acknowledges the limitation of liability terms contained in the General Terms of Service (<https://www.figure.com/terms/>).

9. Termination.

The Repo Buyer's participation in the Auto Loan Pool and all rights thereto may be terminated at the sole discretion of Figure Prime. The Repo Buyer's access to the Auto Loan Pool shall be terminated immediately upon the closing of Repo Buyer's Figure Markets Exchange Account by (i) Repo Buyer, (ii) Figure Markets, (iii) Figure Prime, or (iv) another entity. The Addendum can also be terminated upon written notice by Figure Markets if Figure Markets discontinues Democratized Prime, regardless of the reasons therefor. In all cases of termination under this section, Repo Buyer is not entitled to receive any interest in regard to Democratized Prime that accrued during the active Settlement Period at the time of termination, and such interest will not be credited to Repo Buyer's Figure Markets Exchange Account.

Repo Buyer shall be entitled to recover the remaining balance of digital assets and accrued interest thereon, if applicable, unless Figure Prime is prohibited from releasing such assets and interest by applicable law or court order, including, but not limited to instances where Figure Markets reasonably suspects the digital assets or the funds with which such assets were obtained were acquired through fraud, unlawful means, provided by a person or entity subject to applicable sanctions programs, or are connected to criminal activities. Certain limitations may apply, as indicated in the Figure Markets Exchange Account and on the Platform, subject to revision from time to time, in Figure's sole and absolute discretion.

The termination of this Addendum shall not prevent any Party from seeking any remedies against another Party for any breach of this Addendum occurring prior to termination.

10. Notices.

10.1 Notices and Communications

Figure Prime may deliver notices to Repo Buyer by mail, at the most recent address Figure Markets has on file for Repo Buyer, or if Repo Buyer has consented to electronic communications, by e-mail or any other electronic method to which Repo Buyer has consented. Repo Buyer authorizes Figure Prime or its designee to contact Repo Buyer using the contact information that Repo Buyer has provided. Unless prohibited by applicable law, Figure Prime may (i) contact Repo Buyer using an autodialer, text message, or prerecorded message, at any phone number the Repo Buyer has provided, including any mobile phone number; (ii) contact Repo Buyer at any address in Figure Markets' records or public or nonpublic databases; or (iii) contact other people who may provide employment, location or contact information for Repo Buyer.

10.2 Cooperation with Regulatory Authorities

The Repo Seller and Repo Buyer acknowledge and agree that any information provided in connection with this Addendum, including but not limited to personal, financial, and transactional data, may be disclosed to regulatory authorities as required by applicable laws, regulations, or legal processes. Such disclosures may be made without prior notice to the Repo Seller or Repo Buyer, to the extent permitted or required by law, in order to comply with regulatory obligations, investigations, or reporting requirements.

11. Governing Law and Jurisdiction.

11.1 Choice of Law

THIS ADDENDUM SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

12. Arbitration Agreement.

This is an agreement to arbitrate Claims (as defined below) that may arise as a result of the Repo or this Addendum. Read this agreement to arbitrate carefully. If a dispute arises that is covered by this agreement to arbitrate, the Parties may be required to resolve the dispute through binding arbitration. This means that a Party will not be able to have the dispute resolved by trial or before a jury. Other rights that a Party would have if the Parties resolved the matter through litigation may not be available or may be more limited in arbitration, including a Party's right to appeal.

In consideration for Repo Buyer's willingness to extend Repo Seller the Repo described in this Addendum, and the Marketplace Operator's willingness to provide an operating platform to conduct transactions, the Parties mutually agree as follows:

Any claim, dispute or controversy (“**Claim**”) by either Repo Seller or Repo Buyer against the other or against the Marketplace Operator arising from or relating in any way to this Addendum or a Repo, shall, at the demand of any Party, be resolved by binding arbitration by a single arbitrator who shall be an attorney or retired judge.

“**Binding arbitration**” means an arbitration proceeding according to the rules of either JAMS or the American Arbitration Association (each referred to herein as the “**Arbitration Association**”). Repo Seller may select which of these Arbitration Associations to use. If Repo Seller fails to select the Arbitration Association within 45 days from either the date the Marketplace Operator receives from Repo Seller a demand for arbitration or the date Repo Seller receives a demand for arbitration from Marketplace Operator or a Party, Figure will choose one. Any arbitration proceeding will take place at a location within the federal judicial district that includes Repo Seller’s address in the Marketplace Operator’s records for Repo Seller’s Repo at the time the Claim is filed or at any other mutually acceptable location. Any party to the arbitration proceeding may enter judgment upon the arbitration award in any court having jurisdiction over the arbitration award and may have that judgment enforced by any court having jurisdiction over that judgment.

A demand for arbitration under this agreement to arbitrate may be made either before or after a lawsuit or other legal proceeding begins. Neither Repo Seller nor Figure waive the right to arbitrate by filing suit or seeking or obtaining provisional remedies from a court. However, any demand for arbitration that is made after a lawsuit or other legal proceeding has begun must be made within 90 days following the receipt of (i) service of a complaint, (ii) third-party complaint, (iii) cross-claim or counterclaim, or (v) any answer thereto or any amendment to any of the above, whichever is received by the Party first.

This agreement to arbitrate includes all controversies and disputes of any kind between or among the Parties and/or Marketplace Operator. It also includes any disputes a Party may have with the Administrative Agent, Trust Administrator, contractors, employees, officers or assignees or any third party that has been involved or becomes involved with, any activity relating to a Repo or this Addendum (including any such third party that has not signed this Addendum), and for purposes of this agreement to arbitrate the words “we,” “us” and “our” include any and all such third parties.

The Claims covered by this agreement to arbitrate include, without limitation:

- Any disputes regarding the enforceability of this agreement to arbitrate or any other aspect of this entire Addendum;
- Any disputes regarding: the application Repo Seller submitted in connection with a Repo; any solicitation or advertising materials or disclosures Repo Seller received in connection with this Repo; Repo Seller’s acceptance of this Repo; any activities, action or inaction relating to the disbursement, maintenance or servicing of Repo Seller’s Repo (whether based on statute, contract, tort or any other legal theory); and any funds held by the Marketplace Operator, Trust (or its designee), or Administrative Agent in connection with Repo Seller’s Repo;
- Any disputes arising from the collection of amounts Repo Seller owes in connection with Repo Seller’s Repo;
- Any disputes regarding information obtained by us from, or reported by us to, credit bureaus or others.

IMPORTANT: NO PARTY WILL HAVE THE RIGHT TO A JURY TRIAL, TO ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED IN THE APPLICABLE ARBITRATION ASSOCIATION'S RULES, OR OTHERWISE TO LITIGATE THE CLAIM IN ANY COURT (OTHER THAN IN AN ACTION TO ENFORCE THE ARBITRATOR'S AWARD).

FURTHER, NO PARTY WILL HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION. THE ARBITRATOR SHALL HAVE NO AUTHORITY TO ARBITRATE CLAIMS ON A CLASS ACTION BASIS AND CLAIMS BROUGHT BY A PARTY MAY NOT BE JOINED OR CONSOLIDATED WITH CLAIMS BROUGHT BY OR AGAINST ANY OTHER PERSON. (THIS IS CALLED THE "**CLASS ACTION WAIVER**".) OTHER RIGHTS THAT A PARTY WOULD HAVE IN COURT ALSO MAY NOT BE AVAILABLE IN ARBITRATION.

GOVERNING LAW: The Parties agree that the transactions subject to this agreement to arbitrate involve interstate commerce. Consequently, this agreement to arbitrate shall be governed solely by and enforceable under the Federal Arbitration Act, 9 USC Section 1 et seq.

- The cost of any arbitration proceeding shall be divided as follows:
- The Party requesting the arbitration proceeding shall pay to the Arbitration Association an amount up to \$200.00 when the demand for arbitration is made.
- The Marketplace Operator, Administrative Agent, or Trust Administrator will pay to the Arbitration Association all other costs for the arbitration proceeding up to a maximum of one day (eight hours) of hearings;
- All costs of the arbitration proceeding that exceed one day of hearings will be paid by the non-prevailing Party unless otherwise required by applicable rules of the Arbitration Association, applicable law, or by the arbitrator's decision; and
- Each Party shall pay its own attorney, expert and witness fees and expenses, unless otherwise required by law or by the arbitrator's decision.

Notwithstanding the foregoing, if a Party believes the cost of arbitration may be too burdensome, such Party may seek a waiver of the filing fee and any other charges of the Arbitration Association under applicable rules of the Arbitration Association. If a Party seeks, but does not qualify for such a waiver, the other Party may consider a written request from such Party to advance all or part of the filing fee.

The arbitrator will be required to follow relevant law and applicable judicial precedent to arrive at a decision, and to apply all applicable statutes of limitation. The arbitrator shall have the authority to award in favor of the individual Party seeking relief all remedies permitted by applicable substantive law, including, without limitation, compensatory, statutory and punitive damages (subject to constitutional limits that would apply in court), and attorneys' fees and costs (subject to any applicable limits that would apply in court). In addition, the arbitrator may award declaratory or injunctive relief only in favor of the individual Party seeking relief and only to the extent necessary to provide relief warranted in that Party's individual Claim. If the arbitrator determines that any Claim or defense is frivolous or wrongfully intended to oppress the other Party, the arbitrator may award sanctions in the form of fees and expenses reasonably incurred by the other Party (including arbitration administration fees, arbitrator's fees, and attorney, expert and witness fees), to the extent such fees and expenses could be imposed under Rule 11 of the Federal Rules of Civil Procedure.

The arbitrator's decision shall be in writing and shall include a concise explanation of the basis of the arbitrator's decision. The arbitrator's decision shall become final and binding after 30 days unless the Marketplace Operator, Demo Prime 1 Trust, Administrative Agent, Trust Administrator or a Party, takes an appeal from the decision by making a written request to the Arbitration Association. The appeal panel, which will consist of three arbitrators who shall be attorneys or retired judges, will consider all factual and legal issues anew, will conduct the appeal in the same manner as the initial arbitration, and will make decisions based on the vote of the majority. The Party requesting the appeal shall pay all costs of the appeal process, except that each Party shall pay its own attorney, expert, and witness fees and expenses unless otherwise required by law. The panel's decision shall be final and binding, and shall be in writing and include a concise explanation of the basis of the panel's decision. The parties shall maintain the confidential nature of the arbitration proceeding and the arbitrator's or panel's decision, except as may be necessary to prepare for or conduct the arbitration proceeding on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an arbitration decision or its enforcement, or unless otherwise required by law or judicial decision.

Unless properly rejected by a Party as described below, this agreement to arbitrate shall survive full payment of a Repo, the sale or transfer of a Repo, bankruptcy or insolvency, any forbearance or modification of a Repo, and any termination of a Repo or this Addendum.

If any provision of this agreement to arbitrate other than the Class Action Waiver described above should be found invalid or unenforceable by a court or arbitrator, such a determination shall not affect the enforceability of the remaining provisions of this Section 13, which shall remain and continue in full force and effect. However, if the Class Action Waiver described above is found by a court or arbitrator to be unenforceable, the remainder of this agreement to arbitrate shall be unenforceable.

Repo Seller may contact the Arbitration Associations listed below to obtain information about arbitration, arbitration procedures and fees by calling the telephone numbers or going to their Internet websites indicated below:

JAMS American Arbitration Association 18881 Von Karman Avenue 120 Broadway,
Floor 21 Suite 350 New York, NY 10271 Irvine, CA 92612 www.asdr.org 800-352-5267
or 949-224-1810 www.jamsadr.com

13. Miscellaneous.

13.1 Entire Agreement

This Addendum and any other terms, conditions, or documents expressly referenced above contain the entire agreement and understanding between the Parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements, and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. Any ambiguity in the interpretation of these Addendum terms shall not be construed against the Party responsible for their drafting.

This Addendum may be executed electronically in one or more counterparts and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed to be an original; such counterparts, together, shall constitute one and the same agreement. The words "execution," "signed", "signature," and words of like import in this Addendum or in any other certificate, agreement or document related to this Addendum shall include images of manually executed signatures and other electronic signatures (including, without limitation, DocuSign and AdobeSign). The use of electronic signatures and electronic records (including, without limitation, any contract or other record created, generated, sent, communicated, received, or stored by electronic means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the Nevada Electronic Transactions (Uniform Act) and any other applicable law, including, without limitation, the Uniform Commercial Code.

13.2 Severability

Except as specifically provided in the agreement to arbitrate, if any provision of this Addendum is determined to be invalid or unenforceable, the other provisions of this Addendum remain in full force and effect, and to the extent permitted and possible, the invalid or unenforceable provisions will be deemed replaced by provisions that are valid and enforceable and that come closest to expressing the intention of the invalid or unenforceable provisions.

13.3 No Waiver

A delay or failure by the Marketplace Operator, Demo Prime 1 Trust, the Trust Administrator or the Administrative Agent to exercise any of their rights under this Addendum or applicable law is not a waiver of their rights. Any waiver by any of them of any provision of this Addendum on any one occasion will not be a waiver on any other occasion.

Auto Loan Pool Collateral Schedule

Collateral Asset Category	Obligations arising under Auto loans
Eligibility Criteria	Non-delinquent Auto Loans (less than 60 days past due)
Maximum LTV Ratio	<p>100% of the lesser of the amount lent to the consumer by the Repo Seller or the agreed-upon value of the Financed Vehicle + Approved Accessories (as defined by the MRA).</p> <p>Liquidation shall be triggered if the overcollateralization ratio (NWAC / DP Rate) falls below 1.5x at any time. Upon such breach, the Repo Seller shall have a 48 hour cure period to restore compliance through collateral additions, paydowns, or other approved remediation actions. If the breach is not cured within such period, the lender Independent Trust Administrator shall have the right to take control of the collateral and liquidate the pool.</p>
Cure Period	48 hours
Advance Rate	<p>“Advance Rate” means the maximum allowable Repo amount that a Seller can sell to Repo Buyers and shall equal 87.00% with respect to each Eligible Auto Loan; provided, however, that (a) the Advance Rate for any Eligible Loan that is greater than 60 days past due but less than 91 days past due shall mean 43.50% and (b) the Advance Rate for any Eligible Loan that is 91 days or more past due shall mean 0.00%.</p>
Maximum Pool Rate	30%
Platform Fee (paid by Borrower)	100bps (1%) annualized of the Purchase Price
Collateral Substitution Window	1 Business Day (following the Collateral becoming Ineligible Collateral)
Asset Type for Borrowing and Lending Activities	\$YLDS

Collateral Asset Category Specific Disclosures

Auto Loan Pool:

1. The Repo Buyer acknowledges and agrees that the Auto Loans comprising the applicable loan pool may serve as collateral in connection with Repo arrangements offered through the Platform. The designation of such Repos as collateral does not constitute a guarantee of repayment or performance.
2. Repo Buyers understand and accept that repayment of any obligations secured by such collateral is dependent upon the continued performance of the underlying loans and the enforceability of the related collateral arrangements. The value of the collateralized loan pool may fluctuate due to borrower defaults, prepayments, variations in interest rates, or other market and credit factors.
3. In the event of default, or liquidation of the Auto Loan Pool, proceeds realized from such collateral may be insufficient to satisfy all outstanding obligations. Figure, its affiliates, and service providers make no representation, warranty, or covenant, express or implied, as to the collectability, market value, or sufficiency of the collateral.

Important information and risk disclosures regarding the aggregated Auto Loan Credit Profiles within the loan pool can be found in the Collateral description section of the Lending Pool page for the Auto Loan Pool on Democratized Prime.

YLDS Disclaimer

Investment Products: Not FDIC Insured, No Bank Guarantee, May Lose Value.

YLDS Stablecoins are unsecured face-amount certificates and solely backed by the assets of Figure Certificate Company (FCC), who is the issuer of the certificates. As a subsidiary of Figure Markets Holdings, Inc., FCC is (absent exclusion or exemption) required to comply with certain limits on its activity, including investment and/or trading limitations on its portfolio and other limitations under applicable banking and securities laws. FCC is not a bank, and the securities it offers are not deposits or obligations of, or backed or guaranteed or endorsed by, any bank or financial institution, nor are they insured by the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board or any other agency. The Certificates are not an insurance company product, an equity investment, or an investment in a money market mutual fund. FCC's qualified assets on deposit may exceed the deposit amounts required by applicable regulations. If there are losses on FCC's assets, FCC may not have sufficient resources to meet its obligations, including making interest and/or principal payments on certificates. Most of FCC's assets are debt securities and are subject to risks including credit risk, interest rate risk and prepayment and extension risk. You could lose money by investing in the Stablecoin. Although the Stablecoins seek to preserve the value of your investment at \$0.01 per share, it cannot guarantee it will do so. You should consider the investment objectives, risks, charges and expenses of certificates carefully before investing. Download a free prospectus, which contains this and other important information about FCC's certificates. Read the prospectus carefully before you invest. Figure Certificate Company Prospectus available [here](#).

Interest rate applicable to all Certificates is the overnight Secured Overnight Financing Rate ("SOFR") less 35 basis points, with a minimum rate of 0.00%. SOFR stands for the Secured Overnight Financing Rate (SOFR), which is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. For more information, please visit the Federal Reserve Bank of New York's Website by clicking [here](#).

FCC will collect certain information about you that helps FCC comply with various securities regulations and rules and the USA PATRIOT Act, a Federal law that requires all investment companies to obtain, verify, and record information that identifies each applicant. Please note: if FCC cannot verify the information you provide, FCC will be required to restrict or deny your account.

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