

POWER of attorney of the victim to the

Initiative to combat cybercrime against consumers and retail investors in Europe

(English: **EFRI European Funds Recovery Initiative**), idF EFRI

issued by

NAME AND ADDRESS

Mail:.....

1. Activities of **EFRI**:

1.1. Goal

EFRI represents the interests of harmed victims of fraud, in particular in the case of cybercrime and investor fraud, bundles the injured parties to jointly finance the prosecution of claims by authorised party representatives, obtains the necessary information and tries to reduce the costs of enforcing the individual's claims through the action of a group.

1.2. EFRI activities in detail

I. Case preparation and data collection

- a) Bundling of investor information and examination of claims
- b) Identification of contributors
- c) Contact with authorities (public prosecutor's offices, supervisory authorities)
- d) Collection of file transcripts

II. Claim Evaluation

- e) Development of claim bases
- f) Obtaining preliminary expert opinions from lawyers for a discounted fee with a success surcharge agreement.
- g) Data forwarding to any legal expenses insurers
- h) Search for litigation financing under quota -litis conditions (profit-sharing)

III. Claim Enforcement

- a) Engaging of lawyers and authorized party representatives on behalf of the injured parties to private party connections, civil actions and victim representations
- b) Assistance to the lawyers and the litigation funders by means of computer-supported data preparation of the documents per injured person and the amounts of damage per victim in order to reduce the representation fees

IV: Income statement

- c) Calculation of the quotas accruing to injured parties
- d) Calculation of the fees of the party representatives including profit-sharing and their control
- e) Calculation of the profit-sharing of the litigation funder

- f) Processing of comparisons and recommendation for their content
- g) Determination and achievement of majority decisions of the investors and victims concerned

V: **Public Relations**

- a) Representation of the modus operandi of the perpetrators
- b) Warning from investors
- c) Recommendations for crime prevention
- d) Presentation of already conspicuous organizations

VI: **Social compensation**

Endowment of a voluntary social fund for the costs of representation in special cases of hardship

VII. **Submission of positions on legislative proposals**

VIII: **Work of the authorities**

Assistance for the cross-border coordination of authorities, bodies and the media.

2. **Power of attorney of the victims to the association**

The power of attorney issued herewith includes in particular the representation by the association or by the latter on behalf of the sub-authorized lawyers (insofar as the representation by lawyers is required by law or otherwise seems reasonable)

(a) communication with law enforcement authorities in connection with the claims of the EFRI-members/victims

(b) the submission of anti-money laundering complaints to the competent authorities for the payment service providers involved in the fraud systems and against fraudsters.

(c) to obtain copies of files and documents for the examination of the cases for proportionate costs to be borne by the injured parties of the fees and copy costs and fees for filing claims in insolvency proceedings to be borne by the injured parties, to allocate as favourably as possible to all injured parties as **cash expenses**.

(d) communication with the financial market authorities.

e) the assertion of the claims of the EFRI-member/victim against all companies involved in the above fraud system.

f) all other measures that the power of attorney holder deems appropriate to defend the rights of the EFRI-member, except for all those agendas that can only be carried out by lawyers.

g) Points a) to f) take place within the framework of the statutory provisions and are not to be understood as legal advice, for legal advice and party representation we will – if necessary – call in lawyers for legal advice and representation as authorized on behalf of the injured party and reward them within the framework of the legal financing to be mediated or legal protection coverage obtained or otherwise at the expense of the association.

3. **Costs: The power of attorney bears (in principle only) the following costs**

3.1. The one-time membership fee of € 75, -.

3.2. The proportionate and in the case of many injured parties, greatly reduced, criminal file copy costs and court fees for filing claims in insolvency proceedings (if necessary).

3.3. The costs of the litigation funding company to be mediated by the association without any guarantee of success according to a share due to this due share of approx. 15-35 % of the refunded amount (net of expenses) in the event of success (= successful and recoverable amount minus costs)

3.4. proportionate representation costs of authorized party representatives, insofar as these are not covered by the legal expense's insurance of the injured party and no litigation funder could be found.

Attention: In addition to registration and file transcription costs as well as the membership fee, the EFRI-member/victim may never incur costs that are not at least covered by his legal expenses insurance or the amounts made collectible, except in the case of false information provided by the EFRI-member/victim.

3.6 The costs for the preparation of the documents including the administration of the information and other expenses incurred - the association may invoice the commissioned legal representatives as reasonable costs of taking over this activity up to an upper limit of 10% of the net reality. The commissioning of members of the EFRI association with the drafting of expert opinions by the authorized representatives of the power of attorney holder is permissible if his/her fee is at least 20% below the amount of other reasonable fee rates and there are no conflicts of interest.

4. Power of attorney conditions

4.1. The power of attorney holder must exercise the power of attorney in such a way that it corresponds to the best interests of the EFRI-member and all relevant laws in all respects and must act exclusively in the interest of the EFRI-victim/member. In any case, the power of attorney holder and authorized legal representative is entitled to make settlements or legal acts if the injured party agrees or, in the case of framework agreements for an entire group of similarly injured parties, the majority (majority of heads and damages) agrees to the proposed act.

4.2. The power of attorney holder may transfer the power of attorney in whole or in part to a lawyer or otherwise appoint sub-agents without the prior consent of the EFRI-member/victim.

4.3. This power of attorney shall remain effective until full or final partial reimbursement of the investment or compensation for the damage or until written dissolution (termination) by one of the contracting parties. If the EFRI-member/victim terminates the EFRI-member/victim before a realist could be achieved, he must reimburse the aliquot costs incurred up to the time of termination.

Any litigation funding is generally provided against assignment of an amount up to a maximum of 35% of the proceeds from litigation or settlements about the claims of the client from the respectively financed litigation group. This also includes the reimbursement of EFRI's expenses in the preparation and preparation of claims, the procurement of information and participation in various proceedings and agreement on appropriate contingency fees for the representing lawyers, experts and experts and cash expenses.

4.4. The EFRI member additionally declares:

that he **would not have pursued the claim for cost reasons without litigation financing or legal protection coverage** and therefore any overall positive result after deduction of costs is accepted by him as an improvement.

4.5. The **EFRI-member acknowledges** that EFRI relies on the accuracy and completeness of the **information provided by the EFRI-member**

The EFRI-member shall bear the resulting costs and fees if his information was untrue.

4.6. If a case is lost or if the enforcement or submission is hopeless or cannot be pursued in a meaningful manner in the dutiful assessment of the commissioned lawyer in the sense of a predominantly positive chance of litigation, the further prosecution of the claims can be discontinued.

4.7. EFRI has sole decision on the selection of lawyer to be engaged and possibly to be engaged lawyer to be approved by the litigation funder, and will coordinate his procedure, in particular his negotiation tactics or negotiation strategy regarding the similar cases. EFRI may influence the amount of a possible settlement rate in the event of an agreement with the defendant, whereby the EFRI-member/victim is obliged ex tunc (from the beginning also regarding costs already borne) in the event of any other loss of the right to litigation financing, in the amount proposed by the litigation funder or the legal representative, if

- a) in the opinion of the commissioned lawyer, this seems reasonable due to the nature of the case, or
- b) most victims have agreed to the settlement based on heads and damage amounts of similar claims, or
- c) due to the collectability of the claim in further litigation or due to exhaustion of coverage amounts of the liability insurer of the defendant, this seems feasible, or
- d) the investor agrees or does not object to it in writing within 14 days of the written announcement of the settlement proposal or the intended action.

4.8. A consulting service of the power of attorney by EFRI itself is not owed. Any liability of EFRI for the selection and legally friendly representation of the authorized lawyer is expressly excluded.

4.9. The victim is obliged to support EFRI, or the lawyer appointed by EFRI to the best of his ability and knowledge and to provide all information requested by them truthfully and to exclude all necessary documents and other evidence – even unsolicited – from appearing in court and testifying as a party.

4.10. The victim/EFRI-member is not entitled to waive his material or formal claims without prior express agreement with EFRI; restrict or extend them; to conclude an unconditional (irrevocable) settlement or to revoke a conditionally concluded settlement, to recognize counterclaims, to raise appeals, to withdraw or waive appeals already filed or to waive appeals or otherwise to take or have taken cost-increasing measures of a procedural or non-procedural nature.

5. Termination of this Agreement:

EFRI may terminate this agreement by written declaration to the EFRI-member/victim with immediate effect if further prosecution of the claims of the victim/EFRI-member no longer appears to be predominantly promising, due to interim decisions of the courts or negative decisions of the courts in similar parallel proceedings, already existing unfavorable evidence results,

If, after termination, the EFRI-member/victim pursues his claims or part of his claims himself or has them pursued, he is obliged to reimburse the costs and cash expenses assumed by EFRI in the event

of complete or partial success. This shall also apply if he assigns his claim to a third party for the purpose of asserting the claim.

6. Termination by the EFRI-member/victim

The EFRI-member/victim is only entitled to terminate this agreement for important reasons – exclusively due to grossly culpable or intentional breaches of contract by EFRI. In this case, EFRI shall bear all costs accrued up to the time of termination within the meaning of point 3. However, if the contractual partner, then pursues his claims or part of his claims himself or has them pursued, he is obliged to make a full or partial refund to EFRI in the event of total or partial reimbursement of the costs and cash expenses assumed by EFRI. This shall also apply if he assigns his claim to a third party for the purpose of asserting the claim.

7. Data protection agreement

The EFRI-member/victim shall at any time revocably authorize EFRI as well as the litigation funder or the legal expenses insurer and the appointed lawyer to store, record, process and forward to each other the investor's data as well as the investor's procedural data relevant to him and the documents and documents and protocols on which they are based and to submit them as evidence to the authorities and courts. The EFRI-member agrees that the data of the injured parties will be transmitted by the association via EDP to the courts (e.g., for the award of precisely calculated damages in criminal proceedings) and lawyers for the fee-saving simplification of the lawsuit and of private party connections and for the registration of claims. With the granting of the power of attorney to EFRI, the association is also granted an express release from banking secrecy or other confidentiality obligations in accordance with the relevant provisions of the Banking Act, the WAG or the WTBO, or other laws, which can be revoked at any time.

8. Attention: EFRI is neither a litigation funder nor a legal advisor and only tries to achieve cost advantages for the injured parties and cost advantages in the costs of lawyers by bundling the claims and the preparation of data and documents.

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Signature of the EFRI-member

EFRI Power of Attorney

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Signature of the board of EFRI

EFRI Power of Attorney

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