

# Terms and Conditions of Using the Crowdberry Service

## Consent and Declaration of a Binding Contract

Please, read carefully these Terms and Conditions of Using the Crowdberry Service (hereinafter the "**Terms and Conditions**") before you start using this webpage (defined hereinbelow). This webpage and Crowdberry Service are operated and provided by the company Crowdberry a.s., having its registered office at Galvaniho 17/B, 821 04, IČO (Organisation Identification Number): 48 236 993, entered in the Business Register of the District Court Bratislava I, Section: Sa, Insert No.: 6178/B, contact: info@crowdberry.sk (hereinafter the "**Provider**", as well as "**we/us**"). By the very fact of using this webpage, Platform or Crowdberry Service **You accept and give your consent to the formation of a contract between You as the User** (hereinafter the "**User**", as well as "**You**") **and the Provider of the webpage and Crowdberry Service subject to these Terms and Conditions and agree that you are bound by these Terms and Conditions and you will abide by them.**

On performing certain further legal acts and meeting conditions described hereunder You may contract with third persons via the Crowdberry Service on the Webpage. If you disagree with these Terms and Conditions, you are disallowed to use the Webpage, set up an account on the Platform and to use both the Platform and the Crowdberry Service. Unless different separate terms and conditions are agreed in writing, these Terms and Conditions shall be standard and binding on both Users and the Provider. The Crowdberry Service may only be used by a person possessing legal capacity.

## 1. Definitions of Concepts

The following definitions of concepts shall apply for the purposes hereof:

- 1.1 The Crowdberry Service** (hereinafter the "**Crowdberry**") includes access to the Webpage for Visitors and access to the Platform for Users – Entrepreneurs and Investors, evaluation of the Companies' quality and displaying Companies whose quality has been assessed in accordance with these Terms and Conditions, providing access to investments into Companies, supporting investments into Companies and other services described hereunder.
- 1.2 User** is a person who uses the Platform via a User Account on the Platform, and is bound by these Terms and Conditions, and on meeting them may become an Investor or an Entrepreneur (as defined herein).
- 1.3 Visitor** is anyone who visits or searches the Webpage and is bound by these Terms and Conditions. The same rights and duties shall apply to a Visitor as to a User, except for those rights and duties that are made conditional on setting up a User Account and legal acts associated therewith.
- 1.4 Company** is an existing or a newly-created business corporation – a limited liability company, a joint stock company or another suitable form of a capital company offering to Investors an opportunity to acquire an interest therein or its shares by undertaking a Commitment to deposit new funds or subscribing new shares.
- 1.5 User Account** is a User's account, by way of which the User accesses the Platform, with two types of User Account in existence: for Investors and for Entrepreneurs (Companies).
- 1.6 Investor** is a User who had undertaken to make an Investment (to invest) into a Company.
- 1.7 Entrepreneur** is a User, who is a Company's executive or authorised representative, who must be authorised and must actually be capable of providing for an increase in the Company's equity in the event that Investors decide to undertake commitments to new fund deposits in the given Company. Through the very fact of using this Webpage, Platform or the Crowdberry Service, an Entrepreneur accepts and agrees that they act in the Company's name and on its account and are authorised to act in its name in accordance with these Terms and Conditions.

- 1.8 Webpage** is the webpage <http://www.crowdberry.sk/>, including subpages, through which a user logs in the Platform and uses the Crowdberry Service.
- 1.9 Platform** is a virtual space – a Companies’ market, through which Users may get informed about Investments into Companies on offer and commit themselves to investments into these Companies, and through which Entrepreneurs may offer their Companies to Investors so as to enable them to acquire interest/shares therein by undertaking Commitments to deposit new funds (subscribing new shares) in Companies.
- 1.10 Campaign** is a campaign to prompt commitments to invest into a given Company (Commitment to a new deposit). In a Campaign, the following information is covered:
- 1.10.1** Date and time starting from which Investors shall be able to make a commitment to invest (hereinafter the "**Start of Campaign**");
  - 1.10.2** Date and time until which Investors shall be allowed to commit themselves to Investments (hereinafter the "**End of Campaign**");
  - 1.10.3** Target Investment;
  - 1.10.4** Minimum amount of Commitments to deposit new funds;
  - 1.10.5** Marketing materials;
  - 1.10.6** Legal documentation in accordance with 4.4 to 4.4.2 hereof;
  - 1.10.7** Company Documentation.
- 1.11 Target Investment** is the amount that a Company fixed as a target value for Commitments to deposit new funds in the Company in the course of a Campaign.
- 1.12 Commitment to deposit new funds** is an Investor’s commitment to invest in a Company (also referred to as "**Commitment to invest**"), which is taken to mean undertaking a commitment to deposit new funds in a Company (in case of a limited liability company) or a commitment to subscribe new Company shares (in case of a joint stock company).
- 1.13 Investment** is a part of Target Investment made by a particular individual Investor – the specific level of his Commitment to deposit new funds in a Company. One Investor may even undertake a Commitment to deposit new funds at the level of 100% of the Target Investment.
- 1.14 Partners’ / Shareholders’ Agreement** is a contract between original Company’s partners and Investors which regulates their mutual relationships in terms of Investments and the Company operation.
- 1.15 Minimum amount of commitments to invest** is 80% of a Target Investment, which triggers the obligation to execute Investments.
- 1.16 Business Plan** is a Company’s business plan, on the basis of which it makes bids for Investors’ Investments (and the like).
- 1.17 Marketing materials** shall at least consist of:
- 1.17.1** A webpage, Companies’ social networks;
  - 1.17.2** a video pitch (in the form of a link to Youtube, Vimeo, and so forth);
  - 1.17.3** Companies’ images, logos;
  - 1.17.4** A business plan summary (a text field of no more than 500 characters);
  - 1.17.5** and other materials at an Entrepreneur’s discretion.
- 1.18 Company Documentation** is any documentation relating to a Company that is presented by an Entrepreneur on the Platform with the intention of raising Investments via a Campaign, which contains the scope of information as required by the Provider at the minimum. The Provider reserves the right to broaden or narrow down the required Company Documentation at any time, with the Company having to satisfy such a requirement.

## 2 General Provisions

- 2.1** The Provider shall provide Users with the Crowdberry Service aiming to match the demand for investments with the supply of investment opportunities, more specifically to match Investors with Companies and Entrepreneurs via the Platform. Any trading done on the basis of information located on the Platform and Webpage constitutes private and independent

deals between a User and Companies, to whom the Provider shall lend support and which the Provider shall mediate under these Terms and Conditions subject to reservation defined herein.

- 2.2** In no circumstances can Services provided via the Webpage, Platform and by their Provider as well as their individual components be considered to be investment, tax, financial, legal or other individual and personal consulting/advisory services or advice. This Webpage, Platform and Crowdberry Service are created to facilitate Users' own independent investment decision-making and are not meant to substitute investment, tax, legal, financial and other professional consulting and advisory. We recommend Users to seek such advice from licensed investment, financial and tax advisors or attorneys. Investment Legal Documents (contracts such as a Deed of Association, Partners' Agreement, and so forth), which Users (Company and Investors) undertake, represent a balanced standard on offer.
- 2.3** The Provider reserves the right to determine, which instances of use of the Crowdberry Services and Platform shall qualify as "normal use". As a rule, normal use is taken to mean the use of the Platform and Crowdberry Services for a purpose for which they have been established. Other-than-normal use of the Platform may only proceed subject to express consent from the Platform Provider.
- 2.4** The Provider shall monitor and update information provided via this Webpage. All that notwithstanding, the Provider does not assume any liability or provide warranty to guarantee the correctness and completeness of information disclosed by third parties via this Webpage and Platform. This shall likewise apply to any other websites cross-referenced with the use of this Platform and Webpage.
- 2.5** The Provider shall not be liable for the content of webpages located through cross-referencing. The Provider reserves the right to modify and edit the information provided at any time, without any obligation to inform the Users thereof.
- 2.6** A User may not collect and process personal, business and other data from this Platform and Webpage.
- 2.7** As regards any Campaign publicised via this Webpage and Platform, the Provider shall have concluded that the information contained therein is fair, clear and not misleading. Factual information on Business Plans and Companies are stated whilst assuming their speculative nature. A User is under an obligation to take into account the fact that the Provider does not audit the respective Companies on offer or Entrepreneurs, and so the Provider may not attest that they do not contain any fabricated statements and evidence.
- 2.8** A User must take into account that Entrepreneurs or Companies, notably in initial stages of doing business, tend to have high ambitions. The Provider does not always necessarily agree with the aspiring statements of Entrepreneurs or Companies. The Provider may endorse statements reflecting those ambitions, even if not believing or not sharing the view that it is likely that these statements will actually come true.
- 2.9** A User is under an obligation to provide true and correct data concerning their own person, as well as all the other data necessary for a smooth use of the Crowdberry Service. Personal data shall be protected in line with the rules for personal data protection stated hereunder. A User may not represent another person without producing a physical counterpart of their officially certified authorisation.
- 2.10** The Platform may not be used by Companies or their executives and Entrepreneurs:
  - 2.10.1** from whom the European Commission seeks to recover aid on the basis of its decision whereby such aid has been designated as not eligible and as incompatible with the internal market;
  - 2.10.2** who were convicted, with a final effect, of an economic criminal offence, a criminal offence against property or another criminal offence committed intentionally, the substance of which is related to their line of business;
  - 2.10.3** who owe state (overdue taxes, contributions towards pension fund, sickness insurance, health insurance, contributions towards unemployment insurance, and so forth);

- 2.10.4** against whom insolvency proceedings petition has been granted, who are currently subject to bankruptcy, liquidation, reorganisation or against whom a petition for bankruptcy was turned down on the grounds of insufficient estate;
- 2.10.5** against whom a decision is being enforced (e.g. under Slovak Act No. 233/1995 Z. z. on Bailiffs and Executions, Slovak Act No. 563/2009 Z.z. on Tax Administration or similar laws) in the country where such a Company is seated.
- 2.11** By using the Crowdberry Service, Entrepreneurs make a representation to the effect that exclusion as per Clause 2.10. and its subparagraphs does not apply to them and to Companies they represent. A Company, its executives, and/or Entrepreneurs are liable for the damage they cause by concealing any facts that would substantiate their exclusion from using the Platform under Clause 2.10. and its subparagraphs, or that would reduce the potential or return on Investments.
- 2.12** The Provider reserves the right to reconsider, in justified cases, the exclusion of a Company, executives and Entrepreneurs under Clause 2.10. and its subparagraphs.

### **3 Risk Exposure**

**3.1** Investing with the Provider's support poses risks to Investors, including the risk of liquidity/ illiquidity, a risk of failure to pay out dividends/share in the profits, loss of investment, investment dilution, and it should be done only as part of the Investor's diversified investment portfolio. The Crowdberry Service is exclusively intended for Investors – clients of Tatra banka Private Banking, who must be knowledgeable enough to be able to recognise, understand and assess such risks, and make investment decisions knowingly and freely on the basis of their knowledge, experience and financial capacity, do so on their own responsibility and at their own risk. The Provider reserves the right to exceptionally assign an access code to the Platform also to clients of other banks seated in other country, who are sufficiently capable of recognising, understanding and assessing the risks, and of making investment decisions knowingly and freely on the basis of their knowledge, experience and financial capacity, and do on their own responsibility and at their own risk. Anybody who uses the Webpage or Crowdberry Services acknowledges and agrees to the following warning with regard to risks (Clauses 3.1.1. – 3.1.9.):

- 3.1.1** Loss of monetary deposit: The majority of companies seeking external investments in initial stages (so-called start-ups) fail after certain time. Where an Investor invests money into such companies, they are more likely to lose the money than have the money appreciated. An Investor is under an obligation to take that into account when making decisions on investments. An Investor should not invest more money than they can afford to lose without having to change their living standard. **We expressly do not recommend anybody to invest borrowed money.**
- 3.1.2** Investment risk: It is a must for an Investor to take into account that **the value of investments into a Company fluctuates and their appreciation cannot be guaranteed whatsoever**. The value of investments and yield therefrom may fall down and there is no guarantee whatsoever that an Investor will have their investments or their part returned. Any investment into a Company should be viewed as a long-term illiquid investment. Investors' claims against Companies are unsecured and are inferior to claims by all the creditors. The value of investment, its appreciation and return on it, as well as a success or failure of companies depend on many variables, of which many are specific to the given investment and business, but many are external in nature. Investor's ability to sell their share in a Company shall depend on the will of a potential interested party to purchase the respective share at an acceptable price. An Investor may find it difficult to find such a buyer.
- 3.1.3** Illiquidity (the inability to cash in an investment in a short time without a loss in its value): **All investments made via Crowdberry are highly illiquid**. There is only a very limited secondary market for shares in Companies – start-ups. This means that it is

unlikely that an Investor is able to sell their shares in such Companies until the time the Company is bought by another company or is quoted. Even in case of successful Companies – start-ups it may take years before they are quoted or bought by another company and the said investment is appreciated.

- 3.1.4** Rare payout of share in the profits: **Companies – start-ups rarely pay out dividends (share in the profits), since they need capital to get going.** This means that when an Investor invests into such Companies, it is unlikely that they get any return or gain any profit until the time they sell their share, even if the Company is a success. Even in case of highly successful Companies it may take years before they pay out first dividends /share in the profits.
- 3.1.5** Missing history of Companies on offer: It is in the very nature of Companies – start-ups that they have none or very brief history of operations, on the basis of which a likely development could be forecast.
- 3.1.6** Past performance and forecasts are not indicative of future performance: Nobody should rely on past performance as an indicator or guarantee of future performance. **Forecasts are not a reliable indicator of future performance.**
- 3.1.7** Dependency on executives/board of directors: **The majority of Companies – start-ups depend on people who initiated them and who subsequently become (or remain to be) their executives or directors.** Success of such Companies depends largely on their staying in the Company – start-up and on their motivation.
- 3.1.8** Dilution (reduction of share in the equity at an additional increase in the equity capital): **Investment made by an Investor via Crowdberry may be potentially diluted.** This means that when a Company later seeks to raise additional funding, its equity may increase due to the assumption of a liability arising from a new deposit /the subscription of shares by a new investor, and by that token the Investor's share in the Company equity capital will drop in percentage terms, although the size of a business share in absolute terms may rise. Any similar increase in equity shall be subject to a vote by partners in line with the Company's Deed of Association /Statutes and Partners'/Shareholders' Agreement. These new interest/shares may carry with them preferential rights relating to a share in the profits /dividends, pre-emptive right and other preferential entitlements. Investment may be diluted also in case that options (the right to acquire an interest/shares) are granted to Company's employees or other related persons.
- 3.1.9** Diversification: **Investment into a Company should be a part of an experienced investor's diversified portfolio.** This means that an Investor should invest only small amounts into several Companies rather than larger amounts into one or two Companies. At the same time, Investments into a Company, taken as a class of somebody's assets, should only account for a small portion of their overall investment and invested capital, with a major part of invested capital being held in safer and more liquid assets.

#### **4 How does the Crowdberry Service work**

- 4.1** On setting up an Investor's s User Account, a User may use the Platform and may become an Investor subject to meeting these Terms and Conditions. On setting up an Entrepreneur's User Account, the Entrepreneur may use the Platform and become an Investor subject to meeting these Terms and Conditions.
- 4.2** An Investor may search the Platform with publicised Campaigns, and invest in line with the conditions announced for individual Campaigns, these Terms and Conditions and specific terms and conditions of the respective investment into and involvement in the particular Company. Due to localised presence of the Crowdberry Service, not all Campaigns shall be available in English.
- 4.3** An Entrepreneur may engage in the Platform only if holding a due authorisation to act in the name and on behalf of the Company they represent. This is to be proven by an original or a certified copy of an up-to-date extract from the business register and/or a notarised power

of attorney. The identity of an acting Entrepreneur and access data to their User Account are always physically verified. An Entrepreneur may, in cooperation with the Provider, load a Company Documentation and Marketing Materials on the Platform, following to which a part of it, along with the Campaign details, shall be publicised via the Platform upon basic revision by the Platform Provider. An Entrepreneur is under an obligation to provide concurrence forthwith during the whole process of obtaining Investments, i.e. from loading the Company Documentation for the purposes of Due Diligence and Marketing Materials through to delivering a proof of entry into the Business Register of the Slovak Republic or another equivalent register of business corporations (hereinafter the "**Business Register**") in the event of a successfully made investment.

#### **4.4 Specific terms and conditions of investments into and involvement in Companies**

An Investment is taken to mean undertaking a Commitment to a new deposit in a Company where the Company's equity is increased. Depending on whether a Company is a limited liability company, a joint stock company or other form of company/corporation, the Investment may take the form of various undertakings, such as Commitment to a new deposit or subscription of new shares. On making a commitment to invest or subscribing new shares, signing the Company's new Deed of Association and Partners' Agreement in case of a limited liability company or Shareholders' Agreement in case of a joint stock company, and on a successful entry into the Business Register, an Investor becomes the Company's partner/shareholder, holding the rights awarded to them by the new Deed of Association/Statutes, Partners' / Shareholders' Agreement), made according to the Term Sheet and the Commercial Code No. 513/1991 Collection of Laws, as amended by later legislation, or equivalent law in other country of registered seat of a Company (hereinafter the "**Commercial Code**").

**4.4.1** Individual Campaigns comprise specific terms and conditions of an investment into and involvement in the Company (hereinafter the "**Term Sheet**"). As a rule, these terms and conditions are not binding, with the exception of confidentiality provisions, expenses provisions, governing law and jurisdiction provisions and binding effect provisions, and are subject to further negotiations with the Company.

**4.4.2** Selected Campaigns may contain concrete drafts of Investment Legal Documents: (1) in case of a limited liability company (hereinafter the "**LLC**") they are: (i) Deed of Association, (ii) Partners'/Shareholders' Agreement detailing further conditions under which Investors may invest into the Company; (2) in case of a joint-stock company (hereinafter the "**JSC**") they are: (i) Articles of Association, (ii) Shareholders' Agreement, and/or other relevant legal documents (hereinafter the "**Investment Legal Documents**"). On the inception of a Commitment to invest (defined herein below) , an Investor undertakes to accept the proposal and to sign these Investment Legal Documents that are to be adjusted as proper, in line with the actual distribution of Commitments to invest made by individual Investors on termination of the Company Campaign. **An Investor shall be under an obligation to exercise due diligence, since these documents shall become legally binding and shall define the Company operations and arrangement of relations among partners/shareholders on the Investor's entry into the Company.** Crowdberry may arrange a partnered law firm for an Investor, which would sign/execute all the aforesaid Investment Legal Documents and arranged the entry of relevant facts in a business register on the basis of a power of attorney and in the Company's name and at its cost. A motion for entry into the business register shall be filed within 5 days from the day on which the conditions for entry into the business register have been met. The Investor shall become a partner /shareholder in the Company only on the day of effective entry of relevant facts into the business register.

#### **4.5 Preliminary Commitment to Invest**

An Investor's non-binding Preliminary Commitment to Invest shall arise at the moment when

a User who has logged in (the Investor's User Account) determines the particular amount of Investment under the respective Campaign on the Webpage and undertakes to make it by pressing the appropriate push button on the Platform. Following to that and only if the Investor is a client of Tatra banka a.s., Tatra banka a.s. shall provide the Investor with the appropriate bank product in order to block the Investor's funds equal to the amount of their respective Investment to the Company's benefit. An Investor may revoke, reduce or increase their preliminary commitment to invest up until 48 hours before the End of Campaign, whilst Tatra banka a.s. shall always adjust the amount of blocked funding. Where a User wants to reduce, increase or revoke their preliminary commitment to invest, they shall be under an obligation to contact their private banker in Tatra banka, a.s. or the Provider via e-mail sent to info@crowdberry.sk. Relationship between an Investor and Tatra banka a.s. is governed by agreements and terms and conditions concluded by and between the Investor and Tatra banka a.s., which the Provider is not familiar with and has not arranged. Services provided by Tatra banka a.s. to Investors may be subject to fees and charges. The Provider and these Terms and Conditions do not impact mutual relationships between Investors and Tatra banka a.s. in a way other than informing the respective private banker about the Investor's activities on the Platform.

#### **4.6 Commitment to Invest**

##### **4.6.1 Campaign containing Investment Legal Documents.**

Should the Campaign contain Investment Legal Documents, then at the time instance of 48 hours prior to the End of Campaign, Preliminary Commitment to Invest shall be converted to regular Investor's Commitment in the form of monetary deposit in the Company and starting from then on, Investor shall not be entitled to unilaterally withdraw from implementation of Investment. Within 48 hours before the End of Campaign, Investor may implement a new Commitment to invest in the form of monetary investment (deposit) in the Company in a similar way as the Preliminary Commitment to Invest under paragraph 4.5 of the Terms and Conditions. During the period of 48 hours before the End of Campaign and at the End of Campaign, the Investor shall only be allowed to increase the amount of his investment, but he may not decrease or withdraw from the same. Upon origin of the Commitment to Invest, a Future Contract is entered by and between Investor and the Company, with subject matter being especially Investor's obligation to invest the corresponding amount of Investment he had defined in his Commitment and to accede as a partner/shareholder to the Company and at the same time the obligation of the Company to accept this commitment from Investor under the terms and conditions as defined in the draft Partners'/ Shareholders' Agreement, this all, in case that by the End of Campaign individual Investors jointly have reached at least the **Minimum Amount of Commitments to Invest** (i.e., at least 80% of Target Investment). Non compliance with the given/declared Commitment to Invest on the part of Investor or withdrawal from business by the Company shall entail a sanction - penalty imposed by the Provider in the amount of 5% of the amount of Commitment to Invest, imposed on the party non complying with the Commitment. Provider shall be entitled to impose a penalty the amount of 5% of the amount of Commitment upon Investor, who failed in obtaining consent from the tax administrator to acquire interest in the Company, in which he had undertaken to invest, in case that it shall cause substantial delay or prevent investment procedure.

##### **4.6.2 Campaign Containing only the Term Sheet (excluding Investment Legal Documents)**

Should the Campaign not include Investment Legal Documents but just the Term Sheet, then in terms of Term Sheet just the non-binding Preliminary Commitment to invest may arise for Investor. Within 48 hour period before End of Campaign any and by the End of Campaign, Investor may only accomplish just a new Preliminary Commitment to invest in the form of monetary investment/deposit in the Company in

a way similar to the Preliminary Commitment to as under paragraph 4.5 a) of the Terms and Conditions or to increase his Investment, But it cannot be decreased or withdrawn from. Within 48 hour period before the End of Campaign an obligation will arise for Investor to exert efforts, upon Provider's request to accede to negotiation on investment of the respective amount of investment he had defined in his commitment under Term Sheet, in case that individual Investors jointly by the End of Campaign have reached at least the **Minimum amount of commitments to invest** (i.e., at least 80% of Target Investment). Negotiation should lead to accession of an Investor to the Company as a partner/shareholder. The Company undertakes to accept the Investment and to admit the Investor under the terms and conditions as defined in the Term Sheet after successful negotiation, this all, in case that by the End of Campaign individual Investors jointly reached at least the **Minimum amount of commitments to invest** (i.e. at least 80% of Target Investment).

**4.7** In case that Preliminary Commitments to invest of several Investors shall arise above 100% of Target Investment, then Commitment to invest shall arise 48 hours before the End of Campaign for Investors who had undertaken Preliminary Commitment to Invest, this all up to 100% of Target Investment. In order to avoid any doubt it holds that it is impossible to assume commitment to invest after having reached Commitment to Invest at the level of 100% of Target Investment applying „the first-come, first-served“ rule and all and any Preliminary Commitments to Invest beyond 100% of Target Investment shall be idling and they shall not be converted to Commitments to Invest. In such a case there does not exist any title of an Investor whose Preliminary Commitment was not converted to Commitment to Invest, to investment or to claim damages or to compensation for lost profits. In case that Commitments to Invest shall drop below 100% of Target investment, Provider shall invite Investors whose commitments are dormant, to continue making Investment. After successful making investment in the amount of 100% of Target Investment, any all and any dormant Commitments to Invest shall expire without any claim to substitution or any compensation. Mutatis mutandis, the „ first-come, first-served “ rule shall apply (which means, that whoever has undertaken to invest the first, shall have the right of preference and the obligation to make investment) even in case of reaching 100% of Target Investment only within 48 hours before the End of Campaign and in case of investment under subparagraph 4.6.2.

#### **4.8 Deposit Administrator**

Deposit administrator for implementation of Investments shall be the Entrepreneur who is in cooperation with Investor's bank. The funds shall be made available to the Company only after successful entry of the facts/requisites required to be recorded in the Business Register.

#### **4.9 Brokerage Contract**

On placing a Campaign on the Platform with a view to obtain from Investors a Commitment to invest in the Company represented by the Entrepreneur, a Brokerage Contract shall arise between a Company represented by the Entrepreneur and the Provider in accordance with these Terms and Conditions. In the event that the Company withdraws from the Campaign following the acquisition of Preliminary Commitments to Invest of at least 80% of the Target Investment, the Provider shall be entitled to impose a penalty of 5% of the Target Investment upon that Company. Under this Brokerage Contract the Provider shall intermediate investment opportunities offered by Investors to the Company in return for brokerage fees, which fees (in return for a part of the Crowdberry Service and hereinafter referred to as the "Commission") shall have to be paid by the Company to the Provider in the amount of 8% of the total sum of all investments implemented by all the Investors in the given Campaign placed by the Company. The Commission shall be payable on the basis of an electronic invoice with a due date of 25 days from the day of sending the invoice, and this invoice is to be sent immediately after the entry into the commercial register of any changes arising from the investments made by Investors in the Company. The Provider reserves the right to provide, according to its own business strategy, discounts from the amount of Commission

fixed above. The Provider shall intermediate the Crowdberry Service for Users – Investors free of charge, which does not preclude Tatra banka a.s., and/or another User's/Investor's bank from charging eventual fees for bank products, as well as contractual penalties. In selected and justified cases, the Company shall be entitled to turn down a particular Investor, in which case all the rights and duties of the rejected Investor shall be cancelled from the start, and no entitlement shall arise to the rejected Investor whatsoever to have the Investment completed and to claim the recovery of damages or any other kind of compensation. The Provider shall not be entitled to any Commission for the rejected Investment. In the event of a rejected Investment, the Provider shall agree with the Company and shall then develop an agreed surrogate activity with the aim of finding a replacement for the rejected Investment.

The Company shall be under an obligation to pay a Commission to the Provider in return for any other investments, which the Company or its subsidiary (spin-off) obtains from a User – Investor or another investor intermediated by the Provider over the course of one year from the day of a successful or failed End of Campaign, namely in the form of an investment in the Company, for which the User – Investor or another investor intermediated by the Provider receives an interest in the Company or Company shares in the form of convertible borrowing/loan /bond that can be exchanged for an interest in the Company or Company shares or in another form that constitutes returnable/repayable or non-returnable/non-repayable monetary or non-monetary performance (hereinafter the "**Other investments**"), with such Commission amounting to 8% of the total sum of the Other investments. The Company shall be under an obligation to inform the Provider about the performance of Other investments without undue delay, but no later than within 15 days of entering the issuance of shares/bonds or the signing of a contract on granting the loan/borrowing into the appropriate register. The Commission shall be payable on the basis of an electronic invoice with a due date of 25 days of sending the invoice, and the invoice is to be sent without undue delay after the Provider becomes aware of the existence of the Other investment.

## **5 Privacy and Personal Data Processing**

- 5.1** Provider shall be very serious about privacy and he shall treat the same with maximum care and diligence. Under any circumstances the Provider shall abstain from trading Users personal data and from disclosure of the same to third parties for marketing purposes. By using the Website and Platform the User certifies his consent to such terms and conditions of privacy and to being bound by the same. These terms and conditions of privacy shall apply to personal data processing and protection of the Users via this Website and Platform by the Provider or by a co-operating law-firm, which may, based on the Power of Attorney, arrange respective entry in the Commercial Register for the Users. Privacy terms and conditions shall not apply to third party websites, which the links from the website and platform refer to. Privacy terms and conditions shall be governed by Act No. 122/2013 Collection of Laws on protection of personal data as amended by subsequent regulations, in compliance with the law of EU.
- 5.2** Provider shall collect and process personal data of the Users who have set up their User Account. Provider may be disclosed the personal data of Investors – Users (clients of Tatra banka a.s.) by the Provider's partner Tatra banka, a.s., Hodžovo námestie 3, P. O. Box 42, 850 05 Bratislava 55, and/or another bank designated by the User – Investor, for the purpose of creation of User Accounts and Crowdberry Service, in case that the User shall grant a special consent to disclosure of personal data to Tatra banka a.s., and/or to another bank or a legal entity he has selected. The scope of received, collected, processed personal data and personal data disclosed to third parties shall be at maximum: given name, family name, permanent residential address, e-mail address, phone number, Birth Code (only if issued in Slovak Republic), date of birth, the amount of Investment and change of Investment. Such personal data will be recorded and processed by the Provider in order to

providing support from the part of Crowdberry Service and for the purpose of Crowdberry Service marketing.

- 5.3** Personal data provided by Investor shall be disclosed to third parties and recipients, namely, exclusively to the entities as listed below:
- 5.3.1** To the companies, Investor intends to invest in, to their current and future partners/shareholders and Executives, this all, only after a specific Investor shall show interest in investing in the Company
  - 5.3.2** to a law firm, in case that on behalf of Investor it shall arrange his acceding the Company and related legal acts,
  - 5.3.3** to a contractor and consulting company of the Provider, in case that supplies and consulting are directly related to Crowdberry Service, this all just to the extent as necessary,
  - 5.3.4** to a register court that is competent to perform entry of the facts/requisites related to accession of Investor to the Company,
- 5.4** Personal data in the scope as follows: given name, family name and permanent residential address shall be publicized in the public commercial register in case of interest in a limited liability company (LLC). Client's interest/participation in the Company (a limited liability company or any other legal form) is public domain information that is available to the public.
- 5.5** Upon registration a User – Investor grants consent to the Provider, concerning processing and disclosure of his personal data to third parties in the scope and under terms and conditions as stipulated in the present Terms and Conditions. The User – Investor hereby grants the present consent for the period of use and rendering Crowdberry Service and he has the right at any time to revoke his consent, and this shall cause discontinuation of rendering Crowdberry Service.

## **6 Confidentiality Obligation**

- 6.1** Any and all information related to the Crowdberry Service that has not been disclosed by any of the parties via the Webpage (but not on the Platform), or that is not known to general public, shall be deemed confidential. None of the information disclosed by Users via the Webpage may be deemed confidential. An Entrepreneur shall be under an obligation to determine the scope of information and documents (i) which may be disclosed on the Webpage for the benefit of public, (ii) which may be disclosed on the Platform (and become available to other registered/ logged in Users – Investors, but not to Entrepreneurs) with designated confidentiality vis-à-vis Investors and the Provider, and (iii) which may be disclosed exclusively to the Provider and nobody else, and is deemed confidential and is to be used exclusively in reviewing the Company (financial) standing /state of affairs.
- 6.2** The Provider and Users shall be under obligation to take any measures so as to preserve the classified nature of confidential information. That means using and applying confidential information solely for purposes related to decision-making on Investments and treating it so that in no case such Information is disclosed or made available to any third party with the exception of personal advisers/consultants who are bound by the confidentiality obligation to the same extent, and so that such information is not used for any purpose other than making decisions on Investments and related acts.
- 6.3** Under no circumstances Provider shall be liable for breach of confidentiality obligation concerning confidential information by Users.
- 6.4** Users hereby undertake to obey all measures necessary in order to prevent leak of confidential information included in the Call, especially to prevent:
- 6.4.1** disclosure of information to a third party,
  - 6.4.2** making information a public domain
  - 6.4.3** multiplication and dissemination of information,

- 6.4.4** making information available to/enabling access to information for unauthorized persons,
  - 6.4.5** leak of information due to any, even negligent conduct of a User (and/or of persons to whom User made information available).
- 6.5** Any confidential information may be used in a way different from for the purpose of decision-making on Investment only with prior written consent of the other party who is an authorized (eligible) holder or owner of such information. To exclude any doubt as concerns the use of confidential information, it is assumed that the above consent shall be required for use of such information.

## **7 Intellectual Property Rights Protection**

- 7.1** Full contents and all and any information published on the Website and Platform except for contents published by Users, shall be protected by intellectual property rights, trade marks/copyright whose holder is the Provider or that are subject to his business secret. Without having prior written consent, Users may not further reproduce and/or publish such information and contents, unless the present Terms and Conditions stipulate otherwise.
- 7.2** Contents published on the Website and Platform by the Users shall be protected by intellectual property rights or trade marks/copyright of individual Users (or affiliated third parties) and/or shall be subject to their business secret. Users may not further reproduce or publish such information and contents, unless the present Terms and Conditions stipulate otherwise.
- 7.3** By having published contents on the Website and Platform, User grants the Provider unlimited and free of charge licence for the use and republishing of published contents for the purpose of rendering Crowdberry Service.

## **8 Liability Disclaimer**

- 8.1** Contents of the Website and Platform are prepared with due diligence and maximum care. In spite of that, Provider does not guarantee and does not assume any responsibility for contents and nature of information published on the Website and Platform. Provider is not familiar and does not analyse personal condition of Users, under any circumstances he is not able to assess and does not evaluate whether the Investment intended is suitable or convenient or not. This is the reason why Provider does not guarantee for suitability of information published on the Website and Platform and he does not assume any and excludes liability for Investments made based on such information published. Provider, however, prepares comprehensive information on Investment for each Campaign accessible on the Platform. All the information contained within the information on Investment and respective Campaigns are available for review by Investors.
- 8.2** Provider monitors contents of information published by Users on the Website and Platform and he shall remove or restrict access and prevent Users from access to such information that is misleading, clearly incorrect, unlawful, the have discriminating, racist, offensive contents encouraging breach of law or aimed at suppression of human rights. Provider has discretion power to determine what information shall fall under description stipulate in the preceding sentence. Users shall be obliged to notify Provider in case that on the Website of Platform they reveal information or contents of description shown under this paragraph. However, Provider shall not be liable for any information and contents published by User on the Website and Platform, but Provider shall exert maximum efforts to the best of his knowledge and faith to prevent occurrence of information as described in the first sentence under this paragraph.
- 8.3** When rendering Crowdberry Service, Provider shall be dependent on many technical tools and services supplied by third parties (such as internet, cloud services and similarly) that are beyond his control. This is the reason why Provider's liability and guarantee for

rendering Crowdberry Service and for access to the Website and Platform is due to unavailability/outage of services provided by third parties is excluded.

- 8.4** Provider shall not be liable for loss and damage (including lost profits) incurred by Users or third parties as a consequence of outage of Crowdberry Service, Platform or Website. The only exception shall be the case of wilful breach of obligation or breach of obligation due to gross negligence of Provider.
- 8.5** Any damages claimed against Provider shall in general not exceed a proven primary (direct) damage incurred by the User. In any case, the amount of compensation for damage shall exceed Eur 100.00 (to wit: one hundred Eur) In no case provider shall be liable for any consequential damages incurred by User. Any damage shall have to be proven by contracting parties beyond any doubt.
- 8.6** Provider shall not be liable for damage or loss incurred by reason of giving incorrect or false data by the User when setting up his User Account.
- 8.7** Provider shall not be liable for damage or loss in case that Investor failed in obtaining consent to acquire ownership interest from the tax administrator.

## **9 Origin, Duration, Suspending and Expiry of Contracts**

- 9.1** Contract is entered into and User Account is set up for an indefinite period. User may terminate the Contract by sending an e-mail with a written notice to: [info@crowdberry.sk](mailto:info@crowdberry.sk), whereupon in such a case, the contract shall expire by the lapse of 7 days of the day of delivery of such a mail, the same deadline shall apply to closing of User Account. However, the contract may not be terminated and the User Account may not be closed in case that a Campaign is pending which is bound to such a User Account or if the User (using the User Account concerned) has made a binding Commitment to Investment (i.e., within 48 hours before the End of Campaign).
- 9.2** Platform Provider shall have the right at any time and without prior notice or a call to remedy, to terminate the contract with immediate effect and/or to expel the User from the Platform and to prevent him from access to the Platform and Crowdberry Service and/or to remove complete contents of the user and to prevent him from access to the Platform and Crowdberry Service in case that:
  - 9.2.1** User failed in meeting of any of his obligations under the present terms and Conditions and/or contracts or he failed in meeting the same in time,
  - 9.2.2** User does not accept amendment to Terms and Conditions,
  - 9.2.3** Provider learns the information suggesting that User will be unable to meet his/her obligations,
  - 9.2.4** circumstances of rendering Crowdberry Service change to such an extent that it will be impossible for Provider to carry on rendering Crowdberry Service and to meet his obligations or if Provider could not reasonably be required to carry on rendering Crowdberry Service and meeting his obligations,
  - 9.2.5** it comes to Provider's knowledge that User has published on the Website and/or Platform the contents which is discriminating, racist, offensive contents eliciting encouraging breach of law or aimed at suppression of human rights or which is unacceptable in any similar way.
  - 9.2.6** it comes to Provider's knowledge that User has published on the Website and/or Platform the contents which is protected by intellectual property rights of third parties,
  - 9.2.7** User's assets are subject to bankruptcy proceedings, authorized restructuring or bankruptcy proceedings or restructuring proceedings have been instituted.
- 9.3** When applying procedure under 9.2 through 9.2.7 Provider shall not be liable for any loss or damage incurred by Users, including lost profits, that might have been caused to the Provider. However, in such cases Provider shall be entitled to claim damages against User, to prevent access of User to the Platform and to remove contents published by User.

- 9.4** Provider shall not be obliged to meet obligations towards the User, in case that the User is prevented from performance or if such performance depends on circumstances beyond Provider's control.
- 9.5** In case that any provisions are included in the present Terms and Conditions, which, in relation to the User who is a consumer, constitute an unacceptable term or condition under generally binding legal regulations, then such provisions shall not be applicable to the relationship between Provider and User who is a consumer.
- 9.6** A User who is a consumer, shall be entitled to withdraw from the contract with effective date being the date of service of the withdrawal notice upon Provider, within 14 days of entering into the contract on rendering Crowdberry Service by sending the form available on the Website, to e-mail address: [info@crowdberry.sk](mailto:info@crowdberry.sk). Term for withdrawal (notice period) shall be preserved in case that a User who is not a consumer shall send the notification on exercising the right of withdrawal before the end of the time limit to give a notice of withdrawal. A User who is not a consumer shall not have the right to withdraw from the contract under this paragraph, in case that rendering of Crowdberry Service has yet started based upon User's order who is a consumer, whereby at the same time, this User declares and represents that he has been duly instructed on the fact, that upon expression of his consent to these Terms and Conditions, he shall lose his right of withdrawal from the contract after complete delivery of Crowdberry Service in the scope of his order.

## **10 Final provisions**

- 10.1** The present Terms and Conditions may be updated, amended, upgraded, modified or corrected by the Provider at any time for the reasons as listed below: (i) in order to achieve compliance with current regulations in force, and (ii) in order to harmonize legal procedures with actual physical procedure of rendering Crowdberry Services, in case that such a procedure shall be changed in justified cases. Upon every such a change in the present Terms and Conditions, the Provider shall notify Users by e-mail thereof, where such a change shall take effect upon dispatching such an e-mail. User is under an obligation to check the e-mail messages received. In case that the User shall carry on using this Website and Platform after a change to the present Terms and Conditions, this means that he/she has accepted such changes.
- 10.2** In addition to the reasons stipulated in the above paragraph, the Provider shall be allowed to update, to amend, to upgrade, to modify or to correct the present Terms and Conditions for reasons other than those stipulated under paragraph 10.1 of the present Terms and Conditions. On any change to the present Terms and Conditions, Provider shall notify the User by e-mail, whereby this change to the Terms and Conditions shall come into effect as of the 10<sup>th</sup> day of dispatching such e-mail. User shall be under an obligation to check e-mail messages received and/or eventual changes to the Terms and Conditions. Should User disagree with such a change to the Terms and Conditions, he/she can close his User Account and thus, to terminate the contract, by which he/she is bound using Crowdberry Service. In case that User continues using this Website or Platform after a change to these Terms and Conditions, this means, that he/she has accepted such changes. In case that settlement of claims/liabilities had not been effected prior to eventual termination of the contract under the present paragraph, then settlement thereof shall be governed by preceding wording of the Terms and Conditions in force and effect at the time prior to a change to the Terms and Conditions, that lead to termination of the contract, unless agreed otherwise by and between contracting parties. Closing of account shall be made only after settlement of mutual claims/liabilities. Provider shall not be entitled unilaterally to increase the amount of commission under paragraph 4.9 of the Terms and Conditions, whereby such an increase in the amount of commission shall be confirmed by the Company in writing or by registered e-mail of the Company. Campaign launched during effective period of preceding wording of the Terms and Conditions shall continue under

preceding wording of the Terms and Conditions by which relationships between User and Provider are governed.

- 10.3** All and any contractual penalties stipulated in the present Terms and Conditions shall fall due within 25 days of the day following the day on which breach of the present Terms and Conditions occurred, giving rise to entitlement to impose such penalty, unless these Terms and Conditions stipulate otherwise.
- 10.4** All and any invoices under these Terms and Conditions shall be delivered exclusively in electronic format to e-mail address entered by the User in his User Account.
- 10.5** User Account is intended exclusively for the Users who were invited or accepted for participation on the Platform. Any transfer or passage of User Account shall be forbidden.
- 10.6** In case that User – Investor is a client of a bank other than Tatra banka, a.s., then provisions applying to these Terms and Conditions shall be replaced by provisions of identical contents concerning this bank of the User – Investor. This means that in such a case, procedural acts of Tatra banka, a.s. shall constitute procedural acts of the bank of the User – Investor, whereby Provider shall assume no liability for contents of the relationship between the bank – Investor and the bank and it shall not be known to him.
- 10.7** Should any provision of the present Terms and Conditions become invalid or ineffective, this shall be without prejudice to remaining provisions of the present Terms and Conditions.
- 10.8** Throughout this document singular or plural designation of a subject or an object shall include both singular and plural, unless the context suggests otherwise. In case that the present Terms and Conditions refer to the facts related to a limited liability company, the latter shall apply, mutatis mutandis also to a joint stock company (such as interest-shares/stocks, Executive – Member of the Board of Directors and similarly), unless context suggests otherwise.
- 10.9** The present Terms and Conditions constitute general business terms and conditions pursuant to special regulations.
- 10.10** Legal relationships that are not regulated in these Terms and Conditions or in additional/accompanying documents, to which the Users have undertaken, shall be governed by Slovak law.
- 10.11** It was agreed by and between contracting parties that any disputes that may arise shall be settled especially by mutual agreement. In case they fail to settle a dispute by mutual agreement then such a dispute shall be brought to an appropriate court for settlement.
- 10.12** These Terms and Conditions are produced in Slovak and English versions with the aim of producing substantially identical versions. In the case of discrepancies between the Slovak and English version of these Terms and Conditions, the Slovak version shall prevail.
- 10.13** The User hereby declares and represents that he has carefully read these Terms and Conditions and the latter is an expression of his consent to the use of the Website and Crowdberry Service, as a free, serious and unreserved act and deed.