

DF PLATFORM

TERMS AND CONDITIONS OF PARTICIPATION IN FUNDRAISING FOR BUSINESS PROJECTS

• DEFINITIONS

In these terms and conditions, except where a different interpretation is required by the context, the terms are defined as follows:

“DF PLATFORM” means an international platform based on blockchain technology, which ensures the circulation of utility tokens and which allows eligible business entities to raise funds from individual Lenders and provide collateral in the form of the underlying assets. The Project Owner must be capable of providing collateral in the form of underlying assets having the market value which will exceed the amount of the loan provided to the Project Owner.

DF Platform is a decentralized online marketplace, where Project Owners place information about their business projects and request a loan in the form of cryptocurrency assets from Community for the purpose of achieving declared goals of the Project development. DF Platform is not a party to the loan transaction, it only provides and supports software framework, whereby Project Owners and private Lenders meet, communicate and deal with each other.

“PROJECT” means a business project run by Project Owner which is seeking funding by receiving a loan in cryptocurrency assets from Community for a certain limited period and at a fixed rate;

“PROJECT OWNER” means a legal entity in any form, private entrepreneur or group of private entrepreneurs, which has the title of ownership to the assets used for the development of the Project and achieving the goals declared for obtaining the loan from the Community. Project Owner owes direct obligation to repay the loan and each share of it to each Lender, who contributed its share to the total amount of loan.

“CROWDLOAN” means a method of funding the real economy projects (startups, real estate development, etc.) whereby each Lender contributes a share to the consolidated loan granted by a number of Lenders to the Project Owner for a specified period and at a fixed interest rate per year. The principal amount of cryptocurrency assets granted as a loan as well as interest accrued shall be repaid by the repayment date.

“LENDER” means an investor from the Community who decided to participate in a Crowdloan by contributing a share of the total amount of Loan to the Project Owner. Lender has full and direct legal right to claim a repayment of his share of the consolidated Loan from the Project Owner by litigation in courts of law or resort to any other remedies and instruments of reimbursement, allowed by law.

“COMMUNITY” means holders of cryptocurrency assets, who are users registered with the DF Platform and who are eligible to make a contribution to the Loan, granted to the Project. Community has its own Telegram channel, votes for the Projects to be admitted to Crowdloans, elects its members who represent Community in relations with the Project Owners, control the development of the Project, repayment of the Loan, and participate in other forms of self-government.

• MAIN TERMS AND CONDITIONS OF RAISING LOANS

The DF platform is providing online IT software for the Project Owner to attract loans directly from holders of cryptocurrency assets (Lenders) for the purpose of development of the Projects.

Users of the Platform (Community members) contribute a share to a consolidated loan in the form of cryptocurrency assets (Stablecoins and other crypto currencies) to be granted to the Project Owner. By listing its Project at the DF Platform the Project Owner shall be eligible to raise funds by taking a loan from individual Community members. Loan shall be provided for a period specified in the Project profile. The Project Owner agrees to sustain and use as a warranty of repayment assets at a value not less than the amount of the Loan provided. The Project Owner may, if agreed with the Community, provide collateral in the form of shares or other valuable assets of the Project, which shall be accompanied with supporting documents related to the Project Owner and his assets.

The Project Owner grants its irrevocable consent to publish the information in relation to the Project assets and its business plan at the DF Platform in order to familiarize potential Lenders and the Community with the Project.

The Project Owner acknowledges that the DF Platform is only a marketplace for listing business projects requesting funding, and therefore only the Project Owners bear full responsibility for correctness, adequacy and reliability of any information regarding the Project and its business plans, in particular information contained in advertising or other marketing or promotional materials about the Project placed for advertising purposes. No representation or warranty, whether express or implied, is made by the owners or managers of the DF Platform with respect to the completeness or accuracy of this information provided by the Project Owner or as to any other matter mentioned in the statements made by the Project Owner. The owners or managers of the DF Platform do not undertake to review the financial condition or affairs of the Project Owner, nor advise any Lender on its potential participation in the loan to such Project Owner. The information placed on the DF Platform should not be considered as a recommendation by its owners or managers for a potential Lender to participate in any particular loan, and each potential Lender, in determining whether to participate in any particular loan, is invited to make its own assessment of the relevance and adequacy of the information related to the Project and provided by the Project Owner in the DF Platform, and to make such independent investigation as it deems necessary for the purposes of such determination.

The listing information regarding the Project published at <https://DF.global> shall contain the intended amount of loan; the period for which the loan shall be provided; applicable interest rate per annum; description and valuation of the Project assets as of commencement of the loan period, as well as estimated valuation of the Project assets upon successful attainment of goals, for which the loan shall be provided; warrantees and collateral, which the Project Owner will be able to provide, as well as other information which may be requested by the Community members.

The Project Owner shall provide a crypto wallet with multi-signature function and transfer public key and second signature to the Community. The Loan amount shall be transferred by the Community to such wallet.

The Project Owner shall report to the Community on a monthly basis on the use of the loan funds, as well as course of the Project implementation.

The Project Owner shall repay the full principal amount of the loan on the repayment date as well as interest accrued to the wallet of the Community.

The Project Owner agrees that in the period between the date of provision of the loan and until the moment of its repayment, the Project Owner shall not directly or indirectly:

- Initiate, enter into or participate in any discussions, negotiations or agreements on raising funds using the assets of the Project with another crowdfunding or similar platform, or by selling any securities or virtual assets to any investor;
- Establish or create any collateral, mortgage or other encumbrance or restriction to the assets of the Project, or perpetrate any steps aimed or which may lead to creation of other rights of third parties in relation to any assets of the Project;
- Provide any confidential information regarding the development of the Project or any part thereof to any individual or legal entity other than the Lenders through DF Platform;
- Sell the Project or any assets of the Project or allow its alienation in other ways, which may result in termination of his ownership title over the Project.

DF Platform reserves the right at any time without any explanation to refuse to accept any Project to be listed at the Platform, as well as delist any Project from the Platform, to suspend the process of granting the loan as well as request adequate collateral, warranty or other instrument of securing the crypto assets, granted to the Project as a loan or other form of funding.

The Project Owner understands and agrees that no information contained on the DF Platform or on the DF's website is an invitation or encouragement to the Project Owners to attract funding in the way it has previously been implemented on the DF Platform, nor is it legal, financial, tax or other advice and does not take into account specific Project goals, financial status, tax status of the Project Owner, etc.

3. DOCUMENTS ON THE PROJECT

In order for the Project to be considered for listing at the DF Platform and for participation in a Crowdloan, the Project Owner agrees to provide the DF Platform with the following documents related to the Project, company and team:

- (1) Description of the Project (Crowdloan target), purpose of the Crowdloan, planned financial results upon successful completion of the Project, amount of the loan, term of the loan, as well as any other details which may be requested by the Community within the reservation stage, description of the business development stages preceding the Crowdloan;
- (2) Constitutional documents (e.g. charter, memorandum and articles of incorporation etc.) of the Project Owner and certificates of incorporation (in case of a legal entity);
- (3) LinkedIn and/or Facebook profiles of the founders/shareholders and the management team of the Project Owner;
- (4) Description of professional and business background of the founders/shareholders, the management team of the Project Owner and the company, operating the Crowdloan target;
- (5) Documents evidencing title of ownership of the Project Owner over the underlying assets (which may be used as a collateral for the Project);
- (6) Valuation reports evidencing the market value of the underlying assets provided by the independent appraiser;
- (67) Audited financial statements of the Project Owner for the last reporting year (if applicable);
- (8) Security documents (if the loan is secured), including the documents related to perfection of security (registration or filing creating encumbrances);

(9) Information about permanent location of the business of the Project Owner and the team;

All data shall be made available to the Community participating in a Crowdloan.

• **REPRESENTATIONS AND WARRANTIES**

The Project Owner hereby represents and warrants that:

- (1) The Project and its assets belong solely to the Project Owner, and there are no titles or rights of any third party, including any encumbrances or restrictions, relating to the Project or such assets;
- (2) The Project Owner has legal status and capacity under the laws of its local jurisdiction and has full powers and authorizations to carry out its business activities, including all necessary licenses and permits;
- (3) The Project Owner has all rights and powers to launch the Project and act in respect of the Project and its assets at his own discretion;
- (4) The Project Owner shall refrain from any actions that would violate any applicable legislation or infringe any contractual rights or violate obligations with respect to this Project and its assets which may result in their depreciation or loss of any kind;
- (5) The Project Owner has legal capacity and obtained all consents and authorizations being in full force and effect to enter into and perform any agreements related to Crowdloan and any transactions contemplated by its implementation;
- (6) The Project Owner has properly disclosed all material information about the Project, and there are no hidden or omitted facts or information that could cause a significant decrease in the Project's value if they become disclosed;
- (7) Any information or documents provided by the Project Owner and placed on the DF Platform are valid, true and reliable, and such documents and information do not contain any false, misleading or inaccurate information; the Project Owner must inform the DF Platform immediately if he/she/it becomes aware that any information or documents given to the DF contain false, misleading or inaccurate data or details;
- (8) The Project Owner's participation in attracting loan from the Community through DF Platform does not contradict applicable legislation, any economic sanctions introduced, and does not violate any legal obligations of the Project Owner;
- (9) The Project Owner is duly authorized and has received all necessary consents, approvals and permits, to execute and fulfill all the rights and obligations that may arise within the implementation of the Project;
- (10) The Project Owner agrees to cooperate with the DF Platform and the Community, and to provide all relevant information and documents necessary for the DF Platform to meet the requirements of any applicable rules or legislation, as well as meet justified expectations of the Community.