

ETO TERM SHEET

relating to an equity token investment in

Fifth Force GmbH,

a company incorporated under the laws of **Germany,**

registered with the commercial register **of Charlottenburg under HRB 179357 B**

with business address at **Cuvrystr. 4, 10997 Berlin, Germany**

(the “Company”)

1. STRUCTURE

Current share capital/shareholder structure

The Company’s share capital currently consists of **40,859** registered shares of EUR **1.00** nominal value each (the “Existing Shares”). The list of shareholders attached as **Appendix 1** shows the current ownership structure of the Existing Shares.

The aforementioned shareholders will also be referred to in the following as the “Existing Shareholders”.

Business-plan

The investment is based on the analysis made by the management which is set forth in detail on the Listing Page of the Neufund Platform which can be found at <https://platform.neufund.org>.

Pre-Money-Valuation

The Company pre-money valuation is EUR **125,000,000.00** (the “Pre-Money-Valuation”). In certain cases where discounts are applicable, the discount will be reflected in a reduction of the Pre-Money-Valuation (the “Discounted Pre-Money-Valuation”). Friends and family investors will enjoy a 60% discount. All other investors, including Neufund ICBM, Presale and Public sale investors, will enjoy a 40% discount and a Discounted Pre-Money Valuation of EUR **75,000,000.00**. The implied price per new share shall be EUR **1,835.5809** (the “New Share Price”) taking into account a degree of uncertainty in market trading reflected in the applicable Discounted Pre-Money Valuation.

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Investment

The Company intends to conduct a capital increase by issuing a minimum of **1000** shares up to a maximum of **4600** shares with a nominal value of EUR **1.00** each (the “**New Shares**” and together with the Existing Shares, the “**Shares**”), whereas in the ETO one New Share shall be represented by **10.000** equity tokens. Hence, the implied price per equity token shall amount EUR **0.183558090**. The total amount of financing with full discounts applied will amount to up to EUR **6,608,091** (the “**Max Investment Amount**”). The ETO will require a minimum investment of EUR **1,223,721** (the “**Min Investment Amount**”). If the Minimum Investment Amount is not achieved by the expiration of the ETO Term (as described below), the ETO shall be deemed failed and no capital increase shall be effective.

Investment Currencies

The Company will accept the following fiat currencies during the ETO:

- **EURO**

The Company will accept the following crypto currencies during the ETO:

- **ETH**

Any funds provided in a currency different from EURO shall be converted into EURO amounts based on the respective currency-to-EURO rate of the day of the Investment available at <https://coinmarketcap.com/currencies/ethereum/> for cryptocurrencies.

Outstanding Liabilities/Shareholder Loans

No shareholder loans exist and as at the date of this Term Sheet, the Company does not have any outstanding liabilities vis-à-vis Existing Shareholders or related parties.

Use of Funds

Any funds raised through ETO shall be used for further development of **the technology/platform of the Company, execution of the Business Plan and financing of working capital of the Company.**

Shareholder Structure post money

The shareholder structure upon Closing shall be as follows:

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Shareholder	Shares in the nominal amount of EUR 1.00 each
Miau Capital GmbH	11,125
Rudolfix Software Insights UG	11,125
Triotor Beteiligungs GmbH	3,345
Atlantic Labs GmbH & Co. KG	5,725
Freigeist Capital I GmbH	6,271
MINRA GmbH	902
Adetra GmbH	660
Kersting Holding GmbH	1,706
Neumini	1,000 - 4600
TOTAL	41,859 - 45,459

2. SHA / ARTICLES

Liquidation Preference

Equity Tokens representing New Shares shall not have a liquidation preference and the Neumini on behalf of the Equity Token Holders shall not receive, from the proceeds of an exit event ("Exit Proceeds"), any amounts in preference to Existing Shareholders. After distribution of any liquidation preferences set forth in the Shareholders' Agreement and/or Articles of the Company, the remaining Exit Proceeds shall be allocated to all shareholders (including the Neumini on behalf of the Equity Token Holders) on a pro rata basis with respect to the Shares.

Information Rights

The Company will provide all Equity Token holders with all statutory information rights and Neumini shall be able to exercise statutory inspection rights on behalf of Equity Token holders. Additionally, all material matters shall be informed to Equity Token holders.

Transferability of Equity Tokens

Equity Tokens are transferable.

Tag Along Right

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Tag Along Rights shall apply on the New Shares (and reflected on the Equity Token) in case Shares in the Company are transferred which amount to a Change of Control (a sale, exchange, contribution or other transfer of (i) more than fifty percent **50%** of the Shares in the Company, or (ii) the controlling voting power of the Company). This Tag Along Right will entitle Neumini to transfer all New Shares (not only a pro rata) unless Equity Token holders agree otherwise.

Drag-Along Rights

If a majority of the Shareholders agree to sell all Shares in the Company all Shareholders – and all Equity Token Holders shall be obliged to sell their respective shares under the same terms and conditions. The execution of the sale of Shares shall be subject to full payment of the purchase price to Equity Token holders.

4. PREFERRED RIGHTS

First Look Right

Neufund ICBM Investors will have a first look right on the Equity Token Offering and subject to certain limitations and conditions may acquire Equity Tokens before the offer is made publicly to all users of Neufund.

Neufund ICBM Investors might be able to use max. of 10% of the funds already reserved in the ICBM in which case the NEU already assigned to such investor during the ICBM will become fully vested. No new NEU will be assigned unless the respective ICBM investor commits fresh money (i.e. not already committed during the ICBM).

5. CORPORATE GOVERNANCE

Protective Provisions

Important measures/material decisions of the Shareholders' Meeting as to be defined in the Shareholders' Agreement ("SHA") shall require the consent of **50%** of shareholder votes cast.

6. FINAL PROVISIONS

Conditions Precedent

Equity Tokens will only be issued if the minimum investment amount is achieved.

ETO Terms

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The ETO shall last **7** days from the day the ETO is first offered to the general public. The ETO shall first be offered to the public with the condition that that minimum ticket size for any interested investor will be a minimum of EUR 100k. This offer will not be made on the basis of a prospectus approved by the German Financial Supervisory Authority, but rather on the basis of an exemption from the obligation to publish a Prospectus. The Company will publicly inform if and when the ETO is available for the general public.

The Company will take all reasonable efforts to facilitate the approval of the Prospectus by the last day of June 2019 (the “**Deadline**”). However, if the Prospectus is not approved by the Deadline, the Company may grant the Nominee further shares based on a Discounted Pre-Money Valuation to be determined at a later date with the resulting Company Tokens automatically distributed to Token holders pro rata.

Transaction Costs

The Company will bear all transaction-related costs of the Company (e.g. court/commercial register fees, costs of legal counsel/law firm retained by the Company, etc.).



Zoe Adamovicz, 27.11.2018
CEO at Fifth Force GmbH

Appendix I

