

## **1.SCOPE of the TERMS and CONDITIONS**

1.1. The terms and conditions (“Terms and Conditions”) stated herein constitute a binding contract between you and us, and it sets out our respective rights and obligations with respect to your membership of the 1Crowd platform. These Terms and Conditions should be read in conjunction with the “terms of website use” (available at Terms of Use) and the “privacy policy” (available at Privacy Policy) and “disclaimer” (available at Disclaimer) that shall be applicable to the members and the Company. The terms set forth herein are subject to any amendment that may be made at the sole discretion of the Company. In case the amendments affect your substantive rights provided herein, we shall provide you a prior notice of 10 (ten) Business Days before making such amendments effective. You may elect not to agree to the amendments by providing us a written notice within the aforesaid period of 10 (ten) Business Days. If you have given such a notice of disagreement, the amendments shall not be made applicable to you; however, in such an event you shall be deemed to have terminated your membership with the 1Crowd platform in accordance with Clause 9.2 of the Terms and Conditions.

1.2. You will be notified of the most updated Terms and Conditions through 1Crowd platform.

1.3. By agreeing to the Terms and Conditions, you agree that all of the activities that we conduct with you take place within the Republic of India, regardless of where you may be physically situated at the time of your agreeing to the Terms and Conditions or your accessing the 1Crowd platform.

## **2.Eligibility of MEMBERS**

2.1. You are aware and acknowledge that membership of the 1Crowd platform is currently restricted to the following categories:

2.1.1. An entity who falls within the definition of Qualified Institutional Buyer (“QIB”) as defined in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time;

2.1.2. A Company (“Member Company”) incorporated under the Companies Act 2013 (of India) or equivalent legislation in force in a foreign country with a minimum net worth of Rs. 20,000,000 (Rupees Twenty Million or equivalent in the currency of the foreign country), the net worth of whom has been certified by a chartered accountant if it is resident in India and by a certified public accountant or a chartered accountant or a banker if it is resident outside India, or by a resolution of the board of directors), as may be acceptable to us;

2.1.3. An individual (“HNI”) who is over 18 (eighteen) years of age and who has a minimum net worth of Rs. 20,000,000 (Rupees Twenty Million or equivalent in the currency of the country where the individual is resident) or more and who has provided a declaration in the form of a certificate, certifying/confirming his/her net-worth. Where a HNI is investing through a holding company or such other legal entity, then the net worth requirement of such holding company or other legal entity shall be reckoned on the basis of net worth of the principal shareholder/ owner/ promoter of such company or legal entity. Such a company or legal entity shall provide a net worth certificate by a chartered accountant if it is resident in India and by a certified public accountant or a chartered accountant or a banker if it is resident outside India, or such other certification, as may be acceptable to us confirming that its principal shareholder/ owner/promoter meet the net-worth criterion applicable to a HNI as set out in this Clause 2.1.3.

2.1.4. An individual (“Eligible Retail Investor” / “ERI”) who is over 18 (eighteen) years of age and who has an annual income (from all sources) of at least Rs. 5,000,000 (Rupees Five Million or equivalent in the currency of the country where the individual is resident) and who has provided a declaration

in the form of a certificate, certifying / confirming his/her annual income. Where an ERI is investing through a holding company or such other legal entity, then the annual income requirement of such holding company or other legal entity shall be reckoned on the basis of annual income of the principal shareholder/ owner/ promoter of such company or legal entity. Such a company or legal entity shall provide an annual income certificate by a chartered accountant if it is resident in India and by a certified public accountant or a chartered accountant or a banker if it is resident outside India, or such other certification, as may be acceptable to us confirming that its principal shareholder/ owner/promoter meet the annual income criterion applicable to an ERI as set out in this Clause 2.1.4.

2.2. If you are a QIB or a Member Company, you must, pursuant to a written resolution of your governing body (e.g. board of directors, board of governors or trustees) designate at least 1 (one) natural person to take action on your behalf. Such a person will be recognised as your agent ("Agent") and we shall presume that all actions taken on your behalf by your agent in connection with your application for membership of the 1Crowd platform or its use have been taken by you. You may replace the Agent by providing a written notice to the Issuer Company and/or Companies supported by another resolution of your governing body (e.g. board of directors, board of governors or trustees) designating a new Agent to take the place of the earlier Agent.

2.3. Upon logging into the website of the 1Crowd platform, you shall be required to provide preliminary information about yourself in a prescribed format. Thereafter, a representative of the 1Crowd platform shall call you on the telephone number provided by you and discuss your potential membership with the 1Crowd platform. Upon being reasonably satisfied of the authenticity of the information submitted by you, 1Crowd will provide you with a unique username and password ("Authentication Token"). Since your membership of the 1Crowd platform is personal and non-transferrable, you shall not share your Authentication Token with any other person or permit any other person to use your Authentication Token.

2.4. If you are interested to proceed further to become a member of the 1Crowd Platform, upon receipt of the Authentication Token, we would ask you to review the Terms and Conditions and indicate your acceptance of the same. If you accept the Terms and Conditions, the Company shall proceed to further evaluate your interest to become a member of the 1Crowd platform. Upon acceptance of the Terms and Conditions, you shall be required to upload necessary documentation as may be required by the 1Crowd platform. Once you have accepted the Terms and Conditions, and submitted the necessary documents and information, and confirm that you have paid the fees (if any), you shall be permitted to view further information on the website and indicate your interest in investing in one or more potential Issuer Companies. Please note that at this stage, we are yet to review and verify completeness and authenticity of your documentation. If at any time, we are not reasonably satisfied with the completeness, accuracy or authenticity of the documents and information submitted by you, your membership may be suspended or terminated. We may require or, receive any request from Governmental or other regulatory agencies in India requesting for, any further information on you or in relation to your activities on the 1Crowd platform, you agree to oblige to such requests and provide such information as may be required by us or such other agency, as may be applicable.

2.5. Without prejudice to the rights of the Company to ascertain your eligibility, you shall at all times represent and warrant to the Company that you fulfil the eligibility criteria stated in the Terms and Conditions and all the statements made by you in the documentation provided by you are true, correct and complete. If at any point of time after accepting these Terms and Conditions, you cease to be eligible for the membership of the 1Crowd platform, you shall immediately inform us of such ineligibility.

2.6. The decision to ascertain your eligibility to become a member of the 1Crowd platform and to permit you to act as an investor in the Issuer Companies is entirely ours, and notwithstanding the criteria laid down hereinabove, we may decide for any or no reason whatsoever not to consider you eligible for membership to the 1Crowd platform, and, in such a case, you will be unable to make further investments through the 1Crowd platform. You agree to any decision taken by the 1Crowd platform in this regard. You agree that you shall not hold liable the 1Crowd platform for any losses, damages, costs, expenses arising out of or in relation to any decision made by the 1Crowd platform.

2.7. You may not hold or attempt to create by whatsoever means more than one membership with the 1Crowd platform. For the avoidance of doubt, the user is permitted to hold only one user ID under its name as provided under Clause 2.3, which shall permit an investor to have limited access to the details of the Issuer Company/Companies as more particularly described in Clause 5.3 of the Terms and Conditions.

### **3. THE 1CROWD PLATFORM**

3.1. The 1Crowd platform has been hosted by the Company to facilitate your interaction with us, other members of the 1Crowd platform, the actual and potential Issuer Companies or the entrepreneurs seeking to raise funds by using the platform and the mentors who provide advice to the entrepreneurs and the Issuer Companies. You will use the platform to learn about the potential Issuer Companies and indicate your decisions with regard to investing in one or more of them, to follow the progress of your investments after they have been completed, including receiving proposals of disposals of your investment(s). In addition, most communications between you and us will take place through the 1Crowd platform. If you are uncomfortable using the 1Crowd platform, you should not register as a member.

3.2. The 1Crowd platform shall not be responsible for the content posted on the 1Crowd platform by you and you shall be solely responsible for the information posted by you. You shall not post any information on the chat room or under any other segment of the 1Crowd platform, which you believe is not true or amounts to defamation or making personal/derogatory remarks against any user like you or the Issuer Company or for which you do not have permission/authorisation. You agree to indemnify and keep indemnified the 1Crowd platform and each member of the 1Crowd platform from and against any loss, damages, costs, expenses arising for or in connection with any content posted by you on the 1Crowd platform. For the avoidance of doubt, you are solely responsible for your interaction with the other members of the 1Crowd platform. We reserve the right, but are not obliged, to monitor any actions or disputes between you and other members of the 1Crowd platform.

### **4. INVESTMENT CAPACITY**

4.1. Apart from satisfying applicable eligibility criteria stated hereinabove, you represent and warrant to us that you are fully authorised by laws of your jurisdiction and, where applicable, from the perspective of corporate governance norms applicable to you, to participate in the activities of the 1Crowd platform. You are advised to obtain relevant advice from any solicitor, advocate or other professional expert in your jurisdiction.

4.2. By agreeing to the Terms and Conditions, you represent and warrant that you have been in continuous compliance in all respects of anti-money laundering laws, anti-corruption laws and anti-bribery laws in the jurisdiction in which you conduct business and no action, investigating suit or proceeding in respect of your involvement in any money laundering, financing or terrorism or other illegal activities are currently pending before any court of Governmental agency, authority or body and, to the best of your knowledge, no such actions, suits or proceedings are threatened or contemplated. We may, at any point of time after you become a member of the 1Crowd platform, on our own or upon being directed by a regulatory agency seek additional documentation from you to once again ascertain your identity and sources of your funds.

4.3. If after becoming a member of the 1Crowd platform, you cease to be eligible for membership or your representations and warranties made pursuant to Clauses 4.1 and 4.2 of the Terms and Conditions, you shall immediately inform us and not use the 1Crowd platform unless and until you have once again become eligible or are able to satisfy all your representations and warranties set forth in the Terms and Conditions.

## **5. INVESTMENT STRUCTURE**

5.1. Subject to the restrictions and limits set forth in the Terms and Conditions, you will be entitled to invest in some or all of the investment opportunities available from time to time on the 1Crowd platform. Each of these investments will be made through you subscribing to Eligible Instruments issued by one or more of the Issuer Companies seeking to raise funds on the 1Crowd platform. The Company will name the Lead Investor for each Issuer Company in the term sheet which will be available to you upon completion of your profile on the 1Crowd platform.

5.2. We receive several proposals from early stage businesses and entrepreneurs seeking to raise funds through the 1Crowd platform. Upon completion of a satisfactory preliminary screening process on the potential Issuer Companies, we permit potential Issuer Companies to display brief / summary information ("Summary Information") about them on the 1Crowd platform. At this stage, you may indicate preliminary interest in one or more potential issuer companies. Based on the interest evinced by you and other members in the potential issuer companies, the potential issuer companies undergo a further formal screening process and companies who are successful in such screening process are permitted to display more detailed information ("Detailed Information") on the website of the 1Crowd platform and also make their final pitch to the interested members. For the purpose of orderly operation and screening, we have formed a committee ("Screening Committee") comprising of selected members of the 1Crowd platform and independent members comprising professionals having significant experience in variety of areas. The screening does not mean that we are recommending that you make any investment in the potential issuer companies displayed on the 1Crowd platform or that the businesses of such potential issuer companies is likely to be successful or that we take any responsibility or will take any liability if these companies are not successful. The decision to make the investment through the 1Crowd platform shall be yours and yours alone, thus 1Crowd platform does not purport to offer any investment advisory services.

5.3. Subsequent to your admission as a member of the 1Crowd platform, you will be able to view the potential issuer companies seeking to raise funds on the 1Crowd platform. You will be able to see or receive the Summary Information about all such potential issuer companies, based on which you may express your preliminary interest in one or more such companies. At this stage, you will be able to participate in one or more chat rooms open to all the members of the 1Crowd platform to initiate a new or participate in any ongoing discussions regarding one or more of the potential issuer companies. It is intended that such discussions will enable the members and the potential issuer companies to gather and receive feedback about the Summary Information. If you have indicated your interest about one or more issuer companies after reviewing the Summary Information about them and such companies have been qualified after review by the Screening Committee, you shall be able to view or receive the Detailed Information about these issuer companies. The Summary Information and the Detailed Information are together referred to as the "Fundraising Information". You acknowledge and agree that no parts of the Fundraising Information constitute an offer to subscribe to the securities of the potential issuer companies. If you have progressed to viewing Detailed Information about a potential Issuer Company, you will also be able to participate in the discussions in a chat room open to only those members who like you have evinced initial interest about the relevant potential Issuer Company. You acknowledge and agree that all the Fundraising Information is prepared by and provided to you solely by the Issuer Company via the 1Crowd platform. The 1Crowd platform by itself does not purport to and is not required to provide any

information with regard to your investment decision. Other than the information described in this Clause 5.3, we have not reviewed any information about the potential issuer companies, including information which are revealed during discussions on the chat rooms of the 1Crowd platform, websites of the potential issuer companies or on any social or print media.

5.4. We have reviewed the Fundraising Information as of a specified date and we have concluded that the information, taken as a whole, is fair, clear and not misleading as of such date. This means for factual statements we have reviewed evidence of their accuracy, and that for aspirational or forward looking statements or statements containing opinions and beliefs, we believe that they are phrased appropriately in light of their speculative or subjective nature. You should note that in case of factual statements, the evidence we review are provided by the potential issuer companies, and while we take reasonable care in our review, we do not audit the evidence for its accuracy. You acknowledge and agree that we may not be able to, and we shall not be liable to, identify forged or altered evidence or information or deliberately misleading or inaccurate statements. You should also note that in case of aspirational or forward looking statements or statements of opinion or belief, the nature of early stage business is such that they are likely to have high opinions and ambitions and we may approve statements that convey those ambitions even where we do not have a view on whether it is likely that they will be fully or partly realised, and approval does not convey a belief on our part that they will be realised.

## **6. INVESTMENT PROCESS**

6.1. Once you are able to view the Detailed Information about one or more potential Issuer Company, you will be asked through the 1Crowd platform to indicate your non-binding intention to subscribe to the Eligible Instruments of such Issuer Company/Companies and the amount that you are likely to invest. Based on your interest, you may receive one or more formal invitations to make offers from the potential issuer companies.

6.2. You should note that the investments in the potential issuer companies are to be made through a private placement process in compliance with Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014. As such, a potential Issuer Company is restricted from inviting offers for subscription of its shares from more than 200 persons (excluding QIBs and eligible employees) in any one financial year. Therefore, even if you have indicated a preliminary and non-binding intention to invest in a potential Issuer Company, the Issuer Company may not be in a position to make you a formal invitation to offer to subscribe to the Eligible Instruments of the potential Issuer Company.

6.3. An invitation to make an offer to subscribe to the Eligible Instruments of a potential Issuer Company shall be made by way of a numbered private placement memorandum issued under applicable laws of India. If you receive a private placement memorandum, you must carefully read the contents of the memorandum and make such enquires as you deem fit before proceeding further.

6.4. If you have satisfied yourself with the contents of a private placement memorandum, you may wish to make a binding offer through the 1Crowd platform to subscribe to such number of Eligible Instruments of the Issuer Company at a price that is indicated in the private placement memorandum within such time as will be notified to you. Please bear in mind that any offer made by you at this stage is binding on you but not necessarily binding on the relevant potential Issuer Company.

6.5. After receiving your firm offer to subscribe to the Eligible Instruments of a potential Issuer Company, the potential Issuer Company shall, within a period that will be notified to you through the 1Crowd platform, accept your offer in full (i.e. it will agree to issue all the Eligible Instruments

that you have offered to subscribe) or in part (i.e. it will agree to issue only a part of the Eligible Instruments that you have offered to subscribe) and communicate its decision to you through the 1Crowd platform. You expressly acknowledge and agree that the decision to allot the Eligible Instruments rests solely with the potential Issuer Company and 1Crowd platform has no role to play in arriving at such decision.

6.6. Once your offer to subscribe to the Eligible Instruments of a potential Issuer Company has been accepted in part or full, you will be asked to remit the subscription consideration within a stipulated number of days that will be notified to you through the 1Crowd platform. The subscription consideration must be remitted through normal banking channels to a bank account of the potential Issuer Company designated for the specific purpose of housing the subscription consideration for the Eligible Instruments.

6.7. The potential Issuer Company shall within such number of days (as they may indicate) of a fundraising campaign being declared successful by us through the 1Crowd platform, hold a meeting of its board of directors and at such meeting issue and allot Eligible Instruments to you and other members who have invested pursuant to its fundraising campaign through the 1Crowd platform. If we do not declare a fundraising campaign to be successful within the aforesaid number of days of the date when the campaign was first launched on the 1Crowd platform, the campaign will be deemed unsuccessful. In such a case, the potential Issuer Company as required by law and the terms and conditions agreed with us, refund your entire subscription consideration along with any interest that may be payable as prescribed under the laws of India. You acknowledge that any change in the foreign exchange rate between the currency that you remit and Indian Rupees shall be borne by you. A fundraising campaign by a potential Issuer Company will be declared successful if it has received subscription consideration which is at least equivalent to 90% of the original amount sought to be raised by the Issuer Company through the 1Crowd platform. However, where the subscription consideration received is less than 90% of the original amount, then in such a case, the fundraising campaign may be considered successful subject to us receiving approval from all the potential investors who have paid the subscription consideration to the Eligible Instruments of the potential Issuer Company.

6.8. In case a fund raising campaign is not successful, the potential Issuer Company may display its fund raising campaign on 1Crowd platform for such time as we may permit. You will be able to pursue an investment in such an Issuer Company so long as it is displayed on the 1Crowd platform through the process described above.

6.9. Immediately after issue and allotment of the Eligible Instruments to you, you will be asked to execute a shareholders' agreement with the potential Issuer Company (who will be referred to as an Issuer Company) and other investors in such Issuer Company investing through the 1Crowd platform. The said shareholders' agreement shall set out the terms and conditions governing your investment in the Issuer Company and shall also govern your relationship with the said Issuer Company. Further, the said shareholders' agreement shall also specify inter alia your rights with respect to exit from the said Issuer Company and specify the terms of refund of share consideration made by you. Even if you elect not to enter into the shareholders' agreements, you will continue to be a shareholder of the Issuer Company and your rights as a shareholder will then be governed solely by applicable law (and not through the provisions of the shareholders' agreement).

6.10. You shall be eligible to invest in the same Issuer Company several times, subject to the terms and conditions set out in the shareholders' agreement.

## **7.RISK WARNINGS**

7.1. By agreeing to the Terms and Conditions, you agree and acknowledge that, that you bear the fitness to undertake the risks in investing through such a platform including but not limited to the following that may be faced while investing through the 1Crowd platform.

7.2. You agree and understand that any investment through the 1Crowd platform is in start-up ventures and entrepreneurs who may not assure complete and full-fledged profits from their venture or any conviction of returns from the investments made by you. You understand that you will make an informed opinion to invest in these ventures, such that you will be able to bear any losses arising out of such investments.

7.3. You understand that an Issuer Company may most likely not be able to pay any dividend throughout the life cycle of your investment. Though not guaranteed in any form or manner, your investment will likely generate income from a future sale of such investments for which a time frame cannot be ascertained.

7.4. You understand that any investment in an Issuer Company is subject to dilution as the issuer companies will likely raise additional capital in the future which may require further issuance of Eligible Instruments to existing and/or new investors of the issuer companies. Also, to incentivise the directors, employees or other service providers, the issuer companies may also choose to issue shares or grant share options to them, which would also result in dilution of the shareholding. Further, new shares issued in subsequent fund raising(s) may also carry preferential rights to dividends, sale proceeds and other matters.

#### **8. POST INVESTMENT RIGHTS**

8.1. Pursuant to a successful fund raising process through the 1Crowd platform, the issuer companies shall display on the website of the 1Crowd platform such information, disclosure etc. as may be required under applicable law, or by us, including but not limited to: (a) financial statement (including balance sheet, profit and loss statement, etc.) on a regular basis; (b) progress made and milestones achieved in the business; (c) any other matter that may be considered desirable or necessary by us.

8.2. In addition, upon completion of the private placement offer process, an Issuer Company shall keep you informed at regular intervals of any other information in relation to your investment in the Issuer Company that may have been agreed between you and the Issuer Company; however, we assume no responsibility or liability for this activity. While we will endeavour that you receive certain information through the 1Crowd platform itself, we shall, as your nominee, be entitled (without being mandatorily liable) to monitor the performance of your issuer companies.

8.3. By agreeing to the Terms and Conditions, you have irrevocably authorised us to represent you and vote on your behalf in the meetings of shareholders convened by your issuer companies. You shall execute appropriate documentation necessary to constitute us your representative or attorney to attend and vote on your behalf in the aforesaid meetings.

8.4. Following your successful investment in one or more issuer companies you irrevocably authorise us to monitor (through an arrangement with the Registrar and Share Transfer Agent of such companies or through any other means) any change in the capital structure of the relevant issuer companies including any change in your share holdings. You shall dispose of Eligible Instruments held by you in an Issuer Company provided we are in support of such disposal process.

#### **9. TERMINATION**

9.1. 1Crowd platform may, in its sole discretion, with or without cause, terminate the Terms and Conditions by giving you a written notice of 30 (Thirty) days.

9.2. If you have indicated your disagreement with one or more amendments to the Terms and Conditions, these Terms and Conditions shall cease to apply to you on the expiry of 30 (thirty) days from the date on which you have indicated your disagreement to such amendment(s).

9.3. 1Crowd may, in its sole discretion, terminate the Terms and Conditions, if you have violated or breached any provisions of the Terms and Conditions envisaged herein or any other policy or agreement provided on the 1Crowd platform by giving you a written notice of 30 (Thirty) days.

9.4. A termination as envisaged in Clauses 9.1, 9.2 and 9.3, shall result in: (a) terminating your right to access the 1Crowd platform from accessing Fundraising Information or making a binding or non-binding offer to subscribe to the Eligible Instruments of any of the potential issuer companies displayed on the 1Crowd platform; (b) terminating your registration with the 1Crowd platform as a member; or (c) terminating the right to proceed with completing investment in any potential issuer companies on the 1Crowd platform, provided that such process with respect to your investment in the potential Issuer Company has not been completed; or (d) us making a request to the Issuer Company to reject/withdraw any offer made by it; or (e) in case any money has been transferred by you pursuant to a fundraising campaign, refund to you such an amount as may be present in the bank account of the relevant potential Issuer Company; and/or (f) any other action as the 1Crowd platform may deem fit.

9.5. Upon termination of your access to the 1Crowd platform, the Terms and Conditions envisaged herein shall stand terminated, and neither you nor we shall continue to be bound by the provisions.

9.6. For the avoidance of doubt, the above termination shall not affect any private placement offer process that has been completed as required under the Companies Act, 2013.

#### **10.SUSPENSION**

10.1. The 1Crowd platform may suspend your membership and your rights under the Terms and Conditions, if pursuant to Clause 4.3, you have informed the 1Crowd platform that you are no longer eligible to invest through the 1Crowd platform as per the eligibility criteria laid down herein, and may suspend the same until we determine that you again fulfil the eligibility criteria.

10.2. If fees due from you have not been credited to the bank accounts of 1Crowd within the stipulated time period, your right as a member under the Terms and Conditions will remain suspended until we have received credit of the amounts due in our bank account.

10.3. Upon such a suspension, 1Crowd shall: (a) suspend the right to evince interest in the issuer companies; and/or (b) refund such balance amount as remains outstanding after acceptance/rejection/withdrawal of an offer; and/or (c) any other action that the 1Crowd platform may deem fit.

#### **11.COMMUNICATION AND NOTICES**

11.1. The 1Crowd platform shall use its reasonable efforts to regularly communicate any and all information pertaining to the issuer companies to you of which the 1Crowd platform has knowledge.

11.2. You hereby agree to accept receipt of communication in electronic form (via email or the 1Crowd platform) or in physical form.

11.3. For the avoidance of doubt, we may not be able to assure you, such information that is being made available to you is complete, accurate, updated or error-free, and we shall not be liable for any loss, damages or costs suffered by you, by relying on such information and acting upon it.

#### **12.GRIEVANCE REDRESSAL COMMITTEE**



12.1. In case, you have a complaint against the Issuer Company or any other segments of the 1Crowd platform, then you shall report such a grievance to a committee specially formed by the 1Crowd platform to redress the problems and difficulties faced by you.

12.2. Within 72 (seventy two) hours of receipt of information, the 1Crowd platform shall reply to you via email or telephone call and inform you of any steps that the 1Crowd platform may take including investigating the matter, hearing the parties or taking such other necessary action that may be necessary to redress the grievance. The 1Crowd platform shall keep you always informed of the steps that the 1Crowd platform is taking in the matter as well as final decision of the committee. You agree that you shall provide all the necessary co-operation that may be necessary for the speedy remedy of the disputes.

### **13.CONFLICT OF INTEREST**

13.1. The 1Crowd platform shall ensure that it shall at any and all times take reasonable steps to identify and adequately manage conflict of interests that may entail a material risk of damage to your interest.

13.2. The 1Crowd platform shall not, whether through an individual, trust, partnership or a company, improperly benefit from any investment in the Issuer Company as a result of the position held by 1Crowd platform. However, this shall not prevent us or any of our shareholders, directors or employees from investing in one or more of the potential issuer companies. If such an investment is intended to be made, a disclosure to this effect shall be displayed along with the fund raising campaign of such potential issuer companies.

13.3. In addition to the disclosure mentioned in Clause 13.2, we shall through the 1Crowd platform ensure that we make such adequate disclosures to you from time to time as may be necessary to avoid any conflict of interest situation with you in respect of any investment in a potential Issuer Company.

13.4. Without prejudice to the above, any member, agent, employee or other representative of the 1Crowd platform, is neither your agent or representative, and shall be free to invest in the potential issuer companies provided that such information is disclosed to you prior to your investment in the Issuer Company and all due care has been taken in order to avoid a conflict of interest situation between you and us.

### **14.TAXATION**

14.1. You agree and acknowledge that you may be liable to pay taxes on any dividends or gains you receive from your investments in the Issuer Company and that the payment of taxes is entirely your responsibility and you shall be liable to bear them solely. Further, you agree and acknowledge that the determination of your tax liabilities with respect to investments made via the 1Crowd platform is entirely your responsibility and 1Crowd platform bears no responsibility or liability in this regard.

14.2. Unless you provide the Issuer Company (via the 1Crowd platform) with a valid tax exempt certificate or any other information or documentation to our satisfaction, the Issuer Company shall deduct or withhold any taxes at source that may be required to be deducted at the maximum rate under the applicable law of India. For the avoidance of doubt, you shall not hold 1Crowd platform or the Issuer Company liable for any deductions made on your behalf and shall indemnify and keep indemnified the 1Crowd platform or the Issuer Company (as the case may be), from and against any loss, damages, costs, expenses arising out of or in connection with any proceedings initiated against 1Crowd and/or the Issuer Company in light of any deductions made on your behalf.

14.3. For your benefit, the Issuer Company shall provide a brief summary of taxation provisions applicable in India which may affect you as a shareholder of the Issuer Company. Such summary will

be provided in the documentation with respect to each issuance of Eligible Instruments. This summary is in no way a substitute for professional tax advice which we recommend you to obtain. The information given in such summary may be drafted and it does not comprehensively cover all tax obligations in India.

#### **15.FEES**

15.1. We levy a fee for providing you access to the 1Crowd platform and enabling you to invest in the potential Issuer Companies which have been screened by the Screening Committee and for work that we do on your behalf after making the investment, including but not limited to post investment compliance, making relevant introductions, and assisting Issuer Companies in most spheres of business.

15.2. With effect from April 1<sup>st</sup> 2019, we shall charge you a one-time fee plus applicable taxes on the amount invested in any Issuer Company. This amount will be valid for the entire investment period for that particular Issuer Company and is payable at the time of investment. The amount of fee will be as laid out in the term sheet of the Issuer Company at the time of its launch on the 1Crowd platform.

15.3. Finally, where you make any gain or profit from your investment in any of the issuer companies, we shall charge you a fee equivalent to such percentage of the gross amount of any such gain or profit made by you. The percentage of the gross amount of any gain or profit made by you that is payable to us will be as laid out in the term sheet and the Shareholder's Agreement or Share Subscription Agreement or such other document as decided by the Company. The invoice in respect of such fees shall be sent to you as soon as the event leading to the gain or profit occurs. We shall ask the acquirer of your Eligible Instruments to handover the amounts representing our fees pursuant to this Clause 15.3 simultaneously with them making a remittance of the balance amount to you. You agree and acknowledge that amounts received by us from the acquirer shall give a good discharge to the extent of such amount to such acquirer from their obligation to make payment to you.

15.4. All fees due to us shall be paid in our bank account whose details will be mentioned in the invoice without any set off or counterclaim. If there are any withholding taxes which reduce our fees (apart from tax deducted at source under laws of India), the fees shall be grossed up with such amounts so that after deduction we receive the same net amount in our bank account as we would have received had there been no such withholding or deduction.

15.5. For the avoidance of doubt, the total amount of fees payable by you to the Company shall be a sum total of the amounts envisaged in Clauses 15.2 and 15.3 (as applicable).

#### **16.LIABILITY**

16.1. You undertake to be solely responsible for any losses, damages, costs, expenses, claims and liabilities (excluding any and all consequential and indirect or special losses, loss of profit) suffered by us as a result of breach of the Terms and Conditions or by false or fraudulent representation or

wilful misconduct.

16.2. The 1Crowd platform shall not be liable for any losses, damages, costs, expenses, claims and liabilities (excluding any and all consequential and indirect or special losses, loss of profit) which you may suffer as a result of the use of the 1Crowd platform.

16.3. Notwithstanding the foregoing, the 1Crowd platform shall not be liable to you for any losses, damages, costs, expenses, claims and liabilities arising out of or in relation to anything which is expressly excluded under the Terms and Conditions, or arising out of or in connection with any error or inaccuracy or incomplete information or data entered by you or the Issuer Company or any misrepresentation or wilful misconduct or any other similar act of the other members like you.

#### **17. GOVERNING LAW**

17.1. The Terms and Conditions shall be governed by and construed in accordance with the laws of India without reference to its conflict of laws principles.

17.2. Any dispute between the Parties shall be subject to the jurisdiction of the courts of Mumbai.

#### **18. ARBITRATION**

18.1. If any question of dispute shall at any time arise between you and us with respect to the validity, interpretation, implementation or alleged material breach of any provision of the Terms and Conditions or our rights or obligations hereunder, or regarding any question including the question as to whether the termination of these Terms and Conditions by either one of us has been legitimate, then both of us shall attempt to settle such dispute amicably between us.

18.2. In the event that such dispute has not been amicably settled within 21 (Twenty One) days from the either of us bringing it to the notice of the other, then either one of us may refer such a question or dispute to be finally resolved by arbitration under the rules of Singapore International Arbitration Centre ("SIAC") which rules are deemed to be incorporated by reference in the Terms and Conditions. This reference shall be made to the sole arbitrator to be appointed by SIAC. SIAC shall administer the arbitration in accordance with its practice, rules and regulations. Subject to the rules and regulations of the SIAC, the Arbitrator so appointed will be free from the procedural laws and rules of civil procedure. Provided however, if you are a resident of India, any dispute between us shall be resolved by binding arbitration under the (Indian) Arbitration and Conciliation Act, 1996 (or any re-enactment thereof) by a sole arbitrator mutually agreed between us.

18.3. The seat of the arbitration shall be Singapore and the language to be used in the arbitral proceedings shall be English. The award of the Arbitrator shall be accepted by both of us, and shall be final and binding upon us and each one of us undertakes to efficiently carry out such award. Both of us shall be entitled to apply to a court of competent jurisdiction for enforcement of such an award. Provided however, if you are a resident of India, the seat of the arbitration shall be Mumbai, India.

18.4. The arbitrator's fee shall be borne equally between you and us. All other costs and expenses of the arbitration shall be borne by you and us as the arbitrator may award.

#### **19. NOTICES**

19.1. Any notice provided by you to the 1Crowd platform under the Terms and Conditions shall be in writing and shall be (i) first transmitted by email or facsimile transmission, and then confirmed by postage, prepaid registered post with acknowledgement due or by internationally recognised courier service; or (ii) sent by postage, prepaid registered post with acknowledgement due or by internationally recognized courier service: In the case of notices to the 1Crowd platform: Address: 101, Siddhivinayak, 1st Road, Union Park, Khar (West), Mumbai - 400052 Attention: Anil Gudibande Email: anil.gudibande@1crowd.co In the case of notices to you, the information provided by you at

the time of registration with 1Crowd platform shall be utilised for all communication to you. For the avoidance of doubt, 1Crowd platform shall only send notices to you through email IDs provided by you at the time of registration and shall not send/confirm the same through any other means of communication including postage and facsimile.

19.2. All notices shall be deemed to have been validly given on (i) the Business Day immediately after the date of confirmation of transmission recorded on the sender's computer in case of email transmission, or (ii) the expiry of seven (7) Business Days after posting, if sent by post.

19.3. Either of us may, from time to time, change its address or representative for receipt of notices provided for in the Terms and Conditions by giving to the other, not less than ten (10) days prior written notice.

## **20. CONFIDENTIALITY**

20.1. You agree and undertake that you shall keep the information contained herein or any information received from the 1Crowd platform or the Issuer Company that relates to any investment, business or other related information of the Issuer Company ("Confidential Information"), confidential and shall not disclose the same to any person and shall use reasonable efforts to ensure that the Confidential Information is not disclosed to any person, except on a strictly confidential basis to your legal and financial advisers exclusively for the purpose of rendering professional advice to you. Except as specified hereinabove, you shall not without the prior written consent of the 1Crowd platform or the Issuer Company (as the case may be), disclose, use, copy, publish any Confidential Information for your own benefit or for the benefit of others.

20.2. The provisions of Clause 20.1 above shall not apply to:

20.2.1. disclosure of Confidential Information that is or comes into the public domain or becomes generally available to the public other than through the act or omission of or as a result of disclosure by or at the direction of the 1Crowd platform or the Issuer Company or any of its representatives in breach of the Terms and Conditions;

20.2.2. disclosure, after giving prior notice to the extent practicable under the circumstances or permissible by law and subject to any practicable arrangements to protect confidentiality, to the extent required under the rules of any stock exchange or by applicable laws or governmental regulations or judicial process or generally accepted accounting principles applicable;

20.2.3. Confidential Information acquired independently by a party from a third party source not obligated to the party disclosing Confidential Information to keep such information confidential;

20.2.4. Confidential Information already known or already in the lawful possession of the party receiving Confidential Information as of the date of its disclosure by the person disclosing such Confidential Information; and

20.2.5. disclosure in connection with the performance of obligations or the exercise of rights (including remedies) under these Terms and Conditions.

## **21. MISCELLANEOUS**

21.1. Waiver No waiver of any of the Terms or Conditions hereof shall be valid or binding unless made in writing and duly executed by or on behalf of both of us. No waiver of any breach of any provision of the Terms and Conditions shall be effective or binding unless made in writing and signed by the one of us purporting to give the same and, unless otherwise provided in the written waiver, shall be limited to the specific breach waived.

21.2. Assignment Your membership is personal, therefore, none of your rights, obligations in

connection with your membership to the 1Crowd platform can be assigned, transferred or delegated to any other person without our express consent.

21.3. No partnership of agency The Terms and Conditions shall not be construed so as to create a partnership or joint venture between you and us. Nothing in the Terms and Conditions shall be construed so as to constitute you and us as agents of one another.

21.4. Specific Performance Each one of us agrees that damages may not be an adequate remedy and that either of us shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the other, from committing any violation or enforce the performance of the covenants, representations and obligations contained in the Terms and Conditions. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Parties may have at law or in equity, including without limitation a right for damages.

21.5. Severability Each and every obligation under the Terms and Conditions shall be treated as a separate obligation and shall be severally enforceable as such in the event of any obligation or obligations being or becoming unenforceable in whole or in part. To the extent that any provision or provisions of the Terms and Conditions are unenforceable, both of us shall endeavor to amend such clauses as may be necessary to make the provision or provisions valid and effective. Notwithstanding the foregoing any provision which cannot be amended as may be necessary to make it valid and effective shall be deemed to be deleted from the Terms and Conditions and any such deletion shall not affect the enforceability of the remainder of the Terms and Conditions not so deleted provided the fundamental terms of the Terms and Conditions are not altered.

21.6. Non-Exclusive Remedies The rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any of us may otherwise have at law or in equity. The rights and remedies of any of us based upon, arising out of or otherwise in respect of any inaccuracy or breach of any representation, warranty, covenant or agreement or failure to fulfill any condition shall in no way be limited by the fact that the act, omission, occurrence or other state of facts upon which any claim of any such inaccuracy or breach is based may also be the subject matter of any other representation, warranty, covenant or agreement as to which there is no inaccuracy or breach.

21.7. Cost and Expenses Each of us hereto shall pay their own costs and expenses relating to the negotiation, preparation and execution of the Terms and Conditions. The stamp duty payable in connection with the stamping of the Terms and Conditions, if necessary to be paid on a physical copy hereof shall be borne by you.

21.8. Partial Invalidity If any provision of the Terms and Conditions or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent for any reason including by reason of any law or regulation or government policy, the remainder of the Terms and Conditions and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each provision of the Terms and Conditions shall be valid and enforceable to the fullest extent permitted by law. Any invalid or unenforceable provision of the Terms and Conditions shall be replaced with a provision, which is valid and enforceable and most nearly reflects the original intent of the invalid and unenforceable provision.

21.9. Rights of Third Parties Nothing expressed or implied in the Terms and Conditions is intended or shall be construed to confer upon or give any person, other than us hereto any rights or remedies

under or by reason of the Terms and Conditions or any transaction contemplated by the Terms and Conditions.

21.10. Time of Essence Time shall be of essence of all the matters arising out of or in connection with the Terms and Conditions.

21.11. Force Majeure We shall not be in breach of the Terms and Conditions if there is, and shall not be liable or have responsibility of any kind for any loss or damage incurred by you as a result of, any total or partial failure, interruption or delay in performance of our duties and obligations occasioned by any act of God, fire, act of government, state, governmental or supranational body or regulatory authority or war, civil commotion, terrorism, failure of any computer dealing system, interruptions of power supplies, labour disputes of whatever nature or any other reason (whether or not similar in kind to any of the above) beyond our reasonable control.

21.12. Execution The Terms and Conditions shall be deemed duly executed and shall become effective and binding upon you and us when you affirm assent to it via the means ("I Accept" button) on the 1Crowd platform.

## **22. DEFINITIONS AND INTERPRETATIONS**

22.1. DEFINITIONS The following words and terms, whenever used in these Terms and Conditions, unless repugnant to the meaning or context thereof, shall have the respective meanings set forth below: "1Crowd platform" shall mean the platform operated by Company, (including but not limited to its website, emails, other online/electronic platforms and offline mechanisms) through which the companies raise capital from the investors through Eligible Instruments; "Business Days" means a day (other than a Saturday or a Sunday, or a day declared as a State or national holiday) on which banks are open for business in Mumbai. "Company" shall mean Zeva Capsol Private Limited incorporated under the Companies Act, 2013, having CIN U74900MH2015PTC264012, and its registered office at Flat No. 101, First Floor, Siddhivinayak Bldg., Union Park, 1st Cross Road, Khar West, Mumbai-400052. "Detailed Information" shall have the meaning ascribed to it in Clause 5.3 of the Terms and Conditions; "Eligible Instruments" means the equity shares or other instruments which are wholly and mandatorily convertible into equity shares, debt instruments (secured, unsecured, fully convertible, partly convertible, or non-convertible), preference shares, or warrants; or such other instruments under the applicable law; "Issuer Company" means the company that raises capital for its business through the issue of Eligible Instruments on the 1Crowd platform; "Member Company" shall have the meaning assigned to it in Clause 2.1.2; "Screening Committee" shall have the meaning ascribed to it in Clause 5.2 of the Terms and Conditions; "SEBI" means the Securities and Exchange Board of India; "Summary Information" shall have the meaning ascribed to it in Clause 5.3 of the Terms and Conditions; "Fundraising Information" means together, the Summary Information and the Detailed Information.

### **22.2. INTERPRETATION**

22.2.1. Certain terms may be defined in the recitals or elsewhere in these Terms and Conditions and wherever, such terms are used in this Terms and Conditions, they shall have the meaning so assigned to them.

22.2.2. The terms referred to in these Terms and Conditions shall, unless defined otherwise or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.

22.2.3. References to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information, belief or awareness of such person would have if such person had made reasonable, due and careful enquiry.

22.2.4. Words denoting the singular will include the plural and words denoting any gender will include all genders.

22.2.5. Headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of these Terms and Conditions or the Schedules hereto and shall be ignored in interpreting the same.

22.2.6. References to recitals, clauses or schedules are, unless the context otherwise requires, references to recitals, clauses and schedules to these Terms and Conditions.

22.2.7. Reference to days, months and years are to calendar days, calendar months and calendar years, respectively, unless defined otherwise or inconsistent with the context or meaning thereof.

22.2.8. Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next business day if the last day of such period is not a business day; and whenever any payment is to be made or action to be taken under these Terms and Conditions is required to be made or taken on a day other than a business day, such payment shall be made or action taken on the next business day.

22.2.9. If any provision is a definition (or under this heading "Interpretation" and/or any other heading in these Terms and Conditions) and is a substantive provision conferring rights or imposing obligations on the Parties, notwithstanding that it is only in the definition (or such other Paragraph) effect shall be given to it as if it were a substantive provision in the body of the Terms and Conditions.

22.2.10. Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.

22.2.11. The words "include" and "including" are to be construed without limitation.