

CROWDLITOKEN
THE DIGITAL REAL ESTATE ASSET



Supplement
to the

Prospectus

for the issue / public offer of
up to 190'000'000 Crowdlitokens

ISIN LI0432942626

CROWDLITOKEN AG

This supplement (the "**Supplement**") is a supplement pursuant to Article 19 of the Liechtenstein Securities Prospectus Act (WPPG) and must be read in conjunction with the Prospectus dated 12.04.2019 (the "**Original Prospectus**") in the version of the supplement dated 22 November 2019. The Original Prospectus and supplements to the Prospectus are to be regarded and understood as one single document (together: the "Prospectus") and this Supplement must always be read together with the Original Prospectus as supplemented.

The Original Prospectus was approved by the Liechtenstein Financial Market Authority on 12.04.2019. The definitions and abbreviations used in this Supplement have the same meaning as those used in the Original Prospectus.

The Original Prospectus and the supplements can be downloaded free of charge from the Issuer's website www.crowdlitoken.com.

Pursuant to Art 19 para. 4 of the Liechtenstein Securities Prospectus Act, investors who have made a declaration of intent to purchase or subscribe the securities prior to publication of the supplement have the right to revoke such declaration within a period of two working days after publication of the supplement if the new circumstance or inaccuracy as defined by article 19 para. 1 of the Liechtenstein Securities Prospectus Act have emerged prior to the final closing of the public offering or prior to delivery of the securities.

The revocation does not have to contain a reason yet must be stated in writing to the following address:

CROWDLITOKEN AG
Austrasse 15
P.O. Box 101
9495 Triesen
Liechtenstein

Timely dispatch of the revocation is decisive for meeting the deadline.

This Supplement has been prepared and signed by the Issuer. The Issuer is responsible for the accuracy and completeness of both the Original Prospectus (as supplemented) and this Supplement. The Issuer has diligently provided all information necessary to ensure that the information and statements contained in this Supplement are accurate and that no facts have been omitted which could alter the contents of the Original Prospectus and / or this Supplement.

This Supplement was approved by the Liechtenstein Financial Market Authority on 6 April 2020. The Original Prospectus and the Supplements have been filed with the Liechtenstein Financial Market Authority and have been published.

I. Deletion of Soft Cap

According to the Original Prospectus, the minimum issue (the “Soft Cap”) is determined to be 45’000’000 Token. It is further stated that the Paying Agent will only release the proceeds of the Issue to the Issuer when the Soft Cap is reached.

As, in the last months, the Issuer was able to achieve a number of milestones, establish valuable partnerships and to already reserve specific properties, the Issuer proposed to the Tokenholders to reduce the Soft Cap to CHF 0.- and to delete any and all provisions relating to the Soft Cap in the Prospectus.

In a Tokenholder Assembly held on 9 March 2020 at the premises of the Issuer, the Tokenholders participating or being represented in the assembly unanimously decided to

1. amend clause 14 sub-para (a) of the Terms & Conditions of the Prospectus of Crowdlitoken AG for the issue / public offer of Crowdlitokens dated 12 April 2019 (in the version of the Supplement dated 22 November 2019) so that it reads as follows:

(a) Reserved Matter Modification

[...]

Reserved Matter in relation to the Tokens means any modification of the terms and conditions of the Tokens that would:

(i) change the currency or place of payment of any amount payable on the Tokens;

(ii) change the seniority or ranking of the Tokens;

(ii) change the law governing the Tokens or change any court to whose jurisdiction the Issuer has submitted, or any immunity waived by the Issuer in relation to legal proceedings arising out of or in connection with the Tokens;

(iv) change or delete provisions governing the Soft Cap as well as any provisions related to the Soft Cap;

or

(v) change the definition of a Reserved Matter.

2. amend the Prospectus of Crowdlitoken AG for the issue / public offer of Crowdlitokens dated 12 April 2019 (in the version of the Supplement dated 22 November 2019) and to delete any and all clauses governing the Soft Cap as well as any provisions related to the Soft Cap including but not limited to provisions stating that the Paying Agent will hold the funds in escrow until the Soft Cap has been subscribed and will only release funds to the Issuer when the Soft Cap is reached.

This Supplement therefore is intended to amend the Prospectus in order to reflect the resolutions passed by the Tokenholder Assembly.

II. Corrections, clarifications and editorial adjustments

The Issuer seizes the opportunity to, in addition, make certain corrections, clarifications and editorial adjustments to the Prospectus.

The Prospectus is accordingly amended and now, in the sections outlined below, reads as follows:

Initial Section

This document constitutes a prospectus (the “Prospectus”) in accordance with Directive 2003/71/EC, as amended (the “Prospectus Directive”), as implemented by the relevant provisions of the EEA member states, in connection with Regulation 809/2004 of the European Commission, as amended. It comprises a summary, information regarding the Issuer and Information regarding the securities which have been issued and are offered to the public in Liechtenstein, Germany, Austria, France, Luxembourg, Belgium, the Netherlands, the United Kingdom and Ireland (together the “Public Offer Jurisdictions” and each, a “Public Offer Jurisdiction”).

A. Summary

1 INTRODUCTION

CROWDLITOKEN AG (the “Issuer”) is a joint stock company (*Aktiengesellschaft*) incorporated under the laws of the Principality of Liechtenstein (“Liechtenstein”), registered with the Liechtenstein Registry of Commerce (*Handelsregister*) under number FL-0002.590.108-1 and having its registered offices at Austrasse 15, 9495 Triesen (Liechtenstein). The Issuer is a recently incorporated company founded by experienced professionals in real-estate and finance. The purpose of this Security Token Offering (the “STO”) is to raise funds from the public, which will essentially serve as the equity portion for the acquisition of a portfolio of commercial and residential real estate objects in European countries (the “Investment Properties”, and each an “Investment Property”). The Issuer will issue a maximum number of 190’000’000 digital tokens (referred to as “Crowdlitokens”, “CRT”, or “Tokens”), whereby each Token represents a derivative security with features of a structured bond with maturity date 14 December 2044 (referred to as the “Up to 190’000’000 Crowdlitokens Structured Bond due 2044” or the “Bond”). The Tokens are subject to, and are governed by, the terms and conditions (the “Terms and Conditions”) set out in this Prospectus.

Application has been made to the Liechtenstein Financial Market Authority (the FMA) in its capacity as competent authority of the country of origin in line with the Prospectus Directive and as stipulated in article 29 of the Liechtenstein Prospectus Act (“Wertpapierprospektgesetz”) (the “Prospectus Act”) to approve this document as a prospectus for the purposes of offering the Tokens to the public in any Member State of the European Economic Area where the publication of a prospectus in accordance with Article 3 of the Prospectus Directive is required. The Prospectus has been approved on 12 April 2019, a supplement to the Prospectus has been issued and approved on 22 November 2019 and 6 April 2020.

The Issuer has also requested or will request the FMA in accordance with article 23 of the Prospectus Act to provide the competent authority in Germany, Austria, France, Luxembourg, Belgium, the Netherlands, the United Kingdom and Ireland (together with

the Principality of Liechtenstein, the “Public Offer Jurisdictions” and each, a “Public Offer Jurisdiction”) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Act. The Issuer reserves the right to make additional applications to FMA for notification to the competent authorities in additional EEA member states. The publication of the Prospectus will be made at least one Business Day (as defined in the Terms and Conditions) prior to the commencement of an offer to the public of the Tokens in the relevant Public Offer Jurisdiction.

The FMA assumes no responsibility as to the economic and financial soundness of the Tokens or the quality or solvency of the Issuer in accordance with Article 30a of the Prospectus Act.

1 KEY TERMS

Structure and Volume of the Offering. This Offering is part of a Security Token Offering (STO) which is organized in stages. The Offering will start on the date indicated on the front page of this prospectus (the “Prospectus Date”) and in the Terms and Conditions and will be open for subscriptions until the Closing Date as designated in the Terms and Conditions.

The maximum number of Tokens to be issued to the public in the course of this Offering is 190’000’000 Tokens. It is preceded by a sale of up to 10’000’000 Tokens to selected investors. The Issuer also reserves the right to issue a maximum number of 800’000 Tokens plus a number of Token corresponding to a 3 % top up of the total number of Tokens issued for purposes of compensating the management and the staff of the Issuer as well as third-party service providers. The maximum issue (the “Hard Cap”) is 206’985’567 Tokens. The target volume (the “**Target Volume**”) is 100’000’000 Tokens.

The various stages of the STO and the conditions for each stage are as follows:

| Stage | Volume (Tokens) | Issue Price/Token (CHF) | Eligible Investors | Start Date |
|-----------------|-----------------|-------------------------|---|---|
| Private Sale | 10’000’000 | 0.75 | Subscribers selected by the Issuer and (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies. | Prior to Prospectus Date |
| Pre-Public Sale | 20’000’000 | 0.80 | Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies. | Prospectus Date or any time thereafter as published by the Issuer |
| Public Sale | 70’000’000 | 0.90 | Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies. | after full subscription of Pre-Public Sale |

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| Extended Public Sale | 100'000'000 | 1.00 | Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer's KYC/AML policies. | after full subscription of Public Sale |
| Issuance for (i) Management and Staff Compensation and (ii) Third Party Compensation | 800'000 AND 3% of Private and Public Sales, max. (200'000'000/97)*3 = 6'185'567 | 0.00 | Members of the management and staff of the Issuer and third party suppliers involved in the structuring and execution of the STO | At any time during the term of the Bond |
| Maximum STO Issue | 206'985'567 | | | |

The Issuer reserves the right to cancel the issue of Tokens at any time and without stating reasons before Closing Date (as defined in the Terms and Conditions, Condition 2(c)). The Issuer furthermore reserves the right to reopen the issue and to issue additional Tokens at any time after the Closing Date (referred to as "**Post STO Offerings**") under the conditions set forth in the Terms and Conditions, Condition 2(d). Each Post STO Offering will be governed by a supplement to this Prospectus or a new prospectus, if so required by Applicable Law, but it shall be subject to substantially the same terms and conditions (with the exception of the Subscription Price which shall be determined by the Issuer but shall not be below CHF 1.- per Token) as Tokens issued in the course of this STO.

Currency. The Bond is denominated in Swiss Francs (CHF), the lawful currency of the Principality of Liechtenstein (and Switzerland). The Issuer also accepts payments of the Subscription Price in Euro ("EUR") or in Ether ("ETH"). Interest payments and repayment of Repayment Amounts will be made in the Currency in which the subscription price was settled, but Tokenholders may elect to receive payments in a different Currency by notifying the Issuer. All payments received in ETH will be converted into CHF in accordance with, and subject to, the conditions set forth in Section 4 of the Subscription Agreement. All fees and commissions charged by any intermediary involved in converting payments received in ETH into CHF will have to be borne by the Subscriber.

Subscriptions. Subscriptions for Tokens may be submitted by any natural or legal person (the "Subscriber") who (i) is eligible to make such investments under Applicable Law and the Terms and Conditions, (ii) has completed the registration process with the Issuer via the Issuer's website (www.crowdlitoken.com), and (iii) has passed the Issuer's AML checks in accordance with the Terms and Conditions, Condition 5. After completion of the subscription process the Subscriber shall pay the subscription price in accordance with the Subscription Agreement to the Paying Agent (Bank Frick, Balzers, Liechtenstein). The Issuer will issue Tokens to Subscribers within 14 days after receipt of payment and credit the Tokens to the wallet designated by the Subscriber. The number of Tokens to be allocated is determined by the payments received from such Subscriber and converted into CHF, if not received in CHF, at prevailing market rates at the time payment is received, net of any exchange commissions, divided by the applicable Subscription Price. Uneven amounts will be rounded up in favor of the Subscriber to the next full Token. Final settlement will take place 14 days after the Closing Date (the "Final

Settlement Date”), i.e. on 25 April 2020. At this date Tokens will be activated and become transferable. The Final Settlement Date is also the starting date for payment of interests.

Registration. In order to enforce AML laws and regulations, the Issuer will recognize and acknowledge as Tokenholders only persons who have been identified in accordance with Know-your-Customer (KYC) policies enacted by the Issuer and found to be in full compliance with Anti-Money Laundering (AML) rules and regulations under Applicable Law. Tokenholders who have been successfully vetted will be listed in a registry of Tokenholders on the CROWDLITOKEN platform and will qualify as registered Tokenholders. Non-registered Tokenholders, including those who acquire Tokens in the secondary market but fail to complete the KYC/AML process, will be barred from exercising any right in relation to such Tokens, including, but not limited to, the right to receive any form of interest payments, the right to receive any form of principal repayment, the right to allocate CRT to Investment Properties within the CRT eco system, and the right to participate in the voting system (see Section H. for more information). Non-registered Tokenholders will only have naked ownerships rights in the Tokens which can be transferred to another person even if the transferor or the transferee have not completed the KYC and AML process.

The Issuer will, as soon as feasible, implement and apply technical means to ensure that Tokens can only be subscribed to and / or acquired in the secondary market by registered Tokenholders who successfully completed KYC procedures.

Listing. The Issuer will undertake best efforts to make Tokens tradeable on one or more Crypto-Exchanges or regulated markets if and when providers of such exchanges or platforms are licensed and operative for trading security tokens. However, the Issuer cannot guarantee that the Tokens will in fact be admitted to trading at any such exchange or platform, and nothing in this Prospectus shall be construed to imply a warranty that a listing will in fact take place. Tokenholders understand and acknowledge that unless and until Tokens are admitted for trading at an exchange or a platform trading with securities tokens will be possible only on a bilateral basis and that the Issuer will not provide any facilities or arrangements to make Tokens tradable on a bilateral or OTC basis. Tokenholders understand and acknowledge that a failure to have Tokens listed at an exchange or a platform will severely limit the liquidity of the Tokens and may adversely affect their economic value.

Status of the Tokens. The Tokens constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank *pari passu* among themselves. The rights and claims of Tokenholders are subordinated as described in the Terms and Conditions, Condition 10(b), which means that they are junior to all unsubordinated outstanding liabilities of the Issuer in respect of the Issuer. They are subject to a Contingent Write-down (*bedingte Aufhebung von Forderungen durch Übereinkunft*), as further defined below) if, during the Term of the Bond (as defined below) the conditions set-out in the Terms and Conditions, Condition 12, are met. The rights of Tokenholders to claim and receive repayment from the Issuer on Maturity Date is limited to the net proceeds resulting from the liquidation of the portfolio of Investment Properties, unless this amount is lower than the Minimum Repayment Amount which has been set at CHF 0.70 per Token.

Interest Payments. Tokenholders are entitled to receive fixed-rate annual interests (“Fixed Interests”).

Fixed-rate Interests are payable in monthly arrears. In order to take into account the time required to fully invest STO proceeds in Investment Properties the interest rate is staggered as follows:

- 0.875% p.a. in the first 24 months after Final Settlement Date;
- 1.4875% p.a. thereafter for the duration of another 12 months;
- 2.1% p.a. after 36 months and for the remainder of the term of the securities (i.e. until and including Maturity Date).

These interest rates are calculated on the basis of the Nominal Value of the Tokens (i.e. CHF 1.00).

Calculated on the basis of the Minimum Repayment Amount (as defined in the Terms and Conditions), which is CHF 0.70 for each Token, the interest rate corresponds to 1.25% p.a. at the first stage, 2.125% p.a. at the second stage and 3% p.a. at the third stage.

At any time prior to Cut-off Date (i.e. one year prior to Maturity Date), the Issuer has the right to temporarily reduce or suspend payment of Fixed Interests if the sum of Net Profits from all Investment Properties (calculated on the basis of the most recent yearly audited accounts for each Investment Property) is less than the sum of Fixed Interests paid in that period. In any such event, Fixed Interest shall temporarily and proportionally be reduced to match Net Profits from all Investment Properties of the previous twelve months.

Payment of Fixed Interests shall be resumed in full as soon as the sum of Net Profits from all Investment Properties is equal or higher than the sum of Fixed Interests to be paid. The Issuer will however not make supplementary payments for periods during which payment of Fixed Interests had been reduced or suspended.

CROWDLITOKEN eco-system. The Issuer offers to Tokenholders the possibility to access the CROWDLITOKEN eco system, an internet-based platform which enables Tokenholders to exercise certain optionalities and creditor rights. The CROWDLITOKEN eco-system is accessible only to Tokenholders that are registered on the CROWDLITOKEN platform, have successfully completed KYC/AML procedures installed by the Issuer and have, in that context, been allocated log-in details for the CROWDLITOKEN eco-system.

The CROWDLITOKEN eco-system offers the following features:

- Allocation of Tokens: The Issuer offers to Tokenholders the possibility to allocate their Tokens to one or several Investment Properties. Tokenholders who wish to allocate Tokens are required to choose from available options in the dashboard of the CROWDLITOKEN eco-system and, by doing so, are deemed to enter into an Allocation Agreement with the Issuer. On the basis of such Allocation Agreement, Tokenholders are entitled to receive a fraction of Net Profits resulting from the operation of such properties (Performance-related Interests) in addition to Fixed Interests.
- Pay-Out Modalities: Tokenholders admitted to the eco system and allocating their Tokens do further have the choice, when entering into the Allocation Agreement, between interests being paid in cash (CRT-Cash) or in additional Tokens (CRT-Reinvest).
- Investment Property Information: The CROWDLITOKEN eco system will allow Tokenholders to review information regarding Investment Properties.
- Voting Rights: Tokenholders admitted to the eco system will have a say in relation to certain decisions affecting Investment Properties, in particular whether a property shall be divested.

Performance-related Interests. Performance-related Interests, payable to Tokenholders that have allocated their Tokens to certain Investment Properties and are thus deemed to have entered into an Allocation Agreement with the Issuer through the CROWDLITOKEN eco-system, are calculated on the basis of the Net Profits resulting from the operation of the Investment Property or Properties to which Tokens have been allocated.

Net Profits include any profits realized when an Investment Property is sold prior to Cut-off Date (“Realized Profit”). Realized Profit is defined as the difference between the proceeds received upon the sale of an Investment Property prior to Cut-off Date (net of (i) incurred costs of the Issuer relating to the execution of such transaction; (ii) deferred and paid taxes in connection with the disposal of the Investment Property and the execution of such transaction) and the net acquisition price (plus any subsequent capitalized expenses) of such Investment Property according to the last audited statutory financial statement or (unaudited) interim financial statement.

Term and Repayment. The Bond shall be repaid on 14 December 2044 (the “Initial Maturity Date”). Repayment of the Tokens may be deferred by two times five (5) years (i.e. ten (10) years cumulatively) if the conditions set out in the Terms and Conditions, Condition 9.1, are met. The purpose of the option to extend the Initial Term is to avoid a forced sale of Investment Properties during periods where adverse real estate market conditions prevail. The Issuer has also the right to repay the Tokens prior to the initial or any subsequent Maturity Date (as defined in the Terms and Conditions) if the conditions set out in the Terms and Conditions, Condition 9.2, are met (“Early Repayment”).

Twelve (12) months prior to the Maturity Date (referred to as the “Cut-off Date”) net proceeds from the sale of Investment Properties will no longer be distributed as a portion of Performance-related Interests, but rather be allocated to a repayment account. At Maturity Date, Tokenholders will receive for each Token the highest of any of the following amounts: (i) the Minimum Repayment Amount which is CHF 0.70/Token; or (ii) the sum of the Net Liquidation Value (for properties liquidated since Cut-off Date) and Net Market Value (for properties not liquidated at Maturity Date), divided by the total number of Tokens, if the resulting Repayment Amount per Token is less than CHF 1.00 but higher than the Minimum Repayment Amount; or (iii) CHF 1.00 per Token plus 85% of the sum of the Net Liquidation Value (for properties liquidated since Cut-off Date) and Net Market Value (for properties not liquidated at Maturity Date) exceeding CHF 1.00 per Token, divided by the total number of Tokens issued, if the resulting Repayment Amount per Token is higher than CHF 1.00. In other words, the rights of Tokenholders to claim and receive payment from the Issuer on Maturity Date is limited to the net proceeds resulting from the liquidation of the portfolio of Investment Properties (either by sale in the open market or by valuation at Net Market Value defined by an independent valuer), unless this amount is lower than the Minimum Repayment Amount in which case Tokenholders will receive CHF 0.70 per Token. The Issuer’s obligation to repay Tokenholders at Maturity Date will be fully and unconditionally discharged with the payment of the Minimum Repayment Amount (provided the net liquidation value of the Investment Properties is less than 0.70 per Token).

Contingent Write-Down. The right of Tokenholders against the Issuer to receive interest payments or payment of the Minimum Repayment Amount on any Maturity Date is subject to a contingent write-down (the “Contingent Write-Down”) if the conditions set forth in the Terms and Conditions, Condition 12, are met. This means that Tokenholders agree in advance to forfeit any rights to claim and receive interest payments or repayment of the Tokens if (i) the Issuer has lost 50% of its equity capital or (ii) the auditor makes a qualification in an audit report which would trigger a valuation of the

Issuer’s assets at liquidation values if not remedied without delay or (iii) if, based on a report of the Issuer’s auditor, the sum of Net Profits earned from all Investment Properties is, on the basis of the most recent audited yearly accounts for each Investment Property, less than the sum of Fixed Interest paid in that period.

B. Summary of the Prospectus

Section A – Introduction and Warnings

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| A.2 | Consent as to use of the Prospectus, period of validity and other attached conditions | <p>The Issuer expressly consents to the use of the Prospectus by any financial intermediary authorized by the Issuer after the date of this Prospectus and whose name is published on the Issuer’s website (www.crowdlitoken.com) (each, an Authorized Offeror) and accepts responsibility, in the Public Offer Jurisdictions Liechtenstein, Germany, Austria, France, Luxembourg, Belgium, the Netherlands, the United Kingdom and Ireland, for the content of this Prospectus in relation to any person who purchases any Tokens as contemplated by this Prospectus and provided that the conditions attached to the giving of consent for the use of this Prospectus are complied with.</p> <p>The Issuer’s consent to the use of this Prospectus by any Authorized Offeror in the context of offerings permitted under Applicable Law is valid for 12 months after approval of the Prospectus by the FMA.</p> <p>Any Authorized Offeror is required, for the duration of the Offer Period, to publish on their respective websites an acceptance statement by which they accept the Issuer’s offer to grant consent to the use of this Prospectus.</p> <p>In the event of an offer being made by any Authorized Offeror, the Authorized Offeror will provide information to investors on the terms and conditions of the offer at the time the offer is made.</p> |
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SECTION B – ISSUER

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| B.15 | Principal activities | The principal activities of the Issuer are the acquisition, directly or through subsidiaries, of a portfolio of commercial and residential real estate in Europe and the management and operations of these properties. |
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SECTION C – SECURITIES

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| C.1 | Type and the class of the securities, security identification number. | <p>Type and Form of Securities: The object of this Prospectus are digital tokens (referred to as “Crowdlitokens”, “CRT”, or “Tokens”), whereby each Token represents a derivative security with features of a structured bond with maturity date on 14 December 2044 (which may be extended by two times 5 years if certain conditions are met).</p> <p>Payments of Interests and the Repayment Amount at Maturity Date (as defined below) are partially linked to the performance of a portfolio of commercial and residential real estate objects in European countries (the “Investment Properties”, and each an “Investment Property”).</p> |
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| | | <p>The entirety of the Tokens issued during the STO are issued in the form of book-entry securities (Wertrechte). The transfer of ownership rights in Tokens from one Tokenholder to another Tokenholder, which transfer (trade) has to be made through Crypto-Exchanges, once available and operative for the transfer of Security Tokens, or on a bilateral (OTC) basis, will need to be registered on the CROWDLITOKEN platform and in accordance with its rules and provisions in order for a Tokenholder to be able to claim interest payments and repayments at Maturity Date. Registration of a transfer of Tokens to a purchaser or any other transferee made in accordance with the rules and provisions of the CROWDLITOKEN platform shall be deemed to constitute a transfer of the corresponding book-entry security. Subject to the Terms and Conditions, Condition 5, the Issuer shall recognize and acknowledge the person who is the registered holder of the Token in accordance with the rules and provisions of the CROWDLITOKEN platform (the “Tokenholder”) as the person entitled to claim and exercise any and all rights linked to ownership of the Token. Payment to such Tokenholder shall be made in discharge of the Issuers corresponding obligation.</p> <p>Tokenholders shall at no time have the right to demand (i) conversion of Tokens into physical securities and/or (ii) delivery of physical securities.</p> <p>International Securities Identification Number (ISIN): LI0432942626.</p> |
| C.5 | Restrictions of transferability | <p>No restrictions on the free transferability of the Tokens apply.</p> <p>The Tokens are however, for the time being, not listed on a regulated or non-regulated market. The Issuer will use best efforts to have the Token listed on a Crypto-Exchange or other trading platform (such as e.g. MTF or OTF), once such exchanges and platforms are accepting and allowed to accept Security Tokens and are operative. Until and unless such listing (if ever), Tokens can only be sold and purchased on a bilateral basis.</p> <p>The Issuer will, as soon as feasible, implement and apply technical means to ensure that Tokens can only be subscribed to and / or acquired in the secondary market by registered Tokenholders who successfully completed KYC procedures.</p> <p>Transferability may therefore be factually restricted.</p> |
| C.9 | Interest/ Repayment | <p>Please refer to element C.8 for information on ranking and limitations on rights of Tokenholders.</p> <p>Tokenholders are entitled to Fixed-rate Interest payments. Fixed-rate Interests are payable in monthly arrears with an interest rate which is staggered as follows:</p> <ul style="list-style-type: none"> ● 0.875% p.a. in the first 24 months after Final Settlement Date; ● 1.4875% p.a. thereafter for the duration of another 12 months; ● 2.1% p.a. after 36 months and for the remainder of the term of the securities (i.e. until and including Maturity Date). |

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| | | <p>These interest rates are calculated on the basis of the Nominal Value of CHF 1.00 per Token.</p> <p>Calculated on the basis of the Minimum Repayment Amount of CHF 0.70 for each Token the interest rate corresponds to 1.25% p.a. at the first stage, 2.125% p.a. at the second stage and 3% p.a. the third stage.</p> <p>Repayment: The Tokens shall be repaid on 14 December 2044. The Initial Term may be extended by two times 5 years (i.e. 10 years cumulatively). At Maturity Date, Tokenholders will receive for each Token the highest of any of the following amounts: (i) the “Minimum Repayment Amount” which is CHF 0.70/Token; or (ii) the sum of the Net Liquidation Value (for properties liquidated since Cut-off Date) and Net Market Value (for properties not liquidated at Maturity Date) divided by the total number of Tokens, if the resulting Repayment Amount per Token is less than CHF 1.00 but higher than the Minimum Repayment Amount; or (iii) CHF 1.00 per Token plus 85% of the sum of the Net Liquidation Value (for properties liquidated since Cut-off Date) and Net Market Value (for properties not liquidated at Maturity Date) exceeding CHF 1.00 per Token, divided by the total number of Tokens issued, if the resulting Repayment Amount per Token is higher than CHF 1.00.</p> <p>Early Repayment: The Issuer has the right, to be exercised at its sole discretion 5 years after Final Settlement Date or at any time thereafter, to repay the Tokens prior to the initial or any subsequent Maturity Date if: (i) the Net Liquidation Value or the Net Market Value of Investment Properties as of the Early Repayment Date is less than the Minimum Repayment Amount; (ii) following a Regulatory Event in relation to Tokenholders affected by such Event; or (iii) following a Tax Event.</p> <p>Contingent Write-Down: The right of Tokenholders to receive payment of the Minimum Repayment Amount on any Maturity Date is subject to a contingent write-down if: (i) the Issuer has lost 50% of its equity capital, or (ii) the auditor makes a qualification in an audit report which would trigger a valuation of the Issuer’s assets at liquidation values if not remedied without delay, or (iii) if the sum of Net Profits from all Investment Properties (calculated on the basis of the most recent audited yearly accounts for each Investment Property) is less than the sum of Fixed Interests paid in that period.</p> |
| C.10 | Derivative component in the interest payments | <p>At any time prior to Cut-off Date (i.e. one year prior to Maturity Date), the Issuer has the right to temporarily reduce or suspend payment of Fixed Interests if the sum of Net Profits from all Investment Properties (calculated on the basis of the most recent audited yearly accounts for each Investment Property) is less than the sum of Fixed Interests paid in that period. In any such event, Fixed Interest shall temporarily and proportionally be reduced to match Net Profits from all Investment Properties of the previous twelve months.</p> <p>Payment of Fixed Interests shall be resumed in full as soon as the sum of Net Profits from all Investment Properties is equal or higher than the sum of Fixed Interests to be paid. The Issuer will however not make supplementary payments for periods during which payment of Fixed Interests had been reduced or suspended.</p> |

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| C.17 | Settlement procedure of the derivative securities. | <p>Tokens will be sold against payment of the Subscription Price to the Paying Agent. Payment may be made in CHF, EUR or ETH.</p> <p>All payments received in ETH will be collected and converted into CHF by the Paying Agent within max. ten days provided amounts exceeding a corresponding value of CHF 50'000 have been received and are waiting to be exchanged. The conversion rate will be determined by a broker on a best execution basis using data of a number of leading Crypto-Exchanges. The conversion rate USD-CHF and EUR-CHF will be determined based on data provided by Morningstar (www.morningstar.com).</p> <p>Payments shall, in all cases subject to any applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer agrees to be subject, be made in accordance with the relevant regulation and operating procedure applicable to and/or issued by the clearing system.</p> |
| C.20 | A description of the type of the underlying and where the information on the underlying can be found. | <p>The Issuer will invest net proceeds from the STO in commercial and residential real estate in European states in accordance with the investment strategy adopted by the Issuer's board of directors. Investments may be made by the Issuer directly or by subsidiaries held by the Issuer and to which STO proceeds will be forwarded by means of (unsecured) loans.</p> <p>[...]</p> |

SECTION D – RISKS

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| D.6 | Key risks regarding the Tokens | <p>The Tokens issued and offered to the public under this Prospectus are a novel and complex financial instrument. Investors have no guarantee that they will receive interest payments and full repayment upon maturity.</p> <p>Tokenholders have only contractual rights against the Issuer to receive interest payments and repayment of principal, which may be less than the subscription price paid by the Tokenholder, at maturity. Tokenholders have no security interests or any other proprietary rights in Investment Properties to be acquired with proceeds from the issuance of Tokens. They have no rights to participate and/or vote in the Issuer's general meeting of shareholders or in any other of its bodies. The Issuer's general meeting of shareholders may therefore adopt resolutions which may adversely affect Tokenholder rights. Tokenholders have no possibility to control the use of proceeds from the issuance of Tokens.</p> <p>The rights of Tokenholders to receive payment from the Issuer when the Token matures is limited to the net proceeds resulting from the liquidation or the Net Market Value of the Investment Properties, unless this amount is lower than CHF 0.70 per Token. Tokenholders may therefore only be entitled to claim the Minimum Repayment Amount of CHF 0.70, which is lower than the Nominal Value of Tokens.</p> <p>The claims of Tokenholders to receive payment of interests and repayment are subordinated (junior) to the claims of other creditors (including creditors providing third-party financing).</p> |
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| | | <p>The claims of Tokenholders for repayment of the Tokens is subject to a contingent write-down. As a result of any such write-down Tokenholders may lose temporarily or permanently all or some of their investment. They may also be barred temporarily or permanently to claim payment of all or some interests.</p> <p>Tokenholders have no right for early termination of the Tokens. The Tokens maturity date is 14 December 2044, which may be extended by two times five years by resolution of the Issuer's board of directors if the net market value of the Investment Properties is less than 90% of the acquisition value. There is no guarantee that Tokens can be sold, or can be sold at a price expected or needed by Tokenholders, prior to maturity.</p> <p>The Issuer has the right to repay the Tokens in whole or in part (i) if the value of the investment properties is less than the aggregate Minimum Repayment Amount of CHF 0.70 per Token; or (ii) following a Regulatory Event, i.e. if the Issuer is notified in writing by any authority competent under Applicable Law to the effect that the Tokens are not or cease to be in full compliance with Applicable Law or (ii) following a Tax Event, i.e. if the Issuer has or will become obliged to pay additional amounts in respect of any payments due under the Tokens as a result of any change in or amendment to the laws or regulations of the Principality of Liechtenstein or any change in the general application or official interpretation of such laws or regulations and such obligation cannot be avoided by the Issuer taking reasonable measures available to it. The early repayment option can be exercised five years after the Final Settlement Date for the first time (i.e. on 25 April 2025), and at any time thereafter.</p> <p>If the Issuer elects to exercise the early repayment option, Tokenholders will not receive any interest payments thereafter and will receive an aggregate sum of interest payments which will be lower than the aggregate sum of interest payments over the full term of the Tokens. Furthermore, the repayment amount may be lower than in case of repayment after the full term of the Tokens. Prior to their listing at a Crypto-Exchange licensed for trading with and accepting Security Tokens, the liquidity of Tokens is severely restricted. The Issuer cannot guarantee that Tokens will be listed by a Crypto-Exchange.</p> <p>Markets for digital assets are not mature and fully developed. Crypto assets are therefore exposed to a high volatility and to the risk of price manipulations.</p> <p>Subscription payments in ETH will be collected and converted into CHF within max. 10 days provided amounts exceeding a corresponding value of CHF 50'000 have been received and are waiting to be exchanged. Pending exchange, Ether submitted by Subscribers will remain subject to currency volatility.</p> <p>In case of cancellation of the Token issue by the Issuer, contributions made by subscribers will be repaid to them. Potential losses due to e.g. currency exchange risk are to be borne by Investors.</p> |
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| | | <p>Tokens are illiquid investments prior to their listing at a Crypto-Exchange. The Issuer will undertake best efforts to make Tokens tradable on one or more Crypto-Exchanges or regulated markets, if and when providers of such exchanges or platforms are licensed and operative for trading security tokens. Due to regulatory restrictions it is uncertain if and when a listing of securities tokens (like the Token) is possible, and a listing may in any event be a complicated, time-consuming and cost-intensive process in the future. Unless and until Tokens are admitted for trading at an exchange or a platform trading with securities tokens, the sale of Tokens will be possible only on a bilateral basis or over the counter (OTC).</p> <p>The Tokens constitute unsecured obligations by the Issuer, i.e. Tokenholders have no preferential claim in the Issuer’s assets, including Investment Properties held by the Issuer.</p> <p>The Issuer reserves the right to reopen the Issue which may negatively affect the Token’s market price.</p> <p>The Issuer has the right to temporarily reduce or suspend payment of Fixed Interests if the sum of Net Profits from all Investment Properties (calculated on the basis of the most recent audited yearly accounts for each Investment Property) is less than the sum of Fixed Interests paid in that period. Tokenholders are therefore exposed to the risk that they will not receive any interest payments.</p> <p>A number of legal questions, qualifications and categorizations concerning STOs, Tokens and related new fields of technology (such as Blockchain) and investments using such tools and providing rights through Tokens are still in relatively early states of scholarship discussions and not finally decided let alone harmonized throughout jurisdictions. Liechtenstein has enacted the <i>Law on Token and VT Service Providers</i>, the so-called “<i>Blockchain Act</i>”, which entered into force on 1 January 2020 and which will clarify some of those issues (such as transfer of tokens). Nevertheless, there is a risk that a court might conclude that a transfer of a Token is ineffective.</p> <p>Tokens may be lost or become inaccessible, in particular in the case of a loss of the related private key.</p> <p>The technology underlying this Issue is in a state of development, Technological or regulatory development may negatively affect the STO, the Issuer’s business, and the value of Tokens.</p> <p>The STO is exposed to a number of specific risks, including risks related to applications used for the STO and the CROWDLITOKEN platform, risks of hacking attacks on the platform or smart contracts, the risk of changes in the underlying or related technology, or the risk of malfunctioning applications or smart contracts.</p> <p>Tokenholders are reminded that applicable rules and regulation on taxation regarding the acquisition, holding, trading and pay-back of Tokens are not fully developed and may therefore be subject to unexpected change at all times by any tax authority.</p> <p>By subscribing to the Tokens, the Tokenholders incur the risk that they will lose all or part of their investment in the Tokens. However,</p> |
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| | | the liability of a Tokenholder is limited to the value of his or her investment in the Tokens. |
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SECTION E – OFFER

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| E.3 | Terms and conditions of the offer | <p>Offer Period: The Offer will start in the Principality of Liechtenstein on the date indicated on the cover page of this Prospectus or on the date and time published by the Issuer on its website. For other Member States of the EEA the Offer Period will not commence in the relevant Member State until the day following the banking day in that Member State on which the registration office or other competent authority of the relevant Member State has been notified of the intended offer to the public.</p> <p>Offer Period means the period during which the Prospectus is valid in accordance with article 18 of the Prospectus Act, i.e. one year after approval has been granted by FMA.</p> <p>Price during the Offer Period: During the Offer Period, the Issuer will offer and sell each Token at the Subscription Price which is 0.80 CHF/Token during the Pre-Public Sale, 0.90 CHF/Token during the Public Sale and 1.00 CHF/Token during the Extended Public Sale.</p> <p>Conditions of the offer: The Issuer reserves the right to cancel the issue of Tokens at any time before Closing Date (i.e. on 11 April 2020). In this event the Issuer will repay to Subscribers all amounts received as payment of a subscription not later than two months after the notice of cancellation was sent. If payment was made by the Subscriber in a currency other than CHF the conversion rate prevailing at the value date of repayment shall apply. Repayment shall be made net of all fees and charges.</p> <p>The time period during which the offer of the Tokens will be open and description of the application process: The offer will be open during the Offer Period. Applications for the purchase of Tokens can be made to the Issuer.</p> <p>Details of the minimum and/or maximum amount of application: The minimum amount to be subscribed by each Subscriber is CHF 100. The maximum amount for each Subscriber is CHF 20'000'000.</p> <p>Details of the method for paying up and delivering the Tokens: Bank Frick & Co AG, Landstrasse 14, 9496 Balzers (Liechtenstein) shall act as the Paying Agent for the collection of all subscription proceeds (the “Paying Agent”). The Issuer will issue Tokens to Subscribers within 14 days after receipt of payment and credit the Tokens to the wallet designated by the Subscriber. Final settlement will take place 14 days after the Closing Date (the “Final Settlement Date”), i.e. on 25 April 2020. At this date Tokens will be activated and become transferable. The Final Settlement Date is also the starting date for payment of interests.</p> <p>Subscribers shall arrange for payment of the Subscription Price in Swiss Franc (“CHF”), in Euro (“EUR”) or in Ether (“ETH”).</p> <p>Payments in CHF or EUR shall be made by bank transfer to the Issuer’s bank account at Bank Frick & Co AG, Landstrasse 14, 9496 Balzers (Liechtenstein).</p> |
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| | | <p>Payments in ETH shall be made first to the address of the smart contract and following on a wallet address maintained by the Paying Agent. The smart contract will automatically record the ETH payment. The Issuer or the Paying Agent may refuse acceptance of a payment without any further justification or explanation. Payments made in ETH are deemed to be received according to the timestamp within the respective wallet of the Paying Agent or the smart contract.</p> <p>All payments received in ETH will be converted into CHF by the Paying Agent at prevailing market rates. Payments received in ETH will be collected and converted by the Paying Agent in regular intervals of up to ten days provided amounts exceeding a corresponding value of CHF 50'000 have been received and are waiting to be exchanged. Exchange rates are determined by a broker on a best execution basis, using data of a number of leading Crypto-Exchanges. The conversion rate USD-CHF and EUR-CHF will be determined based on data provided by Morningstar (www.morningstar.com). The Issuer reserves the right to adapt the method for determining the conversion rate or the source for its calculation at its sole discretion on a daily basis during the entire Offering Period.</p> <p>All fees and commissions charged by the Paying Agent or any other intermediary involved in converting payments received in a currency other than CHF into CHF will have to be borne by the Subscriber.</p> <p>The Issuer or the Paying Agent may refuse acceptance of a payment without any further justification or explanation.</p> <p>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: Not Applicable.</p> <p>Manner and date in which results of the offer are to be made public: The Target Volume is up to 100,000,000 Tokens with a nominal value of CHF 1.00 each. The Issuer will regularly inform Subscribers during the Offer Period about the number of Tokens sold by publishing the relevant information on the website of the Issuer (www.crowdlitoken.com) on an ongoing basis.</p> <p>Results will also be disclosed in the annual accounts of the Issuer.</p> <p>Description of the offer of the Tokens: Offers may be made in the Principality of Liechtenstein and in all other EEA member states which are a Public Offer Jurisdiction or with regard to which Prospectus notifications have been made to any person during the Offer Period. In other EEA Member States, offers may only be made pursuant to an exemption from the obligation under the Prospectus Directive, as implemented in such countries, to publish a prospectus.</p> |
| E.7 | Expenses charged to the investor by the Issuer or an offeror | <p>During the Offer Period, each Token is offered at the Subscription Price (as defined in element E.3). No subscription fee applies.</p> <p>All fees and commissions charged by the Paying Agent or any other intermediary involved in converting payments received will have to be borne by the Subscriber. The following charges will apply and will be deducted from the subscription pricepayment made by the investor to the Issuer:</p> |

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| | | <ul style="list-style-type: none">● Subscription in CHF or EUR: 1% to Paying Agent,● Subscription in ETH: 1% to Paying Agent and 1% Exchange Brokerage● All Subscriptions: 4 Tokens per Transaction GAS-Costs and 40 Tokens if Video Identification is required to the Issuer <p>No additional expenses are charged to the Subscriber by the Issuer.</p> |
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C. Risk Factors

1 RISK FACTORS RELATING TO THE ISSUER

1.1 Issuer has only minimum capital

The business purpose of the Issuer is to raise funds for the acquisition of commercial and residential real estate in Europe. Initially, the Issuer's capital (equity) is limited to CHF 100'000, which is only twice the minimum capital required under Liechtenstein law. As the Issuer is a newly incorporated company, there are no historic financial data or key figures to assess the financial situation of the Issuer with regard to previous years. The Issuer has not been rated by a rating agency.

2 RISK FACTORS RELATING TO THE BUSINESS OF THE ISSUER

2.1 Real estate risks

The Issuer will make investments in commercial and residential real estate in Europe. Investments in real estate involve a number of specific risks, including the risk of unforeseen maintenance, uncovered damage, natural disaster, unexpected vacancy, impossibility of income collection, change to demographic structures, impairment of the location-rating due to new competitive buildings, and changed accessibility. Such developments may have a negative effect on the income which can be realized from the properties and/or an impairment of their market value.

3 RISK FACTORS RELATING TO THE TOKENS

3.5 No Early Termination Option of Tokenholders

Tokenholders have no right for early termination of the Tokens. The Tokens maturity date is set to be 14 December 2044. The initial term of the Tokens may be extended by two times five years by resolution of the Issuer's board of directors if the net market value of the Investment Properties is less than 90% of the acquisition value. There is no guarantee that Tokens can be sold, or can be sold at a price expected or needed by Tokenholders, prior to maturity. The Tokens are therefore a long-term investment and are not be suitable for investors who may have liquidity needs prior to the extended maturity dates.

3.6 Early Repayment Option of the Issuer

The Issuer has the right, to be exercised at its sole discretion, to repay the Tokens in whole or in part if (i) the value of the investment properties is less than the aggregate Minimum Repayment Amount of CHF 0.70 per Token, or following a Regulatory Event or a Tax Event. The early repayment option can be exercised five years after the Final Settlement Date for the first time (i.e. on 25 April 2025), and at any time thereafter. If the Issuer elects to exercise the early repayment option Tokens will be repaid 30 days after notice has been given to Tokenholders.

If the Issuer elects to exercise the early repayment option, Tokenholders will not receive any interest payments thereafter and will receive an aggregate sum of interest payments which will be lower than the aggregate sum of interest payments over the full term of the Tokens. Furthermore, the repayment amount may be lower than in case of repayment after the full term of the Tokens. In such an event Tokenholders also carry a

reinvestment risk, i.e. they may not be capable to reinvest the proceeds from early repayment in instruments carrying the same yield as the Tokens.

3.10 Dilution

Depending on the stage an investment is made in, Subscription Prices vary. Investors that have invested in Private Sales preceding the Offer under this Prospectus have purchased Tokens at a price below the subscription prices applicable under this Offer.

The Issuer further reserves the right to issue Tokens for purposes of compensating the management and the staff of the Issuer as well as third-party service providers. Recipients of such Tokens receive Tokens as compensation for services rendered and instead of being paid for such services but they do not contribute investable financial assets to the Issuer.

The Issuer reserves the right to reopen the issue and issue additional Tokens at any time after Closing Date (referred to as “Post STO Offerings”). While the conditions set forth for the Post STO Offerings (see Section E.6) are designed to contain any negative impact on the Tokens’ market price, the market price may be adversely affected by the issuance of the new Tokens.

Irrelevant of the contribution made by Tokenholders and no matter at which point in time Tokens have been acquired or received, each Token grants the same rights (i.e. Fixed Interest Payments; Repayment at Maturity Date; use of optionalities available through the CROWDLITOKEN Eco-System) to a Tokenholder.

3.11 Risk of reduced returns

Under the Terms and Conditions Tokenholders will be paid Fixed Interests of 0.875% p.a. in the first two years after Final Settlement Date, of 1.4875% p.a. in the third year after Final Settlement Date and of 2.1% p.a. for the remainder of the term of the Tokens (calculated on the basis of the Nominal Value of CHF 1.00 per Token; calculated on the basis of the Minimum Repayment Amount of CHF 0.70 per Token interest rates are 1.25%/2.125%/3% p.a.). If and to what extent Investment Properties will yield profits permitting to pay Fixed Interests is uncertain.

The Issuer has the right to temporarily reduce or suspend payment of Fixed Interests if the sum of Net Profits from all Investment Properties (calculated on the basis of the most recent audited yearly accounts for each Investment Property) is less than the sum of Fixed Interests paid in that period. Tokenholders are therefore exposed to the risk that they will not receive any interest payments.

Tokenholders who have allocated Tokens to specific Investment Properties and have thus entered into an Allocation Agreement with the Issuer will receive Performance-related Interest (in addition to Fixed Interests), which is calculated on the basis of the Net Profits resulting from the operation of such Investment Properties. If and to what extent Investment Properties will yield profits permitting to pay such Performance-related Interest is uncertain. No Performance-related Interest is paid if the Net Profit from the operation of the relevant Investment Property is less than the Fixed Interest of the same period or if no Fixed Interest is paid (e.g. Contingent Write-Down).

Investors will generally not be able to claim or receive interests or repayment of the principal if they have not successfully passed the KYC/AML process. All interests and repayments attributable to Non-Registered Tokenholders will be retained by the Issuer and will be used for accumulation of sufficient equity, the further development of related advanced technologies and for distribution to shareholders of the Issuer.

Whilst Performance-linked Interest and Repayment Amount are linked to the return and market value of the portfolio of Investment Properties, the Issuer is not obliged to invest the full amount of net proceeds of the STO in Investment Properties. Net proceeds will also be used to cover costs and expenses incurred for the STO including costs in connection with the issuance and distribution of Tokens, the project development as such and additional costs for the establishment of the CROWDLITOKEN platform and the CROWDLITOKEN eco-system. In addition, the Issuer will invest a portion of the proceeds to build up a liquidity portfolio in order to safeguard liquidity at all times. The amounts or percentage of assets held by the Issuer in such liquidity reserve will mainly depend on conditions on real estate and capital markets (e.g. liquidity reserve may be higher if and as long as no suitable properties for investment can be found or are available).

3.13 Potential invalidity of the transfer of Tokens

A number of legal questions, qualifications and categorizations concerning STOs, Tokens and related new fields of technology (such as Blockchain) and investments using such tools and providing rights through Tokens are still in relatively early stages of scholarship discussions and not finally decided let alone harmonized throughout jurisdictions. Liechtenstein has issued a *Law on Token and VT Service Providers*, the so-called “Blockchain Law”, which governs and clarifies some of those issues (such as transfer of tokens). Nevertheless and while the Issuer believes that the legal underpinning provided by the Terms and Conditions is reasonably robust, it cannot be completely excluded that a court might come to the conclusion that a transfer of Tokens is ineffective, void, or voidable. Uncertainty also exists in relation to the issue of whether the choice of law of the Liechtenstein law is effective and binding in a court of law.

4 RISK FACTORS RELATING TO THE EXECUTION OF THE STO

4.2 Risks related to currency exchange

Proceeds from the STO submitted in Ether will be exchanged into CHF as soon as sufficient volume can be pooled to assure a cost-effective execution of the exchange. The execution of the exchange may therefore take 10 days or more to complete.

Pending exchange, Ether submitted by Subscribers will remain subject to currency volatility. Since the allocation of Tokens to the Subscriber will be determined based on net proceeds (i.e. subscription payment less charges) credited to the account of the Issuer in CHF, calculated at the point in time payment is received by the Paying Agent, this currency exchange risk will be borne by the Issuer.

4.3 Risks related to a potential cancellation of the Offer

The Issuer has the right to cancel the issue of Tokens at any time and without stating reasons before Closing Date.

If the Issuer elects to cancel the issue of Tokens all amounts received as payment of a subscription shall be repaid to Subscribers. Repayment shall be arranged not later than two (2) months after the notice of cancellation was sent. If payment was made by the Subscriber in a currency other than CHF the conversion rate prevailing at the value date of repayment shall apply.

The currency exchange risk and thus potential losses occurred from the date of subscription until the date of repayment are to be borne by the Subscriber.

4.16 Risks related to the Paying Agent

Payments from Subscribers in relation to the STO are credited to a bank account / wallet maintained by the Paying Agent in the name of the Issuer. Due to a number of reasons, including regulatory requirements or a change in the risk policy, the Paying Agent may cease to accept further payments in connection with the STO. This could prevent the STO from being completed successfully. Commissions for the exchange and/or the storage are to be borne by Subscribers according to the Terms and Conditions, resulting in a reduced net investment and therefore resulting in a reduced number of Tokens allocated to Subscribers.

D. INFORMATION ABOUT THE ISSUER

3 THE ISSUER'S BUSINESS

3.1 Shareholders and Group Structure

The Issuer is a fully owned subsidiary of Crowdli AG, Zürcherstrasse 310, 8500 Frauenfeld (Switzerland). Crowdli AG was incorporated on 16 August 2016, and provides traditional crowdfunding solutions for real estate. Since the market-entry in January 2017 it has arranged the crowdfunding of 3 properties with a total investment value of more than CHF 10 million. The concept of real-estate crowdfunding is well established in Switzerland meanwhile, with aggregate funds of more than CHF 200 million raised. Crowdli AG is a privately held company.

The Issuer will hold Investment Properties directly and/or through local subsidiaries, with one or several companies to be set up for each jurisdiction. The exact group structure has not been determined as of Prospectus date.

It is intended that the holding structure as described above will be modified in the near future: The shareholders in Crowdli AG intend to establish a new entity, which will in future serve as a holding company of Crowdli AG and will also hold 100 % in Crowdlitoken AG directly. In addition, further new subsidiaries may be established by the new holding entity in order to increase the product offerings and to improve the financial and operational structure of the group's business.

3.3 Business Model

The Issuer plans to, directly or indirectly, acquire a portfolio of residential and commercial real estate in Europe with net proceeds from this STO. Investments will be made in accordance with the Investment Strategy outlined herein). Since the Issuer is a newly incorporated company with a share capital of only CHF 100'000, the net STO proceeds will essentially serve as the equity portion needed to finance the acquisition of Investment Properties. However, the terms of the STO are designed to immediately generate substantial reserves in the accounts of the Issuer at Closing Date to ensure financial stability over the full term of the securities, including in times of adverse market conditions.

[...]

3.4 Market Environment and Conditions

Target Markets for Tokens: The CROWDLITOKEN is designed to appeal to investors who are seeking exposure to digital assets indirectly backed by real estate assets. Three main groups are targeted with this Offering: investors who are already invested in and familiar with digital assets, institutional investors like family offices or high net-worth individuals who are seeking exposure to digital assets, and tech-affine retail investors. To the best of the Issuer's knowledge the CROWDLITOKEN is the first Token with characteristics of an indirect real-estate investment, but a number of projects with similar features have been announced publicly in Switzerland and other jurisdictions. While CROWDLITOKEN most likely will be a first mover, it is to be expected that competitors will quickly follow suit.

Real Estate Markets: After a long period with very low interests and high capital volumes invested in real estate, the origination of suitable projects requires sound research, comprehensive due diligence and sufficient time to execute the investment. Interest rates are more likely to rise over the next years, leading to yield depression and thus higher availability of real estate. The issuer is planning to acquire real estate in European countries, which are known for a high degree of productivity and sound economic stability. Any adverse economic development is therefore expected to have less negative impact on net profit and the valuation of Investment Properties.

The issuer is not aware of any circumstances that are to be expected to have a materially negative impact on the Issuers business prospects.

Public Offer Jurisdictions: Tokens will be offered for sale to the public in Liechtenstein (where this Prospectus is approved by the FMA) and in further EU jurisdictions where the Prospectus will be notified (Germany, Austria, France, Luxembourg, Belgium, the Netherlands, the United Kingdom and Ireland). Offers in other EU or EEA member states will only be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of bonds.. The Issuer will further seek authorization to distribute the Tokens to the public and/or to qualified investors in a number of non-EU/EEA jurisdictions, in each case in accordance with Applicable Law.

Legal conditions: legal and regulatory conditions for STOs are not settled yet and vary considerably across jurisdictions. This is true for both the regulation of STOs, tokens and investment in tokens as well as for the legal framework relating to ownership rights in tokens and their transfer. The government of Liechtenstein has enacted the *Law on Token and VT Service Providers, the so-called "Blockchain Act"*, which entered into force on 1 January 2020 and clarifies some of those issues. Nevertheless, relative uncertainty remains which may expose the Issuer's business to legal and regulatory risks, including the risk that the Token cannot be offered to the public in certain jurisdictions, that applicable regulation is subject to change and that the transfer of tokens is not legally enforceable as contemplated. See for more information Chapter C. – Risk Factors.

3.5 Issuer's Asset and Liability Structure

As set out above, the Issuer is a newly incorporated company with a capital of only CHF 100'000. Investment Properties will be partially financed with STO proceeds and partially with loans from banks and other third-party financiers. This debt will normally be secured with a mortgage on Investment Properties and will rank senior to the claims and obligations of Tokenholders. Senior debt is expected to make up between 50 and 70% of the full acquisition price of Investment Properties. Net STO proceeds will therefore

essentially serve as the equity portion needed to finance the acquisition of Investment Properties.

However, the terms of the STO are designed to generate a substantial amount of reserves in the accounts of the Issuer at Closing Date. The reserves will result from the following sources:

- First, the Subscription Price of the Tokens is higher than the Minimum Repayment Amount of CHF 0.70 per Token. The difference between Subscription Price and Minimum Repayment Amount may be deemed to partially or wholly qualify as equity under applicable accounting standards (either directly or through the profit and loss statement). If the Target Volume of 100'000'000 Tokens is fully subscribed at Closing Date this could result in a reserve position of 16.5% of total liabilities.
- Second, Tokenholders are entitled to claim and receive payments of interests or any form of Repayment only if they have been identified in accordance with the KYC policies enacted by the Issuer and the Paying Agent and if they have been found to be in full compliance with the AML rules and regulations. Further, duly identified Tokenholders will only receive fixed interest if and as long as they do not, after having purchased Tokens, execute their right to allocate their Tokens and thus to receive performance-related interest. The share of Net Profits attributable to non-registered Tokenholders and the share of performance-related interest not claimed by identified Tokenholders will be retained by the Issuer and used, at the Issuer's sole discretion, to fund additional reserves dedicated to managing risks in relation to Investment Properties, to finance the listing of Tokens at Crypto-Exchanges, to fund the development of new blockchain applications or, to the extent not used otherwise, for distributions (dividend payments) to the Issuer's shareholders.

Additional instruments permitting to stabilize the Issuer in the case of adverse market conditions are provided for by the Terms and Conditions. First, the Issuer has the option to extend the Term of the Securities by two times five years in order to prevent being forced to liquidate or refinance the portfolio under adverse market conditions. Second, in the case of a severe crisis of real estate markets, the Issuer has the option to write-down obligations under the Securities to prevent an insolvency and a fire-sale liquidation of the portfolio of Investment Properties.

Additional debt: This STO is the Issuer's first issuance. The Issuer reserves the right to issue or assume additional debt or equity at any time. In particular, the Issuer will seek to finance the acquisition of Investment Properties with loans from banks and other third-party financiers. The Issuer furthermore reserves the right to reopen the issue and issue additional Tokens at any time after completion of the STO (referred to as "Post STO Offerings") under the conditions set forth in the Terms and Conditions, Condition 2(d). Each Post STO Offering will be governed by a new prospectus if required by Applicable Law, but it shall be subject to substantially the same terms and conditions as Tokens issued in the course of this STO (with the exception of the subscription price which shall be determined by the Issuer but shall not be below CHF 1.- per Token) .

3.6 Milestones and Factors impacting the Implementation of the Business Model

The following milestones have been envisaged for the implementation of the business plan:

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| STO-Intention Announcement | March 2018 |
| Start Private Sale | December 2018 |
| Technical Readiness | January 2019 |
| FMA Approval/Prospectus | 12 April 2019 |
| Start CRT Pre Public Sale | 12 April 2019 |
| Start CRT Public Sale | After Pre Public Sale |
| Start Extended Public Sale | After Public Sale |
| Closing Date | 11 April 2020 |
| Final Settlement Date | 25 April 2020 |
| Investing in first properties | After Closing Date |
| Start development Platform | August 2019 |
| Establishment of subsidiary companies abroad | After Closing Date |
| Start CRT Eco system / Exchange placement CRT | After Final Settlement Date (25 April 2020) |
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| | |
| Evaluation new properties | December 2020 |

A successful implementation of the business plan may be prevented by a number of factors beyond the control of the Issuer, including, but not limited, to the following:

- Regulatory Risks: regulations governing STOs and the issuance and/or distribution of Tokens is still in a state of flux. It can therefore not be excluded that despite the approval of this Prospectus the distribution of the Tokens will be restricted to qualified investors, subject to other restrictions or be banned completely in one or several target jurisdictions;
- The success of the STO might be adversely affected by persistent negative market conditions for STOs and securities tokens or by severe reputational problems affecting participants in digital asset markets, resulting, e.g., from fraud, market manipulation, criminal charges, or operational problems affecting such participants;
- A failure to have the Tokens listed at a Crypto-Exchange or a regulated market would severely limit the Token's liquidity and economic value and therefore also affect the prospects of this STO;
- A severe downturn in real-estate markets of one or several target-jurisdictions would also affect the prospects for successfully implementing the business plan.

4 THE CROWDLITOKEN ECO SYSTEM

4.2 Access

Access to the CROWDLITOKEN eco system is granted only to persons who are identified as rightful owners of a Token according to the CROWDLITOKEN platform (the “Tokenholder”), irrespective of whether Tokens were directly issued to such person or whether they were acquired from another person in the secondary market.

Furthermore, the functionalities provided by the CROWDLITOKEN eco system can only be accessed after a tokenholder has been identified in accordance with the KYC policies enacted by the Issuer and the Paying Agent and after he has been found to be in full compliance with all other requirements set forth in the Terms and Conditions, Condition 5. A tokenholder who successfully completed this vetting process is registered in a list of Tokenholders and thus becomes a registered Tokenholder. No access is granted to tokenholders, including those who acquired a Token on the secondary market, who have not been fully vetted (“Non-registered Tokenholder”).

The Issuer will, as soon as feasible, implement and apply technical means to ensure that Tokens can only be subscribed to and / or acquired in the secondary market by registered Tokenholders who successfully completed KYC procedures.

Tokenholders will access the CROWDLITOKEN eco system through a log-in page on the Issuer’s website (www.crowdlitoken.com). Log-in information will be provided to Tokenholders following the successful conclusion of the KYC/AML process. Tokenholders will find a cockpit with an overview of all functionalities provided by the ecosystem.

4.4.1 Calculation of Performance-related Interests

Performance-related Interests are calculated on the basis of the Net Profits resulting from the operation of the Investment Property or Properties to which Tokens have been allocated. The Net Profit of each Investment Property is the net rental income (as further defined in the table below) resulting from the operation of such Investment Property plus Realized Profit minus:

- (i) costs for administration, repair and maintenance, operational costs, insurance, property tax, interests and amortization for third-party finance;
- (ii) taxes (including corporate taxes) attributable to such Investment Property;
- (iii) administration charges deducted by the Issuer in accordance with Condition 7;

all items determined in accordance with generally accepted accounting principles applicable in the jurisdiction in which the Investment Property is located.

Net Profits include any profits realized when an Investment Property is sold prior to Cut-off Date (“Realized Profit”). Realized Profit is defined as the difference between the proceeds received upon the sale of an Investment Property prior to Cut-off Date (net of (i) incurred costs and a 3% transaction charge of the Issuer relating to the execution of the disposal of the Investment Property; and (ii) deferred and paid taxes in connection with the disposal of the Investment Property and the execution of such transaction) and the net acquisition price (plus (i) due diligence costs; (ii) a 3% charge of the Issuer relating to the execution of the acquisition of the Investment Property, and (iii) any subsequent capitalized expenses) of such Investment Property according to the last audited statutory financial statement or (unaudited) interim financial statement.

The Net Profits of each Investment Property are therefore determined as follows:

| | |
|--|--|
| Gross rental income | Total expected income if fully let |
| - Vacancy | Deduction for vacancy incurred |
| - Collection risk | Unpaid rents |
| = Net rental income | |
| + Realized Profits | As defined in Condition 8.1(b) |
| - Administration | Costs of local, external administrator |
| - Repair and Maintenance | Costs incurred and provided for |
| - Operational Costs | Costs which are not transferrable to tenants |
| - Insurance | All sort of required insurance |
| - Property Tax | Depending on local tax regime |
| - Interest and amortization | Interest and amortization payments on mortgage |
| = Net property income | The basis for calculation of Return on Investment |
| - Allocated tax | Allocation of corporate and income tax to the property |
| - Fees | 0.75% property administration charge plus 15% performance bonus on excess of 5% Return on Investment |
| = Net Profit | |
| - Fixed interest | 0.875% / 1.4875% / 2.1% on Nominal Value |
| = Basis for calculation of Performance-related Interest | |

If an Investment Property is fully allocated, all Net Profits from this property will be distributed to Tokenholders who allocated Tokens to such property. If an Investment Property is not fully allocated, Net Profits attributable to allocated Tokens (NP^{AT}) are determined in accordance with the following formula:

$$NPAT = NP * \left(\frac{AT - NAT}{AT} \right)$$

where NP = Net Profits as per table above, AT = total number of Tokens which can be allocated to an Investment Property and NAT = number of non-allocated tokens on that same Investment Property (see above).

The fraction a Tokenholder receives from Net Profits attributable to allocated Tokens (FNP^{AT}) is determined as follows:

$$FNPAT = NPAT * \frac{T}{AT - NAT}$$

Where NPAT = Net Profits attributable to allocated Tokens, T = number of Tokens allocated by the specific Tokenholder; AT = total number of Tokens which can be allocated to an Investment Property and NAT = number of non-allocated tokens (see above).

Example: A property X with a total investment volume of CHF 15 million is acquired and financed with CHF 10 million senior debt and CHF 5 million STO proceeds. The average issuance price/Token is CHF 0.9325. The total number of Tokens which can be allocated to that Investment Property is 5'630'027.

Tokenholder A has allocated 56'300.27 Token to property X, corresponding to 1% of the total number of Tokens that can be allocated to the Property. If Net Proceeds resulting from the management of property X is CHF 1'000'000 in y1, Total Interests to be paid to Tokenholder A are CHF 10'000 (CHF 492.63 Fixed Interests and CHF 9'507.37 Performance-related Interests) p.a..

The Performance-related Interests shall be determined by using Net Profits of the relevant Investment Property, as shown in the most recent audited yearly accounts, and the allocation status for each property on the last calendar-day of each month at 12:00 pm CET (cut-off date).

Interest will be paid out in monthly installments based on the last available yearly audited accounting statement less a discount for prudence of 10%. Post audit of the next following yearly account statement of the Issuer, the difference between prior-year-based, paid monthly installments and effective performance related interest will be paid-out together with the next following monthly payment. Monthly payments will be executed on the fifth banking-day of each month. Where required, currency translation will be executed using the applicable rate at the date of execution.

Example: Tokenholder A keeps allocated 56'300.27 Token to property X, corresponding to 1% of the total number of Tokens that can be allocated to the Property. The Performance-related Interest is calculated based on a Net Profit of y1 (CHF 1'000'000) as shown in the last available yearly accounting statements less a discount for prudence of 10% (therefore: CHF 900'000).

The yearly Fixed Interest amounts to CHF 492.63, which will be distributed over twelve months. Tokenholder A also receives Performance-related Interests of CHF 708.95 per month (prudent yearly Net Profits of CHF 900'000 x Allocation Share of 1% - Yearly Fixed Interest of CHF 492.63, divided by 12 months) if the Net Profits are not expected to change in y2.

In case the Net Profits are expected to change or are effectively changing during y2, e.g. due to the development of rental yields or vacancies, the monthly payout of the Performance-related Interests will be decreased or increased accordingly.

Net Profits will depend, inter alia, on the overall development of rental yields, vacancies, expenses for repair and maintenance of Investment Properties and marginal taxation at their location.

4.5.1 Settlement of Performance-related Interests

Any claim for payment of interest is subject to the registration and identification of the Tokenholder in accordance with KYC/AML procedures and policies implemented by the Issuer, the Paying Agent, or as required by Applicable Law, not later than at Maturity Date.

The Issuer shall pay 90% of expected Performance-related Interests in twelve (12) monthly installments. The amount will be determined based on the Net Profits as shown in the most recent audited yearly accounts of the Issuer. The first payment of three (3) monthly installments of Performance-related Interests shall be made 90 days after the relevant Investment Property has first been made available for allocation in the CROWDLITOKEN ecosystem, the other nine (9) installments on each fifth Business Day of the following month. The remainder (difference between all installments and the effective Net Profits as shown in the audited annual accounts of the Issuer for the relevant period), if any, shall be paid 30 days after approval of the relevant accounts resp. on the fifth Business Day of the following month.

If the total sum of installments paid for a particular accounting period exceeds the effective Net Profits, this difference shall be deducted from payments to be made in the next accounting period.

Example: The Issuer has so far based its calculation of Performance Related Interest for the period on a Net Profit of CHF 900'000.-.

At the end of y2, the effective Net Profits are shown in the audited annual accounts of the Issuer to be CHF 1'100'000. The difference of CHF 200'000 (share of Tokenholder A still allocated on property: CHF 2'000) will be paid 30 days after approval of the audited annual accounts of the Issuer, therefore no later than 5 July of each year.

If the effective Net Profits, at the end of y2, are CHF 800'000.-, the difference of CHF 100'000 will be deducted from the Performance Related Interests payments of the property over the following twelve months (i.e. deduction of CHF 8'333.- each month from total amount of Performance Related Interest available for payments to allocated Tokenholders).

[...]

4.5.2 Restrictions with regard to payment of Performance-related Interests

Performance-related interest will only be paid once the proceeds of this STO have been invested by the Issuer and once and to the extent properties acquired do yield Net Profits.

No Performance-related Interests are paid if the Net Profit from the operation of the relevant Investment Property is less than the Fixed Interest of the same period and / or if no Fixed Interests are paid to Tokenholder (e.g. Contingent Write-Down).

One year prior to the Maturity Date (the "Cut-off Date") net proceeds from the sale of Investment Property will no longer form part of Net Profits to be distributed as Performance related Interests, but will be allocated to a repayment account.

For the avoidance of doubt, the same Repayment Amount becomes payable for each Token held by a Tokenholder whether or not a Token was allocated or whether the Tokenholder has opted for CRT Cash or CRT Reinvest.

4.7 Voting Rights

Tokenholders are offered the possibility to participate in votings arranged through the CROWDLITOKEN platform. One Token will have one vote.

Non-mandatory votings will be arranged by resolution of the board of directors, acting at its sole discretion, in relation to relevant issues, including a change of the investment strategy or the disposition of an Investment Property. While a change of the investment strategy will be submitted to all registered Tokenholders for approval, only Tokenholders who allocated Tokens to a particular Investment Property will have a say in the disposition of such property.

Mandatory votings will be required in situations described in the Terms and Conditions in accordance with Condition 14. Any proposal will require the affirmative vote of Tokenholders holding not less than 50% of the Token participating or represented in the vote. Resolutions passed by a simple majority of participating or represented votes will be effective and binding upon all Tokenholders, including Tokenholders who abstained from voting or who voted against the proposed modification.

4.8 Termination of Allocation

A Tokenholder can at any time decide to change the allocation of its Tokens or to terminate allocation. Also, a sale of allocated Tokens is only possible after allocation has been terminated and the Token has been “reset”.

A Tokenholder wishing to terminate or change allocation or to sell allocated Tokens will have to exit the CROWDLITOKEN eco-system resp. withdraw Tokens with regard to which he wishes to terminate allocation from the eco-system.

Upon termination of the allocation, all optionalities chosen by the Tokenholder in the eco system (allocation, pay-out modalities, voting rights) will be deleted.

Tokens are therefore fully fungible at all times. Fungibility of Tokens is not affected by functionalities provided within the ecosystem to certain Tokenholders personally and which will be accounted for outside of the smart-contract of the Token.

5 INVESTMENT STRATEGY

5.1 Overview

The rationale for this Offering is to obtain external financing for the acquisition of a real estate portfolio in accordance with the Issuer’s investment strategy (the “Investment Strategy”). The Issuer intends to invest net STO proceeds, directly or through subsidiaries, to which STO proceeds are forwarded by means of (unsecured) loans, in residential and commercial real estate in Europe in order to build a high-quality portfolio of Investment Properties, which preserves value and offers opportunities for value growth.

The Issuer will hold these Investment Properties directly or through one or more subsidiaries and the Issuer or such subsidiaries will be the sole owners of the properties, registered in the local land registry. Tokenholders, including Tokenholders who have allocated Tokens to specific properties, will have no ownership or any other preferential right in relation to specific properties. The Issuer’s Investment Strategy is prepared by the Issuer’s Real Estate Committee and approved by the Board of Directors. It will be re-evaluated from time to time and, if and to the extent considered necessary so that the Issuer can continue to meet its investment goals, be confirmed or (partially) adjusted.

Net proceeds from this Offering will also be used to cover costs and expenses incurred for the STO (estimated at approximately CHF 2.5 millions) and for the establishment of the CRT platform (estimated at approximately CHF 1.0 to 1.5 million) and the CRT eco-system. Furthermore the Issuer will hold a portion of the STO proceeds in the form of

liquid assets in order to build-up a liquidity portfolio. The management of this portfolio is not dealt with in the Investment Strategy.

5.2 Country Strategies

The Issuer intends to invest net STO proceeds in residential and commercial real estate in Europe. The first acquisitions will be made in Switzerland where the Investment Strategy will focus on office and commercial properties since no investments in residential real estate is possible due to regulatory restrictions. Investments in other jurisdictions will include both residential and commercial real estate. Other target jurisdictions include Germany and Austria, the Netherlands and Belgium, Northern European countries (Denmark, Sweden, Finland) and Eastern European countries (Poland, the Czech Republic, Latvia, Lithuania, Estonia and Hungary).

Since real-estate markets in the target jurisdictions differ considerably, country specific criteria are defined for the acquisition, the management and the divestment of properties. In general terms, investments will focus on multi-tenant buildings (maximum of 20% rental space per tenant) with a high tenancy rate, i.e. no investments in development projects or properties in need of repositioning will normally be made. The lot sizes will normally be between CHF/EUR 5 and 20 million per transaction.

5.3 Responsibilities and Organization

Real Estate Committee: The Issuer's Board of Directors has appointed a real estate committee (the "Real Estate Committee") which will supervise the implementation of the Investment Strategy, define criteria for the acquisition of Investment Properties, lay down a long-term building and maintenance strategy across the whole portfolio and take action if an Investment Property performs poorly or loses value. The Real Estate Committee also will determine Investment Properties to be put-up for sale, but the final decision about any divestment is vested with Tokenholders who have allocated Tokens to that particular Investment Property. Any divestment of an Investment Property therefore needs approval of the simple majority of Tokenholder votes (calculated on the basis of Token allocated to such property) (see above Section 4). The Real Estate Committee has four to five members who have in-depth experience and proven knowledge in the real-estate business. The Committee is chaired by a board member of the Issuer.

Operational Responsibilities: The operational implementation of the Investment Strategy will be the responsibility of a Real Estate Team which will be led by the Head of Real Estate. The Real Estate Team will include several country teams which will be responsible for the management of Investment Properties in one or several jurisdictions, including the supervision of local service providers. Country teams are reporting directly to the Head of Real Estate.

Financing: The Issuer will hold Investment Properties directly or through one or several local subsidiaries, with one or several companies to be set up for each jurisdiction. The Issuer will finance local subsidiaries directly or indirectly with equity and subordinated and unsecured loans. The acquisition of Investment Properties will also be financed with senior loans (including mortgages) from local banks and other lenders. Senior debt is expected to make up between 50 and 70% of the whole acquisition price at the time of acquisition. Interest rates for senior debt will be at prevailing market rates at the time of acquisition, and a possible increase in market rates will likely have a major impact on the Issuer's business model.

5.4 Reporting and Valuation

Each Investment Property will be accounted for as a profit center in accordance with generally accepted accounting principles applicable in the jurisdiction in which the property is located. A profit and loss statement will be prepared based on the accrual accounting method as per the end of each year. This statement will be made available to Tokenholders who have allocated Tokens to the respective property in the CROWDLITOKEN eco system within 30 business days.

The Issuer will have the entire portfolio of Investment Properties valued by way of a desktop analysis by an external appraiser twice per year. PricewaterhouseCoopers (PwC) has been appointed as external appraiser for the first three years. PwC will also be tasked to make an appraisal of properties to be acquired by the Issuer. The Issuer will report twice per year the Net Market Value (NMV) of Investment properties to Tokenholders who have allocated Tokens to the respective property.

7 ORGANISATION OF THE ISSUER

7.3 Operational Management

Role of management: The operational management is responsible for the management of the Issuer based on the strategic guidelines provided by the board of directors. The operational management reports to the board of directors.

Composition of the management:

Domenic Kurt - CEO

Domenic Kurt (Swiss, 30) has a management-level background in distribution, product management and consulting with a large Swiss Bank. One of his projects was to launch a decentralized distribution construction with an integrated information software for the third largest Swiss bank. He managed a lot of customer assets as a head of private banking. Since 2015, he also was successfully involved with several start-ups in the real estate and financial sector. As a chairman of the board he develops the strategy for a Swiss fintech startup. Furthermore, as a co-founder of a property company, he builds up a real estate portfolio. He holds a bachelor's degree in business administration and a Diploma of advanced Studies in Swiss finance with specifics in Innovation Management.

Toni Caradonna - CTO

Reference is made to his curriculum as described above (Board of Directors).

Lidia Kurt (-Bolla) - Chief Strategic Officer (CSO)

Lidia Kurt (Swiss) has extensive experience in blockchain-based investment areas. She was involved in establishing vision&, Switzerland's first asset manager for blockchain investments. She was also the managing partner of a consulting boutique for quantitative financial affairs and has worked for major financial institutions in Zurich, London and Hong Kong. Lidia graduated from the University of St. Gallen with a PhD in asset management.

Isabella Brom - Chief Information Officer (CIO)

Isabella Brom (Swiss) complements the team with her experience in enterprise architecture, decentralized business models and digital asset infrastructure. With her company KORE Technologies AG she and her team develop comprehensive digital asset

software solutions in the areas of issuance, custody and node services. Previously, she built up and managed the consulting arm for distributed ledger technologies at Ernst&Young Switzerland, initiated and implemented digitization projects with Fortune 500 companies.

7.4 Compensation for Management and Staff and third party providers

Members of the board of directors and the management as well as staff members and third party providers will be compensated with Tokens as part of their salary structure. For this purpose 800'000 Token plus a number of Token corresponding to a 3% top up of the total number of Tokens issued in this Offering may be issued for compensation purposes. For the purpose of calculation, the total number of Tokens issued for compensation purposes is calculated as the total number of Tokens issued, divided by 0.97 less total number of issued Tokens. No payments in another currency will be made for compensation purposes, except where a salary is payable. Any compensation paid in Token will be vested over a period of up to two years and be subject to bad-leaver clauses. Tokens allocated under this program will have to co-invest alongside all Tokenholders, i.e. Members of the board of directors and the management will be obliged to allocate the Tokens to specific investment properties through the CROWDLITOKEN eco-system for as long as they hold this or a comparable position in one of the Issuers bodies.

7.8 Major contracts and financial commitments

During the preparation of this Offering, Crowdli AG, the Issuer's sole shareholder, has entered into a number of material contracts with suppliers which shall be assumed by the Issuer after the Closing. Some of these contracts have been entered into with related companies, particularly azemos partner AG, Frauenfeld, Switzerland (Project structuring, for development and coordination as well as commercial and operational execution).

During the preparation of this Offering, Crowdli AG has prefinanced costs and expenses in connection with serving these agreements. The Issuer has agreed with Crowdli AG to reimburse these costs and expenses based on detailed accounts post-closing. A part of these costs may be paid through the allocation of Tokens (see also A.2).

Furthermore, the Issuer plans to enter into a management agreement with Crowdli AG.

E. INFORMATION ABOUT THE SECURITIES

1 OBJECT OF THE PROSPECTUS / TYPE OF SECURITIES

The object of this Prospectus are a maximum number of 190'000'000 digital tokens (referred to as "Crowdlitokens", "CRT", or "Tokens"), whereby each Token represents a derivative security with features of a structured bond with an initial term until 14 December 2044 (referred to as the "Up to 190'000'000 Crowdlitokens Structured Bonds due 2044" or the "Bonds", ISIN LI0432942626).

The performance of the Crowdlitokens is partially linked to a portfolio of commercial and residential real estate objects in European countries (the "Investment Properties", and each an "Investment Property") which will be acquired with proceeds from this Offering and which will be held and managed by the Issuer or subsidiaries of the Issuer.

Owners of Crowdlitokens (“Tokenholders”) will be paid fixed-rate interest payments (“Fixed Interests”).

At Maturity Date, Tokenholders will receive the Repayment Amount which will be determined in correlation to the market value of the portfolio of Investment Properties at that time but will in any event not be less than the Minimum Repayment Amount of CHF 0.70 per Token.

Any and all payments to Tokenholders are subject to the Tokenholders having successfully completed KYC/AML procedures installed by the Issuer and having registered themselves on the CROWDLITOKEN platform. The Issuer will, as soon as feasible, implement and apply technical means to ensure that Tokens can only be subscribed to and / or acquired in the secondary market by registered Tokenholders who successfully completed KYC procedures.

[...]

4 FORM OF SECURITIES

[...]

Tokenholders that have acquired Tokens but have not passed KYC/AML procedures installed by the Issuer and have not registered themselves on the CROWDLITOKEN platform (Non-Registered Tokenholders) will not receive interest payments and / or the Repayment Amount. The Issuer will, as soon as feasible, implement and apply technical means to ensure that Tokens can only be subscribed to and / or acquired in the secondary market by registered Tokenholders who successfully completed KYC procedures.

5 CURRENCY

The Tokens are denominated in Swiss Francs (“CHF”), the lawful currency of the Principality of Liechtenstein (and Switzerland). The Issuer also accepts payments of the subscription price in Euro (“EUR”) or in Ether (“ETH”). All payments received in ETH will be converted into CHF in accordance with, and subject to, the conditions set forth in Section 4 of the Subscription Agreement (see Annex I). All fees and commissions charged by any intermediary involved in converting payments received in a currency other than CHF into CHF will have to be borne by the Subscriber.

Interest payments and repayments will be made in the Currency in which the subscription price was settled, but Tokenholders may elect to receive payments in a different Currency, such as CHF, EUR and ETH, by notifying the Issuer.

6 STRUCTURE AND VOLUME OF THE OFFERING

This Offering is part of a Security Token Offering (“STO”) which is organized in stages. The Offering will start on 12 April 2019 and will close on the earlier of 11 April 2020 (the “Closing Date”) or the date at which the maximum issue (the “Hard Cap”) of 206’985’567 Tokens has been subscribed.

Number of Tokens issued: The maximum number of Tokens to be issued to the public in the course of this Offering is 190’000’000 Tokens. This Offering is preceded by a sale of up to 10’000’000 Tokens to selected investors. The Issuer also reserves the right to issue an additional maximum number of 6’185’567 Tokens for purposes of compensating the management and the staff of the Issuer as well as an additional maximum number of

800'000 Token for purposes of compensating third-party service providers. The maximum issue (the “Hard Cap”) in this STO is 206'985'567 Tokens. The target volume (the “Target Volume”) is 100'000'000 Tokens.

Stages: The various stages of the STO and the conditions for each stage are as follows:

| Stage | Volume (Tokens) | Issue Price/Token (CHF) | Eligible Investors |
|--|---|-------------------------|--|
| Private Sale | 10'000'000 | 0.75 | Subscribers selected by the Issuer and (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies. |
| Pre-Public Sale | 20'000'000 | 0.80 | Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies. |
| Public Sale | 70'000'000 | 0.90 | Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies. |
| Extended Public Sale | 100'000'000 | 1.00 | Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies. |
| Issuance for (i) Management and Staff Compensation and (ii) Third Party Compensation | 800'000 AND 3% of Private and Public Sales, max. (200'000'000/97)*3 = 6'185'567 | 0.00 | Members of the management and staff of the Issuer and third party suppliers involved in the structuring and execution of the STO |
| Maximum STO Issue | 206'985'567 | | |

Sales in one stage will continue until the number of Tokens available for sale in each stage is sold out. The Issuer will announce the commencement of the start of sales in the following stage on it’s website www.crowdlitoken.com.

Cancellation of Issue: The Issuer reserves the right to cancel the issue of Tokens before Closing Date at any time and without stating reasons. In this event, the Issuer will return all amounts paid for subscription of Tokens to Subscribers not later than two months after the notice of cancellation was sent. If payment was made by the Subscriber in a currency other than CHF the conversion rate prevailing at the value date of repayment, determined in accordance with Condition 4 of the Subscription Agreement (see Annex I), shall apply. Repayment shall be made net of all fees and charges.

Post STO Offerings: The Issuer reserves the right to reopen the issue or to issue additional Tokens at any time after the Closing Date (referred to as “Post STO Offerings”) under the conditions set forth in the Terms and Conditions, Condition 2(d). Each Post

STO Offering will be governed by a new prospectus, if required by Applicable Law, but it shall be subject to substantially the same terms and conditions as Tokens issued in the course of this STO (except with regard to the subscription price, which will be determined by the Issuer but shall in any event not be less than CHF 1.- per Token).

Subscriptions: Subscriptions for Tokens may be submitted by any natural or legal person (the “Subscriber”) who (i) is eligible to make such investments under the Applicable Law and the Terms and Conditions, (ii) has completed the registration process with the Issuer via the Issuer’s website (www.crowdlitoken.com), and (iii) has passed the Issuer’s AML checks in accordance with Section 2 of the Subscription Agreement (Annex I). After completion of the subscription process the Subscriber shall pay the subscription price in accordance with the Subscription Agreement (Annex I) to the Paying Agent. Payment instructions and conditions for the conversion of currencies are provided for in the Subscription Agreement (Annex I). All fees and commissions charged by the Paying Agent or any other intermediary involved in converting payments received in a currency other than CHF into CHF will be paid by the Subscriber.

Settlement: The Issuer will issue Tokens to Subscribers within 14 days after receipt of payment and allocate the Tokens to the wallet designated by the Subscriber. The number of Tokens to be allocated is determined by the payments received from such Subscriber and converted into CHF, if not received in CHF, at prevailing market rates at the time payment is received, net of any exchange commissions, divided by the applicable Subscription Price. Uneven amounts will be rounded up in favor of the Subscriber to the next full Token. Final settlement will take place 14 days after the Closing Date (the “Final Settlement Date”), i.e. 25 April 2020. At Final Settlement Date Tokens will be activated and become transferable. The Final Settlement Date is also the start date for payment of interests.

7 REGISTRATION OF TOKENHOLDERS

In order to enforce AML laws and regulations, the Issuer will recognize and acknowledge as Tokenholders only persons who have been identified in accordance with Know-your-Customer (KYC) policies enacted by the Issuer and found to be in full compliance with Anti-Money Laundering (AML) rules and regulations under Applicable Law. Tokenholders who have been successfully vetted will be listed in a registry of Tokenholders on the CROWDLITOKEN platform.

Non-registered Tokenholders, including those who acquire Tokens in the secondary market but fail to complete the KYC/AML process and do not register themselves on the CROWDLITOKEN platform, will be barred from exercising any right in relation to such Tokens, including, but not limited to, the right to receive any form of interest payments and the right to receive any form of principal repayment. Non-registered Tokenholders will only have naked ownership rights in the Tokens, which can be acquired and transferred to another person even if the transferor or the transferee have not completed the KYC and AML and registration process.

The Issuer will, as soon as feasible, implement and apply technical means to ensure that Tokens can only be subscribed to and / or acquired in the secondary market by registered Tokenholders who successfully completed KYC procedures.

9 INTEREST PAYMENTS

Tokenholders are entitled to receive fixed-rate annual interests (“Fixed Interests”) payable in monthly arrears in accordance with, and subject to, the Terms and Conditions, Condition 8.1. In order to take into account the time required to fully invest STO proceeds in Investment Properties the interest rate is staggered as follows:

- 0.875% p.a. in the first 24 months after Final Settlement Date;
- 1.4875 % p.a. thereafter for the duration of another 12 months;
- 2.1% p.a. after 36 months and for the remainder of the term of the securities (i.e. until and including Maturity Date).

These interest rates are calculated on the basis of the Nominal Value of the Tokens (i.e. CHF 1.00).

Calculated on the basis of the Minimum Repayment Amount (as defined in the Terms and Conditions), which is CHF 0.70 for each Token, the interest rate corresponds to 1.25% p.a. at the first stage, 2.125% p.a. at the second stage and 3% p.a. at the third stage.

At any time prior to Cut-off Date (i.e. one year prior to Maturity Date), the Issuer shall have the right to temporarily reduce or suspend payment of Fixed Interests if, based on a report of the Issuer’s auditor, the Issuer notifies the Tokenholder Representative that the sum of Net Profits from all Investment Properties, calculated on the basis of the most recent audited yearly accounts of the Issuer for each Investment Property, is less than the sum of Fixed Interests paid in that period. In any such event, Fixed Interest shall temporarily and proportionally be reduced to match Net Profits from all Investment Properties of the previous twelve months.

Payment of Fixed Interests shall be resumed in full as soon as the sum of Net Profits from all Investment Properties is equal or higher than the sum of Fixed Interests to be paid. The Issuer will however not make any supplementary payments for periods during which payment of Fixed Interests had been reduced or suspended.

10 PAYMENT OF REPAYMENT AMOUNT AT MATURITY DATE

The Tokens shall be repaid on 14 December 2044 (the „Initial Term“, the “Initial Maturity Date”). Repayment of the Tokens may be deferred by two times 5 years (i.e. 10 years cumulatively) if the conditions set out in the Terms and Conditions, Condition 9.1, are met. The purpose of the option to extend the Initial Term is to avoid a forced sale of Investment Properties during periods where adverse market conditions prevail in real estate markets. The Issuer has also the right to repay the Tokens prior to the initial or any subsequent Maturity Date (as defined in the Terms and Conditions) if the conditions set out in the Terms and Conditions, Condition 9.2, are met (“Early Repayment”).

[...]

11 INFLUENCE OF UNDERLYING ON VALUE OF TOKENS

The Issuer will invest net proceeds from the STO in commercial and residential real estate in European states in accordance with the investment strategy adopted by the Issuer’s board of directors.

[...]

H. OFFER

a. RESOLUTION OF BOARD OF DIRECTORS

In accordance with resolutions adopted by the Issuer's board of directors on 1 September 2018/12 March 2019 the Issuer offers a maximum number of 190'000'000 digital tokens ("Crowdlitoken" or "CRT") whereby each Token represents a derivative security with features of a structured bond with a term from 2019 until 2044 for issuance to and subscription by the public. Net of required operational liquid assets the proceeds of the CRT issue shall primarily be used for the acquisition of commercial real estate in Switzerland and commercial as well as residential real estate in other European countries.

b. TERMS AND CONDITIONS OF THE CROWDLITOKENS

2 OFFERING

- (a) This Offering consists in the issuance of a maximum number of 190'000'000 Tokens by the Issuer as part of a Security Token Offering (the "STO"). The maximum issue (the "Hard Cap") (including the Private Sale and the Issuance for Own Use and Third-Party Compensation) is 206'985'567 Tokens. The target volume (the "Target Volume") is 100'000'000 Tokens.

The minimum amount to be subscribed by each Subscriber is CHF 100, the maximum amount for each Subscriber is CHF 20'000'000 (or the corresponding amounts in ETH or EUR). The conversion rate will be determined by a broker on a best execution basis using data of a number of leading Crypto-Exchanges. The conversion rate USD-CHF and EUR-CHF will be determined based on data provided by Morningstar (www.morningstar.com). The Issuer reserves the right to adapt the method for determining the conversion rate or the source for its calculation at its sole discretion on a daily basis during the entire Offering Period.

- (b) The STO shall be structured as follows –
- (i) Private Sale: Sale of up to 10'000'000 Tokens at a price of CHF 0.75 per CRT to Subscribers (as defined by Condition 22) selected by the Issuer.
 - (ii) Pre-Public Sale: Sale of further 20'000'000 Tokens at a price of CHF 0.80 per CRT to Subscribers, starting on the 12 April 2019.
 - (iii) Public Sale: Sale of further 70'000'000 Tokens at a price of CHF 0.90 per CRT to Subscribers, starting after all Tokens offered in the course of the Pre-Public Sale have been fully subscribed.
 - (iv) Extended Public Sale: If on or before Closing Date subscriptions in excess of the Target Volume are received, the Issuer has the right, but not the obligation, to sell a further total number of 100'000'000 Tokens at a price of CHF 1.00 per CRT to Subscribers.
 - (v) Issuance for Own Use: The Issuer reserves the right, to be exercised at its sole discretion after the Closing Date, to issue 800'000 Tokens plus a number of Token corresponding to a 3% top up of the total number of all Tokens issued in the course of the STO, calculated on the basis of a maximum issue of 200'000'000 Tokens and corresponding to a maximum number of 6'185'567 Token, for purposes of compensation of the Issuer's management and staff as

well as third party suppliers involved in the structuring and execution of the STO.

All Tokens issued in the course of this STO shall be deemed to form part of one and the same class of securities.

- (c) The Public Sale shall start after Tokens offered in the Pre-Public Sale have been fully subscribed. It shall close on the earlier of 11 April 2020 or the date at which the maximum issue (the “Hard Cap”) of 206’985’567 Tokens has been subscribed (the “Closing Date”). The Issuer will regularly inform Subscribers during the Offer Period about the number of Tokens sold by publishing the relevant information on the website of the Issuer (www.crowdlitoken.com) on an ongoing basis.
- (d) Post STO Offerings: The Issuer reserves the right to issue additional Tokens at any time after the Closing Date (“Post STO Offerings”). Except where required by circumstances, Tokens issued in the course of any Post STO Offering shall be subject to substantially the same terms and conditions as Tokens issued in the course of this STO except for (i) the number of Tokens offered for subscription and possibly, (ii) the subscription price (which will be determined by the Issuer but shall not be less than CHF 1.- per Token).
- (e) Issuance for allocation to CRT-Reinvest: The Issuer has the right to issue Tokens for purposes of allocation to Tokenholders who have opted to reinvest accrued interests (“CRT-Reinvest” as defined by Condition 22). Tokens issued under this provision shall not count under any of the thresholds set-forth under this Condition 2.

3 CANCELLATION OF ISSUANCE

The Issuer has the right, but not the obligation, to cancel the issue of Tokens at any time before Closing Date without stating reasons.

If the Issuer elects to cancel the issue of Tokens –

- (i) it shall send a notice of cancellation to Subscribers in accordance with Condition 18 and
- (ii) all amounts received as payment of a subscription shall be repaid to Subscribers. Repayment shall be arranged not later than two (2) months after the notice of cancellation was sent. If payment was made by the Subscriber in a currency other than CHF the conversion rate prevailing at the value date of repayment, determined in accordance with Condition 4 of the Subscription Agreement (Annex I), shall apply. Repayment shall be made net of all fees and charges.

The Subscribers agree that the Issuer shall not be held liable, and waive any claim against the Issuer to the fullest extent permitted by Applicable Law, for any loss or damages resulting from the cancellation of the STO, including, but not limited to, any claims for indirect or consequential damages, loss of profit or earnings, unrealized savings, and additional expenses, regardless of the legal basis.

4 EXERCISE OF RIGHTS

The Issuer will recognize and acknowledge as Tokenholders persons who have been registered on the CROWDLITOKEN platform, a prerequisite for which is that such Tokenholder has been identified in accordance with the KYC policies enacted by the

Issuer and the Paying Agent and has been found to be in full compliance with the AML rules and regulations (together the “KYC/AML Regulations”) under Applicable Law.

Any person who acquires Tokens in the secondary market but fails to complete the KYC/AML and registration process established by the Issuer or the Paying Agent shall be barred from exercising any right in relation to such Tokens, including, but not limited to, the right to receive any form of interest payments and the right to receive any form of Repayment.

The Issuer will, as soon as feasible, implement and apply technical means to ensure that Tokens can only be subscribed to and / or acquired in the secondary market by registered Tokenholders who successfully completed KYC procedures.

Various functionalities of the STO and the Tokens, including, but not limited to, the issuance and the transfer of Tokens and the receipt of interest payments, are available only with the private key associated to Tokens. The Tokenholders agree that the Issuer shall not be held liable, and waive any claim against the Issuer to the fullest extent permitted by Applicable Law, for any loss or damages resulting from the loss or theft of the private key, including, but not limited to, any claims for indirect or consequential damages, loss of profit or earnings, unrealized savings, and additional expenses, regardless of the legal basis.

8 CALCULATION OF INTERESTS

(a) Fixed Interests

Tokenholders are entitled to receive fixed-rate annual interests (“Fixed Interests”) payable in monthly arrears. In order to take into account the time required to fully invest STO proceeds in Investment Properties the interest rate is staggered as follows:

- 0.875% p.a. in the first 24 months after Final Settlement Date;
- 1.4875 % p.a. thereafter for the duration of another 12 months;
- 2.1% p.a. after 36 months and for the remainder of the term of the securities (i.e. until and including Maturity Date).

These interest rates are calculated on the basis of the Nominal Value of the Tokens (i.e. CHF 1.00).

Calculated on the basis of the Minimum Repayment Amount (as defined in the Terms and Conditions), which is CHF 0.70 for each Token, the interest rate corresponds to 1.25% p.a. at the first stage, 2.125% p.a. at the second stage and 3% p.a. at the third stage.

(b) Performance-related Interest

Tokenholders have the option, after having acquired Tokens, to allocate their Token or some of them to particular Investment Properties. By choosing optionalities available on the dashboard of the CROWDLITOKEN eco-system, Tokenholder are deemed to enter into an Allocation Agreement with the Issuer.

On the basis of such Allocation Agreement, allocated Tokens are entitled to receive, in addition to Fixed Interest, Performance-related Interest, which shall be defined as a fraction of Net Profits from the management of such Investment Properties. The fraction of Performance-related Interests attributable to each allocated Token (PRI) shall be determined as follows:

$$PRI = \left(\frac{NPAT}{AT - NAT} \right) - FI$$

Where NPAT = Net Profits attributable to allocated Tokens, AT = total number of Tokens which can be allocated to an Investment Property, NAT = number of non-allocated Tokens on the same Investment Property and FI = Fixed Interests per Token.

Performance-related interest will only be paid once the proceeds of this STO have been invested by the Issuer and once and to the extent properties acquired do yield Net Profits.

Performance-related interest will only be paid if and as long as the Tokens are allocated to a specific Investment Property. The allocation has to be terminated and the Token will be reset before a Tokenholder is able to sell such Token.

No Performance-related Interests shall be due if the payment of Fixed Interests is reduced or suspended in accordance with Condition 12(d) or if the Net Profit from the operation of the relevant Investment Property is less than the Fixed Interest amount.

The Net Profit of each Investment Property is the net rental income (as defined in the table in Section D.4 of this Prospectus) resulting from the operation of such Investment Property plus Realized Profit minus:

- (i) costs for administration, repair and maintenance, operational costs, insurance, property tax, interests and amortization for third-party finance;
- (ii) taxes (including corporate taxes) attributable to such Investment Property;
- (iii) administration charges deducted by the Issuer in accordance with Condition 7;

all items determined in accordance with generally accepted accounting principles applicable in the jurisdiction in which the Investment Property is located.

Realized Profit is the difference between the proceeds received upon the sale of an Investment Property prior to Cut-off Date (net of (i) incurred costs and a 3% transaction charge of the Issuer relating to the execution of the disposal of the Investment Property; and (ii) deferred and paid taxes in connection with the disposal of the Investment Property) and the net acquisition price (plus (i) due diligence costs; (ii) a 3% charge of the Issuer relating to the execution of the acquisition of the Investment Property, and (iii) any subsequent capitalized expenses) of such Investment Property according to the last audited statutory financial statement or (unaudited) interim financial statement. The Net Liquidation Value of Investment Properties divested after Cut-off Date will no longer be allocated to the respective Investment Property and will therefore no longer form part of Realized Profits to be included in the Net Profit for the purpose of calculation of Performance-related interest but shall be credited to a repayment account maintained by the Issuer.

8.1 SETTLEMENT OF INTEREST PAYMENTS

Payment of Fixed Interests shall be made monthly on the fifth Business Day of each month (“Interest Payment Date”). The first payment of three (3) monthly installments of Fixed Interests shall be made on the first Interest Payment Date 90 days after Final Settlement Date (i.e. 5 August 2020).

Performance-related Interests: The Issuer shall pay 90% of expected Performance-related Interests in twelve (12) monthly installments. The amount will be determined based on the Net Profits as shown in the most recent audited yearly accounts. The first payment of three (3) monthly installments of Performance-related Interests shall be made on the first Interest Payment Date 90 days after the relevant Investment Property has first been made available for allocation in the CROWDLITOKEN ecosystem, the other nine (9) installments on each fifth Business Day (“Interest Payment Date”) of the following month. The remainder (difference between all installments and the effective Net Profits as shown in the audited annual accounts for the relevant period), if any, shall be paid on the first Interest Payment Date 30 days after approval of the relevant accounts.

If the total sum of installments paid for a particular accounting period exceeds the effective Net Profits, this difference shall be deducted from payments to be made in the next accounting period.

Payment of Interests shall be made in the Currency in which payment for the subscription price was received from the Tokenholder. The Tokenholder may elect to receive payment in another Currency such as CHF, EUR, ETH, by notifying the Issuer.

Payments due in ETH shall be settled by sending ETH to the Tokenholder’s wallet. Exchange fees charged by the exchange agent for exchanging CHF into ETH for purposes of making interest payments shall be borne by the Tokenholder. The Issuer shall not be liable for late payment of Total Interests as a result of undue delay of the exchange operation performed by the exchange agent.

For payments due in CHF or EUR the Issuer will place the funds required at the free disposal of the Paying Agent on behalf of the Tokenholders. Timely payment to the Paying Agent shall release the Issuer of its payment obligations under these Terms and Conditions to the extent of such payments.

Interest payments (due on the fifth Business Day of each month) will always be made to the person(s) holding a Token and / or having allocated Token to a specific property at 12.00 pm CET on the last calendar-day of a month.

With regard to Fixed Interest and Performance-related Interest, the Issuer reserves the right to suspend payment of accrued interest if a resulting payment per Token does not exceed CHF 1.-. If so, payments per Token can be suspended and accumulated and will be made as soon as the amount per Token to be distributed exceeds CHF 1.- or at the point in time a Tokenholder leaves the eco-system.

9 TERM AND REPAYMENT

9.1 MATURITY DATE

(a) Initial Maturity Date

The Bond shall mature on 14 December 2044 (the „Initial Term“).

Subject to Conditions 9.1(b) and 9.1(c), the Issuer shall repay the Tokens on 14 December 2044 (the “Initial Maturity Date”) without further notice to the Tokenholders.

(b) Extended Maturity Date

The Issuer shall have the right, but not the obligation, to defer repayment at Initial Maturity Date by five (5) years until 14 December 2049 (the “Extended Maturity Date”), provided the Issuer’s board of directors resolves that the following conditions are met:

- (i) the Net Market Value of the portfolio of Investment Properties owned by the Issuer as determined by the last audited financial statement or (unaudited) interim financial statement is 90% of the Acquisition Value (as defined by Condition 21) or less; or
- (ii) an independent valuer comes to the reasonable conclusion that the Net Liquidation Value (as defined by Condition 21) of the Investment Properties is in all likelihood 90% of the Acquisition Value or less.

The Issuer’s board of directors shall adopt such resolution not later than twelve (12) months prior to the Initial Maturity Date. Tokenholders shall be notified of the extension without delay.

(c) Ultimate Maturity Date

The Issuer shall have the right, but not the obligation, to defer repayment at Extended Maturity Date by another five (5) years until 14 December 2054 (the “Ultimate Maturity Date”) if the Issuer’s board of directors resolves that the conditions in Condition 9.2 (b) (i) and (ii) are met. The Issuer’s board of directors shall adopt such resolution not later than twelve (12) months prior to the Extended Maturity Date. Tokenholders shall be notified of the extension without delay.

12 CONTINGENT WRITE-DOWN

- (a) At any time prior to Cut-off Date the claims of Tokenholders against the Issuer to receive payment of the Minimum Repayment Amount on any Maturity Date shall be reduced by the relevant Write-down Amount, and the Tokenholders shall no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the relevant Write-down Amount (such reduction, a Contingent Write-down – *bedingte Aufhebung von Forderungen durch Übereinkunft*) if the Issuer notifies the Tokenholder Representative that any of the following conditions has been met:

- (i) the accumulated net loss in the Issuer’s audited financial statement is equal or higher than 50% of the Issuer’s capital (including statutory reserves under article 309 PGR); or
- (ii) the Issuer’s auditor makes a qualification in an audit report regarding the viability of the Issuer as a going concern which would trigger a valuation of the Issuers assets on a gone-concern basis.

“Write-down Amount” means the higher of the amount required to either (i) recapitalize the Issuer to a level of 50% of the Issuer’s capital (including statutory reserves under article 309 PGR), or (ii) avoid any qualification of the Issuer’s auditor which would trigger a valuation of the Issuers assets on a gone-concern basis.

- (b) Claims of Tokenholders subject to a Contingent Write-down shall be fully restored if the conditions set-forth in this Condition 12(a) are no longer met prior to Cut-off Date.
- (c) The Issuer shall be barred from distributing any dividends to shareholders if claims of Tokenholders have been subject to a Contingent Write-down, unless and until such claims are fully restored in accordance with this Condition 12(c).
- (d) At any time prior to Cut-off Date the Issuer shall have the right to temporarily reduce or suspend payment of Fixed Interests if, based on a report of the Issuer's auditor, the Issuer notifies the Tokenholder Representative that the sum of Net Profits from all Investment Properties, calculated on the basis of the most recent audited yearly accounts for each Investment Property, is less than the sum of Fixed Interests paid in that period. In any such event, Fixed Interest shall temporarily and proportionally be reduced to match Net Profits from all Investment Properties of the previous twelve months.

Payment of Fixed Interests shall be resumed in full as soon as the sum of Net Profits from all Investment Properties is equal or higher than the sum of Fixed Interests to be paid. The Issuer will however not make any supplementary payments for periods during which payment of Fixed Interests had been reduced or suspended.

14 AMENDMENT OF THE TERMS AND CONDITIONS

(a) Reserved Matter Modification

These Terms and Conditions may be modified in relation to a Reserved Matter with the consent of the Issuer and the affirmative vote of Tokenholders holding not less than 50% of the Tokens participating or represented in the votes. If a Reserved Matter Modification is approved it shall be effective and binding upon all Tokenholders, including Tokenholders who abstained from voting, voted against the proposed modification or are Non-Registered Tokenholders.

Reserved Matter in relation to the Tokens means any modification of the terms and conditions of the Tokens that would:

- (i) change the currency or place of payment of any amount payable on the Tokens;
 - (ii) change the seniority or ranking of the Tokens;
 - (iii) change the law governing the Tokens or change any court to whose jurisdiction the Issuer has submitted, or any immunity waived by the Issuer in relation to legal proceedings arising out of or in connection with the Tokens; or
 - (iv) change the definition of a Reserved Matter.
- (b) Other Modifications

The Terms of the Tokens may be amended by agreement by the Issuer with the consent of the Tokenholders Representative provided that in the sole opinion of the Tokenholders Representative such amendment is of a formal, minor or technical nature, is made to correct a manifest error and is not

prejudicial to the interests of the Tokenholders. Notice of any such amendment shall be published in accordance with Condition 18.

22 DEFINITIONS

“Acquisition Value” shall mean the purchase price paid for the acquisition of an Investment Property, including all taxes, fees, charges, and reasonable expenses incurred for such acquisition.

“Allocation Agreement” means an agreement which is entered into between the Issuer and Tokenholders when Tokenholders choose from the optionalities available on the dashboard of the CROWDLITOKEN eco-system to (i) allocate their Tokens to one or certain investment properties or to (ii) receive interest payments in cash (CRT Cash) or Tokens (CRT Reinvest).

“Applicable Law” means any applicable national, federal, supranational, state, regional, provincial, local or other statute, law, ordinance, regulation, rule, code, guidance, order, published practice or concession, regulatory requirement, judgment or decision of an Authority, and the rules of any applicable exchange, trading venue or clearing house.

“Authorized Offeror” means any financial intermediary who (i) has been authorized by the Issuer to the use of the Prospectus in the Public Offer Jurisdictions if permitted by Applicable Law and (ii) whose name is published on the Issuer’s website (www.crowdlitoken.com).

“Benchmark” has the meaning given in Condition 2(d).

“Bond” or “Bonds” means any and all Tokens offered in the course of the STO.

“Tokenholder Representative” shall have the meaning given in Condition 17.

“Business Day” means any day on which banks in Switzerland and Liechtenstein are open for business.

“CHF” or “Swiss franc” shall mean the lawful currency of Switzerland and of Liechtenstein.

“Closing Date” shall have the meaning given in Condition 2(c).

“Contingent Write-down” has the meaning given in Condition 12.

“Crowdlitoken” shall mean a digital token representing a derivative security with features of a structured bond issued under the Terms and Conditions and further defined in Condition 4.

“Crowdlitoken platform” shall mean the Ethereum-based blockchain application.

“CRT-Cash” are Tokens held by a Tokenholder who opted to have interests paid in cash when allocating Tokens and thus concluding an Allocation Agreement with the Issuer.

“CRT-Reinvest” are Tokens held by a Tokenholder who exercised, when entering into an Allocation Agreement with the Issuer, the option to reinvest interests accrued and therefore to receive interest payment in Token instead of cash.

“CRT” shall mean a digital token representing a derivative security with features of a structured bond issued under the Terms and Conditions and further defined in Condition 4.

“Crypto-Exchange” means an exchange or other kind of trading platform, where crypto-assets (including Security Tokens) can be traded. If such exchanges or trading platforms allow or enable trades in digital assets that qualify as securities, they are, depending on applicable law, subject to licensing requirements. If domiciled or operative within the

European Union and depending on their exact structure, such exchanges or trading platforms most likely will qualify as Multilateral Trading Facilities (MTF) or Organized Trading Facilities (OTF) in the meaning of Directive 2014/65/EC (“MiFID II”). At the date of this Prospectus, to the best knowledge of the Issuer, no exchanges or trading platforms which allow trades with Tokens issued under this Prospectus or are suitable for such trades are existing and operative.

“Currency” shall mean ETH, CHF, or EUR.

“Cut-off Date” is twelve (12) months prior to a Maturity Date.

“Default Notice” has the meaning given in Condition 13(b).

“Early Repayment Date” has the meaning given in Condition 9.2.

“EEA” shall mean the European Economic Area as constituted by the Agreement on the European Economic Area.

“Eligible Currency” means ETH, CHF or EUR.

“ETH” or “Ether” each means the cryptocurrency used in the Ethereum platform.

“EUR”, “Euro” or “euro” each means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992), the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997) and the Treaty of Nice (signed in Nice on February 26, 2001).

“Event of Default” has the meaning given in Condition 13(a).

“Extended Maturity Date” has the meaning given in Condition 9.1(b).

“Extended Public Sale” shall have the meaning given in Condition 2(b)(iv).

“Final Settlement Date” shall be fourteen (14) days after Closing Date.

“Fixed Interests” has the meaning given in Condition 8.1(a).

“Hard Cap” has the meaning given in Condition 2(a).

“Initial Maturity Date” has the meaning given in Condition 9.1(a).

“Initial Term” has the meaning given in Condition 9.1(a).

“Interest Payment Date” has the meaning given in Condition 8.1.

“Investment Property” or “Investment Properties” shall mean any commercial or residential real estate (i) acquired by the Issuer or its Subsidiaries with net proceeds of the issue (after deduction of required net working capital) in accordance with the Issuers investment guidelines.

“Issuance for Own Use” shall have the meaning given in Condition 2(b)(vi).

“Issuance for Third Party-Compensation” shall have the meaning given in Condition 2(b)(v).

“Issuer” means CROWDLITOKEN AG, a joint stock company (*Aktiengesellschaft*) having its registered office at Austrasse 15, 9495 Triesen Liechtenstein, or any New Issuer.

“STO” shall mean the Security Token Offering made under the Terms and Conditions and includes the Private Sale, the Pre-Public-Sale, the Public Sale, the Extended Public Sale, the Issuance for Third Party-Compensation, and the Issuance for Own Use.

“KYC/AML Regulations” shall have the meaning given in Condition 5.1.

“Liechtenstein” shall mean the Principality of Liechtenstein.

“Market Price” shall mean (i) the 20-days rolling average of bid and ask prices for CRT published by all Crypto-Exchanges where the CRT is admitted to trading, or (ii) the Net Market Value divided by the total number of Tokens issued and in circulation if the CRT is nowhere admitted to trading.

“Maturity Date” means the Early Repayment Date, the Extended Maturity Date, or the Ultimate Maturity Date.

“Minimum Repayment Amount” means CHF 0.70 per CRT.

“Net Liquidation Value” shall mean the total proceeds resulting from the sale of the Investment Properties minus (i) the total of costs and expenses for such sales; and (ii) all other reasonable costs for the liquidation of the Investment Properties.

“Net Market Value” shall mean the market value of an Investment Property or a portfolio of Investment Properties, as determined by an independent valuer which has to be a recognized, reputable auditor with well-founded experience in the area of evaluation of real estate such as PricewaterhouseCoopers.

“Net Profit” shall have the meaning given in Condition 8.1(b) and shall be determined in accordance with the table in Section E.9 of this Prospectus.

“New Issuer” shall have the meaning given in Condition 11.

“Nominal Value” shall mean 1 CHF/CRT or the aggregate amount in CHF for the total number of Tokens issued by the Issuer.

“Non-Registered Tokenholder” shall mean any person holding the private key in relation to a specific token, who is not registered as the holder of a Token in accordance with the rules and provisions of the CROWDLITOKEN platform and does therefore not have any claims for payment of interest or the Repayment Amount under the Prospectus.

“Offering” shall mean the public offering to purchase Tokens in accordance with the Terms and Conditions and includes the Pre-Public-Sale, the Public Sale and the Extended Public Sale.

“Offer Period” shall mean the period during which the Prospectus is valid in accordance with article 18 of the Prospectus Act.

“Paying Agent” means Bank Frick & Co. AG, Landstrasse 14, 9496 Balzers (Liechtenstein).

“Performance-related Interests” has the meaning given in Condition 8.1(b).

“Permitted Offer” is an offering of Tokens to the public permitted under Applicable Law.

“Post STO Offerings” shall have the meaning given in Condition 2(d).

“Pre-Public Sale” shall have the meaning given in Condition 2(b)(ii).

“Prospectus Directive” shall mean Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, as amended in particular by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010.

“Prospectus Act” shall mean the Liechtenstein Prospectus Act (Wertpapierprospektgesetz of 23 May 2007, LGBl. 2007 Nr. 169).

“Prospectus Date” shall mean the date indicated on the front page of this Prospectus.

“Private Sale” shall have the meaning given in Condition 2(b)(i).

“Public Sale” shall have the meaning given in Condition 2(b)(iii).

“Public Offer Jurisdiction” shall mean the Principality of Liechtenstein, Germany, Austria, France, Luxembourg, Belgium, the Netherlands, the United Kingdom, Ireland and any other EEA member state which has been notified in accordance with article 23 of the Prospectus Act.

“Public Offering” shall mean any offering made under this Prospectus, in the course of either the Pre-Public Sale, the Public Sale, or the Extended Public Sale.

“Realized Profit” shall have the meaning given in Condition 8.1

“Repayment Amount” shall have the meaning given in Condition 9.3.

“Regulatory Event” shall have the meaning given in Condition 9.2.

“Reserved Matter Modification” has the meaning given in Condition 14(a).

“Reserved Matter” has the meaning given in Condition 14(a).

“Subscriber” is a natural or legal person, or a group of persons, who has entered into a Subscription Agreement with the Issuer and who meets the conditions in Condition 2 of the Subscription Agreement (Annex I).

“Subscription Price” shall mean the price paid for Tokens in the Private Sale, the Pre-Public Sale, the Public Sale, the Extended Public Sale, or in any of the Post-STO Offerings (if any).

“Subscription Agreement” shall mean the agreement entered into in accordance with the template attached to this Prospectus as Annex I.

“Target Volume” has the meaning given in Condition 2(a).

“Tax Event” shall have the meaning given in Condition 9.2.

“Terms and Conditions” shall refer to the terms and conditions set out in this Prospectus.

“Term of the Bond” shall mean the period between Final Settlement Date and Maturity Date.

“Third Country” shall mean a state other than a member state of the EEA.

“Token” shall mean a digital token representing a derivative security with features of a structured bond issued under the Terms and Conditions and further defined in Condition 4.

“Tokenholder” shall mean any person holding the private key in relation to a specific token and who is registered as the holder of a Token in accordance with the rules and provisions of the CROWDLITOKEN platform.

“Total Interests” means the sum of Fixed Interests and Performance-related Interests.

“Ultimate Maturity Date” has the meaning given in Condition 9.1(c).

“Write-down Amount” has the meaning given in Condition 12(b).

“Third Country” shall mean a state other than a member state of the EEA.

“Token” shall mean a digital token representing a derivative security with features of a structured bond issued under the Terms and Conditions and further defined in Condition 4.

“Tokenholder” shall mean any person holding the private key in relation to a specific token and who is registered as the holder of a Token in accordance with the rules and provisions of the CROWDLITOKEN platform.

“Total Interests” means the sum of Fixed Interests and Performance-related Interests.

“Ultimate Maturity Date” has the meaning given in Condition 9.1(c).

“Write-down Amount” has the meaning given in Condition 12(b).

ANNEXE



TEMPLATE FOR SUBSCRIPTION AGREEMENT FOR CROWDLITOKENS

SUBSCRIPTION AGREEMENT FOR CROWDLITOKENS

2. SUBSCRIBER IDENTIFICATION AND ANTI-MONEY LAUNDERING PROCESS

Under European and Liechtenstein anti-money laundering legislation, the Issuer must verify the identity and permanent address of any Subscriber or of any person (including an intermediary) acting for a Subscriber. Every Subscriber will be subject to a standard Know your Customer (KYC) process (the "Standard KYC Process"). Subscribers subscribing for an amount of CHF 5'000 or more or the equivalent amount in another Currency will be subject to an enhanced KYC process (the "Enhanced KYC Process"). The Enhanced KYC Process consists of a video conference call with the Subscriber in order to confirm the Subscriber's identity information as well as a digital signature on KYC documents generated in the course of this call. Subscribers subject to the Enhanced KYC Process will be charged a fee of 40 Token.

[...]

4. PAYMENTS

Bank Frick & Co AG, Landstrasse 14, 9496 Balzers (Liechtenstein) shall act as the paying agent for the collection of all subscription proceeds (the "Paying Agent").

Subscribers shall arrange for payment of the Subscription Price in Swiss Franc ("CHF"), in Euro ("EUR") or in Ether ("ETH").

Payments in CHF shall be made by bank transfer to the account IBAN: LI21 0881 1010 2796 K002 C. Payments in EUR shall be made by bank transfer to the account LI48 0881 1010 2796 K001 E. Payments in CHF or EUR are deemed to be received on 10:00 a.m. CET of the Business Day when the payment is credited to one of these accounts maintained by the Paying Agent.

Payments in ETH shall be made first to the address of the smart contract and following on a wallet address maintained by the Paying Agent as follows 0xfaFD4048887e314e2BBBb1020666D56740eA1022. The smart contract will automatically record the ETH payment. The Issuer or the Paying Agent may refuse acceptance of a payment without any further justification or explanation. Payments made in ETH are deemed to be received according to the timestamp within the respective wallet of the Paying Agent or the smart contract.

All payments received in ETH will be converted into CHF by the Paying Agent at prevailing market rates. Payments received in ETH will be collected and converted by the Paying Agent in regular intervals of up to ten days provided amounts exceeding a corresponding value of CHF 50'000 have been received and are waiting to be exchanged. Exchange rates are determined by a broker on a best execution basis, using data of a number of leading Crypto-Exchanges. The conversion rate USD-CHF and EUR-CHF will be determined based on data provided by Morningstar (www.morningstar.com). The Issuer reserves the right to adapt the method for determining the conversion rate or the source for its calculation at its sole discretion on a daily basis during the entire Offering Period.

The following fees, commissions and charges will fall due in the course of the subscription process:

- Subscription in CHF or EUR: 1% to Paying Agent
- Subscription in ETH: 1% to Paying Agent and 1% to Exchange Brokerage
- All Subscriptions:
 - 4 Tokens per Transaction for GAS-Costs; and
 - 40 Tokens if Video Identification is required;payable to the Issuer.

Additional fees and commissions charged by the Paying Agent or any other intermediary involved in converting payments received in a currency other than CHF into CHF or otherwise due to third parties or the Issuer will be paid by the Subscriber.

5. SETTLEMENT

The Issuer will issue Tokens to Subscribers 14 days after receipt of payment and allocate the Tokens to the wallet designated by the Subscriber. The number of Tokens to be allocated is determined by the payments received from such Subscriber as converted into CHF, if not received in CHF, at prevailing market rates at the time payment is received by the Paying Agent, net of any exchange commissions, divided by the applicable Subscription Price. Uneven amounts will be rounded up in favor of the Subscriber to the next full Token. Final settlement will take place 14 days after the Closing Date (the “Final Settlement Date”), i.e. on 25 April 2020. At Final Settlement Date Tokens will be activated and become transferable, and all functionalities as described in this Prospectus will be available to Tokenholders. The Final Settlement Date is also the start date for payment of interests.

ANNEXE



TOKENHOLDER REPRESENTATIVE AGREEMENT

TOKENHOLDER REPRESENTATIVE AGREEMENT

A. Preamble

- I. The Issuer issued, on the basis of a Security Prospectus approved by the Liechtenstein Financial Market Authority on 12 April 2019 (the “Prospectus”) incl. supplements to the Prospectus dated 22 November 2019 and 6 April 2020 CROWDLITOKEN. CROWDLITOKEN qualify as „structured bonds“ and vest rights into Tokenholders to demand payment of fixed interest from the Issuer as well as the right to redeem the Tokens at the end of their term. Furthermore, Tokenholders have the right to allocate their Token to specific real estate assets which gives them the opportunity to receive, in addition, variable interest payments. The rights of Tokenholders are described in the Securities Prospectus in more detail.
- II. According to the Securities Prospectus dated 12 April 2019 (as supplemented), which is an integral part of this Tokenholders Representative agreement (the “**Agreement**”), Tokenholders do have certain rights, with regard to which they may be represented by the Tokenholder Representative. The Prospectus further states that the Issuer requires consent of the Tokenholder Representative in order to be able to implement certain acts.

In light of the before stated the parties agree as follows, whereby all terms used in the following do have the meaning given to them in the Prospectus:

B. Tokenholder Representative Agreement

II. Tasks and Competences

a. Reduction or Suspension of Fixed Interest Payments

3. If the sum of the Net Profits from all Investment Properties, calculated on the basis of the most recent audited yearly accounts for each Investment Property, is less than the sum of Fixed Interests paid in that period, the Issuer informs the Tokenholder Representative that payment of Fixed Interests is temporarily reduced or suspended so as to match Net Profits from all Investment Properties of the previous twelve months.

Payment of Fixed Interests shall be resumed in full as soon as the sum of Net Profits from all Investment Properties is equal or higher than the sum of Fixed Interest to be paid. The Issuer will however not make any

supplementary payments for periods during which payment of Fixed Interests had been reduced or suspended.

4. The Issuer will, at least each twelve months, inform the Tokenholder Representative whether the prerequisites for a reduction or suspension of Fixed Interest Payments are still met and will also inform the Tokenholder Representative as soon as it becomes obvious to the Issuer that full payments will be resumed.

c. Event of Default

11. If an Event of Default as just described above occurs, the Tokenholder Representative has the right but not the obligation to serve a written Default Notice to the Issuer. Such notice of default has the effect that the Bonds shall become immediately due and payable at the Minimum Repayment Amount plus accrued interest, if any, on the day the Default Notice is served.

The Tokenholder Representative will inform the Tokenholders of (i) its intention to serve such Default Notice or of (ii) the reasons the Tokenholder Representative sees not to send such Default Notice and (iii) the potential, and reasonably likely consequences of sending or not sending such Default Notice.

The Tokenholder Representative will present a reasoned suggestion to the Tokenholders and put the decision whether to send a Default Notice or not to them to vote.

The Tokenholder Representative will act as decided by the majority of votes (calculated on the basis of the nominal value of participating or represented Tokens) cast.

III. Assembly of Tokenholders, Votings and Communication

19. Assemblies of Tokenholders will, if and to the extent possible on the basis of applicable laws, not be physical meetings at a specific venue but will exclusively take place on the CROWDLITOKEN eco system or by comparable technical means to be arranged for by the Issuer, which will allow Tokenholders to vote.

Results will be published on the CROWDLITOKEN eco system.

20. If not provided otherwise herein or in the Prospectus, resolutions passed by the Assembly of Tokenholders require, in order to be considered adopted, the affirmative vote of Tokenholders holding not less than 50% of the Token participating or being represented in the vote. Tokenholders acknowledge and accept that such votes are effective and binding upon all Tokenholders,

including Tokenholders who abstained from voting, voted against the proposed resolution or are Non-Registered Tokenholders.

IV. Issuers Obligations

22. The Issuer is obliged and covenants to regularly, at least every twelve months, inform the Tokenholder Representative of its business undertakings and financial situation.

Crowdlitoken AG with its registered office in Triesen, Liechtenstein is solely responsible for the information given in this Supplement. The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Crowdlitoken AG (as the Issuer)

Triesen, 6 April 2020

Represented by:

Represented by: