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, Italy, Luxembourg, Belgium, the Netherlands, the United Kingdom, and Ireland (together the “Public Offer Jurisdictions” and each, a “Public Offer Jurisdiction”).

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.


AN INVESTMENT IN THE SECURITIES DOES NOT CONSTITUTE A PARTICIPATION IN A COLLECTIVE INVESTMENT SCHEME FOR SWISS LAW PURPOSES. THEREFORE, THE SECURITIES ARE NOT SUPERVISED OR APPROVED BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA (“FINMA”) AND INVESTORS MAY NOT BENEFIT FROM THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES.

This Prospectus has been prepared on the basis that any offer of the Tokens in any Member State of the EEA which has implemented the Prospectus Directive (each, a Member State), other than offers which are contemplated in this Prospectus in the Public Offer Jurisdictions once the Prospectus has been approved by the FMA and published and notified to the relevant competent authority in accordance with the Prospectus Directive as implemented in that Member State, will 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 Tokens. Accordingly any person making or intending to make an offer in that Member State of Tokens which are the subject of the offering contemplated in this Prospectus, other than the public offerings permitted under Applicable Law, may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. The Issuer neither has authorized, nor does it authorize, the making of any offer (other than public offerings permitted under Applicable Law) of Tokens in circumstances in which an obligation arises for the Issuer to publish or supplement a prospectus for such offer.
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A. SUMMARY

WARNING

The Tokens issued and offered to the public under this Prospectus are a novel and complex financial instrument. The Issuer is a recently incorporated company with only minimum capital and no financial track record. The technology used for the issuance of the Tokens is not fully tested and the markets for trading with the Tokens, if available at all, are very immature. The Tokens are issued under the Laws of the Principality of Liechtenstein and subject to the jurisdiction of the courts of Liechtenstein. Investors have no guarantee that they will receive interest payments and full repayment (minimum repayment amount is less than the nominal value of the Token) upon maturity. Under adverse circumstances they will receive less than the subscription price or suffer a complete loss of the invested capital.

An investment in Tokens is suitable only for experienced and financially sophisticated investors who are in a position to evaluate the risks, including the risks related to the security token offering under this Prospectus (the “STO”) and the underlying technology, and who have sufficient resources to be able to bear any losses, including a complete loss, which may result from such investment. Before subscribing to or otherwise acquiring any Tokens, prospective investors should specifically ensure that they understand the structure of, and the risk inherent to, the Tokens and should specifically consider the risk factors set out under the section "Risk Factors" below.

This prospectus is written in English, and it requires a high proficiency of English for being capable of understanding the information contained therein.

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 Western, Northern and Eastern 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 an initial term of 25 years (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.

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, Italy, 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.

2 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 6’185’567 Tokens for purposes of compensating the management and the staff of the Issuer and a maximum number of 800’000 Tokens for purposes of compensating third-party service providers. The minimum issue (the “Soft Cap”) is 45’000’000 Tokens, 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:

<table>
<thead>
<tr>
<th>Stage</th>
<th>Volume (Tokens)</th>
<th>Issue Price/Token (CHF)</th>
<th>Eligible Investors</th>
<th>Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Sale</td>
<td>10’000’000</td>
<td>0.75</td>
<td>Subscribers selected by the Issuer and (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies.</td>
<td>Prior to Prospectus Date</td>
</tr>
<tr>
<td>Pre-Public Sale</td>
<td>20’000’000</td>
<td>0.80</td>
<td>Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer’s KYC/AML policies.</td>
<td>Prospectus Date or any time thereafter as published by the Issuer</td>
</tr>
</tbody>
</table>

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.

- **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:
<table>
<thead>
<tr>
<th><strong>Public Sale</strong></th>
<th>70'000'000</th>
<th>0.90</th>
<th>Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer's KYC/AML policies.</th>
<th>after full subscription of Pre-Public Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Extended Public Sale</strong></td>
<td>100'000'000</td>
<td>1.00</td>
<td>Any Subscriber (i) eligible under Applicable Law and (ii) approved under the Issuer's KYC/AML policies.</td>
<td>after full subscription of Public Sale</td>
</tr>
<tr>
<td><strong>Issuance for Management and Staff Compensation</strong></td>
<td>3% of Private and Public Sales, max. ((200'000'000/97)\times3 = 6'185'567)</td>
<td>0.00</td>
<td>Members of the management and staff of the Issuer</td>
<td>At any time during the term of the Bond</td>
</tr>
<tr>
<td><strong>Issuance for Third Party-Compensation</strong></td>
<td>800’000</td>
<td>0.00</td>
<td>third party suppliers involved in the structuring and execution of the STO</td>
<td>At any time during the term of the Bond</td>
</tr>
<tr>
<td><strong>Maximum STO Issue</strong></td>
<td>206’985’567</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Issuer reserves the right to cancel the issue of Tokens if at Closing Date (as defined in the Terms and Conditions, Condition 2(c)) less than 45’000’000 Tokens have been firmly subscribed. The Issuer furthermore reserves the right to reopen the issue and 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), up to a total number of 1’000’000’000 Tokens. 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 as Tokens issued in the course of this STO, and all Tokens whenever issued shall be deemed to form part of one and the same issue.

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 and the number of Tokens allocated to the Subscriber at Settlement Date will be reduced accordingly.

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,
Vaduz, Liechtenstein), who will hold the funds received in escrow until the minimum issue (the “Soft Cap”) of 45’000’000 Tokens has been subscribed. The Paying Agent will release the funds to the Issuer when the Soft Cap is reached. 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 14 December 2019. 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.

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 audited six-monthly 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 six 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 interim financial statement.

Term and Repayment. The Bond has an initial term of twenty-five (25) years after Final Settlement Date (the „Initial Term”) and 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 Maximum 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 six-monthly accounts for each Investment Property, less than the sum of Fixed Interest paid in that period.

3 USE OF PROSPECTUS AND LIABILITY

The Prospectus comprises a prospectus for the purposes of the Prospectus Directive and the Prospectus Act and for the purpose of giving information with regard to the Issuer, which, according to the particular nature of the Issuer and the Tokens, is necessary to enable an investor to make an informed assessment concerning the Issuer and the Tokens.

The Issuer accepts responsibility for the information contained in this Prospectus and, to the best of its knowledge (having taken all reasonable care to ensure that such is the case) the information contained in the Prospectus is in accordance with the facts and does not omit anything likely to affect the meaning or significance of such information.

The information contained in the sections “Risk Factors” has been provided by CROWDLITOKEN AG or has been reproduced from publicly available information. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from such information, no facts have been omitted which would render the reproduced information materially inaccurate or misleading.

No person is or has been authorized by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the offering of the Tokens and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer.

Neither this Prospectus or its delivery nor any other information supplied in connection with the offering, sale or delivery of the Tokens (i) is intended to provide the basis of
any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer that any recipient of this Prospectus or any other information supplied in connection with the offering, sale or delivery of the Tokens should purchase any Tokens. Each investor contemplating acquiring any Tokens should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer and should conduct its own examination of the terms and conditions of the Tokens and the investments to be made by the Issuer with the proceeds of this Offering. Save for the approval of the Prospectus by the FMA and save as described herein, neither this Prospectus nor any other information supplied in connection with the offering of the Tokens constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe to, or otherwise acquire, any Tokens.

Neither the delivery of the Prospectus nor the offering, sale or delivery of the Tokens shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Tokens is correct as of any time subsequent to the date indicated in the document containing the same. Important new circumstances as well as relevant incorrect or inaccurate information coming to the Issuer’s attention between the approval of the Prospectus and before the Closing Date, or, if later, before the listing of the Tokens at a Crypto-Exchange or a regulated market licensed for trading with and accepting Security Tokens, will be disclosed and published in a supplement to this Prospectus if such circumstances, mistakes or inaccuracies may have an impact on the value of the Tokens. Supplements to this Prospectus will be approved by the FMA.

Consent given in accordance with article 3(2) of the Prospectus Directive
In the context of public offerings permitted under Applicable Law (“Permitted Offer”), the Issuer expressly consents to the use of the Prospectus in the Public Offer Jurisdictions by intermediaries authorized by the Issuer after the date of this Prospectus and whose names are published on the Issuer’s website (www.crowdlitoken.com) (each such financial intermediary, an “Authorized Offeror”) and accepts responsibility, in the Public Offer Jurisdictions, for the content of this Prospectus in relation to any person who purchases any Tokens in a Permitted Offer to the Public made by any Authorized Offeror, where that offer is made during the Offer Period (as defined below) and provided that the conditions attached to the giving of consent for the use of this Prospectus are complied with.

Except in the circumstances set out in the following paragraphs, the Issuer has not authorized the making of any offer to the public of Tokens by any offeror and the Issuer has not consented to the use of this Prospectus by any other person in connection with any public offerings permitted under Applicable Law. Any offer to the public of Tokens made without the consent of the Issuer is unauthorized and neither the Issuer nor, for the avoidance of doubt, any other Authorized Offeror accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorized offer.

The Issuer’s consent to the use of this Prospectus by the Intermediary and any Authorized Offeror in the context of Permitted Offers to the Public is only valid during the Offer Period (as defined in the Terms and Conditions).
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.

In the event of an offer being made by any Authorized Offeror, such Authorized Offeror will provide information to investors on the terms and conditions of the offer at the time the offer is made.

Supplements (if any) to this Prospectus will be approved by the FMA and published on the website of the Issuer (www.crowdlitoken.com) in accordance with article 17(3)(c) of the Prospectus Act.

Any websites included in the Prospectus are for information purposes only and do not form part of the Prospectus.

B. SUMMARY OF THE PROSPECTUS

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A-E (A1-E7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. As some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary with the mention of ‘not applicable’.
### SECTION A – INTRODUCTION AND WARNINGS

<table>
<thead>
<tr>
<th>Element</th>
<th>Title</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.1</td>
<td>Warnings that the summary should be read as an introduction and provision as to claims</td>
<td>This summary should be read as an introduction to this Prospectus. Any decision to invest in Tokens should be based on the Prospectus as a whole by the investor. Where a claim relating to information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Those persons who are responsible for the summary including any translations thereof, or who have initiated the preparation can be held liable, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, all required key information.</td>
</tr>
<tr>
<td>A.2</td>
<td>Consent as to use of the Prospectus, period of validity and other attached conditions</td>
<td>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 (<a href="http://www.crowdlitoken.com">www.crowdlitoken.com</a>) (each, an Authorized Offeror) and accepts responsibility, in the Public Offer Jurisdictions Liechtenstein, Germany, Austria, France, Italy, 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. 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. 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. 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.</td>
</tr>
</tbody>
</table>
SECTION B – ISSUER

<table>
<thead>
<tr>
<th>Element</th>
<th>Title</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.1</td>
<td>Legal and commercial name of the Issuer</td>
<td>CROWDLITOKEN AG, Austrasse 15, 9495 Triesen (Liechtenstein)</td>
</tr>
<tr>
<td>B.2</td>
<td>Domicile/legal form/legislation/country of incorporation</td>
<td>The Issuer is a joint stock company (Aktiengesellschaft) incorporated under the laws of the Principality of Liechtenstein (Liechtenstein) and organized in accordance with article 261 seq. of the Liechtenstein Companies Act (Personen- und Gesellschaftsrecht, PGR). It is registered with the Liechtenstein Registry of Commerce (Handelsregister) under number FL-0002.590.108-1 and has its registered offices at Austrasse 15, 9495 Triesen.</td>
</tr>
<tr>
<td>B.4b</td>
<td>Trend information</td>
<td>The Issuer, in this Offering, offers Security Tokens which allow investors to participate in profits resulting from real estate investments at the same time making use of blockchain technologies and cryptocurrencies. The Issuer therefore is at the forefront of the common trend to combine blockchain related technologies and digital assets with traditional means of investment and investment products and purposes. Whilst there is a general trend of generating such types of (real) asset backed digital assets, to the best knowledge of the Issuer, no comparable product offering participation in real estate investments in the form and manner the CRT Token provides is available as of the date of this Prospectus. Real estate investments generally are considered substantially less volatile than other asset classes and the Issuer does not see a trend for this to change.</td>
</tr>
<tr>
<td>B.5</td>
<td>Description of the group</td>
<td>The Issuer is a 100% subsidiary of Crowdli AG, Zürcherstrasse 310, 8500 Frauenfeld (Switzerland). The Issuer will hold Investment Properties directly and/or indirectly through local subsidiaries, with one or several companies to be set up for each jurisdiction where Investment Properties will be acquired.</td>
</tr>
<tr>
<td>B.9</td>
<td>Profit forecast or estimate</td>
<td>Not applicable – No profit forecast or estimates are included in the Prospectus.</td>
</tr>
<tr>
<td>B.10</td>
<td>Audit report qualifications</td>
<td>Not applicable – No qualifications are contained in any audit (or review) report included in the Prospectus.</td>
</tr>
<tr>
<td>B.12</td>
<td>Selected historical key financial information</td>
<td>The summary information is extracted from the Issuer’s audited financial statements as of the date of incorporation on 17 August 2018:</td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
<td>ASSETS</td>
<td>CHF</td>
</tr>
<tr>
<td></td>
<td>Intangible Assets</td>
<td>11'353</td>
</tr>
<tr>
<td></td>
<td>Bank (Bank Frick AG)</td>
<td>100'000</td>
</tr>
</tbody>
</table>
B.13 | Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer’s solvency | Not applicable – There are no recent events particular to the Issuer that are, to a material extent, relevant to the evaluation of the Issuer’s solvency.

B.14 | Dependence upon other group entities | The Issuer is a 100% subsidiary of CROWDLI AG, Zürcherstrasse 310, CH-8500 Frauenfeld, Switzerland. The Issuer intends to establish subsidiaries in various countries in order for those subsidiaries to hold real estate properties located in such countries. Core operational functions (including but not limited to management decisions) will be executed by employees of the Issuer at the registered office in the Principality of Liechtenstein.

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 Western, Northern and Eastern Europe and the management and operations of these properties.

B.16 | Controlling shareholders | The Issuer is a fully owned subsidiary of CROWDLI AG, Zürcherstrasse 310, CH-8500 Frauenfeld, Switzerland.

### SECTION C – SECURITIES

<table>
<thead>
<tr>
<th>Element</th>
<th>Title</th>
<th>Information</th>
</tr>
</thead>
</table>
| C.1     | Type and the class of the securities, security identification number. | 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 an initial term of 25 years (which may be extended by two times 5 years if certain conditions are met).

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 Western, Northern and Eastern European countries (the “Investment Properties”, and each an “Investment Property”).

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 (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.

Tokenholders shall at no time have the right to demand (i) conversion of Tokens into physical securities and/or (ii) delivery of physical securities.

International Securities Identification Number (ISIN): LI0432942626.

<table>
<thead>
<tr>
<th>C.2</th>
<th>Currency of the securities</th>
<th>Swiss Francs (CHF)</th>
</tr>
</thead>
</table>

**C.5** Restrictions of transferability

No restrictions on the free transferability of the Tokens apply.

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.

Transferability may therefore be factually restricted.

<table>
<thead>
<tr>
<th>C.8</th>
<th>Rights attached to the securities, including ranking and limitations to those rights.</th>
<th>Governing law of the Securities: The Securities are governed by the laws of the Principality of Liechtenstein.</th>
</tr>
</thead>
</table>

Rights: In respect of rights to receive interest and repayment please refer to Element C.9 below.

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, 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 in Element C9.

The rights of Tokenholders to claim and receive repayment from the Issuer on Maturity Date is limited to the sum of net proceeds resulting from the liquidation of the portfolio of Investment Properties and of the net market value for...
properties not liquidated, unless this amount is lower than the Minimum Repayment Amount in which Tokenholders will receive CHF 0.70 per Token.

Repayment at the option of the Tokenholders: The Tokens may not be repaid early at the option of the Tokenholders.

<table>
<thead>
<tr>
<th>C.9</th>
<th>Interest/Repayment</th>
</tr>
</thead>
</table>
| Please refer to element C.8 for information on ranking and limitations on rights of Tokenholders.

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:

- 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 CHF 1.00 per Token.

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.

Repayment: The Tokens have an initial term of 25 years after Final Settlement Date and 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.

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
| C.10 | Derivative component in the interest payments | 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 six-monthly 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 six 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. |
| C.11 | Admission to trading on a regulated market or other equivalent markets. | 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. 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. 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 or OTC basis, and the Issuer will not provide any facilities or arrangements to make Tokens tradable. 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. |
| C.15 | Influence of the underlying on the value of the securities. | As set out in elements C.9 and C.18, the Repayment Amount at Maturity Date will depend on the value of the portfolio of Investment Properties at that time. The value will be determined by an independent valuer based on the performance of the Investment Properties (rental yields, vacancies, operational cost, maintenance) and also depend, inter alia, on the location, age, type of use, term of tenancy agreements, general market conditions in relevant real estate markets, the interest rate level prevailing at that time, the applicable discount rate, (for properties outside of Switzerland) exchange rates and the valuation method used by the independent valuer, which will be a recognized, |
reputable auditor with well-founded experience in the area of evaluation of real estate such as PricewaterhouseCoopers. Depending on these or other factors Tokenholders may or may not receive more than the Minimum Repayment Amount.

For the avoidance of doubt: Whilst the Repayment Amount is linked to the 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 CRT platform and the CRT ecosystem. In addition, the Issuer will invest a portion of the proceeds in order to build up a liquidity portfolio 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. Liquidity will also be increased if and as long as no appropriate properties for investment can be found or are available.

The Tokenholders do not have any direct interest in, or beneficial ownership of, any Investment Property at any time.

<table>
<thead>
<tr>
<th>C.16</th>
<th>Expiration or maturity date, the exercise date or final reference date.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Maturity Date of the Tokens is 14 December 2044.</td>
</tr>
<tr>
<td></td>
<td>Repayment of the Tokens may be deferred by two times five (5) years (until 14 December 2049 and 14 December 2054, respectively) if (i) the Net Market Value of the portfolio of Investment Properties owned by the Issuer or its subsidiaries as determined by the last audited financial statement or interim financial statement is 90% of the Acquisition Value or less; or (ii) an independent valuer comes to the reasonable conclusion that the Net Liquidation Value of the Investment Properties is in all likelihood 90% of the Acquisition Value or less.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C.17</th>
<th>Settlement procedure of the derivative securities.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tokens will be sold against payment of the Subscription Price to the Paying Agent. Payment may be made in CHF, EUR or ETH.</td>
</tr>
<tr>
<td></td>
<td>All payments received in ETH will be collected and converted into CHF by the Paying Agent within max. ten days. 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 Bloomberg (<a href="http://www.bloomberg.com">www.bloomberg.com</a>).</td>
</tr>
<tr>
<td></td>
<td>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</td>
</tr>
<tr>
<td></td>
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<tr>
<td>---</td>
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</tr>
<tr>
<td><strong>C.18</strong></td>
<td>A description of how the return on derivative securities takes place.</td>
</tr>
<tr>
<td><strong>C.19</strong></td>
<td>Exercise price or final reference price of the underlying.</td>
</tr>
<tr>
<td><strong>C.20</strong></td>
<td>A description of the type of the underlying and where the information on the underlying can be found.</td>
</tr>
</tbody>
</table>
any direct interest in, or beneficial ownership of, any Investment Property at any time. 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 CRT platform and CRT eco-system. In addition, the Issuer will invest a portion of the proceeds in order to build up a liquidity portfolio 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 appropriate properties for investment can be found or are available).

SECTION D – RISKS

<table>
<thead>
<tr>
<th>Element</th>
<th>Title</th>
<th>Information</th>
</tr>
</thead>
</table>
| D.2     | Key information on the key risks that are specific and individual to the Issuer. | The purchase of the Tokens is associated with certain risks. The Issuer expressly points out that the description of the risks associated with an investment in the Tokens describes only the key risks which were known to the Issuer at the date of the Prospectus.  

The Tokens entail an issuer risk, also referred to as debtor risk or credit risk for prospective investors. An issuer risk is the risk that CROWDLITOKEN AG becomes temporarily or permanently unable to meet its obligations towards Tokenholders. In the case of an illiquidity or an insolvency of the Issuer Tokenholders may suffer a partial or complete loss of the investment made.  

In assessing the issuer or credit risk, it should be taken into consideration that the Issuer is a newly incorporated company with an initial capital of only CHF 100'000. The success of the Issuer’s business depends largely on the success of the STO.  

The Issuers may create, incur, assume or guarantee additional indebtedness. Specifically, the Issuer intends to seek additional third-party financing, including financing from banks, for the acquisition of Investment Properties, to be secured by such Properties.  

The Issuer’s success depends on key personal and third parties, and the success of the Issuer’s business may be negatively affected in case of a loss of key personnel or when third parties fail to perform their duties and obligations.  

The Issuer’s business is exposed to typical real estate risks such as e.g. 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, all of which may negatively affect the income realized from Investment Properties or their market value.

The Issuer will be dependent on third-party financing, including on financing from banks, and will be exposed to the risk that such financing cannot be secured, or extended, in which case the Issuer may be forced to sell Investment Properties also under adverse market conditions.

The Issuer is exposed to the risk of an increase in interest rates, which may result in a reduction of the net income generated from Investment Properties and which also may negatively affect their market value.

Shifts between the currency of the Tokens (CHF) and the currencies of the countries where Investment Properties are located (local currencies) can have a substantial negative or positive effect on the Issuer’s performance and the value of the portfolio of Investment Properties (foreign exchange risk). In particular, if the value of the CHF vis-à-vis a local currency raises, income from the operation and proceeds from divestments of Investment Properties shown in CHF will decrease and may, under adverse scenario, negatively affect the Issuer’s capability to fully service the obligations under the Tokens.

While real estate investments will generally benefit from increased inflation expectations, inflation may negatively affect the general economy, resulting in a reduced demand for real estate and lower rents.

Real estate markets are particularly exposed to overall supply and demand cycles. Market values of Investment Properties may fall and remain at a depressed price level for a prolonged period of time.

Real estate markets are relatively illiquid, both investments and divestments may take a considerable amount of time, increasing liquidity risks for the Issuer.

The Issuer’s business model is novel, and markets for digital assets are in the early stages of development. It is to be expected that competition will increase when markets mature, affecting the Issuer’s business activities, its market position and its profitability.

Changes in laws and regulations governing STOs and/or the Issuer’s business may result in a closing of the CROWDLITOKEN platform or the Issuer. Tax laws and regulations regarding the holding of, or the trading in, Tokens are not fully developed and may therefore be subject to unexpected changes. Both developments may
The Tokens do not qualify as deposits and are therefore not guaranteed by any statutory or voluntary deposit insurance scheme. The use of proceeds from the issuance of Tokens is not subject to any oversight by a public authority.

**Key risks regarding the Tokens**

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.

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.

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.

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).

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.

Tokenholders have no right for early termination of the Tokens. The Tokens have a fixed Term of 25 years after Final Settlement Date, 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.
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 14 December 2024), and at any time thereafter.

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.

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.

Subscription payments in ETH will be collected and converted into CHF within max. 10 days. 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 credited to the account of the Issuer in CHF, this currency exchange risk will be borne by the Subscriber.

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.

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).

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.

The Issuer reserves the right to reopen the Issue which may negatively affect the Token’s market price.

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 six-monthly 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.

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 plans to enact a Blockchain Act which will clarify some of those issues (such as transfer of tokens), however, the law is in its early stages and is not expected to enter into force before 2020. There is therefore a risk that a court might conclude that a transfer of a Token is ineffective.

Tokens may be lost or become inaccessible, in particular in the case of a loss of the related private key.

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.

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 or malfunctioning applications or smart contracts.

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.

By subscribing to the Tokens, the Tokenholders incur the
risk that they will lose all or part of their investment in the Tokens. However, the liability of a Tokenholder is limited to the value of his or her investment in the Tokens.

## SECTION E – OFFER

<table>
<thead>
<tr>
<th>Element</th>
<th>Title</th>
<th>Information</th>
</tr>
</thead>
</table>
| E.2b | Reasons for the offer and use of proceeds | The proceeds from the STO will primarily be used by the Issuer for the purpose of investments in Investment Properties, directly or through subsidiaries, to which STO proceeds will be forwarded by means of (unsecured) loans.

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 CRT platform and CRT eco-system. In addition, the Issuer will invest a portion of the proceeds in order to build up a liquidity portfolio 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 appropriate properties for investment can be found or are available).

| E.3 | Terms and conditions of the offer | Offer Period: The Offer will start in the Principality of Liechtenstein on 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.

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.

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.

Conditions of the offer: The Issuer reserves the right to cancel the issue of Tokens if at Closing Date (i.e. on 30 November 2019) less than 45’000’000 Tokens have been firmly subscribed by Subscribers. 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.

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.

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.

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”). It shall hold all payments received from Subscribers in escrow until the minimum issue (the “Soft Cap”) of 45’000’000 Tokens has been subscribed. The Paying Agent will release the funds when the Soft Cap is reached. 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 14 December 2019. At this date Tokens will be activated and become transferable. The Final Settlement Date is also the starting date for payment of interests.

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

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).

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.

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. 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 Bloomberg (www.bloomberg.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.

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 and the number of Tokens allocated to the Subscriber will be reduced accordingly.

The Issuer or the Paying Agent may refuse acceptance of a payment without any further justification or explanation.

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: Not Applicable.

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.

Results will also be disclosed in the annual accounts of the Issuer.

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.

<table>
<thead>
<tr>
<th>E.4</th>
<th>Interest of natural and legal persons involved in the issue/offer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The Issuer is a 100% subsidiary of Crowdli AG,</td>
</tr>
<tr>
<td></td>
<td>Zürcherstrasse 310, CH-8500 Frauenfeld, Switzerland.</td>
</tr>
<tr>
<td></td>
<td>Other than that and so far as the Issuer is aware, no person</td>
</tr>
<tr>
<td></td>
<td>involved in the issue of the Tokens has an interest material</td>
</tr>
<tr>
<td></td>
<td>to the offer, including conflicting interests.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E.7</th>
<th>Expenses charged to the investor by the Issuer or an offeror</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>During the Offer Period, each Token is offered at the</td>
</tr>
<tr>
<td></td>
<td>Subscription Price (as defined in element E.3). No</td>
</tr>
<tr>
<td></td>
<td>subscription fee applies.</td>
</tr>
<tr>
<td></td>
<td>All fees and commissions charged by the Paying Agent or any</td>
</tr>
<tr>
<td></td>
<td>other intermediary involved in converting payments</td>
</tr>
<tr>
<td></td>
<td>received will have to be borne by the Subscriber, and the</td>
</tr>
<tr>
<td></td>
<td>number of Tokens allocated to the Subscriber will be</td>
</tr>
<tr>
<td></td>
<td>reduced accordingly. The following charges will apply:</td>
</tr>
<tr>
<td></td>
<td>• Subscription in CHF or EUR: 1% to Paying Agent,</td>
</tr>
<tr>
<td></td>
<td>• Subscription in ETH: 1% to Paying Agent and 1% Exchange</td>
</tr>
<tr>
<td></td>
<td>Brokerage</td>
</tr>
<tr>
<td></td>
<td>• All Subscriptions: 4 Tokens per Transaction GAS-Costs and</td>
</tr>
</tbody>
</table>
|     | 40 Tokens if Video Identification is required to the
C. RISK FACTORS

The following is a disclosure of risk factors relating to the Issuer and the Tokens. These factors include risks relating to the Issuer (section 1) and its business (section 2) as well as to the instrument itself (section 3) and the markets and infrastructure supporting the issuance and the custody of the Tokens as well as the trading, the clearing and settlement of transactions with tokens (section 4). It must be stressed that the Tokens are a novel and complex financial instrument, traded in immature markets relying on a market infrastructure in early stages of development. An investment in Tokens is therefore suitable only for experienced and financially sophisticated investors who are in a position to evaluate the risks and who have sufficient resources to be able to bear any losses which may result from such investment.

Prospective purchasers of the Tokens should consider these risk factors and consult with their own professional advisers before deciding to invest in Tokens. The risk warnings set out below cannot serve as a substitute for individual advice and information which is tailored to the individual requirements, objectives, experience, knowledge and circumstances of each prospective purchaser. If any of the risks described in the following materializes, the market price of the Tokens may be materially adversely affected and an investor could lose all or part of its original investment.

The risk information below does not purport to be an extensive and comprehensive list of all possible risks associated with an investment in Tokens. The risk factors discussed below are focused on risks which are specific to the Issuer and the Tokens; thus risks affecting financial instruments or the economy in general are not specifically discussed. Nor are risks being discussed which may affect any business operation, including operational risks and fraud. The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences. Additional risks currently not known or currently not deemed to be material may also impair the Issuer’s business operations.

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 Western, Northern and Eastern 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.
1.2 Risk of illiquidity of the Issuer
Negative developments such as the destruction of Investment Properties, an economic downturn with high vacancies or sharply increased interest rates could negatively affect the Issuer’s liquidity. The Issuer will allocate a reasonable amount of the proceeds of the STO to maintain at all times an acceptable level of liquidity. However, it cannot completely exclude the risk of an illiquidity and a subsequent insolvency. Such scenarios may require the immediate disposal of properties or the liquidation or sale of the Issuer.

1.3 Risk of insolvency of the Issuer
A severe crisis in real estate markets and/or sharply increased interest rates may lead to a substantial impairment of the value of Investment Properties. In order to absorb these risks the Issuer will allocate a reasonable amount of the proceeds of the STO to reserves. However, it cannot completely exclude the risk of losing all of its equity. In such a scenario, the Issuer has the right to apply a (contingent) write-down of the minimum repayment requirement, conditions for which may become permanent and thus lead to a partial or complete loss of the investment of a Tokenholder.

1.4 The Issuer may assume additional debt
The Terms and Conditions of the Tokens do not limit the amount of additional indebtedness that the Issuer can create, incur, assume or guarantee. The Issuer intends to seek additional third-party financing, including financing from banks, for the acquisition of Investment Properties, to be secured by such Properties.

1.5 Dependence on the success of the STO
The success of the Issuer’s business will depend, inter alia, on the size of the portfolio of Investment Properties to be acquired and managed. The bigger the portfolio, the more will the Issuer be capable of diversifying risks and make use of network and scale effects. The success of the STO is therefore critical for the long-term success of the Issuer’s business.

1.6 Dependence on key personnel and third parties
The Issuer’s success depends to a large extent on the continued involvement of key personnel. Such key personnel is either employed by the Issuer or made available through a management agreement with its sole shareholder CROWDLI AG. The Issuer cannot exclude changes to its directors, management, key personnel and/or key advisors being fundamental to the successful development of the Token, the ecosystem and to any other key functions related to the successful implementation and functioning of the concept. Loss of one or more of these directors, executives, employees or consultants could have a negative impact on the Issuer’s business, financial situation, cash flow, results of operations and technological functioning of the entire business concept.

The Issuer is party to contracts with a number of third parties who have agreed to perform services in relation to the Tokens or the STO. In particular, the Paying Agent, the Tokenholder Representative, the provider of the onboarding platform (incl. KYC/AML) and the experts for programming of the smart contracts and the CROWDLITOKEN platform have agreed to provide services with respect to the Tokens. As applied technology is still immature, some of the key third party providers
themselves are early stage companies with high dependency on their own key personnel. If any such third party fails to perform its obligations under any relevant agreement, investors may be adversely affected.

Tokenholders making use of the option to allocate their Tokens to specific properties and entering into an Allocation Agreement with the Issuer have the right to receive a fraction of Net Profits in addition to Fixed Interests. The Net Profits available for distribution to Tokenholders are reduced, inter alia, by management fees paid to third-party service providers, some of which are related to the Issuer (azemos, CROWDLI AG). Further conflicts of interests may arise as a result of the valuation of the Tokens where such valuation triggers optionality under the Terms and Conditions.

1.7 Competition
The Issuer’s business model is novel, and markets for digital assets are in the early stages of development. It is to be expected that competition will increase when markets mature, affecting the Issuer’s business activities, its market position and its profitability.

1.8 Amendment to laws or regulations
Existing laws, regulations and financial oversight practice is subject to intense political and jurisdictional debate in all jurisdictions where Tokens are offered for Subscription. Changes in applicable laws and regulations may be implemented and enter into force without warning and with immediate or even retrospective effect leading to impacts on the Issuer’s operational results, the value of the investments made, the ability to offer, distribute and trade the Tokens as well as to distribute profits to the Tokenholders. In very severe circumstances, jurisdictions may enforce a cancellation of the Offering or a closing of the eco system and the Issuer respectively. This could lead to losses incurred by the Subscribers or Tokenholders.

Further, laws, regulations and requirements regarding identification of the Tokenholder, anti-money laundering, use of Blockchain technology, consideration as collective investment scheme, securities trading are at all times subject to change leading to amended requirements and/or new procedures required. This could also result in a sudden inability to trade the Token, to use of the eco system or force the Issuer to exclude Tokenholders from the eco system or the list of eligible Investors. Tokenholders are strictly reminded to observe legal and regulatory developments at all times and to consider their own position vis-à-vis those requirements.

The Issuer has institutionalized internal processes to ensure compliance with the laws and regulations of Liechtenstein and all other Public Offer Jurisdictions. If, despite these precautions, breaches of statutory or regulatory provisions occur, this could adversely affect the Issuer’s business activities and/or the price of the Tokens.

Changes to data protection laws or regulations may force the Issuer to disclose any kind of additional information to authorities in the future.

1.9 Dependence on economic and technological developments
The Issuer is, like any other company, subject to general macro-economic developments such as economic growth, interest-rate development and inflation.
Further, since the Blockchain technology and the related industry are still relatively new and under development, the related economic developments are relatively uncertain.

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 Western, Northern and Eastern 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.

2.2 Foreign exchange risk
Shifts between the currency of the issue (CHF) and the currencies of the countries where Investment Properties are located (local currencies) can have a substantial negative or positive effect on the Issuer’s performance and the value of the portfolio of Investment Properties (foreign exchange risk). In particular, if the value of the CHF vis-à-vis a local currency raises, income from the operation and proceeds from divestments of Investment Properties shown in CHF will decrease and may, under adverse scenario, negatively affect the Issuer’s capability to fully service the obligations under the Tokens.

2.3 Third-party financing
The Issuer will use financing provided by third parties, including banks, to finance the acquisition of Investment Properties. Third-party financiers will rank senior to the Tokenholders, and their debt will normally be secured by way of a mortgage. If at the term of a financing arrangement with a third-party financier it is not possible to agree on a roll-over in a timely manner or at reasonable conditions, the Issuer may be forced to sell the Investment Property. Depending on the terms of such third-party financing, third party financiers may also have the right of early termination of such arrangements.

2.4 Interest rate risk
Real estate investments are particularly vulnerable to changes in interest rates. An increase in interest rates will most likely result in an increase of mortgage rates, reducing the net income generated from the properties. It may also negatively affect the market value of investments properties, including the value attributed to property used as collateral for securing mortgages. A quick and steep increase in interest rates may result in a severe decline of real estate market values for a prolonged period of time. While the Tokens have been structured in such a way to ride out a market downturn, it cannot be completely excluded that these safeguards will not suffice in the case of extremely adverse market conditions.

2.5 Inflation risk
Real estate investments will generally benefit from increased inflation expectations, but a sharp and/or quick increase in inflation will most likely negatively affect the
general economy, which might result in a reduced demand and lower rents in particular for commercial real estate. Higher inflation may also result in higher discount factors used for determining the market value of investment properties and consequently to an impairment of market values.

2.6 Property market risks
Real estate markets are particularly exposed subject to overall supply and demand cycles. Market values of investment properties may fall and remain at a price level at which they were acquired for a prolonged period of time. Depending on the particular market, price volatility may be pronounced. While the Tokens have been structured in such a way to ride out a market downturn, it cannot be completely excluded that these safeguards will not suffice in the case of extremely adverse market conditions.

2.7 Liquidity risks
Real estate markets are relatively illiquid markets. Both investments in as well as divestments of real estate assets may take a considerable amount of time, in particular when markets are illiquid. A delay in investments, e.g. due to the unavailability of suitable investment opportunities, will result in reduced returns in investments. A delay in divestments, e.g. in the case of a market downturn, may result in a liquidity squeeze for the Issuer. The Issuer has implemented a number of safeguards for mitigating liquidity risks, including by maintaining a reasonable liquidity cushion, but it cannot be completely excluded that these safeguards will not suffice in the case of extremely adverse market conditions.

2.8 No Deposit Insurance and no Public Oversight
The Tokens do not qualify as deposits and are therefore not guaranteed by any statutory or voluntary deposit insurance scheme. The use of proceeds from the issuance of Tokens is not subject to any oversight by a public authority.

3 RISK FACTORS RELATING TO THE TOKENS
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 (minimum repayment amount is less than the nominal value of the Token) upon maturity. Under adverse circumstances they will receive less than the subscription price, or suffer a complete loss of the invested capital.

3.1 Limited rights of Tokenholder
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.
3.2 Minimum Repayment is lower than nominal value

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 payment of an amount corresponding to the market value defined by an independent valuer (which will be a recognized, reputable auditor with well-founded experience in the area of evaluation of real estate such as PricewaterhouseCoopers), unless this amount is lower than the Minimum Repayment Amount which has been set at CHF 0.70 per Token and is therefore lower than the nominal value of a Token. The Issuer’s obligation to pay off 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). Tokenholders must therefore be aware that they may, on Maturity Date, only receive the Minimum Repayment Amount of CHF 0.70 per Token, which is less than the Nominal Value of a Token and the investment made (CHF 1.00/Token).

3.3 Tokenholders’ claims are subordinated

The rights of Tokenholders to claim and receive payments from the Issuer on Maturity Date and for payment of interests is junior to the claims of all holders of unsubordinated obligations of the Issuer (including, but not limited to, banks providing third-party financing for the acquisition of Investment Properties). In a liquidation of the issuer Tokenholders will be paid only if and after all senior obligations of the Issuer have been discharged.

3.4 Tokenholders’ claims are subject to Contingent Write-Down.

The right of Tokenholders against the Issuer to receive payment of the Minimum Repayment Amount on any Maturity Date is subject to a contingent write-down (“Contingent Write-Down”) if (i) the accumulated net loss in the Issuer’s audited financial statement is equal to or higher than 50% of the Issuer’s capital (including statutory reserves under Art 309 PGR) or (ii) the Issuer’s auditor makes a qualification in an audit report regarding viability of the issuer as a going concern which would trigger a valuation of the Issuers assets on a gone-concern basis.

The Tokenholders’ claim to receive payment from the Issuer on Maturity Date will be reduced by the relevant Write-down Amount, and the Tokenholders will no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to such amount. Tokenholders may lose all or some of their investment as a result of any such write-down. Rights of Tokenholders subject to a Contingent Write-Down will be fully restored if the trigger conditions are no longer met prior to Cut-off Date. Until that time the Issuer is barred from distributing any dividends to shareholders. As a result of any such write-down Tokenholders may lose temporarily or permanently all or some of their investment and be barred to claim payment of interests.

3.5 No Early Termination Option of Tokenholders

Tokenholders have no right for early termination of the Tokens. The Tokens have a fixed Term of 25 years after Final Settlement Date, 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. 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 14 December 2024), 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.

3.7 Liquidity Risks

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). Both the liquidity and the price of Tokens will be adversely affected if an active and liquid market for the Tokens cannot be established. 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. Even if Tokens can be listed a sufficient liquidity establishing reliable price signals is not guaranteed. A very low trading volume of Tokens may exaggerate market prices in both directions and distort the Token’s market price. It is in any event not guaranteed that a Tokenholder willing to sell will find a purchaser, or a purchaser willing to pay a suitable price. This risk is carried in full by Tokenholders.

3.8 High volatility and vulnerability to price manipulation

Markets for digital assets are not mature nor fully developed markets with sufficient liquidity and volume to provide stable prices, leading to high bid/ask spreads, very high volatility and vulnerability to price manipulation of large players in the market.

The price at which Tokens will be traded will depend upon a number of factors, most of which are beyond the Issuer’s control. These factors include, but are not limited to: market expectation concerning the Issuer’s performance or financial condition; fluctuations in the Issuer’s financial situation or operating results; general market and economic conditions; announcements by the Issuer and developments affecting the Issuer, its business, customers and suppliers and the markets in which the Issuer
competes; changes in the management of the Issuer; and the factors listed herein under “Risk Factors relating to the Issuer”.

In addition, markets for digital assets in general are subject to significant price and volume fluctuations. Such fluctuations as well as the economic situation of the financial markets as a whole may have a significant negative effect on the market price of the Tokens, regardless of the operating results and the financial situation of the Issuer. Fluctuations in the market price of crypto currencies (in particular Ether) may exaggerate market prices in both directions and distort the Token’s market price.

3.9 No security interests
The Tokens constitute unsecured obligations of the Issuer. The Issuer has not created any security interest over the Investment Properties to secure its obligations in respect of the Tokens and no such security interests exist for the benefit of the Tokenholders.

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”) up to a total number of 1’000’000’000 Tokens. 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 six-monthly 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 3% of the Minimum Repayment Amount of the Tokens allocated to such property or if no Fixed Interest is paid (e.g. Contintent 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).

3.12 Risks related to the CROWDLITOKEN eco-system
The Issuer has used best efforts in assessing the reliability of the CROWDLITOKEN eco-system. However, there remain risks of malfunctioning, bugs and errors, which may result in a late or wrong allocation of Tokens. Also, technical errors in the KYC/AML procedures to be passed by investors or technical errors of the CROWDLITOKEN eco-system may lead to a situation where Tokenholders can temporarily not access the platform.

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 plans the issue of a Blockchain Law to govern and clarify some of those issues (such as transfer of tokens), however, the law is in its early stages and will not enter into force before 2020. 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.
3.14 Loss of Tokens
Tokens may be lost or become inaccessible, in particular if the Tokenholder loses the respective private key to dispose of its Tokens or due to malfunctioning of the e-wallet in which the Tokens are stored. This could result in the loss of Tokens. It is the Tokenholders’ sole responsibility to safely store and protect the private key that allows access to the e-wallet. Tokens may become inaccessible also in the case of death of a Tokenholder if he or she did not make arrangements for such case. Neither the Issuer nor any other body or institution will be capable to restore the access to the Tokenholder’s wallet for the successors of the Tokenholder.

The loss of private keys could furthermore reduce the availability of various functionalities of the STO and the Tokens. In particular, it may be impossible to issue Tokens to Subscribers or to make Tokens transferrable in which case they would remain paused indefinitely. Furthermore it may be impossible to make interest payments. Finally, there is a risk that an attacker may mint Tokens for non-contributing addresses, alter confirmation status, contribute uncontrolled amounts to the STO or allow the attacker to withdraw unclaimed interest payments.

3.15 Finality issues
The state of the underlying Ethereum blockchain regularly changes even after a block has been mined (uncle blocks). This might even happen after many blocks have been mined. Therefore, the Issuer takes no responsibility for the finality of any Blockchain-based events, including the transfer of Tokens.

3.16 Crypto-Exchange is hacked
Crypto-Exchange may be the victim of attacks by hackers. The Issuer has no influence and no responsibility on the security and the hacking prevention procedure put in place by the operator of the exchange.

3.17 Regulatory shocks
The regulation of Crypto-Exchanges is still in its early stages. Actions taken by financial market regulators or other government agencies could result in the closure of Crypto-Exchanges and/or an enforced de-listing of instruments. This kind of actions would most likely result in a sharp reduction of traded volume, leading to significantly lower market prices.

3.18 Systemic risks
Since the market for digital assets is still very small compared to other asset market segments a problem in one of the cryptocurrencies can impact the market value of the entire digital asset market. The value of coins and tokens are still strongly correlated. A negative impact on any cryptocurrency can have an impact on the value of the Tokens.

3.19 Tax risks
All information in this Prospectus regarding the taxation of Tokens or Tokenholders is of a general nature and does not substitute individual advice by a tax or legal expert. Applicable rules and regulation on taxation regarding the acquisition, holding, trading and pay-back of Tokens are not fully developed as of the date of this Prospectus and may therefore be subject to unexpected change at all times by any tax authority. This
may result in a higher than expected taxation of Tokens or Tokenholders and adversely affect the return realized from investment in Tokens.

In particular, it cannot be excluded that Liechtenstein might introduce a withholding tax on payments to be made in relation to the Tokens in the future. In such a case any payment made to the Tokenholders would be made after deduction of relevant taxes and duties.

The domicile of the Issuer is in the Principality of Liechtenstein. Mind and management of the Issuer is strictly executed in Liechtenstein. It holds offices in Liechtenstein, employs personnel and performs all key functions such as e.g. corporate administration and, accounting locally in Liechtenstein. All relevant executive meetings are held in Liechtenstein. Nevertheless, several non-executive functions are planned to be outsourced to Swiss entities, and key executives are Swiss resident individuals performing functions for the Issuer. Therefore, there is a risk that the Issuer could become subject to Swiss corporate income tax and payments to Tokenholders could become subject to Swiss withholding taxes. The Issuer will disclose its business plans to the Swiss tax authorities to obtain a tax ruling in order to ensure that the payments to Tokenholders are not subject to Swiss withholding taxes.

4 RISK FACTORS RELATING TO THE EXECUTION OF THE STO

4.1 Risks related to the STO interface

The STO interface itself is a Blockchain based application which is whitelabeled to the Issuer. Even though the Issuer has used best efforts in assessing the reliability of the interface, there remain risks of malfunctioning, bugs and errors, resulting in a late or wrong allocation of Tokens in relation to made investments.

Due to the overall regulatory uncertainties, procedures provided by the STO interface may become non-compliant with new rules and regulations which may become applicable during the process of the STO.

The STO interface uses best practice to comply with rules and regulations relating to the identification of Subscribers and/or Tokenholders as well as anti-money laundering laws. Given the state of development of markets for digital assets a risk remains that a competent authority finds the Issuer to be in non-compliance with laws and regulations, an event which might negatively affect the Issuer's business.

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 up to 10 days 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 credited to the account of the Issuer in CHF, this currency exchange risk will be borne by the Subscriber.

4.3 Risks related to a potential cancellation of the Offer

The Issuer has the right to cancel the issue of Tokens if at Closing Date less than 45'000'000 Tokens have been firmly subscribed by Subscribers.
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.

4.4 Risk of attacks and technical hazards
Even though the STO process is following best-practice procedures, the execution may be subject to several technical hazards which may slow down or interrupt the process or lead to a cancellation. Such factors include batch-overflow, DNS/DoS/DDoS attacks, the risks of website hacking, double spending, scam addresses or mining attacks as well as connectivity and transmission issues of the internet or insufficient computing capacity to execute transactions swiftly. Such factors are beyond the Issuer’s control.

4.5 Risks related to Ethereum Blockchain
The Issuer uses smart contracts based on the Ethereum Protocol (http://www.ethereum.org) which is a new technology being established and used only recently. The Issuer cannot exclude future changes in the Ethereum Protocol and associated risks of unforeseen problems, which may impair the effective use of the smart contracts, such as the risk of a fork in Ethereum, a malfunctioning of Ethereum main chain, bottlenecks in Ethereum, or mining power attacks on Ethereum. The Issuer does not have sufficient experience with Ethereum Protocol to ensure that the Ethereum Protocol will work properly at all times and free of any bugs and defects. Therefore, it cannot be excluded that the Ether Protocol will not work properly and will not generate digital Tokens in accordance with this Prospectus. This could lead to a false allocation of the Tokens, unauthorized transactions and the loss of the Token of the Investors.

4.6 Risk of weaknesses or exploitable breakthroughs in the field of cryptography
Advances in cryptography, or technical advances such as the development of quantum computing, could present risks to cryptocurrencies, the Ethereum platform, and Tokens. Such developments could result in the theft or loss of Tokens.

4.7 Fork of the blockchain
In case of a future fork of the underlying Ethereum Blockchain, the Tokens will be available on both forks of the chain. The Ethereum main chain is used as reference. In such an instance the Issuer will choose to support one of the forks only and solely maintain that version for all functions, including interest payments.

4.8 Ethereum Protocol change from proof of work to proof of stake
A change from proof of work to proof of stake concerning the Ethereum Protocol or any other used Blockchain technology could result in the theft or loss of Tokens.
4.9 Risk of mining attacks
As with other decentralized systems, the Ethereum Blockchain, which is used for CROWDLITOKEN, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, “selfish-mining” attacks, and race condition attacks. Any successful attack presents a risk to CROWDLITOKEN, expected proper execution and sequencing of CROWDLITOKEN, and expected proper execution and sequencing of Ethereum contract computations in general. Despite the efforts of the Issuer and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other Blockchain networks with which CROWDLITOKEN interacts, and consequently CROWDLITOKEN may be impacted also in that regard and to the extent described above.

4.10 Risk of reduced mining power
In case of a reduced mining power in the Ethereum chain, there is a risk of slow transaction speed and high costs. Insufficient or lacking mining power in the Ethereum chain, or any other Blockchain technology used, could result in a frozen state, theft or loss of Tokens.

4.11 Hacking of the platform
The number of cyber-attacks on STOs has substantially increased in recent years. It cannot be excluded that the CROWDLITOKEN platform is hacked before, during or after the STO. Subscribers are reminded that technological developments regarding the capabilities to hack the cryptographic code of the platform and the Tokens themselves remain unpredictable. This could lead to a false allocation of the Tokens, unauthorized transactions and the loss of the Token.

4.12 Hacking of smart contracts
The Issuer uses smart contracts to run the STO and to allocate the Tokens to Investment Properties within the eco system. The use of smart contracts is based on a new technology, which has been established and used in recent years only. The Issuer cannot exclude the risk of cyber-attacks on the smart contracts. This could lead to a false allocation of the Tokens, unauthorized transactions and the loss of Token.

4.13 Malfunctioning of smart contracts
The use of smart contracts is based on a new technology, which has been established and used in the recent years only. Therefore, there is a risk of unforeseen problems, which might occur with the use of the smart contracts. The Issuer does not yet have sufficient experience with smart contracts to ensure that the smart contracts will work properly at all times and free of any bugs and defects. Therefore, it cannot be excluded that the smart contracts do not work properly and cannot generate digital Tokens in accordance with this Prospectus. This could lead to a false allocation of the Tokens, unauthorized transactions and the loss of Tokens.

4.14 Undetected issues of smart contracts
Since smart contracts are a novel technology, the Issuer intends to have the smart contracts audited by an independent auditor. The smart contracts audit(s) will be available on the CROWDLITOKEN website. Nevertheless, the Issuer cannot exclude that the smart contracts reveal serious issues even the completion of the audit. This could
lead to a false allocation of the Tokens, unauthorized transactions and the loss of the Tokens.

4.15 **Risk of security weaknesses of the website, landingpage and CROWDLITOKEN source code or any associated software and/or infrastructure**

There is a risk that the website and CROWDLITOKEN may include weaknesses or bugs in the source code, interfering with the use of or causing the loss of Tokens.

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 Subscriber. 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**

1 **RESPONSIBILITY STATEMENT**

CROWDLITOKEN AG, having its registered offices at Austrasse 15, 9495 Triesen, (Liechtenstein), as Issuer accepts responsibility for the content of the Prospectus and declares that the information contained in the Prospectus is, to the best of its knowledge (having taken all reasonable care to ensure that such is the case), accurate and that no material facts have been omitted.

Where the Prospectus contains information obtained from third parties, such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Issuer accents that following the date of the Prospectus, events and changes may occur, which render the information contained in the Prospectus incorrect or incomplete. Supplemental information will only be published as required by and in a manner stipulated in article 19 of the Liechtenstein Prospectus Act (Wertpapierprospektgesetz).

2 **COMPANY INFORMATION**

Legal and commercial name of the Issuer: CROWDLITOKEN AG.

Place of registration and register number: The Issuer is registered in the Commercial Registry of the Principality of Liechtenstein under the register number FL-0002.590.108-1.

Legal Form and date of incorporation: The Issuer has been established in the legal form of a joint stock company in accordance with article 261 seq. PGR and has been incorporated on 16 August 2018.
Registered office and address: The registered office of the Issuer is at Austrasse 15, 9495 Triesen, Principality of Liechtenstein. The management is available at welcome@crowdlitoken.com.

Statutory purpose: The Issuer’s statutory purpose is to execute all kind of transactions in connection with residential and commercial real estate within the Principality of Liechtenstein, Switzerland and other countries, such as acquisition, disposal, development, administration and letting. Within this main purpose, it can engage in commercial as well as financial transactions of all kind, provide services, acquire shareholdings and use innovative technologies, forms of financing and methods of payment. It can grant direct or indirect financing including collateral of all kind to its direct or indirect subsidiaries as well as third parties and its direct and indirect shareholders. It can develop innovative technologies and acquire, use, exploit, execute and realize proprietary rights.

Articles of association: The articles of association have been filed with the Registry of Commerce in Liechtenstein. The articles of association may be changed or amended at any time by the Issuer.

Share capital: The Issuer’s capital is CHF 100,000, divided into 100’000 registered shares with a nominal value of CHF 1.00 each. All shares are fully paid-in.

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.

3.2 Strategy

The Issuer is a start-up company with the vision to deploy the concept of real estate crowdfunding to the blockchain technology. The Issuer’s strategy is:

- to develop a new concept for investing in real estate, combining features of direct and indirect investments. Investment in this ecosystem requires a very low minimum investment amount, is very simple and safe in use and can be tailored to the needs of the individual investor;
- to make real estate crowdfunding a part of the digital revolution in the financial services industry and contribute to establishing securities tokens as a new asset class.

Today, investments in real estate can be structured either as a direct or an indirect investment. Direct investments in real estate require large amounts of capital and are expensive due to high transaction costs. They are also relatively illiquid. Indirect investments made through real estate companies and funds avoid some of these obstacles even though many funds also require considerable minimum investment.
amounts and have lock-up periods to manage liquidity issues in case of increased redemptions. Indirect investment products are often trading above the net market value of the underlying portfolio, a premium which is not justified from an economic perspective. Fee structures of indirect real estate investments are often not transparent and misalign interest of the manager and investors.

The first prong of the Issuer’s strategy is to offer a new way of investing in real-estate with the following key features:

- Minimum investment amount of only CHF 100, giving investors the possibility to diversify their investments over a broad range of Investment Properties located in different markets;
- Improved liquidity of investments provided Tokens are listed at a Crypto-Exchange;
- Full transparency for investors to which all relevant information (valuation reports, overview of tenants, accounts of the property, plans, pictures, location etc) will be disclosed, enabling investors to reliably assess the performance of each property;
- Co-determination of investors through voting rights for major decisions, including divestments of Investment Properties.

In order to implement this vision the Issuer will develop an internet-based eco system (the “CROWDLITOKEN eco system”), which provides Tokenholders certain additional optionalities. After entering into an Allocation Agreement with the Issuer, Tokenholders can use the following features of the CROWDLITOKEN eco system:

- Full flexibility in the allocation of their Tokens to one or several specific Investment Properties, permitting Tokenholders to participate in Net Profits generated from those particular properties, including their value appreciation or depreciation;
- Tokenholders can chose between interests being paid-out (CRT-Cash) or having them reinvested and receiving additional Tokens (CRT-Reinvest);
- Possibility to actively manage the own portfolio by easily swapping Tokens from one property to another property.

The second prong of the Issuer’s strategy is to contribute to establishing securities tokens like the CROWDLITOKEN as a new asset class, which it expects to be a key element in the digitization of the financial services industry. In order to contribute to this goal, the Issuer is striving to make the CROWDLITOKEN a suitable investment also for institutional investors like family offices and pension funds. The CROWDLITOKEN is therefore issued on the basis of a prospectus which is in full compliance with the Prospectus Directive and all Applicable Laws. The Issuer is also committed to implement strict policies and procedures to ensure that all Tokenholders are identified (Know your Customer, KYC) and to prevent money laundering and terrorist financing.

3.3 Business Model

The Issuer plans to, directly or indirectly, acquire a portfolio of residential and commercial real estate in Western, Northern and Eastern 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.

In addition, the Issuer (or its subsidiaries) will seek to finance Investment Properties 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.

Finally, net STO proceeds will also be used by the Issuer for the following purposes:

- The Issuer will cover all costs and expenses incurred for the STO (estimated at approximately CHF 2.5 millions) with STO proceeds, including costs in connection with the issuance and distribution of Tokens, the project development as a whole, and costs prefinanced by its shareholders. After completion of the STO additional costs for the establishment of the CRT platform (estimated at approximately CHF 1.0 to 1.5 million) will be covered with STO proceeds.
- The Issuer will invest a portion of the STO proceeds in liquid assets in order to build-up a liquidity portfolio in order to safeguard the Issuer’s liquidity at all times. The liquidity portfolio will include investment funds and shares and bonds of listed companies with a high dividend or interest yield. The share of STO proceeds to be allocated to the liquidity portfolio will depend, inter alia, on conditions on real estate and capital markets. The size of the liquidity portfolio shall be determined by the Issuer and is expected not to exceed 10% of STO proceeds, net of STO and platform development costs, once they are fully invested in real estate. Over time the issuer will accumulate retained, undistributed, own earnings to provide liquid reserves allowing for a higher degree of assets to become invested in real estate. Nevertheless, the issuer reserves the right to temporarily hold higher amounts in the liquid portfolio to assure financial stability and solvency at all times. It shall also be at the Issuer’s discretion in which assets the liquidity portfolio shall be invested and whether the portfolio shall be managed internally or by way of an external asset management mandate.

The terms of the STO are designed to ensure sustained profitability of the Issuer’s operations. Operational costs are covered by (i) the property administration charge of 0.75% p.a. levied on total assets, (ii) withholding 15% on Net Profits exceeding 5% return on investment, (iii) retaining Net Profits not fully allocated to Tokenholders and relating to Tokenholders barred from claiming rights against the Issuer as a result of non-compliance with KYC rules, and (iv) a 3% charge made for the execution of the acquisition and disposal of Investment Properties. The charges (i) and (ii) will be allocated to the profit and loss statement of each Investment Property as management costs. The charge (iv) will gross up the book-value of Investment Properties and be accounted for as income of the Issuer.

Tokenholders have the right to receive Fixed Interests at a rate of 0.875% p.a. in the first two years, of 1.4875% p.a. in the third year and of 2.1% for the remainder of the term of the Tokens. The interest rates are calculated on the basis of the Token’s Nominal Value of CHF 1.00. Based on the Minimum Repayment Amount of CHF 0.70 per Token, interest rates correspond to 1.25% p.a. of the Minimum Repayment Amount in the first stage, 2.125% p.a. in the second stage and 3% p.a. in the third stage.

Tokenholders are furthermore offered access to the CROWDLITOKEN eco-system, an internet based application that enables Tokenholders to allocate their Tokens to properties of their choice within the CROWDLITOKEN eco system. Allocation will give
Tokenholders the right to receive additional Performance-related Interests. Since Performance-related Interest are directly linked to the Net Profit resulting from the operation of Investment Properties, the costs for Total Interest will automatically adjust in case 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 Western, Northern and Eastern 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 nine EU jurisdictions where the Prospectus will be notified (Germany, Austria, France, Italy, 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. Subject to approval by the Swiss Financial Market Supervisory Authority FINMA offers in Switzerland will only be made to qualified investors, as defined by Swiss law. 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 is preparing a Blockchain Act which will clarify some of those issues, however, the Act is in its early stages and is not expected to enter into force before 2020. As a result of this relative uncertainty the Issuer’s business is exposed 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 is 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), up to a total number of 1’000’000’000 Tokens. 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, and all Tokens whenever issued shall be deemed to form part of one and the same issue.
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:

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date/Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>STO-Intention Announcement</td>
<td>March 2018</td>
</tr>
<tr>
<td>Start Private Sale</td>
<td>December 2018</td>
</tr>
<tr>
<td>Technical Readiness</td>
<td>January 2019</td>
</tr>
<tr>
<td>FMA Approval/Prospectus</td>
<td>12 April 2019</td>
</tr>
<tr>
<td>Start CRT Pre Public Sale</td>
<td>12 April 2019</td>
</tr>
<tr>
<td>Start CRT Public Sale</td>
<td>After Pre Public Sale</td>
</tr>
<tr>
<td>Start Extended Public Sale</td>
<td>After Public Sale</td>
</tr>
<tr>
<td>Closing Date</td>
<td>30 November 2019</td>
</tr>
<tr>
<td>Final Settlement Date</td>
<td>14 December 2019</td>
</tr>
<tr>
<td>Investing in first properties</td>
<td>After SoftCap was reached</td>
</tr>
<tr>
<td>Start development Platform</td>
<td>August 2019 or earlier when SoftCap reached</td>
</tr>
<tr>
<td>Establishment of subsidiary companies abroad</td>
<td>October 2019 or earlier when SoftCap reached</td>
</tr>
<tr>
<td>Start CRT Eco system / Exchange placement CRT</td>
<td>After Final Settlement Date (14 December 2019)</td>
</tr>
<tr>
<td>Gate 1 Opening</td>
<td>May 2020</td>
</tr>
<tr>
<td>Gate 1 Closing</td>
<td>July 2020</td>
</tr>
<tr>
<td>Evaluation new properties</td>
<td>December 2020</td>
</tr>
</tbody>
</table>

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, which might adversely affect the prospects of reaching the Soft Cap and the Target Volume;

- 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

4.1 Definition

A key component of the Issuer’s strategy is to develop an eco system offering innovative means of investing in financial assets backed by real-estate (the “CROWDLITOKEN eco system”). The CROWDLITOKEN eco system is an internet-based platform, which enables Tokenholders to exercise certain optionalities and creditor rights, including the following:

- **Allocation of Tokens**: The Issuer offers to Tokenholders the possibility to allocate their Tokens to one or several Investment Properties through the CROWDLITOKEN eco-system. Tokenholders allocating their Tokens are entitled to receive Performance-related Interests in addition to Fixed Interests.

- **Pay-Out Modalities**: Tokenholders admitted to the eco system have a choice 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.

These optionalities and rights are available to Tokenholders after they have purchased Tokens and have, by choosing from options available on the dashboard of the CROWDLITOKEN eco-system, entered into an Allocation Agreement with the Issuer.

These functionalities will enable Tokenholders to customize their investment portfolio and fine-tune their exposure to markets, classes of real estate and currencies. As a result, Tokenholders will have the possibility to adjust their risk-return-profile and their capital exposure to their particular needs and expectations.

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”).
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.

### 4.3 Allocation of Tokens

Tokenholders are offered the possibility to allocate Tokens to one or several Investment Properties, once such Investment Properties have been acquired by the Issuer, through the CROWDLITOKEN eco-system.

Each Investment Property will have a limited number of lots for allocation of Tokens. The number of available lots depends on the proceeds from the issuance of Tokens used for the acquisition of the property. Allocation in this context therefore means “reserving” one or several lots available in a particular Investment Property and participating pro rata in Net Profits generated from the operation of that particular Investment Property.

Allocation is an individual, discretionary decision by the Tokenholder and is effective for as long as the Tokenholder holds the specific allocated Tokens. When Tokens are sold, the allocation will be reverted and the respective lots will become available again for allocation by other Tokenholders.

The STO is structured in various stages with increasing issue prices per Token (see Section E.6). In order to prevent a dilution of early stage investors, the investment of issuance proceeds takes place on a “first in first invest basis”, i.e. proceeds from an early stage of the STO are invested before proceeds from a later stage can be invested. The number of Tokens that can be allocated to a particular Investment Property is the sum of STO proceeds to be invested for such property (i.e. the total investment amount minus senior debt) divided by the average issuance price per Token in a particular state of the STO. Investors may allocate their Tokens to 95% of available lots per property with the remaining 5% being reserved for Tokens to be issued to Tokenholders that chose CRT-Reinvest and may wish to allocate such Tokens to the respective property.

The total number of Tokens that can be allocated to a specific Investment Property (AT) can therefore be determined as follows:

\[
AT = \frac{(Investment - senior\ debt)}{\bar{\text{price}}/\text{stage}} \times 1.05
\]

Example: If the Hard Cap of 206’985’567 Tokens is reached, the average issuance price is CHF 0.9325 per Token. A property with a total investment volume of CHF 15 million is acquired, financed with CHF 10 million senior debt. The total number of Tokens which can be allocated to that Investment Property (including 5% reserved for CRT-Reinvest) is calculated as follows:

\[
\frac{15'000'000'000 - 10'000'000'000}{0.9325} \times 1.05 = 5'630'027\ Tokens
\]
If the acquisition is made at a later stage with an average issuance price of e.g. 1.17 per Token, the total number of Tokens subscribed at that stage which can be allocated to this property is only 4'487'180 (including 5% reserved for CRT-Reinvest):

\[
\frac{15'000'000'000 - 10'000'000'000}{1.17} \times 1.05 = 4'487'180 \text{ Tokens}
\]

This feature allows the allocation of Tokens issued at different stages and at different issue prices to Investment Properties acquired at different times without diluting the value of early stage investors. Furthermore it permits Tokenholders to switch between Investment Properties acquired at different times and with STO proceeds from different stages.

4.4 Performance-related Interests

Tokenholders who allocated Tokens to particular Investment Properties are entitled to receive Performance-related Interests in addition to Fixed Interests. Performance-related Interests are a fraction of the Net Profits resulting from the operation of such property whereby the fraction is the percentage share of each allocated Token over the total number of lots available for allocation.

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 interim financial statement.

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

<table>
<thead>
<tr>
<th>Gross rental income</th>
<th>Total expected income if fully let</th>
</tr>
</thead>
</table>

WWW.CROWDLITOKEN.COM
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacancy</td>
<td>Deduction for vacancy incurred</td>
</tr>
<tr>
<td>Collection risk</td>
<td>Unpaid rents</td>
</tr>
<tr>
<td>Net rental income</td>
<td></td>
</tr>
<tr>
<td>Realized Profits</td>
<td>As defined in Condition 8.1(b)</td>
</tr>
<tr>
<td>Administration</td>
<td>Costs of local, external administrator</td>
</tr>
<tr>
<td>Repair and Maintenance</td>
<td>Costs incurred and provided for</td>
</tr>
<tr>
<td>Operational Costs</td>
<td>Costs which are not transferrable to tenants</td>
</tr>
<tr>
<td>Insurance</td>
<td>All sort of required insurance</td>
</tr>
<tr>
<td>Property Tax</td>
<td>Depending on local tax regime</td>
</tr>
<tr>
<td>Interest and amortization</td>
<td>Interest and amortization payments on mortgage</td>
</tr>
<tr>
<td>Net property income</td>
<td>The basis for calculation of Return on Investment</td>
</tr>
<tr>
<td>Allocated tax</td>
<td>Allocation of corporate and income tax to the property</td>
</tr>
<tr>
<td>Net Profit</td>
<td></td>
</tr>
<tr>
<td>Fixed interest</td>
<td>0.875% / 1.4875% / 2.1% on Nominal Value</td>
</tr>
<tr>
<td>Basis for calculation of Performance-related Interest</td>
<td></td>
</tr>
</tbody>
</table>

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:

\[
NP_{AT} = NP \times \left( \frac{AT - NAT}{AT} \right)
\]

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:

\[
FNP_{AT} = NP_{AT} \times \frac{T}{AT - NAT}
\]

Where \(NP_{AT}\) = 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)

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

Interest will be paid out in equal monthly installments based on the last available half-yearly accounting statement less a discount for prudence of 10%. Post audit of the next following half-yearly account statement, 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.

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 CRT-Cash and CRT-Reinvest

Tokenholders admitted to the CROWDLITOKEN ecosystem can chose between interests (Fixed Interests and Performance-related Interest) paid out in cash (in ETH, CHF or EUR; referred to as “CRT-Cash”) or to have additional Tokens allocated for interests accrued (referred to as “CRT-Reinvest”).

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 half-yearly accounts. 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 first Business Day 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 30 days after approval of the relevant accounts or on the first Business Day thereafter.
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.

(a) Settlement of Interest Payment in Cash
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.

(b) Settlement of Interest Payment in CRT-Reinvest
Tokenholders may choose to reinvest accrued Total Interests (“CRT-Reinvest”) instead of receiving payment in cash in an Eligible Currency.

Payment of Total Interests on CRT-Reinvest shall be settled by transferring unallocated Tokens to the Tokenholder’s wallet. The number of Tokens to be transferred is calculated by dividing Total Interests payable to such Tokenholder by the Subscription Price payable for newly issued Tokens at the time the interest payment becomes due, if any, alternatively, by the last applicable Subscription Price for Tokens issued by the Issuer.

Subject to Applicable Law, the Issuer shall not be liable to pay interest with regard to Tokens if (i) the Issuer is not capable of identifying the Tokenholder; or (ii) a Tokenholder failed to perform the steps required to successfully pass the KYC/AML process. Any claim for interest payments with regard to a Token against the Issuer shall be time-barred in accordance with Condition 16.

Claims for payment of interests shall become time-barred after a period of five (5) years, calculated from their respective due dates.

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 3% of the Minimum Repayment Amount of the Tokens allocated to such property 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.
4.6 Information

The Issuer will provide information regarding Investment Properties through the CROWDLITOKEN ecosystem. Tokenholders will have access to documentations, the accounts, valuation reports and other information regarding Investment Properties to which Tokens have been allocated.

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 not less than 50% of the Tokenholders participating in the vote. Resolutions passed a simple majority of registered Tokenholders participating in the voting 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. Interests accrued (including Performance-related Interests) will be calculated as of the date of the exit from the ecosystem and paid out to the Tokenholder.

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. All CROWDLITOKENs, whether issued during this STO or during a Post-STO Offering (if any), are deemed to form part of one and the same class of securities.

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 Western, Northern and Eastern 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. The current strategy applies to the first two years following the successful achievement of the Soft Cap of CRT 45.0 million and will then be re-evaluated 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 Western, Northern and Eastern 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 by the simple majority of allocated Tokenholders (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 twice per 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 also 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.

5.5 Acquisition Process

The process for the acquisition of Investment Properties is defined in the form of a template approved by the Real Estate Committee. All properties are subject to a due diligence prior to acquisition, which will cover the following items:

- Legal (leases, maintenance contracts etc.);
- Building/technical status (condition, age, wear etc.);
- Economics (return, financing, tenants etc.);
- Construction and planning law (building regulations, zoning plan);
- Location (micro and macro location).

For each property an external expert opinion will be prepared by an independent appraiser and construction expert. The technical status of the building and the purchase price will be verified. All relevant contracts will be reviewed by local legal counsels.

The final decision regarding the acquisition of an Investment Property will be made by the Board of Directors upon a recommendation from the Real Estate Committee. After completion of the transfer of ownership, the Investment Property is assigned to an asset manager and entered into the reporting structure of the Issuer.
6 FINANCIAL INFORMATION

6.1 Accounting Policies and Auditor

The Issuer will apply International Financial Reporting Standards (IFRS) and report on the financial year as per 31 December as well as in the form of interim financial statements as per 30 June of each year. The first interim financial statements in compliance with IFRS will be published as per 31 December 2019. The first comprehensive annual report and financial statements in compliance with the Liechtenstein Companies Act (PGR) and IFRS shall be published as per 31 December 2019.

Financial statements of the Issuer will be audited by Ernst & Young, Marktgass 21, Vaduz (Liechtenstein). Ernst & Young is a global assurance and advisory group which holds all relevant licenses and permissions to audit financial statements in Liechtenstein and reports to the Liechtenstein FMA. Ernst & Young is a member of Liechtenstein Association of Auditors (Liechtensteinische Wirtschaftsprüfer-Vereinigung).

Financial status: As the Issuer is a newly incorporated company with a capital of CHF 100,000 no historic financial data or key figures are available to assess the financial situation of the Issuer with regard to previous years.

Opening Balance sheet as per 17 August 2018

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>CHF</th>
<th>EQUITY &amp; LIABILITIES</th>
<th>CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible Assets</td>
<td>11'353</td>
<td>Share Capital</td>
<td>100'000</td>
</tr>
<tr>
<td>Bank (Bank Frick AG)</td>
<td>100'000</td>
<td>Liabilities</td>
<td>1'353</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Accrued costs of formation</td>
<td>10'000</td>
</tr>
<tr>
<td>Total Assets</td>
<td>111'353</td>
<td>Total Liabilities</td>
<td>111'353</td>
</tr>
</tbody>
</table>

Review of the opening balance sheet as per 17 August 2018

The opening balance sheet as per 17 August 2018 has been reviewed by the statutory auditor of the Issuer in accordance with the Liechtenstein Companies Act (Personen- und Gesellschaftsrecht, PGR). The auditor’s report is not subject to any kind of qualification.
To the Board of Directors of
CROWDLITOKEN AG, Triesen

Vaduz, 30 August 2018

Report of the independent auditor on the opening balance

In accordance with your instructions, we have reviewed the opening balance as of 17 August 2018 of CROWDLITOKEN AG.

This opening balance is the responsibility of the Board of Directors. Our responsibility is to issue a report on the opening balance based on our review. We confirm that we meet the qualification and independence requirements as stipulated by Liechtenstein law.

Our review was performed in accordance with the standard on the review of financial statements issued by the WPV [*liechtensteinische Wirtschaftsprüfervereinigung*: Liechtenstein Association of Auditors]. This standard requires that we plan and perform the review in such a way as to enable material misstatements in the financial statements to be detected, albeit with less assurance than in a statutory audit. A review consists primarily of inquiries of company personnel and analytical procedures in relation to the data used to prepare the financial statements. We have performed a review and not an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the opening balance of CROWDLITOKEN AG do not give a true and fair view of the company’s net assets and financial position in accordance with Liechtenstein law. Furthermore, nothing has come to our attention that causes us to believe that the opening balance do not comply with Liechtenstein law and the company’s articles of incorporation.

Ernst & Young Ltd

Iwan Zimmermann
(Qualified Signature)

Marco Mendel
(Qualified Signature)

Iwan Zimmermann
Certified Accountant
(Auditor in charge)

i.V. Marco Mendel
Swiss Certified Accountant
7 ORGANISATION OF THE ISSUER

7.1 Board of Directors and Investment Committee

Role of the board of directors: The board of directors will define the strategic guidelines for the Issuer’s business and be responsible for the oversight of the operational and financial management of the Issuer. The board of directors will delegate the management tasks and the operational business to the management. The implementation of the investment strategy will be delegated to a Real-Estate Committee, but final decision regarding the acquisition of Investment Properties will be made by the board of directors.

7.2 Composition of the board of directors

Reto Fierz (Chairman)
Reto Fierz (Swiss, 50) holds a master’s degree in economics, is a Swiss chartered accountant, former big-4 Partner, has ten years’ experience as auditor and advisor of large quoted and unquoted conglomerates and has extensive experience in managing capital market transactions. He has been CFO within the Real Estate Sector, has set-up various funds and co-executed an IPO before he has become CFO and Head Private Equity of a global family office organization where he executed many transactions globally and managed a portfolio of CHF 150m invested capital. Today Reto is CEO of the Private Banking sector of azemos group in Frauenfeld (Switzerland) and Offenburg (Germany) as well as Co-Founder and member of the Board of Crowdli AG, Frauenfeld.

Dr. Hans Kuhn (Member)
Dr. Hans Kuhn (Swiss, 57) is a practicing attorney in Zurich (Switzerland). He specializes in banking and financial market law, including fintech and blockchain law. He advises and represents banks, fintechs and financial services providers in regulatory matters and has also extensive experience in securities law (including international securities transactions) and payment and secured transactions. He serves as a member of the board or as an advisor for a number of startups in the fintech and blockchain sphere. Before joining private practice he has served as chief legal counsel for Swiss National Bank, Switzerland’s central bank, for more than 13 years. Hans Kuhn served as a member of national and international expert groups on matters such as bank resolution, derivatives and netting legislation. He played a leading role in the national and international securities law reforms, acting as chairperson of the national expert group preparing the Swiss Federal Intermediated Securities Act and the Diplomatic Conference which adopted the Geneva Securities Convention.

Toni Caradonna (Member)
Toni Caradonna (Swiss, 46) has been actively involved in the Blockchain scene since the very early stages. Thus, he managed to program the worldwide first smart contract for UNICEF. Additionally, he developed a comprehensive Blockchain-solution for Porini foundation which is mainly involved in sustainability innovations of the United Nations. Toni Caradonna is also the initiator of the Ethereum Movie “Venture”, a project that has implemented the global first film fully funded with Ethereum and today listed on CoinMarketCap. Toni is very well known and highly reputed in the Blockchain community, holds a Master in Physics, is a passionate artist and a welcomed key-note speaker at high rank global Blockchain and crypto conferences.
Martin Züger (Member)

Martin Züger (Swiss, 60) holds a master’s degree in architecture and gained first experience with several reputed architecture offices before he founded his own architecture company in Switzerland and became co-owner of a real estate investment company as well as a general contractor for construction of real estate. Backed with 35 years of professional experience, Martin has a wealth of comprehensive know-how in the real estate sector.

Hans Eggenberger (Member)

Hans Eggenberger (Liechtenstein, 56) obtained a Master in Economics at the highly reputed Hochschule St. Gallen followed by his degree as a certified public accountant in Switzerland. He is a Partner at Töndury + Partner AG in Liechtenstein where he is providing a wide range of services in the trust and financial sector such as formation, administration, acting as Director or Trustee as well as tax and legal matters.

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.

Paul Odermatt - COO

Paul Odermatt (Swiss, 33) has a degree as structural draftsman in real estate and gained professional management experience as project manager in several industries, such as the producing industry and health care. Further, he built-up an Online Shop, which he managed to sell with success. He completed MSc in Health and oversaw the physio-therapy department at a hospital where he managed 20 FTE and in parallel completed his MBA at the Lucerne School of Economics. From 2012 onwards, Paul was fascinated by the new technologies such as blockchain and gained in depth knowledge of its application and related investment opportunities. The combination of his background as broadly experienced project manager and his know-how about the crypto and blockchain space has put him in a superb position to act as initiator and project lead development manager of CROWDLITOKEN.

Toni Caradonna – CTO

Reference is made to his curriculum as described above (Board of Directors).
Reto Fierz – Head Finance  
Reference is made to his curriculum as described above (Board of Directors).

### 7.4 Compensation for Board Members and Management

Members of the board of directors and the management as well as staff members and advisors will be compensated with Tokens. For this purpose up to 3% on top 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.

### 7.5 Conflicts of Interest

Since some members of the board of directors are also entrepreneurs and board members of other companies in the real estate sector, potential conflicts of interest may arise with respect to the acquisition and disposal of Investment Properties. The Issuer will apply strict policies in order to avoid conflicts of interest and will enter into transactions only on an at arm’s length basis. If a conflict of interest cannot be avoided it will be disclosed.

### 7.6 Corporate Conduct

Election terms: Members of the board of directors will be elected / re-elected on an annual basis for a term of one year by the annual ordinary general meeting of shareholders of the Issuer.

Signatory powers: The Issuer applies a strict policy of segregation of duties. No one shall be granted sole signatory power.

Audit committee: The Issuer does not have an audit committee as the company is not listed on a stock exchange.

Employees: The Issuer may hire own personnel to strengthen operational capacities at its domicile and will hire further personnel for its planned subsidiaries in the countries where Investment Properties will be acquired.

### 7.7 Dividend payments

The issuer will primarily use profits to accumulate and retain sufficient reserves to manage risks in connection with real estate, to enable the trading of Tokens on Crypto-Exchanges licensed for trading with and accepting Security Token, once available, and to further develop real estate related Blockchain applications. The issuer reserves the right to use accumulated reserves in excess of the aforementioned purpose for the distribution of dividends at his sole discretion.
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. The Issuer will pay through the allocation of 800’000 Tokens issued at CHF 0.00 plus additional proceeds from the Offering.

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

7.9 Litigation

There is no pending litigation.

7.10 Major changes

There are no major changes.
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 of 25 years (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 Western, Northern and Eastern 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.

For the avoidance of doubt: Whilst interest payments and the Repayment Amount are partially linked to the performance of the portfolio of Investment Properties, the Issuer is not obliged to invest the net proceeds of the STO in full into Investment Properties at any time. Parts of the net proceeds will also be used for covering costs incurred in relation to this Offering and the development and implementation of the CROWDLITOKEN platform and the CROWDLITOKEN eco-system and in order to build up a liquidity reserve portfolio of the Issuer.

2 LAW GOVERNING THE TOKENS

This Offering is governed by the laws of the Principality of Liechtenstein.

3 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 Tokens (as defined below) the conditions set-out in the Terms and Conditions, Condition 12, are met.

4 FORM OF SECURITIES

The entirety of the Tokens issued during the Offering are issued in the form of book-entry securities (Wertrechte), and investors shall at no time have the right to demand
(i) conversion of Tokens into physical securities and/or (ii) delivery of physical securities.

Crowdlitokens issued during the course of this Offering or during a Post-STO Offering (if any) shall be deemed to form part of one and the same class of securities. They are fully fungible and can be traded at Crypto-Exchanges once such exchanges or platforms are licensed for trading with Security Token and once the Tokens are listed or accepted for trading on such exchanges or platforms. Until such listing, Tokens can be traded on a bilateral (OTC) basis only.

The transfer of ownership rights in Tokens from one Tokenholder to another Tokenholder 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 by the Issuer. 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 under the Terms and Conditions of the Token. Payment to such Tokenholder shall discharge the Issuer from any obligation under the Terms and Conditions.

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.

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 and the number of Tokens allocated to the Subscriber will be reduced accordingly.

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 30 November 2019 (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 minimum issue (the “Soft Cap”) is 45’000’000 Tokens, the maximum issue (the “Hard Cap”) 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:

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

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 its website www.crowdlitoken.com.

Cancellation of Issue: The Issuer reserves the right to cancel the issue of Tokens if at Closing Date less than 45’000’000 Tokens have been firmly subscribed by Subscribers. 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 and 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), up to a total number (including the STO Issue, but excluding Tokens to be issued and allocated for CRT-Reinvest) of 1’000’000’000 Tokens. 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,
and all Tokens whenever issued shall be deemed to form part of one and the same issue.

The Post STO Offerings will be organized in tranches of 100’000’000 CRT each (the “Gates”). Each Gate will be opened when the 20-days rolling average Market Price for CRT Tokens exceeds the last officially published net market value of the Investment Properties divided by the total number of Tokens issued and in circulation (without taking into account Tokens issued for the compensation of management, staff, and third-party providers; the “Benchmark”) by a defined margin. The net market value of the Investment Properties will be published semi-annually on 30 June and 31 December of each calendar year on the Issuer's homepage www.crowdlitoken.com.

The conditions for Post STO Offerings are as follows:

- **First Gate:** If at any time after completion of the Initial Offering the CRT Market Price exceeds the Benchmark by 35%, the Issuer may issue an additional number of 97’000’000 Tokens at a price-minimum equivalent to the Benchmark to Investors and a number of 3’000’000 Tokens at a price of CHF 0.00 for the Issuer's own use.

- **Further Gates:** If at any time after completion of the first Gate issuance, the CRT Market Price exceeds the Benchmark by 25%, the Issuer may issue an additional number of 97’000’000 CRT at a price-minimum equivalent to the Benchmark to Investors and a number of 3’000’000 CRT at a price of CHF 0.00 for the Issuer's own use, provided, however, that (i) the total number of Tokens issued in a particular Gate shall not exceed 100’000’000 Tokens and, that (ii) subject to Condition 2(e) of the Terms and Conditions, the total number of Tokens issued in the course of the Initial Offering and the Post STO Issuance shall not exceed 1’000’000’000 Tokens.

Investors should note that, in addition to the 1’000’000’000 Tokens potentially issued in the STO and Post STO in total, the Issuer has the right and the obligation to issue further Tokens in an unlimited number in order to pay Interests to Investors who chose the CRT-Reinvest model (see above Section D.4).

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 and the number of CRT allocated to the Subscriber will be reduced accordingly.

The Paying Agent will hold the Subscription Price in escrow for the Issuer and the Subscribers until the minimum issue (the “Soft Cap”) of 45’000’000 Tokens has been subscribed. The Paying Agent will release the funds when the Soft Cap is reached.

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. on 14 December 2019. 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.

8 LISTING

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 available, 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 a Crypto-Exchange, (i) trading with securities tokens will be possible only on a bilateral basis and that (ii) the Issuer does not and 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.

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 six-monthly 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 six 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 have an initial term of 25 years (the “Initial Term”) and shall be repaid on 14 December 2044 (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”).

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 between Cut-off Date and Maturity Date) and Net Market Value (for properties not liquidated until 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 between Cut-off Date and Maturity Date) and Net Market Value (for properties not liquidated until 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.

“Net Liquidation Value” is defined to 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” is defined to mean the market value of an Investment Property or a portfolio of Investment Properties, as determined by an independent valuer (see Terms and Conditions, Condition 22).

Examples for calculation of Repayment Amount
Scenario A: At Maturity Date the sum of Net Liquidation Value and the Net Market Value, divided by the total number of Tokens issued by the Issuer is CHF 1.50 per Token and therefore exceeds the Nominal Value (CHF 1.00/Token) by CHF 0.50. Repayment (gross of any exchange charges) will be CHF 1.425 per Token (Nominal Value plus 85% of the excess amount).

Scenario B: At Maturity Date the sum of Net Liquidation Value and the Net Market Value, divided by the total number of Tokens issued by the Issuer is CHF 0.90 per Token. Repayment (gross of any exchange charges) will be CHF 0.90 per Token.

Scenario C: At Maturity Date the sum of Net Liquidation Value and the Net Market Value, divided by the total number of Tokens issued by the Issuer is CHF 0.65 per Token. Repayment (gross of any exchange charges) will be the Minimum Repayment Amount of 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 or equal to 0.70 per Token).

The right of Tokenholders against the Issuer to receive payment of the Minimum Repayment Amount on any Maturity Date (and to receive interest payments) is subject to a contingent write-down (“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 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 on a gone-concern basis (i.e. at liquidation values) if not remedied without delay. A write-down is made to the extent, and only to the extent, required to remedy the trigger conditions. A Contingent Write-Down does not constitute an Event of Default (as defined by the Terms and Conditions, Condition 13).

Rights of Tokenholders subject to a Contingent Write-Down will be fully restored if the trigger conditions are no longer met prior to Cut-off Date. Until that time the Issuer is barred from distributing any dividends to shareholders. As a result of any such write-down Tokenholders may lose temporarily or permanently all or some of their investment.

11 INFLUENCE OF UNDERLYING ON VALUE OF TOKENS

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

Detailed information about the portfolio of Investment Properties held by the Issuer or any of its subsidiaries will be disclosed in the annual accounts of the Issuer and will also be available for Tokenholders through the CROWDLITOKEN eco system. However, Tokenholders do not have any direct interest in, or beneficial ownership of, any Investment Property at any time.

The value of the Tokens will be influenced by the underlying portfolio of Investment Properties. Specifically, the value of the portfolio of Investment Properties at Maturity Date will determine the Repayment Amount, unless the value is lower than or equal to the Minimum Repayment Amount of CHF 0.70/Token in which case Tokenholders will receive the Minimum Repayment Amount. The value of the portfolio of Investment
Properties will be determined by an independent valuer based on the portfolio’s performance (rental yields, vacancies, operational cost, maintenance) and will depend on the location, age, type of use, terms of tenancy agreements, general market conditions in relevant real estate markets, the interest rate level prevailing at that time, the applicable discount rate, the valuation method used by the independent valuer and (for properties outside of Switzerland) the foreign exchange rate of the local currency vis-à-vis the CHF (as the currency of the CROWDLITOKEN) prevailing at the time of the valuation. Depending on these or other factors Tokenholders may or may not receive more than the Minimum Repayment Amount.

For the avoidance of doubt: Whilst the Repayment Amount is linked to the 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 CRT platform and the CRT eco-system. In addition, the Issuer will invest a portion of the proceeds in order to build up a liquidity portfolio 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 portfolio may be higher if and as long as no appropriate properties for investment can be found or are available). Tokenholders do not have any direct interest in, or beneficial ownership of, any Investment Property at any time.
F. TAX INFORMATION

The following information on tax issues arising in relation to the STO and the Tokens is for information purposes only. Tax rules and regulations applicable to STOs and Tokens are not fully settled yet, and it is safe to assume that rules and regulations will change over the term of these Securities and/or that their interpretation will evolve. The following information does not constitute tax advice in relation to Tokenholders or any other party. Each Tokenholder should seek professional advice to fully understand the tax implications of an investment in Tokens for him or her personally.

1 WITHHOLDING TAX

Liechtenstein currently does not levy any withholding taxes on dividends and interests.

2 NATURE OF THE INCOME ON CRT

The Issuer has not confirmed the nature of the income paid on the CRT with the Liechtenstein tax authorities. The Liechtenstein tax authorities might come to the conclusion that the payments on the CRT do partly or fully qualify as dividend payments or interest.

3 TAXATION OF INVESTORS

The following is a general description of certain tax considerations relating to the purchasing, holding and disposing of CRT. It does not purport to be a complete analysis of all tax considerations relating to the CRT. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular Tokenholder. It is therefore not intended to be, and should not be construed to be, legal or tax advice to any particular Tokenholder. The discussions that follow for each jurisdiction are based upon the applicable laws in force and their interpretation on the date of this Prospectus. These tax laws and interpretations are subject to change that may occur after such date, even with retroactive effect.

It is the own and sole responsibility of the Subscriber or Tokenholder to assess the tax consequences of an ownership or transfer of CRT or the potential buyback of CRT by the Issuer and to pay any and all taxes resulting from such ownership, transfer or a potential buyback of CRT by the Issuer.

Prospective purchasers are advised to consult with their own tax advisers concerning the comprehensive tax consequences of their ownership of Tokens. No information provided in this Prospectus and/or on the CROWDLITOKEN website constitute tax advice which could lead to any form of responsibility or liability by the Issuer by any means.

4 INVESTORS RESIDENT IN LIECHTENSTEIN

Individual investors are regarded as resident in Liechtenstein if they are residing within Liechtenstein with the intention of staying permanently (i.e. domicile in Liechtenstein). In addition, individuals with habitual abode within Liechtenstein are deemed resident for tax purposes if they are residing in the country for more than six consecutive months. For individual investors domiciled in Liechtenstein, the ownership in CRT is
subject to property tax and realized interest income and capital gains from CRTs should be tax-free.

A legal entity is resident in Liechtenstein if its legal seat (as provided for in its statutes, articles of associations etc.) or effective place of management is in Liechtenstein. The term “effective place of management” means the place where the effective management of the entity is located. Legal entities domiciled in Liechtenstein that hold CRTs are required to pay tax on realized interest income and capital gains from bonds.

5 INVESTORS NOT RESIDENT IN LIECHTENSTEIN

Non-resident individual investors should not be treated as having a permanent establishment in Liechtenstein for the sole reason of them purchasing, holding or selling CRT and accordingly neither capital gains nor any income which may be generated by a non-resident individual investor should be subject to taxation in Liechtenstein.

Non-resident legal entities should not qualify as tax residents in Liechtenstein for the sole reason of them purchasing, holding or selling CRT as long as the income and capital gains are not derived through a permanent establishment in Liechtenstein.

6 OTHER JURISDICTIONS

The taxation and other tax effects for an investor from purchasing, holding or selling CRT or receiving income on CRT essentially depend on the tax legislation in the investor’s country of domicile. For this reason, each potential investor is advised to consult on the laws and regulations applicable to the purchase, holding and sale of CRT and income on CRT at his place of residence.

Neither the Issuer nor the paying agent can assume any responsibility for the individual tax consequences for the investor resulting from the purchase, holding or sale of CRT or receiving income on CRT.

7 SWISS SECURITIES TRANSFER TAX

CRT qualify as taxable securities within the meaning of the Swiss securities transfer tax law. The issuance of the CRT is exempt from Swiss securities transfer tax but secondary market trading of CRT might be subject to Swiss securities transfer tax if a Swiss or Liechtenstein securities dealer (as defined in Article 13 Paragraph 3 of the Swiss stamp duty law of 27 June 1973) is involved in any transaction with CRT.

8 CORPORATE TAXATION

The Issuer is subject to unlimited tax liability in Liechtenstein. Income from real estate is generally taxed in the jurisdiction where the real estate is located.

When structuring the real estate investments, the Issuer shall use reasonable efforts to maximize the after tax return for the Tokenholders.

The Issuer will analyse the tax implications of each envisaged real estate investment. The corresponding analysis is to be made in advance and, if necessary, the Issuer will seek professional advice in order to confirm such analysis by means of an external opinion. The Issuer may, in its discretion but in the best interest of any or all of the Tokenholders, make a real estate investment either directly or indirectly through one
or more subsidiaries, depending on country-specific characteristics including legal, 
regulatory, tax or other requirements.

The Issuer shall use its reasonable efforts to avoid a tax liability of the investors 
because of the real estate investments. The incurrence of a tax liability shall in no way 
indicate that the Issuer has failed to comply with this covenant.

In addition, tax rules concerning real estate investments might be subject to change 
and such change may therefore have an impact on the overall investment return.

9 FATCA / CRS

Pursuant to the prevailing rules relating to FATCA, CRS, and any similar current or 
future legislation, regulation or guidance enacted, promulgated or issued by any 
jurisdiction, tax authority or international organisation which implements or seeks to 
implement a similar tax reporting and/or tax withholding regime or any related 
intergovernmental agreement (“Information Exchange Rules”), the Issuer may be 
required to disclose information in relation to the Investors to national or international 
authorities.

Each Investor will be required to provide information to the Issuer so that it is able to 
comply with the documentation and reporting requirements under applicable 
Information Exchange Rules and any associated legislation and/or regulations, and if 
an Investor fails to provide such information, such Investor may be required to bear the 
costs of non-compliance or may be rejected or withdrawn as an Investor in CRT. 
Additionally, the Issuer will have full authority to take any steps as it determines in its 
sole discretion are necessary or appropriate to mitigate the consequences to the 
other Investors of a non-complying investor’s failure to provide information.
G. DOCUMENTS INCORPORATED BY REFERENCE

No documents incorporated by reference.
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 countries of Western, Northern and Eastern Europe.

b. TERMS AND CONDITIONS OF THE CROWDLITOKENS

1 SCOPE

(a) These Terms and Conditions (the „Terms and Conditions”) shall apply to the public offering of digital tokens (referred to as “Crowdlitoken”, “CRT”, or “Token”) whereby each Token represents a derivative security with features of a structured bond (the “Offering”) in –

   (i) the Principality of Liechtenstein (“Liechtenstein”);

   (ii) in member states of the European Economic Area („EEA”) where the competent authority of the host member state has been notified in accordance with article 18 of the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the „Prospectus Directive“); and

   (iii) in jurisdictions which are not a member state of the EEA (a “Third Country”), provided the public offering of Tokens is permissible under Applicable Law in such Third Country, in which case the Terms and Conditions shall apply in conjunction with the relevant country schedule annexed to the Terms and Conditions.

(b) Unless otherwise agreed by the parties, the Terms and Conditions shall not apply to the offering or sale of Tokens if such offering or sale does not qualify as a public offering under Applicable Law (as defined by Condition 20).

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 minimum issue (the “Soft Cap”) is 45’000’000 Tokens, 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 Bloomberg (www.bloomberg.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 3% 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 6185567 Token, for purposes of compensation of the Issuer’s management and staff involved in the structuring and execution of the STO.

(vi) Issuance for Third Party-Compensation: The Issuer reserves the right, to be exercised at its sole discretion, to issue a total number of 800’000 Tokens at a price of CHF 0.00 for purposes of compensation of 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 30 November 2019 or the date at which the maximum issue (the “Hard Cap”) of 206’985’567 Tokens has been subscribed (the “Closing Date”). The Issuer reserves the right to postpone the Closing Date until 12 April 2020 by submitting a supplement to this Prospectus if so required by applicable law. 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. All Tokens whenever issued shall be deemed to form part of one and the same class
of securities. Each Post STO Offering will be organized in tranches of 100’000’000 Tokens each (referred to as “Gates”) and governed by an amended or new prospectus if required by Applicable Law. Each Gate will open when the 20-days rolling average Market Price of the CRT exceeds the last officially published Net Market Value of the Investment Properties (all terms as defined by Condition 22) divided by the total number of Tokens issued and in circulation (the “Benchmark”) by a defined margin. The Net Market Value of the Investment Properties will be published semi-annually as per 30 June and 31 December of each calendar year.

Subject to the Issue of additional Tokens for allocation to CRT- Reinvest in accordance with Condition 2(e), the total number of Tokens to be issued in the course of this STO and any Post STO Offering shall not exceed the total aggregated number of 1'000'000'000 Tokens.

(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 if at Closing Date less than 45’000’000 Tokens have been firmly subscribed by Subscribers. 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 FORM OF SECURITIES

The Tokens are digital tokens which each represents a derivative security with features of a structured bond. The Tokens are issued in the form of book-entry securities (Wertrechte), investors shall at no time have the right to demand (i) conversion of Tokens into physical securities and/or (ii) delivery of physical securities.

Crowdlitokens issued during the course of this Offering or during a Post-STO Offering (if any) shall be deemed to form part of one and the same class of securities. They are fully fungible and can be traded at Crypto-Exchange, once such exchanges or platforms are licensed for trading with Security Token and once the Tokens are listed.
or accepted for trading on such exchange or platform. Until such listing, Tokens can be traded on a bilateral (OTC) basis only.

The transfer of ownership rights in Tokens from one Tokenholder to another Tokenholder 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. 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 out of the Token. Payment to such Tokenholder shall in each case discharge the Issuer from payment obligations under this Prospectus.

5 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.

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.

6 TRADING

The Issuer will undertake best efforts to make Tokens tradable on one or more Crypto-Exchanges or regulated markets, subject to the availability of such exchanges or platforms for trading security tokens (such as the CRT Token) and in accordance with Applicable Law. Tokenholders understand and acknowledge that –

(i) notwithstanding all efforts the Issuer cannot ensure that the Tokens will be admitted for trading at an exchange or a platform, and nothing in this Prospectus shall be construed as constituting a warranty or promise to that effect; and

(ii) unless and until Tokens are admitted for trading at an exchange or a platform trading with Tokens will be possible only on a bilateral basis.
Where Tokens are admitted for trading by a Crypto-Exchange or a regulated market, trades will be executed in accordance with the rules and regulations of the relevant exchange or platform and settled by way of transfer on the CROWDLITOKEN platform.

The Issuer has the right, but not the obligation, to repurchase Tokens from Tokenholders in the secondary market, provided the Token's Market Price (as defined by Condition 22) is less than 75% of the Net Market Value per Token (as defined by Condition 22). A repurchase is made at market conditions with the consent of the Tokenholders; it does not constitute a call option of the Issuer.

7 ADMINISTRATION CHARGES

The Issuer applies and deducts, directly or through Subsidiaries holding Investment Properties, inter alia, the following costs and charges and each Tokenholder acknowledges and agrees to such charges:

(i) Property administration charge: A charge of 0.75% per annum on total assets. The charge will be accounted for in the accounts of each Investment Property acquired with proceeds from this STO.

(ii) Annual performance bonus: A bonus of 15% p.a. on Net Property Income (as defined by Condition 22, but before taxes and property administration charge on each property) of each Investment Property to the extent the return on such Investment Property, defined as the net property income in percent of the net acquisition price, is higher than 5% p.a. The charge will be debited to the accounts of each Investment Property and determined based on audited annual financial statements of each Investment Property.

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 3% of the Minimum Repayment Amount of the Tokens allocated to such property.

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 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 first Business Day of each month. The first payment of three (3) monthly installments of Fixed Interests shall be made 90 days after Final Settlement Date or on the first Business Day thereafter.

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 half-yearly accounts. 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 first Business Day 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 30 days after approval of the relevant accounts or on the first Business Day thereafter.

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.

9 TERM AND REPAYMENT

9.1 MATURITY DATE

(a) Initial Maturity Date

The Bond shall have an initial term of twenty five (25) years after Final Settlement Date (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 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 Extended 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 Ultimate Maturity Date. Tokenholders shall be notified of the extension without delay.

9.2 EARLY REPAYMENT

The Issuer may elect, at its sole discretion, to pay off the Tokens in whole or in part, giving not less than 30 days’ notice to Tokenholders and notifying the date fixed for early repayment (the “Early Repayment Date”):

(i) if 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;

in each case together with any accrued but unpaid interests up to (and including) the Early Repayment Date.

The Issuer shall have the right to exercise the early repayment option five (5) years after the Final Settlement Date for the first time, and at any time thereafter.

A “Regulatory Event” is deemed to have occurred 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.

A “Tax Event” is deemed to have occurred if (i) 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 (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

9.3 CALCULATION OF REPAYMENT AMOUNTS

On the Early Repayment Date or on any Maturity Date, as the case may be, the Issuer shall pay to Tokenholders 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.

9.4 SETTLEMENT OF REPAYMENT AMOUNTS

On Early Repayment Date or Maturity Date, as the case may be, the Issuer shall pay the Repayment Amount in exchange to the Tokens in accordance with the remainder of this Condition.

Settlement of the Repayment Amount by the Issuer shall be made in the Currency in which payment for the subscription price was received from the Tokenholder unless the Tokenholder has notified the Issuer not later than at Cut-off Date of the election of another Currency such as CHF, EUR and ETH.

Repayment Amounts 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 the Repayment Amount 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.

Any claim for repayment at Maturity Date 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.

Subject to Applicable Law, the Issuer shall not be liable to repay the Token if (i) the Issuer is not capable of identifying the Tokenholder; or (ii) a Tokenholder failed to perform the steps required to successfully pass the KYC/AML process. Any claim for repayment of the Token against the Issuer shall be time-barred in accordance with Condition 16.
10 STATUS AND SUBORDINATION

(a) Status

The Crowdlitokens constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank pari passu among themselves. The right and claims of the Tokenholders are subordinated as described in this Condition 10(b).

(b) Subordination

In the event of an order being made, or an effective resolution being passed, for the liquidation or dissolution of the Issuer, the rights and claims of the Tokenholders against the Issuer in respect of the Tokens shall rank (i) junior to the claims of all holders of unsubordinated obligations of the Issuer and all other subordinated obligations of the Issuer, (ii) pari passu among themselves, and (iii) senior to any equity instruments (Beteiligungsrechte) of the Issuer.

In bankruptcy proceedings (Konkursverfahren) or any form of composition with creditors (Nachlassvertrag) in relation to the Issuer, the Tokenholders shall not be entitled to and shall not argue or vote as creditors of the Issuer or its estate that the Tokens rank or be treated senior, pari passu or otherwise in competition with any creditors the claims of which are senior to the Tokens.

Each creditor whose claims rank senior to the Tokens is entitled in his own right to invoke and hold the status of the Tokens pursuant to this Condition 10 against the Tokenholders and the Issuer.

11 SUBSTITUTION OF THE ISSUER

The Issuer may, without the consent of the Tokenholders, at any time substitute itself in respect of all rights and obligations arising under or in connection with the Tokens with any legal entity of which all shares carrying voting rights are directly or indirectly held by the Issuer (the “New Issuer”), provided that:

(i) the New Issuer is in the opinion of the Tokenholders’ Representative in a position to fulfill all payment obligations arising from or in connection with the Tokens; and

(ii) the Issuer has issued, on a subordinated basis as set out in Condition 10, an irrevocable and unconditional guarantee in respect of the obligations of the New Issuer under the Tokens in form and content satisfactory to the Tokenholders’ Representative.

In the event of a substitution of the Issuer, notice of such substitution shall be made in accordance with Condition 18 and any reference to the Issuer shall be deemed to refer to the New Issuer.

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 Issuer’s 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 Issuer’s 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 six-monthly 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 six 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.

13 DEFAULT

(a) Event of Default

The occurrence of any of the following events in respect of the Issuer shall constitute an event of default (“Event of Default”):

(i) Failure to pay. The Issuer fails to make, when due, any payment under the Tokens and such failure continues for ten (10) Business Days after the day on which notice of such failure is given by the Tokenholder Representative to the Issuer.

(ii) Other breach of Terms and Conditions. The Issuer fails to perform, when due, any other material obligation under the Terms of the
Tokens and such failure continues for forty-five (45) days after the day on which notice of such failure is given by the Tokenholder Representative to the Issuer.

(iii) Restructuring without assumption. The Issuer is subject to a corporate restructuring and the New Issuer fails to satisfy the conditions for a substitution of the Issuer under Condition 11.

(iv) Insolvency events. The Issuer is (or is deemed by law, a court or a regulatory authority competent under Applicable Law) insolvent or bankrupt, or a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts is agreed or declared in respect of or affecting all or a substantial part of the debts of the Issuer.

(v) Repudiation of obligations. The Issuer declares that it will not perform any material obligation under the Terms of the Bond (other than as part of a bona fide dispute as to the existence, nature or extent of such obligation).

(b) Default Notice
If any Event of Default occurs, the Tokenholders’ Representative has the right, but not the obligation, to serve a written notice of default (“Default Notice”), such notice having the effect that the Bond shall become immediately due and payable at the Minimum Repayment Amount plus accrued interest, if any, on the day the Default Notice is served.

(c) Restructuring
If the Event of Default is a failure to pay, a restructuring without assumption, or an insolvency event (as outlined above under this Condition 13(a)), the Tokenholders Representative may request the Issuer to produce a plan for a restructuring of its debt. If the Tokenholders Representative reasonably concludes that an adoption of the restructuring plan is in the best interest of the Tokenholders it shall submit the plan to the Tokenholders for approval through the voting functionality on the CRT platform or by any other means as determined by the Tokenholders Representative including through publishing of a notice on the website of the Tokenholders Representative.

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 not less than 50% of the Tokenholders participating in the vote. 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.

15 NO SET-OFF
No Tokenholder may set-off any claims arising under the Tokens against any claims that the Issuer may have against it. The Issuer may not set-off any claims it may have against the Tokenholder against any of its obligations under the Tokens.

16 STATUTE OF LIMITATIONS
Claims for payment of interests and the repayment of the Bond shall become time-barred after a period of five (5) years, calculated from their respective due dates.

17 TOKENHOLDERS REPRESENTATIVE
Dr. Helene Rebholz, Anwaltskanzlei König Rebholz Zechberger, Landstrasse 36, 9495 Triesen, Liechtenstein shall be appointed as Tokenholders Representative.

The Tokenholders Representative’s duties and competences are exhaustively described in this Prospectus and in the Tokenholder Representatives Agreement attached to this Prospectus as Annex 2.

The Tokenholders Representative is neither entitled nor obliged to assume any other duties or competences or to take or consider any actions on behalf of or for the benefit of the Tokenholders other than those or going beyond the scope of the duties and competences as explicitly described herein and in the Tokenholders Representative Agreement.

Communications from the Tokenholders Representative to the Tokenholders will exclusively occur by publishing notices on the Issuer’s website or in the CROWDLITOKEN eco-system. Such publications will be arranged for by the Issuer upon request of the Tokenholders Representative.

18 NOTICES
All notices regarding the Tokens shall be published on the website of the Issuer (where notices are currently published under the address www.crowdlitoken.com).

19 TAX
All payments made by or on behalf of the Issuer in respect of the Tokens will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental
charges of whatever nature imposed or levied by or on behalf of the Principality of Liechtenstein, unless deduction or withholding of such taxes, duties, assessments or governmental charges is required to be made by Applicable Law.

20 GOVERNING LAW AND JURISDICTION

The terms and conditions of the Tokens and the Tokens shall be governed by and construed in accordance with the laws of Liechtenstein.

Any dispute arising out of or in connection with the terms and conditions of the Tokens shall fall within the exclusive jurisdiction of the Courts of Liechtenstein.

21 SEVERABILITY

If at any time one or more of the provisions of the terms and conditions of the Tokens is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

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 are 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).

“Gate” or “Gates” are tranches of Post STO Offerings defined in Condition 2(d).
“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).

“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 Issuer’s 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 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, Italy, Luxembourg, Belgium, the Netherlands, the United Kingdom, and 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).

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

For the Board of Directors of CROWDLITOKEN AG

_________________________________  ____________________________________
(Place, Date)                              (Place, Date)

_________________________________  ____________________________________
(Reto Fierz, Chairman Board of Directors)  (Hans Kuhn, Member Board of Directors)
ANNEXE

TEMPLATE FOR SUBSCRIPTION AGREEMENT FOR CROWDLITOKENS
SUBSCRIPTION AGREEMENT FOR CROWDLITOKENS

CROWDLITOKEN AG, a joint stock company (Aktiengesellschaft) having its registered office at Austrasse 15, 9495 Triesen, Principality of Liechtenstein (the “Issuer”) offers to Subscribers Structured Bonds due 2044 in the form of digital tokens (referred to as “Crowdlitoken”, “CRT”, or “Token”) as part of a Security Token Offering (the “STO”). The Terms and Conditions of this Offering are set out in the Securities Prospectus (the “Prospectus”) to which this Subscription Agreement is attached.

This Agreement governs the identification and admission of persons eligible for acquiring Crowdlitokens, their subscription and the settlement of the issue. It shall be read in conjunction with the Prospectus. If permitted by the context and unless otherwise set forth, the terms and expressions defined in this Agreement shall have the same meaning as in the Prospectus.

1. SUBSCRIBER

Subscriptions for Tokens may be submitted by any 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 KYC/AML process in accordance with Section 2 of this Agreement.

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 CHF 40.00.

Any Subscriber is subject to additional checks and reviews by the Issuer and the Paying Agent in order to enforce regulations and policies aimed at combatting money laundering or terrorist financing. Any Subscriber shall promptly provide any information requested by the Issuer or the Paying Agent for that purpose.

Any Subscriber who fails to complete the KYC Process or who fails to satisfy KYC/AML policies of the Issuer or the Paying Agent, shall be barred from subscribing for Crowdlitokens. All payments received from such persons will be rejected and returned by the Paying Agent or the smart contract.

3. SUBSCRIPTION
Subject to the provisions of this Agreement and the Terms and Conditions, the Issuer undertakes to issue Crowdlitokens to the Subscriber, and the Subscriber undertakes to pay for the Crowdlitokens subscribed the following price (the “Subscription Price”):

- Private Sale: CHF 0.75/Token;
- Pre-Public Sale: CHF 0.80/Token;
- Public Sale: CHF 0.90/Token;
- Extended Public Sale: CHF 1.00/Token.

The Subscriber acknowledges and confirms to have received, read and understood the Prospectus and to agree to its terms, specifically as set forth in the Terms and Conditions.

The minimum amount to be subscribed by each Subscriber is CHF 100. The maximum amount for each Subscriber is CHF 20’000’000.

Subscriptions must be received by the Issuer not later than on the Closing Date.

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”). It shall hold all payments received from Subscribers in escrow until the minimum issue (the “Soft Cap”) of 45’000’000 Tokens has been subscribed. The Paying Agent will release the funds when the Soft Cap is reached.

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 the escrow account 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 0xfd404887e314e2bb8b1020666d56740ea1022. 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. 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 Bloomberg (www.bloomberg.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.

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 or otherwise due to third parties or the Issuer will be paid by the Subscriber, and the number of CRT allocated to the Subscriber will be reduced accordingly.

5. SETTLEMENT
The Paying Agent (Bank Frick, Vaduz, Liechtenstein) shall hold the funds received as Subscription Price in accordance with clause 4 of this Agreement in escrow until the minimum issue (the “Soft Cap”) of 45’000’000 Tokens has been subscribed. The Paying Agent will release the funds when the Soft Cap is reached. All payments received after this date will be at the free disposal of the Issuer.

The Issuer will issue Tokens to Subscribers not later than 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. on 14 December 2019 or the corresponding later date if the Closing Date is postponed by way of an amendment to the Prospectus. 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.

6. GOVERNING LAW AND JURISDICTION
This Agreement shall be governed by and construed in accordance with the laws of the Principality of Liechtenstein.

Any dispute arising out of or in connection with this Agreement shall fall within the exclusive jurisdiction of the Courts of the Principality of Liechtenstein.
TOKENHOLDER REPRESENTATIVE AGREEMENT

between

Crowdlitoken AG
Austrasse 15
9495 Triesen

(the Issuer)

on the one hand

and

Anwaltskanzlei König Rebholz Zechberger
Dr. Helene Rebholz
Landstrasse 36
9495 Triesen

(Tokenholder Representative)

on the other hand.

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”) 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 Security Prospectus in more detail.

II. According to the Securities Prospectus dated 12 April 2019, 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
I. The Tokenholder Representative

1. The Tokenholder Representative with regard to the CROWDLITOKEN, ISIN LI0432942626 is the law firm König Rebholz Zechberger, Attorney at Law, resp. Dr. Helene Rebholz.

II. Tasks and Competences

2. According to the Prospectus, the Tokenholder Representative has the following 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 six-monthly 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 six 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 six 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.

5. The Tokenholder Representative will request the Issuer to inform Tokenholders accordingly by publishing appropriate notices on the CROWDLITOKEN platform.

b. Contingent Write Down

6. If
   (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;
the Issuer informs the Tokenholder Representative accordingly and declares that, in accordance with the terms of the Prospectus, 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.

7. The Tokenholder Representative will request the Issuer to inform Tokenholders accordingly by publishing appropriate notices on the CROWDLITOKEN platform.

c. Event of Default

8. If the Tokenholder Representative receives, within a period of three months after a due date, notice from Tokenholders representing, all together, at least 10% of the issued Tokens, that the Issuer has failed to have made, when due, payments under the Tokens to the Tokenholders, it will send an appropriate notice to the Issuer demanding payment or explanation (Notice of failure to pay).

Following such Notice of failure to pay, the Tokenholder Representative is entitled to receive, upon request, any and all information it considers useful and to be of interest for the Tokenholders in such situation. The Tokenholder Representative may submit such information to the Tokenholders.

The Tokenholder Representative is further entitled to request that the Issuer produces a plan for a restructuring of its debt. The Tokenholder Representative may submit the restructuring plan to the Tokenholders for approval.

The Tokenholder Representative may also demand to get access to the books of the company or to have an expert of its choice review the books of the company or the restructuring plan and do submit such expert report to the Tokenholders for information purposes.

9. If the Tokenholder Representative receives, within a period of three months after a due date, notice from Tokenholders representing, all together, at least 10% of the issued Tokens, that the Issuer has failed to perform, when due, any other material obligation under the Prospectus, the Tokenholder Representative will send an appropriate notice to the Issuer demanding performance or explanation.

10. In case of an Event of Default as just described, the Tokenholder Representative has the right but not the obligation to participate in meetings of the General Assembly, the Board of Directors and the auditors of the Issuer. The Issuer is obliged to invite the Tokenholders Representative to such meetings and to provide any and all information available to the Board of Directors and concerning the financial situation and business operations of the Issuer to the Tokenholder Representative.

The Tokenholder Representative is obliged to treat information received confidential. This confidentiality obligation does not apply to the extent the Tokenholder Representative has to provide information to the Assembly of Tokenholders in order to enable the Tokenholders to pass resolutions in such Assembly.

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 cast.

d. Assembly of Tokenholders

12. The Tokenholder Representative is further, on the basis of legal provisions, entitled and obliged to demand that the Issuer convenes an Assembly of the Tokenholders, if Tokenholders representing at least 5% of the Tokens issued and stating reasons for and the purpose of such an Assembly, so require.

e. Substitution of Issuer

13. If the Issuer wishes to substitute itself in respect of all rights and obligations arising under or in connection with the Tokens with any legal entity of which all shares carrying voting rights are directly or indirectly held by the Issuer (the “New Issuer”), it will confirm and proof to the Tokenholders Representative that:
   
   the New Issuer is in a position to fulfill all payment obligations arising from or in connection with the Tokens; and
   
   the Issuer has issued, on a subordinated basis as set out in Condition 10 of the Terms and Conditions of the Prospectus, an irrevocable and unconditional guarantee in respect of the obligations of the New Issuer under the Tokens in form and content satisfactory to the Tokenholders’ Representative.

14. If the Tokenholder Representative is convinced that the prerequisites as set forth above are met, it will confirm this to the Issuer. The Tokenholder Representative is however neither obliged nor entitled to approve or consent to the substitution, which the Issuer may arrange for without the consent of the Tokenholders or the Tokenholder Representative.
f. Modifications

15. The Tokenholder Representative may consent to an amendment of the Terms of the Tokens if, in its sole opinion, 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.

III. Assembly of Tokenholders, Votings and Communication

16. Communications from the Tokenholder Representative to the Tokenholders will exclusively occur by publishing notices on the Issuer’s website or in the CROWDLITOKEN eco-system. Such publications will be arranged for by the Issuer upon request of the Tokenholder Representative.

The Tokenholder Representative is not liable for any consequences whatsoever in case the Issuer refuses or is not able to publish notices as requested by the Tokenholder Representative.

17. Tokenholders can forward notices and communication to the Tokenholders Representative to the address stated above or by email to tokenholderrepresentative@crowdlitoken.com. The Tokenholder Representative will not and is not obliged to directly communicate with each and every single Tokenholder but will, if so provided herein, act on behalf of all Tokenholders and request that the Issuer publishes notices of the Tokenholders Representative to all Tokenholders through the CROWDLITOKEN eco-system.

18. The Tokenholder Representative will, if so required herein or by law, in any event whenever votes need to be cast by Tokenholders, request that the Issuer convenes an Assembly of the Tokenholders.

Invitations to an Assembly of Tokenholders will be published on the CROWDLITOKEN eco system at least 10 working days before the date of the Assembly. Invitations will state an agenda and will provide a link to information material, if any, Tokenholders may require in order to be able to make an informed decision when voting in the Assembly of Tokenholders.

19. Assemblies of Tokenholders will 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 not less than 50% of the Tokenholders participating 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.

21. In order for Resolutions of the Assembly of Tokenholders to be valid, binding and effective, certain formalities are required as of today or may be required in future. The Tokenholder Representative will, if and to the extent possible and feasible and if and to the extent required by applicable law at the point in time where a resolution of the Assembly of Tokenholders will be passed, undertake best efforts in order to make sure that a resolution complies with such formalities. This may e.g. require that Tokenholders give proxies or provide further documentation to the Tokenholder Representative. If and to the extent, on the basis of applicable law in force when a resolution is passed, certain formalities are no longer required or if there are exemptions and/or reliefs from compliance with such formalities, irrelevant of technologies applied, Tokenholders acknowledge that it shall always be the least burdensome method or formality that applies on resolutions of the Assembly of Tokenholders. To the extent possible, any and all formalities, be that with regard to the convocation of Assemblies, the manner of casting votes or other features, are waived.

IV. Issuers Obligations

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

23. The Issuer grants the Tokenholder Representative access to the CROWDLITOKEN eco system and covenants and obliges itself to (i) allow the Tokenholder Representative at any time to post notices to the Tokenholders or (ii) to publish such notices upon request of the Tokenholder Representative.

24. The Issuer obliges itself and covenants to, at any time, support the Tokenholder Representative in order to allow her to properly perform her obligations.

V. Fees

25. The Issuer pays an annual flat fee of CHF 20’000.- (plus VAT, if any) to the Tokenholder Representative. The flat fee is understood as consideration and fee for the Tokenholder Representative accepting such task and includes 10 effective working hours. The fee is payable in advance for one year by no later than January 31 of each year. For the first year (2019) a pro-rata fee of CHF 15’000 is due and payable by no later than 30 June 2019.

26. For services exceeding 10 hours per calendar year and therefore not covered by the flat fee, the Tokenholder Representative charges on the basis of hourly rates of CHF 500.00.
27. Fees will be adjusted every three years to reflect the development of the Swiss Consumer Price Index.

VI. Termination

28. The Tokenholder Representative may resign from its office at any time and without the need to state reasons but respecting a notice period of 3 months. The Tokenholder Representative will endeavor to suggest a successor to the Issuer.

29. In case of resignation of the Tokenholder Representative or if the Tokenholder Representative becomes, for whatever reasons, unable to act, the Issuer is entitled to appoint a new Tokenholder Representative with the same tasks and competences as stated in the Prospectus and in this Agreement.

30. The Assembly of Tokenholders may, at any time and without the need to state reasons but with a majority of Tokenholders representing 75% of the nominal value of Tokens issued,

- decide to terminate the office of the Tokenholder Representative or to limit its tasks and competences; and / or to - appoint an additional Tokenholder Representative and to define its tasks and competences.

31. In case of resignation or termination, the Tokenholder Representative is not obliged to reimburse the Flat Fee already received on a pro-rata basis. Additional fees based on hourly rates are due and payable as invoiced and cannot be set off e.g. against an unused portion of the Flat Fee.

VII. Competences, Liability & Indemnity

32. The Tokenholder Representative’s duties and competences are exhaustively described in the Prospectus and this Agreement. The Tokenholder Representative is neither entitled nor obliged to assume any other duties or competences or to take or consider any actions on behalf of or for the benefit of the Tokenholders or one of them other than those or going beyond the scope of the duties and competences as explicitly described in the Prospectus or this Agreement.

Tokenholders are free to raise claims or otherwise pursue their rights individually, all or some of them together with regard to all matters not referred to the Tokenholder Representative in the Prospectus or this Agreement.

33. The Tokenholder Representative is not liable to the Tokenholders or the Issuer for any acts or failure to act and for any damage caused due to such act or failure to act except in case of gross negligence or willful intent.
The Tokenholder Representative is specifically not obliged to act if it does not receive the necessary support from the Issuer specifically with regard to the CROWDLITOKEN eco-system. The Tokenholder Representative is specifically not obliged to act and is not liable if it does not act if
the Issuer does not or no longer publish notices upon request of the Tokenholders Representative;
the Issuer does not or no longer arrange for technical possibilities to hold assemblies or to vote on the CROWDLITOKEN eco-system;
if the CROWDLITOKEN eco-system is not or no longer operative.

34. The Issuer is obliged to indemnify and hold the Tokenholder Representative and any of its partners and employees harmless in case of and against claims (including costs such as court charges, lawyers costs, cash expenses etc.) Tokenholders or third parties raise against the Tokenholder Representative as a consequence of the Tokenholder Representative holding such office, acting or omitting to act as Tokenholder Representative.

The Tokenholder Representative may at any time request that the Issuer provides securities or guarantees (e.g. bank guarantees) to the Tokenholder Representative in a form and with regard to an amount considered appropriate by the Tokenholder Representative. The Tokenholder Representative is not obliged to act and / or to perform any of its duties under this agreement if securities or guarantees requested by the Tokenholder Representative are not provided in due time and, if so, is entitled to terminate this agreement without notice.

VIII. Miscellaneous

35. If at any time one or more of the provisions of this Agreement is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

36. This Agreement is subject to the laws of Liechtenstein. Any and all claims arising out of or in context with this agreement are subject to the exclusive jurisdiction of the courts of the Principality of Liechtenstein.

Place, Date

Crowdlitoken AG
Represented by: ________________________________

Dr. Helene Rebholz
ANNEX FOR SWITZERLAND

This Annex applies to public offerings of Crowdlitokens in Switzerland to persons domiciled or incorporated in Switzerland.

1. The definition of “Paying Agent” in Condition 22, Terms and Conditions (“Definitions”) shall read as follows:

“Paying Agent” means Bank Frick & Co. AG, Landstrasse 14, 9496 Balzers (Liechtenstein) («Bank Frick») or Swissquote Bank AG, Chemin de la Crétaux 33, 1196 Gland (Switzerland) («Swissquote»).

2. Notwithstanding anything to the contrary in the Prospectus, the Terms and Conditions, the Subscription Agreement and/or any other document relating to the Offering and/or the CRT, Swissquote shall have no other obligation or duty than (i) handling subscriptions in CHF and EUR payments ordered by Subscribers holding a securities trading account with Swissquote against the fees, and subject to the conditions, published on Swissquote’s website (no ETH investments can be made through Swissquote), (ii) holding the corresponding amounts in escrow until the minimum issue (the “Soft Cap”) of 45’000’000 Tokens has been subscribed in total in accordance with the Issuer’s indications and (iii) releasing such amounts in favor of the Issuer when Swissquote has been notified by the Issuer that the Soft Cap has been reached in due time OR returning such amounts to the Subscribers without any fees deducted when Swissquote has been notified by the Issuer that the Soft Cap has not been reached in due time. Swissquote shall have no obligation to determine whether the Soft Cap has been reached or to challenge the Issuer’s indications in that regard, i.e. Swissquote will act in accordance with the indications provided by the Issuer without incurring any liability in that regard. More generally, Swissquote’s liability in relation to the Offering, the CRT and/or any act or omission of Swissquote related thereto and/or to the above obligations and duties shall be excluded to the fullest extent permitted by applicable law.