

# SHAREHOLDERS' AGREEMENT

OF

**teledisko DAO OÜ**

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This Shareholders' Agreement (hereinafter: the **Agreement**) is entered into by and between all the shareholders of

**teledisko DAO OÜ**, registry code: 16374990, having its registered office in Tallinn, Estonia (hereinafter: **DAO**),

hereinafter collectively referred to as the "**Shareholders**" and individually as a "**Shareholder**".

**Whereas,**

- (A) teledisko DAO OÜ (hereinafter: **DAO**) is organized in the form of a private limited company in Estonia, but it shall act and be governed as a decentralised autonomous organisation,
- (B) the goal of DAO is to build an organisation that externally acts as a regular company, but internally operates without a single central authority (i.e. without a single point of failure);
- (C) DAO shall promote social justice in business. Therefore, governance rights and profit shall be divided fairly among all Shareholders contributing to the success of DAO, without preferring monetary investors over the ones contributing their time and skills;
- (D) all persons wishing to join DAO are required to join this Agreement while accepting the terms and conditions of this Agreement before acquiring a share in DAO. These persons shall become official shareholders of DAO and Shareholders for the purposes of this Agreement,
- (E) this Agreement shall be applied and interpreted in conjunction with the Articles of Association of DAO and the resolutions taken by DAO votes,

**the Shareholders have agreed as follows:**

## **1. GENERAL UNDERTAKING**

- 1.1. The Shareholders acknowledge their common intent to co-operate with one another so as to ensure that DAO will be managed and operated with a view to achieve its goals and maximize its value for the Shareholders. The Shareholders must collaborate and actively contribute to the growth of the organisation and business of DAO.
- 1.2. Each Shareholder hereby unequivocally undertakes to favour any DAO vote necessary to ensure that any provision of the Articles of Association and this Agreement is given effect to, including the matter of applicable law.
- 1.3. This Agreement shall be applied and interpreted in conjunction with the Articles of Association. The Shareholders understand that the Articles of Association are amended

from time to time and the Articles of Association shall be applicable regardless of whether a Shareholder has consented to any particular amendment to the Articles of Association or not, as long as such amendment has entered into force pursuant to the applicable law.

- 1.4. This Agreement shall be applied and interpreted in conjunction with the resolutions taken by DAO votes. The Shareholders understand that the resolutions taken by DAO votes are binding regardless of whether a Shareholder has been in favour of any particular resolution or not, as long as such DAO vote is valid pursuant to the applicable law or pursuant to clause 5.6.
- 1.5. Each Shareholder hereby undertakes to take all necessary actions and execute all additional documents, if any, necessary to enforce all valid resolutions taken by DAO votes, as well as all valid provisions of the Articles of Association and clauses of this Agreement.
- 1.6. The Shareholders may, by a DAO vote, transform DAO from a private limited company into something else (e.g., a public limited company) which is more suitable for a decentralised autonomous organisation as the legal environment evolves over time. In such case, this Agreement shall be applied *mutatis mutandis*.
- 1.7. Whenever the designation of “person” is used in this Agreement, it includes all natural persons, legal persons and entities that are legally capable of being shareholders of a private limited company.
- 1.8. Whenever the designation of “DAO vote” is used in this Agreement, it legally means a resolution of the shareholders of DAO irrespective of the applicable procedure.
- 1.9. Whenever the designation of “Platform” is used in this Agreement, it includes the whole technical solution used by DAO for the management of DAO, including but not limited to managing the shareholders’ register, tokens and DAO votes.

## **2. JOINING DAO**

- 2.1. Every person can join DAO by becoming a Shareholder. The general procedure for this is as follows:
  - 2.1.1. A person shall express their interest through the Platform provided by DAO and complete the appropriate KYC and AML procedures;
  - 2.1.2. A person must accept the terms and conditions of this Agreement and confirm their agreement to automatically accede to this Agreement;
  - 2.1.3. A person must agree with the terms and conditions and data processing policy of DAO’s website and the Platform;
  - 2.1.4. A person must confirm that they will share the goal of DAO;
  - 2.1.5. A person shall satisfy also all other additional criteria set by DAO;
  - 2.1.6. DAO shall review the submitted information, require amendments, where necessary, and approve or reject the application;

- 2.1.7. Upon accepting a person as a new shareholder of DAO, DAO shall enter the person in the shareholders' register and gift or sell such person 1 DAO share with the nominal value of EUR 1;
- 2.1.8. Upon rejecting a person as a new shareholder of DAO, DAO has no obligation to explain or justify such decision.
- 2.2. Accepting or rejecting a person as a new shareholder of DAO is in the competence of the management board and does not need a DAO vote. However, with a motivated DAO vote, it is extraordinarily possible to accept a rejected person as a new shareholder of DAO. By a DAO vote, it is also possible to prevent certain persons from becoming a new shareholder of DAO by setting obligatory guidelines (e.g., prohibiting the acceptance of persons from certain countries) for the management board.
- 2.3. A person shall be considered to be a shareholder of DAO and a Shareholder for the purposes of this Agreement as of the day that person is entered in the shareholders' register of DAO.
- 2.4. DAO shall submit the full list of Shareholders and any amendments to it to the Estonian commercial register, or any other appropriate register, in accordance with the applicable law. The Shareholders acknowledge that the full list of Shareholders, including the Shareholders' names, shall be public information, as well as the information on the number of votes each Shareholder had and which position each Shareholder had taken during every DAO vote taken.
- 2.5. The Shareholders commit to update their information in the shareholders' register at least once a year and any other time whenever DAO deems it necessary.

### **3. SHAREHOLDER CLASSES**

- 3.1. The Shareholders are divided into three classes with different rights and obligations pursuant to the Articles of Association of DAO, as follows:
  - 3.1.1. The Shareholders that are Regular Investors;
  - 3.1.2. The Shareholders that are Impact Investors;
  - 3.1.3. The Shareholders that are Contributors.
- 3.2. Each person becoming a Shareholder shall be considered as a Regular Investor at first.
- 3.3. A Shareholder's status can be changed only by a DAO vote.
- 3.4. The Regular Investors are the Shareholders with a right to receive dividends in accordance with the Articles of Association of DAO and this Agreement. They do not have voting rights.
- 3.5. The Impact Investors are the Shareholders with a right to participate in DAO votes and receive dividends in accordance with the Articles of Association of DAO and this Agreement.

- 3.6. The Contributors are the Shareholders with a right to contribute time to DAO, initiate DAO votes, participate in DAO votes and receive dividends in accordance with the Articles of Association of DAO and this Agreement.

#### **4. USE OF TOKENS**

- 4.1. A Shareholder's contributions to DAO, made either in assets (e.g., money or virtual currency) or time, are rewarded by other Shareholders with widening the special rights granted to it. The scope of special rights granted to each Shareholder at any given moment can be automatically determined with the Platform by using blockchain technology (i.e., tokens).
- 4.2. Tokens are machine-readable units of measurement of Shareholders' contributions to DAO. 1 token corresponds to a contribution worth 1 euro. The value of a contribution in euros and the time of minting the corresponding tokens shall be decided by a DAO vote.
- 4.3. The conditions setting which tokens are taken into account and which tokens are excluded while determining scope of special rights granted to each Shareholder are provided for in the Articles of Association and this Agreement.
- 4.4. Tokens are not issued by DAO. Tokens are not assets of DAO, unless acquired from a Shareholder or a third person.
- 4.5. The ownership or possession of tokens does not grant any rights or obligations related to DAO or the Shareholders to a person who is not a shareholder of DAO.
- 4.6. The Shareholders or DAO shall not be responsible for the tokens, and the risk associated with the tokens is fully transferred to each successive person in possession of the tokens after the very first transfer of the respective tokens to a Shareholder.
- 4.7. In the event of a legal successor of a Shareholder, DAO shall update its shareholders' register accordingly, but it shall not have any obligations regarding the tokens or blockchain addresses containing the tokens belonging to the predecessor. DAO shall not be liable or otherwise accountable if the successor of a Shareholder is not able to access the respective tokens and effectively loses in the scope of special rights granted to their predecessor.
- 4.8. There are never more tokens than there are contributions made to DAO, considering that 1 token corresponds to EUR 1 worth value contributed.
- 4.9. The Shareholders have agreed that only one personal secure blockchain address can be entered in the shareholders' register (i.e., whitelisted by DAO). This restriction shall not apply to the Impact Investors. The Shareholders shall not try to add blockchain addresses that are out of their control or otherwise contain virtual assets of multiple persons (e.g., incompatible exchange addresses, pooled addresses, incompatible custodial addresses). DAO has the right to double-check the adherence to this restriction at any time (e.g., by asking to do a back-and-forth test transaction). If a Shareholder needs to change its blockchain address entered in the shareholders' register, it shall submit an application to DAO, and the latter shall vote upon accepting or rejecting it.

- 4.10. Where undoubtably necessary (e.g. failure of a blockchain), DAO may substitute tokens.

## **5. GOVERNANCE OF DAO**

- 5.1. Although DAO is legally a regular private limited company with a compulsory management board, DAO is actually being managed with DAO votes.
- 5.2. The management board is obliged to execute all the lawful resolutions taken with DAO votes.
- 5.3. The Shareholders have the right to appoint and remove any member of the management board by a DAO vote at any time.
- 5.4. Whenever any managing decision is needed, the management board shall call for a DAO vote instead of deciding on its own. The same applies where the need for a DAO vote derives from an external authority (e.g., from an auditor of DAO).
- 5.5. The Shareholders that are Regular Investors and Impact Investors have waived their right to call for DAO votes. Every Contributor has the right to call for a DAO vote whenever they deem it necessary. The Contributors are prohibited from abusing that right (e.g. it is prohibited to call for DAO votes with potentially illegal outcomes or burden on DAO with unnecessary DAO votes).
- 5.6. A DAO vote is formally initiated by the management board and its outcome is recorded by the management board, making it a legally binding resolution of the shareholders of DAO. Shareholders have agreed that a DAO vote is binding for DAO and the Shareholders even if there are some formal shortcomings (e.g., it is missing a signature of a member of a management board) as long as the rights of the Shareholders are protected (e.g. the notice period and voting period times are followed) and the DAO vote does not need to be submitted to the authorities (e.g. Estonian commercial register).
- 5.7. Simple and routine resolutions can be made with a negative DAO vote (i.e. a DAO vote is decisive over vetoing, not approving something).
- 5.8. A DAO vote is being taken on the Platform provided by DAO. A DAO vote shall have a notification period and a voting period which are set out in the Articles of Association of DAO and depend on the importance of the resolution (e.g., a DAO vote for a Christmas event has shorter periods compared to a DAO vote for a profit distribution).
- 5.9. Thresholds for the successful approval of a resolution by a DAO vote are provided for in the Articles of Association of DAO.
- 5.10. DAO votes shall always take place online without calling meetings. Shareholders undertake not to call shareholders' meetings. If the shareholders' meeting is unavoidable pursuant to law, the meeting shall take place online.
- 5.11. In the event of a hack (i.e., intentional or unintentional misuse of blockchain that relates to the DAO operating system, including but not limited to blockchain transactions with tokens and DAO votes), all appropriate online functions of DAO shall be shut down to protect DAO. The management board of DAO shall take all the necessary measures to set up a temporary DAO voting capacity so that DAO can decide on further steps with DAO

votes. Such temporary DAO voting shall be based, as an exception, on voting rights that were applicable at 00:00:00 o'clock Estonian time in the morning of the beginning of the hack. All events related to the blockchain, including but not limited to transactions with tokens, DAO votes, acquiring or abandoning a shareholder's status, are void from the aforesaid moment of time unless DAO approves them afterwards. Advance notice periods for upcoming DAO votes and voting periods themselves may be considerably shortened during the deployment of the temporary DAO voting capacity.

## **6. REWARDING CONTRIBUTORS FOR TIME**

- 6.1. A Shareholder that is a Contributor is rewarded by other Shareholders by widening the special rights granted to them for their time spent for the benefit of DAO.
- 6.2. Each Contributor shall be assigned time units based on the principle that 1 unit corresponds to contributed time worth EUR 1. An applicable time unit depends on the task that a Contributor is performing, for example, time units for travelling to a conference and presenting at a conference are different.
- 6.3. Time units are reviewed once a year before the end of the first quarter. If time units are not changed by a DAO vote, they shall be automatically adjusted on the first day of the second quarter by the change in the European Union Consumer Price Index for the previous year.
- 6.4. The Contributors are obliged to track their time spent for DAO with a time tracking system on the Platform. Only the time spent on tasks that are eligible for the respective project will be taken into account by DAO. At least in the beginning of each month, the eligible time spent by the Contributors is added up and a DAO vote is called to approve the outcome. Upon a favourable DAO vote, the special rights granted to the Shareholders are reviewed and corresponding tokens are minted to the Contributors' blockchain address entered in the shareholders' register (i.e., whitelisted by DAO).

## **7. VOTING RIGHTS**

- 7.1. Voting rights are not distributed evenly among the shareholders of DAO.
- 7.2. The Shareholders that are Regular Investors have waived their right to vote. Consequently, only the Shareholders that are Impact Investors or Contributors can participate in a DAO voting.
- 7.3. The Shareholders have agreed that in addition to the allocation of shares, also the scope of special rights granted to each Impact Investor and Contributor is taken into account while determining the voting power.
- 7.4. The scope of special rights granted to each Contributor and Impact Investor shall be determined automatically in a machine-readable way by using tokens at the Shareholders' blockchain addresses entered in the shareholders' register (i.e., whitelisted by DAO). The Shareholders have agreed to exclude all other tokens from the determination of the scope of special rights granted to each Shareholder. Additional restrictions and exclusions may be provided for in the Articles of Association.

- 7.5. The voting rights of an Impact Investor and a Contributor who has not exercised its rights and obligations with respect to DAO with due diligence or has lost the confidence of the Shareholders for any other reason (has created mistrust), can be suspended for an indefinite term by a DAO vote. A Shareholder subjected to such action shall agree with the described restriction with regard to their voting rights, and if necessary, shall also additionally waive their right to vote.
- 7.6. The Shareholders' voting rights will be fixed at a moment the DAO vote is announced. No subsequent transfers of shares and tokens, or amendments to powers of attorney or to the status of a Shareholder shall be taken into account.
- 7.7. A Shareholder can be excluded from a DAO vote on the basis of the criteria provided for in the Articles of Association. A Shareholder subjected to such action shall agree with the described restriction with regard to their voting rights, and if necessary, shall also additionally waive their right to vote.
- 7.8. A Contributor may delegate their voting right only to another Contributor. An Impact Investor may delegate their voting right to a Contributor or to another Impact Investor. A power of attorney shall be given via the Platform provided by DAO. Only the powers of attorney existing before a DAO vote is announced shall be taken into account for the given DAO vote. Further delegating the received right to vote is not allowed. If the Contributor decides to participate in the DAO vote personally, the delegation is not taken into account for the given DAO vote. A power of attorney shall be disregarded if the principal's or agent's voting rights have been suspended in accordance with clause 7.5, or if the principal or agent shall not vote in accordance with clause 7.7.

## **8. RIGHT TO PROFIT DISTRIBUTION**

- 8.1. Rights to profit distribution are not allocated evenly among the shareholders of DAO.
- 8.2. The Shareholders have agreed that in addition to the allocation of shares, also the scope of special rights granted to each Shareholder is taken into account while determining the payment of dividends.
- 8.3. The scope of special rights granted to each Shareholder shall be determined automatically in a machine-readable way by using tokens at the Shareholders' blockchain addresses entered in the shareholders' register (i.e. whitelisted by DAO). The Shareholders have agreed to exclude all other tokens from the determination of the scope of special rights granted to each Shareholder. Additional restrictions and exclusions may be provided for in the Articles of Association.
- 8.4. The shareholders' rights to profit will be fixed at the moment the DAO vote for the profit distribution is announced. No subsequent transfers of shares and tokens, or amendments to powers of attorney or to the status of a Shareholder shall be taken into account.
- 8.5. The proportion of profit being distributed, if any, is decided by a DAO vote by taking into account the Articles of Association of DAO, including the rules concerning reserves.
- 8.6. Profit shall be paid out in virtual currency to the Shareholders to their blockchain address entered in the shareholders' register (i.e., whitelisted by DAO). The Shareholders hereby accept to receive dividends in a form of virtual currency for an indefinite term.

8.7. Distribution of assets remaining upon liquidation shall be carried out by applying the rules for profit distribution *mutatis mutandis*.

## **9. RAISING ADDITIONAL CAPITAL**

9.1. Upon the need for an additional capital, a DAO vote shall decide the targeted amount and whether to make an open call or accept additional capital from a specific person.

9.2. The additional capital shall be transferred to DAO under specific agreements (for example, during the time of signing this Agreement, the additional capital would go to the voluntary Liquidity Reserve as the equity capital of DAO).

9.3. The Shareholder contributing additional capital shall not receive additional shares, and they shall be rewarded by other Shareholders by widening the special rights granted to them for their contribution to DAO. The value of a contribution in euros shall be decided by a DAO vote.

9.4. The use of the additional capital shall be decided by a DAO vote.

## **10. RESTRICTIONS ON TRANSFER OF TOKENS**

10.1. A Regular Investor or an Impact Investor can freely transfer their tokens between blockchain addresses and dispose of them without any restrictions.

10.2. A Contributor is bound by the following rules and restrictions:

10.2.1. tokens at their blockchain addresses, other than at the blockchain address entered in the shareholders' register (i.e., whitelisted by DAO), can be freely transferred and disposed of without any limitations;

10.2.2. before transferring the tokens that are appropriately deposited at the blockchain address entered in the shareholders' register (i.e., whitelisted by DAO) out of that address, a Contributor must offer them for sale to other Contributors at a fixed price of EUR 1 per token. An offer must be made using the Platform provided by DAO and it shall be available for 7 calendar days. Tokens shall be sold on the first come first served basis.

10.3. The Contributors acknowledge that the offering process described in clause 10.2.2 uses different blockchain features (e.g., smart contracts), and the tokens being offered to the other Contributors shall not be considered to be appropriately deposited at the Contributor's blockchain address entered in the shareholders' register (i.e., whitelisted by DAO) from the moment they are offered.

10.4. A Shareholder is prohibited from disposing of their blockchain address while it is entered in the shareholders' register (i.e., whitelisted by DAO).

10.5. A Contributor that wishes to switch their blockchain address entered in the shareholders register (i.e. whitelisted by DAO) must assure the transfer of all the tokens from the old blockchain address to the new blockchain address during the switch. This shall not apply if the Contributor has lost access to its old blockchain address and the tokens at that blockchain address will be permanently removed from circulation during the switch.



- 10.6. The persons that are not Shareholders can freely transfer and dispose of their tokens without any limitations.
- 10.7. Genesis tokens are issued due to the fact that the founder of DAO transferred the shares of teledisko GmbH to DAO for free upon establishing DAO. These tokens are distributed by a DAO vote to the initial set of shareholders of DAO and are locked for the following time period:
- 10.7.1. 50% of tokens become transferable after 2 years from the initial minting (23.07.2022);
  - 10.7.2. 20% of tokens become transferable after 3 years from the initial minting (23.07.2022);
  - 10.7.3. 20% of tokens become transferable after 4 years from the initial minting (23.07.2022);
  - 10.7.4. 10% of tokens become transferable after 5 years from the initial minting (23.07.2022).
- 10.8. Some of the genesis tokens referred to in clause 10.7 are set aside to be used for marketing and other promotional purposes in the future. The use of these tokens shall be decided by a DAO vote, but until distribution, these tokens are neither DAO's assets nor belong to any specific Shareholder and shall not be deposited at any blockchain address entered in the shareholders register (i.e., whitelisted by DAO).
- 10.9. The restrictions on the transfer of tokens do not apply to DAO. Any disposal of tokens possessed or owned by DAO shall be decided by a DAO vote.

## **11. REDEEMING OF TOKENS**

- 11.1. After a Contributor fails to sell the intended number of tokens to the other Contributors pursuant to clause 10.2.2, the Contributor may transfer the unsold tokens to any blockchain address, for example, to offer them to the public through a secondary market. If the Contributor still has unsold tokens after 53 calendar days, the Contributor may redeem them from DAO within 7 calendar days. Depending on the circumstances, a DAO vote may be needed to approve the redeeming of tokens. A Contributor can redeem the unsold tokens from DAO within 30 days only once and the number of tokens is limited to the one that the Contributor has been rewarded for contributing time to DAO during the latest 3 active months (i.e. 90 calendar days) during the latest 15-month (i.e. 450 calendar days) period. A higher number of redeemable tokens can be approved by a DAO vote.
- 11.2. Redeeming of tokens means that the time corresponding to the respective tokens shall be considered as a service provided to DAO, but not time contributed to DAO. Therefore, DAO shall redeem the tokens at the rate of EUR 1 per 1 token. Redeemed tokens shall be burnt and fee for the service shall be paid.
- 11.3. Contributors acknowledge that the process described in clauses 11.1 and 11.2 uses different blockchain features (e.g., smart contracts) and affected tokens shall not be considered to be appropriately deposited at the Contributor's blockchain address entered in the shareholders' register (i.e., whitelisted by DAO) during that time.

## **12. ISSUANCE OF ADDITIONAL SHARES**

- 12.1. Once all the existing shares of DAO have been distributed to the persons wishing to become Shareholders, DAO shall issue a new lot of shares by a DAO vote. The number of

additional shares and the person acting as a safety vault for the new shares before they are also being distributed by DAO shall be determined by the same DAO vote. At the time of signing this Agreement, the founder of DAO acts as a safety vault.

12.2. The Shareholders hereby undertake to waive all their preferential subscription rights with respect to the shares that will be issued in accordance with the previous clause for the benefit of the person appointed as the safety vault for the new shares.

12.3. The same principles shall apply *mutatis mutandis* where the necessity to issue new shares derives from a regulatory requirement to increase the share capital (e.g., if the Shareholders decide to apply for a license that requires an increase of the share capital and therefore the issuance of new shares).

### **13. RESTRICTIONS ON SHARES**

13.1. A Shareholder shall always hold only 1 share of DAO with nominal value of EUR 1. A Shareholder is prohibited to acquire additional shares.

13.2. A Shareholder may dispose their share only to DAO by gifting it back or selling it back at its nominal value of EUR 1 per 1 share, unless decided otherwise by a DAO vote.

13.3. DAO shares shall not be pledged, assigned by way of security or otherwise used as a security and shall remain free and clear of any liens, encumbrances, charges or any other third-party rights.

13.4. The restrictions on shares set in clauses 13.1 to 13.4 shall not apply to DAO or to the person acting as a safety vault for shares not yet distributed to Shareholders.

### **14. LEAVING DAO**

14.1. A Regular Investor or an Impact Investor can leave DAO any time without any restrictions by notifying DAO through the Platform and gifting back or selling back all of their DAO shares at their nominal value of EUR 1 per 1 share.

14.2. A Contributor can leave DAO by notifying DAO through the Platform and gifting back or selling back all of their DAO shares at their nominal value of EUR 1 per 1 share. This action can be taken only after the Contributor has offered all of the tokens that are at their blockchain address entered in the shareholders' register (i.e., whitelisted by DAO) to the other Contributors in accordance with clause 10.2.2.

14.3. DAO may decide, by a DAO vote, to buy back shares from a leaving Shareholder at a price exceeding the nominal value of EUR 1 per 1 share, or to allow the transfer of shares to another person.

14.4. DAO shall delete the Shareholder from the shareholders' register immediately after the Shareholder has performed their obligations under clauses 14.1 to 14.3.

### **15. EXCLUSION OF A SHAREHOLDER**

15.1. The Shareholders acknowledge that DAO and the Shareholders have the right to proceed to the court, on the grounds prescribed in the applicable law, to forcefully exclude the shareholder, that is in breach, from the shareholders' list.

15.2. Hereby the Shareholders agree that in addition to the grounds prescribed in the applicable law, also the following breaches give enough ground to exclude a Shareholder:

15.2.1. A Shareholder has not updated its information in the shareholders' register within 3 months despite the fact that DAO has sent out multiple reminders via e-mail and through the Platform (breach of clause 2.5);

15.2.2. A Shareholder has not notified DAO through the Platform within a reasonable time three times whether it supports or rejects the proposed changes to this Agreement (breach of clause 17.9);

15.2.3. A Shareholder has not consented with the changes of this Agreement within a reasonable time despite its obligation to do so under this Agreement (breach of clause 17.10).

## **16. STOCK OPTION PROGRAM**

16.1. DAO shall issue new shares to the Shareholders on 31.12.2099.

16.2. New shares shall not be distributed evenly among the Shareholders. Each Shareholder shall receive the number of new shares pro rata to the number of tokens deemed to be in their possession (i.e. that are at their blockchain address entered in the shareholders' register) on 31.12.2099.

16.3. All tokens shall be burnt immediately after the issuance of new shares.

16.4. A detailed procedure and rules for the event shall be decided in due time by a DAO vote.

## **17. ENTRY INTO FORCE AND TERMINATION**

17.1. This Agreement enters into force on October 22, 2023 on the condition that it has been consented with by the Shareholders before that date.

17.2. This Agreement shall be consented with by each and every Shareholder. The full list of Shareholders shall be determined 6 days before the date set in clause 17.1. During that 6-day period, DAO and the Shareholders shall avoid making any kind of changes to the list of Shareholders.

17.3. The full list of Shareholders (i.e., signatories) with their consents to this Agreement, in a form which can be reproduced in writing, is presented in Annex 1 of this Agreement.

17.4. At the moment this Agreement enters into force, the original shareholders' agreement of DAO that entered into force on July 18, 2022 shall be considered terminated (in accordance with clause 15.5 of the original agreement).

17.5. This Agreement shall terminate on 01.01.2100 after clause 16 is completed.

17.6. This Agreement shall be binding on every person acquiring a share of DAO from the day that person is entered into the shareholders' register of DAO and becomes a Shareholder. Such person is required to accept the terms and conditions of this Agreement

and accede to this Agreement in a form which can be reproduced in writing, before such person is entered in the register.

- 17.7. This Agreement shall cease to be in force in respect of a Shareholder once such person is deleted from the shareholders' register of DAO.
- 17.8. The Shareholders may change or terminate this Agreement at any time with mutual consent in a form which can be reproduced in writing.
- 17.9. A change to this Agreement can be proposed by 1/3 of the Shareholders. Every time a proposal to change this Agreement is announced, all the Shareholders are obliged to notify DAO through the Platform within a reasonable time whether they support or reject the proposed changes to this Agreement.
- 17.10. If 9/10 of the Shareholders have consented to a change to this Agreement, all the remaining Shareholders hereby commit to also consent with the change to this Agreement within a reasonable time.

## **18. MISCELLANEOUS**

- 18.1. This Agreement shall be applied *mutatis mutandis* during the launch of the Platform as described in the transposition provisions of the Articles of Association of DAO
- 18.2. This Agreement, except its Annex 1, is public and it shall be made available on the Internet together with the Articles of Association of DAO.
- 18.3. This Agreement constitutes the entire agreement between the Shareholders and supersedes all prior or contemporaneous agreements, representations, warranties and understandings with respect to the subject matter of this Agreement.
- 18.4. This Agreement shall be governed by and construed in accordance with Estonian law.
- 18.5. Appropriate regulations shall be applied in good faith and in accordance with the spirit of this Agreement. If an authority issues a statement or otherwise takes a position with regard to a clause of this Agreement, that position of the authority shall be taken into account in interpretation and application of this Agreement.
- 18.6. If any provision of this Agreement appears to be void, it shall not render the remaining Agreement void. The void provision of this Agreement shall be replaced with a provision deriving from law, the contents and purpose whereof is the closest to the contents and purpose of the provision which has appeared to be void.
- 18.7. All amendments and annexes to this Agreement, including the list of persons that have acceded to this Agreement after the entry into force of this Agreement, shall constitute inseparable parts of this Agreement and are included in the definition of this Agreement.
- 18.8. A Shareholder is prohibited to transfer any rights deriving from this Agreement to any third person. A Shareholder may transfer this Agreement only in its entirety and only to its successor together with all the shares of DAO it owns.
- 18.9. All disputes arising from this Agreement shall be settled by way of negotiations. Unsettled disputes shall be referred to Harju District Court [*Harju Maakohus*] in Estonia.