

# TOKEN HOLDER AGREEMENT

## WITH PARTIALLY AUTOMATED ENFORCEMENT

**Version 1.0 – 2020-02-01**

### **1 GENERAL INFORMATION**

System: Ethereum Mainnet (“**Blockchain**”), see [ethereum.org](https://ethereum.org) for further information

Base Token: Aktionariat AG Shares (“**Base Token**”), registered in smart contract 0xbc41f5259e10e36341ff0da77a5870abc698de56 (“**Base Token Contract**”)

Wrapper Token: Draggable Aktionariat AG Shares (“**Drag-Along Token**”), registered in smart contract 0xXYZ (“**Drag-Along Contract**”)

**Voting period:** 60 days starting with the initiation of an offer

**Execution Period:** 3 days starting when a Voting Period ends

**Acquisition Quorum:** 75%. During the Voting Period, the Acquisition Quorum is reached if at least 75% of all Drag-Along Tokens reside on addresses that voted “yes”. During the Execution Period, the Acquisition Quorum is already reached if at least 75% of the total votes at the beginning of the Execution Period are “yes” votes.

Parties: all current and future holders of Drag-Along Tokens (“**Drag-Along Token Holders**” or “**Token Holders**”)

Source code: the source code of the Drag-Along Contract is an integral part of this Agreement and determines how parts of this Agreement is technically enforced. It is available on Etherscan<sup>1</sup> and Github<sup>2</sup>.

Important note: The Drag-Along Smart Contract offers the functionality to “wrap” Share Tokens, returning for each wrapped token a “**Drag-Along Token**” subject to the present Terms. **Do not send Share Tokens directly to the Drag-Along Smart Contracts as such Share Tokens may be irreversibly lost.**

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<sup>1</sup>[etherscan.io/address/XYZ#code](https://etherscan.io/address/XYZ#code)

<sup>2</sup>[github.com/aktionariat/contracts/blob/b0b83eadfcc97744e2588fa35ea4f00aa9cd2269/src/DraggableShares.sol](https://github.com/aktionariat/contracts/blob/b0b83eadfcc97744e2588fa35ea4f00aa9cd2269/src/DraggableShares.sol)

## 2 SCOPE

This Agreement applies and are binding to all holders of Drag-Along Token Holders. By holding, using, accepting, owning, transferring, or directly or indirectly interacting with Drag-Along Tokens, you explicitly acknowledge and agree with the terms found in this Agreement, as amended from time to time in accordance with the Agreement.

Each Drag-Along Token represents a Base Token held under this Agreement. They are not a derivative or other financial instrument derived from the Base Token, but a technical representation of the legal arrangement described in this document. The Drag-Along Contract is a recognized sub-register of the Base Token Contract. Consequently, Drag-Along Token Holders can register themselves in the shareholder registry like direct holders of Base Token.

In case of inconsistencies between the natural language of this Agreement and the source code, the intent embodied in the source code and the deployment parameters prevails. For example, if this Agreement states that the Voting Period is 60 days, but the Drag-Along Contract was intentionally deployed with a Voting Period of 90 days, then the latter Voting Period prevails and anyone becoming aware of this inconsistency shall henceforth distribute an updated version of this document that reflects the actual Voting Period.

## 3 DRAG-ALONG (CO-SALE OBLIGATION AND ENFORCEMENT)

### 3.1 Grant

The Drag-Along Token Holders agree to sell their Drag-Along Tokens, and agree that such sale will be enforced automatically by the Drag-Along Smart Contract, in accordance with the terms set out herein (the "**Drag-Along Obligation**").

### 3.2 Initiation

Any interested buyer with enough capital can initiate an offer to acquire all (but not less than all) Drag-Along Tokens (the "**Offering Party**") from the other Drag-Along Token Holders (the "**Selling Parties**") for a specific price per Share (the "**Offering Price**", together with the further terms, the "**Drag-Along Offer**") by calling the "makeAcquisitionOffer" function in the Drag-Along Smart Contract, subject to a non-reimbursable software license fee payable as defined in the source code. By doing so, a smart contract governing the acquisition ("**Offer Contract**") is created and an according "OfferCreated" event is emitted on the Blockchain. It is the responsibility of each Token Holder to monitor the Blockchain for such events or to use a service to do so on her or his behalf.

### 3.3 Voting

After the initiation of an offer, the Voting Period starts. During the Voting Period any Drag-Along Token Holder (including the Offering Party) may call the functions 'voteYes' and 'voteNo' to vote on the Drag-Along Offer. This only affects the tokens residing on the calling address and the vote count is automatically adjusted as additional tokens arrive at this address or as tokens leave the address again during the Voting Period. Note that the total supply of Drag-Along Tokens may increase during the Voting Period as additional shareholders wrap newly tokenized shares or existing Base Tokens. After the end of the Voting Period, the Execution Period starts.

### 3.4 Execution

The Offering Party may trigger the 'execution' function on the Offer Contract enforce the acquisition at any time during the Voting Period or the Execution period. Executing the acquisition is only possible at a point in time when the Acquisition Quorum is reached, and the required funding is available. Executing the offer assigns all wrapped Base Tokens to the Acquirer and replaces them with the sales proceeds. At the same time, this Agreement ceases to be contractually binding, allowing the Drag-Along Token Holders to unwrap the sales proceeds in proportion to their tokens. (See also section 5 Termination.)

### 3.5 Cancellation

The Offering Party can cancel the offer at any time, calling the according function on the Offer Contract.

Further, anyone can contest the offer, calling the according function on the Offer Contract. This results in the offer being cancelled if the Offering Party did not make enough funds available, if the Execution Period has passed, or if the Acquisition Quorum has become unreachable under the assumption that the number of “no” votes will not decrease.

Further, anyone can make a higher counteroffer using the same acquisition currency as the current offer. Making such an offer cancels the old offer.

### 3.6 Precedence over Right of First Refusal and Tag-Along Right

For the avoidance of doubt and notwithstanding anything contained herein to the contrary, the Drag-Along Right supersedes any other right of first refusal and/or tag-along right that the Drag-Along Token Holders and any other shareholders may be a party to.

## 4 TAG-ALONG (CO-SALE RIGHT)

Each Drag-Along Token Holder grants the other Drag-Along Token Holders the right to co-sell all (but not less than all) of the Drag-Along Tokens held by such other Drag-Along Token Holder together with the selling Drag-Along Token Holder(s) to a proposed acquirer in accordance with the terms and conditions set forth herein, *provided* that the proposed acquirer would directly, indirectly or acting in concert

with third parties control more than 50% of all Shares outstanding, tokenized or not ("**Tag-Along Event**"). The selling Drag-Along Token Holder(s) shall notify the other Drag-Along Token Holder(s) as specified in section "6 Notifications".

The terms of the Tag-Along Right shall be the same consideration per Share/Drag-Along Token and otherwise the same terms and conditions as applicable to the selling Drag-Along Token Holder(s).

Each Drag-Along Token Holder wishing to exercise its Tag-Along Right with respect to its Drag-Along Tokens shall so notify the selling Drag-Along Token Holder(s) within a period of 30 calendar days from publication of the Tag-Along Event notice by the Company. If no tag-along exercise notice is submitted by a Drag-Along Token Holder within this period, the Tag-Along Right of that Drag-Along Token Holder shall be deemed to have been forfeited (*verwinkt*) with respect to this particular Tag-Along Event.

The proposed acquirer and the Drag-Along Token Holder(s) exercising the Tag-Along Right are solely responsible for its consummation. Neither the Company nor the Drag-Along Smart Contract assist in the consummation of the Tag-Along Right.

## 5 AMENDMENTS & TERMINATION

The Drag-Along Token Holders acknowledge and agree that:

- Drag-Along Token Holders holding at least 75% of the Drag-Along Tokens can amend or terminate the Drag-Along Smart Contract by migrating to a new smart contract; and
- Drag-Along Token Holders holding at least 75% of the Drag-Along Tokens shall have the right to amend or terminate the Drag-Along Token Terms,

*provided*, however, that the initiating Drag-Along Token Holders shall instruct the Company to notify the other Drag-Along Token Holder(s) in the form as set out in Section 3.3 of the amendment or termination including its terms and proposed consummation, and, in case of a Material Change (as defined below), with the notice offer all other Drag-Along Token Holders to purchase their Drag-Along Tokens at fair market value within a period of 30 calendar days from publication. If any of the other Drag-Along Token Holders disagree with the fair market value, they may request its binding and final determination for all other Drag-Along Token Holders by an experienced international accounting firm appointed by Company.

A 'Material Change' means any amendment of any of the provisions of the Drag-Along Smart Contract and/or this Agreement that affect any accrued rights of any other Drag-Along Token Holder or impose any greater liability or any more onerous obligation than in the current version.

In case of a termination or migration to a new contract, the current Drag-Along Contract ceases to be binding and all token holders are free to unwrap their tokens. At the same time, the name of the Drag-Along Tokens will automatically adjusted to reflect the new meaning of the token, for example from

“Drag-Along Company Shares” with ticker “DCS” to “Wrapped CryptoFrancs” with ticker “WXCHF” after the successful execution of an acquisition offer.

## 6 NOTIFICATIONS

To send out the notifications as required under this Agreement, the company is instructed to distribute the notification to all Drag-Along Token Holders by email in accordance with their entry in the shareholder registry as well as by making an according blockchain-based announcement in the Base Contract. No email notification is required for those Drag-Along Token Holders that explicitly opted out from being notified by email.

## 7 ADDITIONAL RISKS

In addition to the Risk Factors of Share Tokens as referenced below, there are specific risks relating to Drag-Along Token.

**The Drag-Along Smart Contract may be used by majority Shareholders or a majority of Drag-Along Token Holders to trigger the Drag-Along Right under this Drag-Along Smart Contract based on an Offer Price that is below the fair market value of the Drag-Along Tokens, or to amend or terminate the Drag-Along Smart Contract and the Drag-Along Terms. The Drag-Along Smart Contract will execute such transactions regardless of whether they are in compliance with any applicable law, this Agreement or any other legal obligations and/or restrictions that may apply, and such transaction may not be reversible. The Issuer has neither the technical means nor the legal obligation to ensure compliance with this Agreement and is, to the maximum extent permissible under applicable law, not liable for any damages and/or losses by Drag-Along Token Holders out of or in connection with the Drag-Along Tokens.**

## 8 FURTHER TERMS

For as long as this Agreement is binding, Holders of Drag-Along Tokens are always also holders of the same number of Base Tokens and are therefore also bound to the according Registration Agreement as linked to in the Base Contract. The Drag-Along Contract is a recognized sub-register according to section 3.3 of the Registration Agreement. Section 3 and all subsequent sections of the Registration Agreement also apply *mutatis mutandis* to the Drag-Along Tokens. Specifically, the Drag-Along Tokens contain the same recovery mechanism in case of loss as described in section 7 of the Registration Agreement.

## APPENDIX – HASHED TEXT

The SHA256 hash of the Agreement text will be deployed as part of the immutable terms field in the Drag-Along Contract. It serves as a blockchain-embedded proof for what was originally agreed. Later versions of this Agreement might deviate from the initial version, in particular regarding the parts that are not automatically enforced.

SHA256(TOKEN HOLDER AGREEMENT;WITH PARTIALLY AUTOMATED ENFORCEMENT;Version 1.0 – 2020-02-01;1 GENERAL INFORMATION;System: Ethereum Mainnet ("Blockchain"), see [ethereum.org](https://ethereum.org) for further information;Base Token: Aktionariat AG Shares ("Base Token"), registered in smart contract 0xabc41f5259e10e36341ff0da77a5870abc698de56 ("Base Token Contract");Wrapper Token: Draggable Aktionariat AG Shares ("Drag-Along Token"), registered in smart contract 0xXYZ ("Drag-Along Contract");Voting period: 60 days starting with the initiation of an offer;Execution Period: 3 days starting when a Voting Period ends;Acquisition Quorum: 75%. During the Voting Period, the Acquisition Quorum is reached if at least 75% of all Drag-Along Tokens reside on addresses that voted "yes". During the Execution Period, the Acquisition Quorum is already reached if at least 75% of the total votes at the beginning of the Execution Period are "yes" votes.;Parties: all current and future holders of Drag-Along Tokens ("Drag-Along Token Holders" or "Token Holders");Source code: the source code of the Drag-Along Contract is an integral part of this Agreement and determines how parts of this Agreement are technically enforced. It is available on Etherscan and Github.;Important note: The Drag-Along Smart Contract offers the functionality to "wrap" Share Tokens, returning for each wrapped token a "Drag-Along Token" subject to the present Terms. Do not send Share Tokens directly to the Drag-Along Smart Contracts as such Share Tokens may be irreversibly lost.;2 SCOPE;This Agreement applies and are binding to all holders of Drag-Along Token Holders. By holding, using, accepting, owning, transferring, or directly or indirectly interacting with Drag-Along Tokens, you explicitly acknowledge and agree with the terms found in this Agreement, as amended from time to time in accordance with the Agreement.;Each Drag-Along Token represents a Base Token held under this Agreement. They are not a derivative or other financial instrument derived from the Base Token, but a technical representation of the legal arrangement described in this document. The Drag-Along Contract is a recognized sub-register of the Base Token Contract. Consequently, Drag-Along Token Holders can register themselves in the share-holder registry like direct holders of Base Token.;In case of inconsistencies between the natural language of this Agreement and the source code, the intent embodied in the source code and the deployment parameters prevails. 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Making such an offer cancels the old offer.;3.6 Precedence over Right of First Refusal and Tag-Along Right;For the avoidance of doubt and notwithstanding anything contained herein to the contrary, the Drag-Along Right supersedes any other right of first refusal and/or tag-along right that the Drag-Along Token Holders and any other shareholders may be a party to.;4 TAG-ALONG (CO-SALE RIGHT);Each Drag-Along Token Holder grants the other Drag-Along Token Holders the right to co-sell all (but not less than all) of the Drag-Along Tokens held by such other Drag-Along Token Holder together with the selling Drag-Along Token Holder(s) to a proposed acquirer in accordance with the terms and conditions set forth herein, provided that the proposed acquirer would directly, indirectly or acting in concert with third parties control more than 50% of all Shares outstanding, tokenized or not ("Tag-Along Event"). The selling Drag-Along Token Holder(s) shall notify the other Drag-Along Token Holder(s) as specified in section "6 Notifications".;The terms of the Tag-Along Right shall be the same consideration per Share/Drag-Along Token and otherwise the same terms and conditions as applicable to the selling Drag-Along Token Holder(s).;Each Drag-Along Token Holder wishing to exercise its Tag-Along Right with respect to its Drag-Along Tokens shall so notify the selling Drag-Along Token Holder(s) within a period of 30 calendar days from publication of the Tag-Along Event notice by the Company. If no tag-along exercise notice is submitted by a Drag-Along Token Holder within this period, the Tag-Along Right of that Drag-Along Token Holder shall be deemed to have been forfeited (verwirkt) with respect to this particular Tag-Along Event.;The proposed acquirer and the Drag-Along Token Holder(s) exercising the Tag-Along Right are solely responsible for its consummation. 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If any of the other Drag-Along Token Holders disagree with the fair market value, they may request its binding and final determination for all other Drag-Along Token Holders by an experienced international accounting firm appointed by Company.;A 'Material Change' means any amendment of any of the provisions of the Drag-Along Smart Contract and/or this Agreement that affect any accrued rights of any other Drag-Along Token Holder or impose any greater liability or any more onerous obligation than in the current version.;In case of a termination or migration to a new contract, the current Drag-Along Contract ceases to be binding and all token holders are free to unwrap their tokens. At the same time, the name of the Drag-Along Tokens will automatically adjusted to reflect the new meaning of the token, for example from "Drag-Along Company Shares" with ticker "DCS" to "Wrapped CryptoFrancs" with ticker "WXCHF" after the successful execution of an acquisition offer.;6 NOTIFICATIONS;To send out the notifications as required under this Agreement, the company is instructed to distribute the notification to all Drag-Along Token Holders by email in accordance with their entry in the share-holder registry as well as by making an according blockchain-based announcement in the Base Contract. 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The Issuer has neither the technical means nor the legal obligation to ensure compliance with this Agreement and is, to the maximum extent permissible under applicable law, not liable for any damages and/or losses by Drag-Along Token Holders out of or in connection with the Drag-Along Tokens.;8 FURTHER TERMS;For as long as this Agreement is binding, Holders of Drag-Along Tokens are always also holders of the same number of Base Tokens and are therefore also bound to the according Registration Agreement as linked to in the Base Contract. The Drag-Along Contract is a recognized sub-register according to section 3.3 of the Registration Agreement. Section 3 and all subsequent sections of the Registration Agreement also apply mutatis mutandis to the Drag-Along Tokens. Specifically, the Drag-Along Tokens contain the same recovery mechanism in case of loss as described in section 7 of the Registration Agreement.) = 0xe43b9b6ba939c4c90eaf8c9194d5897cb5d76c5d75202faf00b154522c86da1a