Terms of Use

Welcome to Flattr, a product and service provided by Flattr AB, Box 4111, 20312 Malmö, Sweden ("Flattr", "we", "our", or "us").

We have developed the browser extension Flattr ("**Extension**") which can be downloaded at <u>flattr.com</u> ("**Website**") and other domains and / or App Stores. The Extension is a browser add-on that allows users to easily contribute to content they love based on a smart algorithm that measures each individual user's engagement on the websites they visit, and then automatically distributes the right amount of funds to the respective content.

A. Terms of Use in a nutshell

The following short version shall provide you with a concise overview about our rules and legal terms in connection with the use of our Services. Please note, this overview is for Your convenience only and is not legally binding.

1. Scope: To whom and what do these terms apply?

Users, that are at least 18 years old, and companies who accept these Terms.

2. When and how do we modify these Terms?

Whenever necessary, e.g. because of changes in our Services, but subject to prior notice.

3. What do I need to do to use Your Services?

Install the Extension to contribute to content, sign up for an account and select a subscription fee (and a payment account if You want to receive contributions).

4. Scope: What we offer to You when You use our Services

We offer the use of the Extension free of charge, which enables You to contribute, subject to the subscription you select, to content You love, and the possibility to receive of contributions from Users who would like to support Your content with remuneration.

5. Your obligations when using our Services

All Users:

- Do not use our Services for any purpose that is unlawful or prohibited by these Terms
- Do not flattr any illegal websites

Users receiving contribution:

- Pay the transaction fees for receiving contributions
- Inform Your users sufficiently when participating in our affiliate program

6. What are our fees?

The Extension and contribution to content is free to use.

Users receiving contributions get most of the percentage of the contribution. The remaining percent is split between us and the payment service provider. Our fees can be reviewed at https://flattr.com/faq.

7. Term and termination of this agreement

Your agreement runs for an indefinite term. Both parties, You and us, can terminate the agreement with prior notice of one (1) week before the end of Your Subscription Period. Please note, for withdrawals (within the refund period) You need to provide us with so called Know your Customer (KYC) information, due to the laws for the prevention of money laundering and terrorism financing.

8. Use and Terms of Payment Provider

For contributions we use an external payment provider (MangoPay, SA, seated in Luxembourg), that takes care of all transactions in connection with the contributions, subject to these terms and conditions.

9. Indemnification

In case any of your activities in connection with the use of our Services is illegal, infringes third party rights or breaches this agreement and this activity affects us, You must indemnify us from all third party claims.

10. Warranty in connection with defects

Your rights in connection with any defects related to our Services.

11. Limitation of liability

We distinguish between our free and our paid services. For free Services, such as the use of our Extension and contributions we have only very limited liability. For our paid Services, in particular receiving contributions, our liability is still limited but only in connection with minor breaches.

12. Miscellaneous

We hope there will be no claims and You are satisfied with our Services, but in the case of any claims, as a Swedish company, those claims are subject to Swedish law and will be settled in Swedish courts. Please note, our main language is English, in case of translation inaccuracies the English version shall prevail.

B. Terms of Use in detail

1. Scope: To whom and what do these terms apply?

These terms of use ("**Terms**") govern the use of the Extension and the processing of contributions ("**Transactions**"; Extension and Transactions together "**Services**") by contributors, content creators and content publishing companies (all together "**Users**" or individually addressed "**You**"). All Users that are natural persons must be of full legal age, meaning at least 18 years old ("**Adults**"). AS A MINOR YOU ARE NOT ENTITLED TO USE FLATTR. Please read these Terms carefully before using Flattr. By opening a Flattr account, You agree to these Terms. If You do not agree to these Terms, do not open an account or use our Services. Your own terms and conditions will only become part of this agreement if we have explicitly agreed upon this in writing.

We can agree with You on additional terms with respect to certain new functions in connection with the Extension. However, we will duly inform You of such additional terms beforehand.

We reserve the right to offer additional services. If we do so, we may provide You with additional terms.

These Terms are aimed at both end users and businesses. End users are persons who conclude legal transactions for a purpose that can be ascribed neither to their commercial nor self-employed professional activities. Businesses are either natural persons, legal entities or legally capable partnerships who exercise their commercial or self-employed professional activities when concluding a legal transaction.

2. When and how do we modify these Terms?

We reserve the right to amend and adapt these Terms with future effect. You can always request the currently applicable version of these Terms via flattr.com/contact, or access them on flattr.com/terms. We will notify You via email prior to their planned introduction, outlining any new regulations and their effective date. We will allow You a reasonable period of time, equating to at least six weeks, to declare whether You agree to the amended Terms for the continued use of Services. If You do not object within the given time period, which begins on receipt of the notification, the new regulations will be regarded by Flattr as agreed upon. We will advise You at the start of the given time period of Your right of objection, the objection period and the implications of not responding. This amendment mechanism does not apply to changes to major contractual obligations between us and You.

3. What do I need to do to use your Services?

In order to use our Services, You must:

- i. As a contributor only, install the Extension to contribute to content, and / or
- ii. sign up for an account, and / or
- iii. As a contributor only, start a subscription.

3.1 Installation of the Extension by contributors

As a contributor, You can install the Extension on Your desktop browser by clicking on the "Add to" button on flattr.com. At flattr.com/faq, You will find a list of the browsers we currently support.

3.2 How to sign up and conclusion of the agreement

Registration

You cannot use the Services without registration; the Extension for contributors will not be active without registration and active payment subscription. You can register and open an

account by including the required information truthfully in the signup form and submit this information by clicking the "Sign up" button. We will send You a confirmation of Your registration via email including the confirmation link after You have clicked the "Sign up" button. You will enter into an agreement with us as soon as You have clicked the confirmation link. If requested by us, You agree to provide us with additional information about You or Your services within a reasonable time. Failure to do so may result in Your account being terminated or suspended.

Payment Account

If you want to contribute or receive contributions, You must open a payment account, which is technically operated by our Payment Provider (Section 8), but integrated in Your Flattr account in our Services.

To open a payment account You must be either:

- a natural person being an Adult, with capacity to enter into legally binding contracts, or
- a legal person, resident or registered in a member State of the European Union or in a state that is party to the agreement relating to the European Economic Area, or registered in any other country that imposes the equivalent requirements regarding money laundering and the financing of terrorism.

Opening a payment account may require additional information, which must be provided by You. For more information on what information is required, please refer to our <u>Privacy Policy</u>.

KYC

Pursuant to the laws for the prevention of money laundering and terrorism financing, the Payment Provider (Section 8) is obliged to identify every User and to collect certain documents and information in this regard for the purpose of receiving money or withdrawing money. This so called "Know your customer" ("**KYC**") information may be needed for contributing and / or receiving contributions as well as withdrawing money from an account. For more information, please refer to our <u>Privacy Policy</u>. KYC may take up to three (3) working days. We reserve the right to refuse the registration of, or cancel an account at our sole discretion, at any time and for no reason at all.

4. Scope: What we offer to You when You use our Services

Subject of our Services is both (i) the use of the Extension free of charge, including the manual maintenance of flattered content, and (ii) the processing and receiving of contributions (the receiving of contributions against payment).

4.1 Use of our Extension

Both the installation and the use of the Extension are free of charge.

The Extension runs in Your browser on Your device and automatically collects the data necessary to flatter content. For further details on data collection and processing, please read

our <u>Privacy Policy</u>. Only websites that are on our whitelist and sites you enable flattr for will receive flattrs based on Your browsing engagement and browser history. You can review Your flattrs and You can always change them manually in Your account before a transaction has been generated. For further information on how to give flattrs, please read our <u>FAQ</u>. Upon Your proper registration with our Services, we grant to You the non-exclusive right to access and use our Services for the term of this agreement and only in accordance with these Terms. Our Service is available only to Adults, whether acting on their own behalf or as authorized employees or representatives of an entity. If You do not qualify thusly, do not attempt to register for, or use, our Services.

4.2 Processing and receiving of contributions

The main part of our Services is the contribution to content, which is free of charge for the Users contributing, but is subject to the fee for the Users receiving the contributions as stated in Section 6 of these Terms.

4.2.3 Contributions

To contribute, You need to choose a subscription for each 30 day cycle ("**Subscription Period**"). You can change the subscription amount when a new Subscription Period starts. Based on Your specific surfing behaviour, engagement, visits, manual flattrs and Your manual changes and / or restrictions – if any – Your subscription for a Subscription Period will be automatically contributed to the respective Users. The payment for the subscription is done at the beginning of the Subscription Period and normally contributions will take place after the end of each Subscription Period. In the event of a technical issue, it may happen a few days later ("**Contribution Date**").

If during a given Subscription Period a User has not engaged on any flattrable site, the respective subscription amount for that Subscription Period will not be distributed but will be carried over as the next Subscription Period's subscription amount.

4.2.3 Refunds

Within Your first Subscription Period and until the contributions have been transferred to the respective receiving Users first time, the User can obtain a refund of the subscription amount by sending a refund request via the contact form within the first 20 days of the first Subscription Period. To send the request, You must be logged in and use our contact form at flattr.com/contact in order to ensure that You are the legitimate account owner. When a refund is performed all flattrs made during that Subscription Period and any contributions that should have been made, will be cancelled.

4.2.4 Receiving contributions

As a User receiving contributions, You need to add one or more websites or social accounts (<u>find out more</u>) containing content which can be subject to flattrs. In order to withdraw any

money received You must add a valid bank account to Your profile and verify Your account (KYC). You can initiate withdrawals Yourself within Your account.

4.3 Availability of our Services

Our Services will be available for use ("system uptime") 24 hours a day, 365 days a year with 96% availability on average ("SLA"). If maintenance work is necessary and if our Services are not available for maintenance reasons, we will duly inform You. Disruptions to our Services for maintenance reasons will not be counted as part of SLA time. We will not be responsible for internet/network-related downtimes and, in particular, for downtimes in which our Services cannot be accessed due to technical or other problems outside our area of influence, e.g. force majeure, fault of third parties, etc.

5. Your obligations when using our Services

5.1 Payment of transaction fees

Users receiving contributions are obliged to pay the transaction fee as stated in Section 6 of these Terms, which will be automatically deducted from Your account each month.

5.2 Prohibited use

You are responsible for keeping Your login credentials, including Your password, confidential. This means that You do not give it to anyone else, that You do not permit or enable third parties to gain knowledge of it and that You take the necessary steps to guarantee its confidentiality. If Your credentials are lost or misused, or if You suspect that they have been lost or misused, You must notify us of this immediately via our contact form to make sure that Your account is blocked immediately.

Additionally, You agree not to use our Services for any purpose that is unlawful or prohibited by these Terms, or any other purpose not reasonably intended by Flattr. By way of example only, and not as a limitation, You agree not to use our Services:

- to add any website or social account which provides, supports or promotes illegal content, such as, but not limited to content that infringes upon third party IP rights, is libelous, defamatory, obscene, abusive, offensive, profane or otherwise violates any law or right of any third party;
- ii. for any illegal or unauthorised purpose. If You are an international user, You agree to comply with all local laws regarding online conduct and acceptable content;
- iii. to use any information obtained from our Services in order to contact, advertise to, solicit or sell to any User without their prior explicit consent;
- iv. sell or otherwise transfer Your profile.

In addition, You agree that You will not use our Services on behalf of, or at the request or instruction of, any third party. Furthermore, You will not request any third party, pay or otherwise attempt to influence any third party to manipulate or otherwise affect our Services in any manner.

5.3 Types of websites not permitted

Please note that You are not permitted to flattr or to add certain websites for legal reasons. Websites that are not permitted to be flattred or added are websites which include or promote:

- Hate speech, which includes:
 - content that incites hatred or promotes violence against individuals or groups based on race or ethnic origin, religion, disability, gender, age, veteran status, or sexual orientation / gender identity;
 - assaults the human dignity of others by insulting, maliciously maligning an
 aforementioned group, segment of the population or individual because of their
 belonging to one of the aforementioned groups or segments of the population, or
 defaming segments of the population;
 - o denial of the Holocaust.
- Hacking / cracking content and warez or the promotion of same.
- Sale of products that are replicas or imitations of designer goods or otherwise protected by intellectual property rights.
- Online gambling or online casino-related content, sale of alcohol or sale of prescription drugs.
- Pornographic or highly suggestive content or images that violate the applicable laws.
- Sale of weapons or ammunition.
- Anything that facilitates or promotes copyright infringement.
- Extreme violence.
- Promotion of illegal drugs or drug paraphernalia.
- Any other content that is illegal, promotes illicit or harmful activity, or infringes on the rights of others. This includes in particular sites that provide "how-to" information on bomb-making, lock-picking and similar topics.
- Defamatory or libelous content.
- Distribution of viruses, malware.

5.4 Breaches of Your obligations

If You breach any part of Section 5.2, we have the right to immediately terminate Your access to our Services. Any other rights we may have shall remain unaffected.

We are also entitled to immediately suspend or withdraw Your right to make any transactions from Your payment account where:

 we have reasonable grounds to believe that there may be a breach in the security of Your account details; • we suspect the unauthorized or fraudulent use of Your account details, or due to European or national law applying to us.

Where possible and reasonable, we will inform You in advance that we are intending to do so and the reasons for these actions. If such advance information is not possible or reasonable, we will inform You at the earliest opportunity after termination and in any event within the time that You would expect a transaction to take place.

Otherwise, we will not inform You where this would compromise our reasonable security measures or is otherwise contrary to any applicable law, rule or regulation.

Where the reasons for our actions then cease to exist, we will then either reinstate Your access to Your account or issue you with new account details as soon as is practicable.

5.5 Affiliate program

We offer an affiliate program to Users receiving contributions. The User implementing the affiliate program in their service is responsible for all necessary actions on their end, required by applicable data protection laws, such as but not limited to informing the User about any processing of personal data when clicking on the affiliate link. For further information regarding which data is transferred to us when clicking on the affiliate link, please refer to our Privacy Policy: https://flattr.com/privacy.

6. What are our fees?

The use of the service as a contributor is free of charge.

When receiving contributions, we charge a transaction fee of Your total monthly received contributions. Our fees can be reviewed at https://flattr.com/faq.

All fees are gross prices including the applicable Value Added Tax, if any.

7. Term and termination of this agreement

The use of our Services runs for an indefinite term. Both parties have the right to terminate the agreement with prior written notice (electronic means is sufficient) of one (1) week until the end of,

- (i) if applicable, a Subscription Period, or
- (ii) only if no Subscription Period is applicable, a calendar month.

The right to terminate the agreement for just cause remains unaffected.

Deletion of Your Account and withdrawal of budget

For a full deletion of Your account and all <u>data</u> related to it, Your payment account must be empty. All subscription of the Subscription Period in which the termination took place will be contributed according to these Terms. If there is any money in Your payment account which cannot be contributed, You must withdraw it first. Until all money is contributed or withdrawn we will block Your account for use, but are not entitled to delete Your data due to payment regulatory provisions.

Following Your withdrawal, if applicable subject to prior KYC, of the money, the credit balance of the account will be transferred without undue delay, to the User's bank account after deduction of any fees due and payable to Flattr. After having transferred the respective amount to the bank account of the User, we as well as the Payment Provider have no more obligations towards You.

8. Use and Terms of Payment Provider

For contributions we use the external third party platform MangoPay, SA, seated in Luxembourg ("Payment Provider"). All transactions in connection with the contributions are carried out by, and are the sole responsibility of, the Payment Provider.

Therefore, You must enter into a <u>Framework Agreement for Payment Services ("Payment Provider Agreement")</u> with the Payment Provider. By opting into the Payment Provider Agreement and / or clicking the signup button, You agree to the terms and conditions of the Payment Provider Agreement.

9. Indemnification

You will indemnify us from all claims, including damages claims, asserted against us by other Users or other third parties, including public authorities, due to violations of their rights due to or arising out of:

- any User's activities, practices, websites and services of any sort whether performed directly or indirectly;
- any violation of the Terms or applicable law by the User;
- the infringement by the User of any intellectual property rights or other rights of any person or entity.

You will bear all appropriate costs, including appropriate costs incurred for legal defence that we have to pay as a result of your violation of the rights of third parties. All of our further rights and damage claims will remain unaffected. You are entitled to provide evidence that we have incurred lower costs than stated.

The above-mentioned obligations will only apply if You are responsible for the violation of rights in question; in other words, if you have knowingly or deliberately omitted exercising due diligence.

10. Warranty in connection with defects

We are only liable for defects in connection with our Services provided; the impairments are not due to the restrictions in availability (SLA) described in Section 4.3.

A defect will always be deemed to exist if the suitability for contractual use is suspended or considerably restricted. Where contributions cannot be made, You must not pay any fee under these Terms.

You must immediately inform us of the defect via <u>flattr.com/contact</u>.

You are not entitled to claim damages due to a defect with our Services, or due to a circumstance for which we are not responsible – either existing when you sign the agreement or occurring thereafter.

Further claims and rights for defects to our Services – other than those explicitly named in this Section 10 – will not be recognized except if we are held liable for them by statutory provisions.

11. Limitation of liability

11.1 Free use of our services

Our liability for use of the free services is restricted to intention and gross negligence or the absence of a guaranteed characteristic. We will be fully liable in cases of intention; in cases of gross negligence and the absence of a guaranteed feature, our liability will be restricted to typical and foreseeable damage. Any further liability is excluded.

11.2 Use of the contribution of Services

We will be liable as follows for use of all Services in connection with the contributions:

(i) Claims for compensation on the part of the User are excluded from these Terms. Exceptions to this exclusion of liability are claims for compensation on the part of the Company for loss of life, bodily injuries, damage to health, the violation of essential contractual obligations (cardinal obligations) or damages resulting from a deliberate or grossly negligent breach of duty on the part of Flattr, its legal representatives or agents. Cardinal obligations within the meaning of these Terms are the obligations that ensure the proper execution of the agreement and the fulfilment of its purpose and the observance of which the users can therefore regularly rely upon.

- (ii) In case of a breach of fundamental contractual obligations, we are only liable for contract-typical, foreseeable damage caused by simple negligence, except claims made by Users for compensation resulting from loss of life, bodily injury or damage to health.
- (iii) The regulations outlined in this Section 11 (2) and (3) also apply to legal representatives and agents of Flattr if the claims are made directly against them.

12. Miscellaneous

12.1 Governing law and dispute resolution

These Terms shall be governed by Swedish law to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

If you have no place of jurisdiction in Sweden or in any other EU member state, if you have transferred your permanent domicile abroad after these Terms take effect or if your domicile or usual place of residence is unknown at the time legal action is taken, the sole place of jurisdiction for all disputes arising from this agreement will be the location of our registered offices.

The Swedish courts will have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the terms or their subject matter or formation (including non-contractual disputes or claims).

In any action or proceeding to enforce rights under the terms, the prevailing party will be entitled to recover the costs of the proceedings including, but not limited to, any reasonable legal fees and costs.

12.2. Governing language

These Terms are drawn up in the English language and may be translated into any language other than English provided that the English text will in any event prevail.

12.3 Severability

Should any individual provision of these Terms be or become invalid and / or contrary to the statutory provisions, this will not affect the validity remaining terms of these Terms. In place of the invalid, unenforceable term, the parties shall mutually agree on such valid commercial terms which the parties would reasonably have agreed otherwise. The above mentioned provision will apply correspondingly in the case of omissions in these provisions.

October 12th, 2017