

AgCrowd Financial Services Guide

Issue Date: 10 July 2020

This Financial Services Guide (“**FSG**”) outlines the important information that users (“**you**”) and each eligible offering company must consider in accessing the financial services offered by AgCrowd Pty Ltd (ACN 620 434 988) (AFSL No. 511 673) (“AgCrowd”, “**we**”, “**us**” and “**our**”).

1. Purpose and Scope

- 1.1. This FSG is designed to assist you in better understanding more specifically, the scope of financial services that AgCrowd is authorised to provide under its Australian Financial Services Licence (“AFSL”).
- 1.2. This FSG applies to users of the AgCrowd’s financial services, including individuals, businesses and any legal entities.
- 1.3. The financial services offered by AgCrowd and its affiliates include the following but not limited to:
 - a) crowd-sourced funding (CSF) service for fully-paid ordinary shares of eligible CSF companies; and
 - b) general financial product advice for financial products such as securities.
(together, **Our Services**)
- 1.4. This FSG contains information about:
 - a) financial services that we are licensed to provide;
 - b) remuneration that we and related persons receive in connection with our financial services;
 - c) information for prospective issuers and investors on their rights and access to our platform; and
 - d) internal and external dispute resolution procedures we have in place.

2. Acknowledgement

- 2.1. The website <<https://www.agcrowd.com.au/>> (“**Our Website**” or “**Our Platform**”) is wholly owned and operated by AgCrowd.
- 2.2. By accessing Our Website and/or using Our Services, you acknowledge and agree that you have read, understood and wholly accepted this FSG along with other agreements specified in section 6 (together, “**Legal Documents**”) in effect, changeable at our discretion from time to time.
- 2.3. You further acknowledge and accept that AgCrowd has the right to amend, modify, add to or delete certain terms containing in our Legal Documents at our discretion. Such amendments, modifications, additions or deletions apply to your use of Our Services as soon as they are displayed on the Website (whether or not you are aware of those amendments, modifications, additions or deletions). All subsequent usage of Our Services will be subject to the amended and most current Legal

Documents. We will endeavour to notify you of any changes to our Legal Documents via email or directly through Our Website.

- 2.4. If you do not agree with the information detailed in this FSG, we kindly request that you refrain from or cease using Our Services immediately.

3. Financial Services we are licensed to provide

- 3.1. As an Australian Financial Services licensee, we assume the role of a Crowd Source Funding (“CSF”) Intermediary and are authorised to provide CSF service to retail and wholesale clients.
- 3.2. We own and operate a registered CSF platform, namely AgCrowd, that allows companies to raise funds by making offers of their fully-paid ordinary shares on Our Platform.
- 3.3. We are authorised to provide general advice about the financial product to the public investors. Any advice contained on Our Platform or any other material provided by us has been prepared without considering your personal and financial circumstances, and is not a substitute for any disclosure document, or any other notice that may be required by law.
- 3.4. As part of our assessment of eligibility for companies to make offers on Our Platform, we may endeavour to achieve a certain level of quality in the CSF offers published on Our Platform via our filtering criteria. In accessing Our Platform, you acknowledge and agree that our filtering criteria are based on factual matters and are in no way an indication of the only or important criteria that would influence your investment decision. We expect that you, along with other investors, make investment decisions based on your own research and satisfy yourself with the terms as set out in section 4.

4. Information relevant to all investors

Eligible Investors

- 4.1. Anyone aged over the age of 18 qualifies as a ‘retail investor’. Under the *Corporations Amendment (Crowd-Sourced Funding) Act (Cth) 2017*, a retail investor may invest a maximum of \$10,000 in a single company or entity each year. Please refer to section 7.15 for our obligations to retail investors.
- 4.2. If you qualify as a sophisticated or wholesale investor within the meaning given in sections 708, 761G or 761GA of the *Corporations Act*, please contact AgCrowd directly to arrange for your account profile to be updated.

Creating an Account

- 4.3. If you wish to access Our Platform and invest in a particular CSF offer, you must create an account on Our Platform by clicking the “Sign Up” button on Our Website.

- 4.4. You must agree to the Investor Terms and Conditions to create an account and have access to Our Platform.

Expression of Interest

- 4.5. You may express interest in companies prior to the live investment period to receive updates on prospective CSF companies.
- 4.6. By expressing your interest, you are making a non-binding indication of your interest to invest in the company's CSF offer.
- 4.7. Expression of interest is in no way an indication of an investment and does not constitute any obligations or rights.

Other information

- 4.8. In accessing Our Platform, you acknowledge that we are not obliged to, nor have we undertaken due diligence on the CSF offer documents published on Our Platform. Consequently, we do not guarantee the accuracy, currency, prospects or whatsoever about the CSF offers except for what we are obliged to do, and that you are relying on the directors of the companies raising the capital to ensure the CSF offer documents are accurately prepared.
- 4.9. We do not, nor are we authorised, to provide personal or investment advice in relation to the CSF offers published on Our Platform. You are strongly encouraged to consider your own financial situation and obtain independent accounting, financial, taxation, and legal advice prior to making any investment decision.
- 4.10. The fact that we allow CSF offers to be published on Our Platform is in no way an indication of our endorsement or association with any of the companies raising funds via Our Platform.
- 4.11. Our CSF service involves early stage businesses seeking to raise capital via Our Platform. Upon making any investment decision in relation to the CSF offers on Our Platform, you acknowledge that you have:
- a) undertaken your own research;
 - b) read the CSF offer document carefully;
 - c) perused and reviewed all information available about the CSF offer;
 - d) made the necessary enquiries relating to the companies raising funds via our communication facility;
 - e) made yourself aware of the risks associated with investing in the companies' CSF offers; and
 - f) made your own assessment as to your choice of investment without sole reliance on the general information provided on Our Platform.

5. Information relevant to all CSF Eligible Offering Companies

Creating an Account

- 5.1. It is compulsory to create an account in order to access all services available on the website. Eligible offering company can create an account on Our Platform by

clicking the “Sign Up” button on Our Website. Eligible offering company must agree to the Issuer Terms and Conditions (accessible at www.agcrowd.com.au) to create an account and access the Platform.

Offer Submission

- 5.2. Once an eligible offering company’s profile has been approved by AgCrowd, it will be able to begin the process of creating its CSF offer. Details of the specifics of the CSF offer are stated in the CSG Hosting Agreement (see section 6.3).

6. Documents Relevant to CSF Service

CSF Offer Document

- 6.1. Each eligible offering company is responsible for preparing its own CSF offer document, which should contain certain minimum information prescribed under the relevant regulation.
- 6.2. All investors must read through the CSF offer document carefully before making an investment decision.

CSF Hosting Agreement

- 6.3. Each eligible offering company must enter into a CSF Hosting Agreement with us, which stipulates the arrangement and procedure for an offering company to make a CSF offer on Our Platform. The CSF Hosting Agreement is made between us and the offering company and thus, will not be disclosed to the investors. If you wish to know more about the remuneration that we receive as part of the CSF offer, please refer to Annexure 1.

CSF Investment Agreement

- 6.4. Each eligible offering company should enter into a CSF Investment Agreement with each person applying for shares under the CSF offer. The Agreement generally contains the terms and conditions on which shares will be issued, investment benefits to be delivered or fulfilled upon successful raise, and any other relevant information. By participating in a CSF offer, you agree to enter into and be bound by the terms and conditions under the Agreement.
- 6.5. We are not a party to the Investment Agreement.

7. Our Obligations

- 7.1. We are responsible to perform a range of general and specific obligations under the CSF regime in the *Corporations Act 2001* (Cth), as follows.

Gatekeeper obligations

- 7.2. As a CSF Intermediary and in recognition of our role as a ‘gatekeeper’ for Our Platform, we are required to:
 - a) perform the prescribed checks before publishing a CSF offer document on Our Platform; and

- b) not publish, or not continuing to publish, a CSF offer document on Our Platform in certain circumstances.
- 7.3. When we perform the prescribed checks before publishing a CSF offer document on Our Platform, we are obliged to conduct checks about:
- a) the identity of the company and its key personnel; and
 - b) the eligibility of the company to make an CSF offer under the Act; and
 - c) whether the CSF offer document contains sufficient information and is presented in a clear, concise and effective manner.
- 7.4. We may, depending on the circumstances and from time to time, make further inquiries if the CSF offer or the offering company is associated with illegal activities in order to protect your interest.
- 7.5. We do not and will not continue to publish a CSF document on Our Platform under the following circumstances:
- a) if we are not satisfied about the identity of the offering company or its key personnel; or
 - b) if we have reason to believe that the offering company's key personnel is not of good fame or character; or
 - c) if we have reason to believe that the offering company or its key personnel has knowingly engaged in misleading or deceptive conduct in relation to its CSF offer; or
 - d) if we have reason to believe that the CSF offer fails to meet its eligibility requirement under the CSF regime.
- 7.6. For the avoidance of doubt, a CSF offer document includes a supplementary or replacement offer document.

Other specific obligations

- 7.7. Providing certain information
- a) We will endeavour to provide you with the following information via Our Platform at all times while a CSF offer is open or suspended:
 - i) a prescribed general risk warning;
 - ii) the platform fees paid to us by the offering company and any interests that we have or intend to take in the offering company; and
 - iii) information relating to retail clients' cooling-off rights.
- 7.8. Providing an application facility
- a) We operate an application facility via Our Platform that allows you and other investors to make applications in response to any CSF offers, which will only be available while the relevant CSF offer is open.
 - b) You must only make applications in response to a CSF offer published on Our Platform through our application facility.
 - c) We do not accept responsibility or liability for any monetary loss, loss of opportunity or whatsoever loss that you may suffer or have suffered if you made applications through application facility other than our application facility.
- 7.9. Providing a communication facility

- a) Our communication facility can be accessed through Our Website/Our Platform at <<https://www.agcrowd.com.au/>>, which is designed to facilitate open communication between potential investors, the offering company and us in relation to the CSF offer.
- b) Via our communication facility, you will be able to view and write appropriate posts, enquiries, and complaints about the relevant offer in order to make your own informed investment decision.
- c) Any posts, enquiries and complaints to be published on our communication facility, whether by you or the offering company, is subject to our review and approval. Any communications that are misleading, unlawful or irrelevant to the particular CSF offer will be removed or rejected.

Obligations relating to the CSF offers

7.10. Dealing with application money

- a) Your application money will be held in a designated bank account until the CSF offer closes or is completed.
- b) If a CSF offer is successful, we will deduct any fees payable to us as stated in our hosting agreement, and pay the offering company the remainder application money received in response to its CSF offer, provided that the offering company has confirmed and provided sufficient evidence to us that it has complied with the terms of its CSF offer, including:
 - i) evidence of the fully paid ordinary shares being issued;
 - ii) any benefits relating to the investment being delivered or fulfilled; and
 - iii) evidence of the relevant record on ASIC being updated.
- c) If a CSF offer is unsuccessful, your application will be rejected and we will process a refund of your application money as soon as practicable.
- d) If you decide to withdraw your application during the cooling off period, we will process a refund of your application money to your original payment method.
- e) No interest will be paid to the offering company for the time the application money was held by us, nor will any interest be paid to you on your application money if return of funds is to be processed.

7.11. We will **close a CSF offer** under the following circumstances, whichever is earliest:

- a) three months after the CSF offer is made;
- b) any date specified in the CSF offer document;
- c) when we consider the CSF offer is fully subscribed;
- d) when the offering company withdraws its offer;
- e) when we must remove the CSF offer document from our platform subject to our gatekeeper obligations.

7.12. We will **suspend a CSF offer** under the following circumstances:

- a) when we have reasonable grounds to believe that the offering company has breached, or will be likely to breach, the terms of agreement between us and the offering company; or
- b) when we become aware that the CSF offer document is defective; or
- c) upon written request by the offering company; or
- d) when we are legally obliged to do so under the relevant laws or as ordered by ASIC or Australian courts.

- 7.13. We may **re-open a CSF offer** if the offering company prepares a supplementary or replacement offer document to correct any defect in its initial CSF offer document.
- 7.14. If you have applied to a CSF offer, we will endeavour to send the supplementary or replacement offer document to you as soon as practicable, along with a written notice enabling you to withdraw the application within 14 days after the date of the written notice.

If you are a Retail Investor

- 7.15. We have additional obligations to you if you are a retail investor, which include the following:
- a) we provide you with **unconditional cooling-off rights** to withdraw your application within five (5) business days of making your application subject to the method specified on Our Platform;
 - b) you will have a 14-day period in which you can withdraw your application and be repaid your application money if a CSF offer document is found to be defective;
 - c) we ensure that you complete an Applicant Risk Acknowledgement Statement available on Our Platform before you can make an application;
 - d) we ensure that your investment is capped at a limit of \$10,000 AUD over a 12-month period; and
 - e) we are not permitted to provide you with financial assistance, nor are we permitted to arrange financial assistance for you to acquire shares under a CSF offer that we host.

8. Remuneration

- 8.1. AgCrowd employees, associates and directors are remunerated through a salary and other benefits in connection with the financial services that we are licensed to provide.
- 8.2. Performance bonuses may be remunerated to employees, associates and directors of AgCrowd at AgCrowd's discretion.

9. Compensation

- 9.1. We have adequate professional indemnity insurance arrangements in place, which satisfies the requirements as stipulated under the Corporations Act.
- 9.2. Our insurance policy is subject to terms and exclusions, as well as cover claims made against us in relation to the financial services provided by our current and former employees.
- 9.3. Neither AgCrowd, its employees, representatives and directors make any representation or provide any warranty in relation to the CSF offer documents displayed on our Platform that they are up to date, accurate and complete. It is the responsibility of the offering company and its key personnel to ensure that their CSF

offer documents contain information that is up to date, accurate, complete and not misleading.

10. Complaints and Dispute Resolution

- 10.1. We have Internal Dispute Resolution (“IDR”) procedures in place to address any complaints about our Service.
- 10.2. Our IDR procedures are as follows:
- a) you should contact us directly in regards to any concerns you have regarding our Service via one of the communication means outlined in section 11.
 - b) we will endeavour to resolve any issues you may have within seven (7) business days.
 - c) if you are not satisfied with our initial response, we will refer your matter to our IDR Officer, who will work closely with you to investigate further and attempt to resolve your concern in a prompt and amicable manner.
 - d) if you remain unsatisfied with the response from our IDR Officer, you may wish to contact the Australian Financial Complaints Authority (“AFCA”) within two (2) years of our final response.
- 10.3. In the event of a dispute arising in respect of any aspect of our Legal Documents, the parties agree to refer the matter to our Internal Dispute Resolution (“IDR”) procedure as provided in section 10.2 and only upon failure to settle the dispute through IDR will the parties refer to the matter to the Australian Financial Complaints Authority (“AFCA”).
- 10.4. The contact details of AFCA are as follows:
- Email:** info@afc.org.au
- Mail:** GPO Box 3 Melbourne VIC 3001
- Web:** www.afca.org.au
- Phone:** 1800 931 678

11. Communication

- 11.1. We will communicate with you via email, telephone or an internal account and will never provide links to other websites that request sensitive information such as passwords and pins.
- 11.2. If you suspect an email or telephone call to be unsecure, please email us at info@agcrowd.com.au and we will endeavour to assist you as quickly as possible.
- 11.3. You are welcome to contact us to find out more information about Our Services via info@agcrowd.com.au or 1300 888 988.
- 11.4. You can access this FSG and other information on our website at <https://www.agcrowd.com.au/>.

12. Governing Law

- 12.1. Our Services are governed under Victorian Law and the non-exclusive jurisdiction of the Australian Courts.

ANNEXURE 1

REMUNERATION SCHEDULE		
NO	ITEMS	FEES AND CHARGES
1	CSF Offer Administration Fee	<ul style="list-style-type: none"> Application fee: \$500 plus GST upon submission of initial application Fixed fee: \$5,000 plus GST charged to the issuer upon completion of AgCrowd's first round of offer selection and review. The costs of which cover administration, due diligence and compliance associated with the raise campaign. Maximum of \$10,000 plus GST dependent on raise size, complexity which will be negotiated prior to commencement of campaign.
2	CSF Offer Success Fee	<ul style="list-style-type: none"> Charged to an issuer following the successful completion of a CSF offer, deducted from funds raised prior to settlement. Maximum of 10% of funds raised (plus GST) negotiated prior to the start of the raise campaign.
3	Investor Fee*	<ul style="list-style-type: none"> AgCrowd will not usually charge a direct fee to the investors, but if we do, AgCrowd will give advance notice. If AgCrowd does choose to charge the investor a fee, fees will be related to services supplied by third party providers required in the process including but not limited to identification and certification verification.
4	Interest on Application Money	<ul style="list-style-type: none"> Interest (if any) on funds held in trust will be retained by AgCrowd and will not be transferred to Issuers on offer success, or to investors if the Offer is unsuccessful.
5	Further Investment Fee	<ul style="list-style-type: none"> AgCrowd reserves the right to charge separate fees to companies and/or CSF issuers for alternative or additional services provided by a separate negotiated arrangement (i.e. marketing).
<p>*if we are required to perform extensive investigations and checks to determine an offering company's eligibility to make a CSF offer due to the complexity of its circumstances, we reserve the right to increase this fee by a separate agreement with the offering company.</p> <p>NB: we may receive remuneration for additional services that we provide in connection with our financial services. If you are an investor and would like to know further particulars of any remuneration or benefits payable to us in respect of a particular offer, we encourage you to make an enquiry with us using the contact details as stated in our FSG.</p>		