

Consumer information for distance selling and electronic contracts concluded via electronic transactions for the subscription of qualified subordinated token-based bonds designated as BB1 tokens of the Bitbond Finance GmbH

Pursuant to Sect. 312d, para. 2 German Civil Code (BGB) in conjunction with Art. 246b, sect. 2, para. 1 i.c.w. Sect. 1, para. 1 Introductory Law to the German Civil Code (EGBGB) and Sect. 312i, para. 1 BGB i.c.w. Art. 246 c Introductory Act to the German Civil Code (EGBGB), the following information will be made available to the Consumer on a permanent data carrier in a timely manner before the Consumer expresses its contractual declaration (*Vertragserklärung*), if the contract is concluded exclusively via means of distance communication (e.g., letter, electronic communication such as e-mail, internet) or in electronic business transactions

The detailed and relevant information regarding the qualified subordinated token-based bonds being offered is contained in the Securities Prospectus dated 30 January 2019, including any supplements thereto ("**Securities Prospectus**"). The Prospectus is available for download on the website www.bitbondsto.com of Bitbond Finance GmbH ("**Issuer**"). The Prospectus and the Bond Terms and Conditions form the contractual basis for a subscription of the qualified subordinated token-based bonds (the "**Bonds**"). This Consumer Information for distance selling and electronic contracts for the subscription of qualified subordinated token-based bonds designated as BB1 tokens of Bitbond Finance GmbH does not replace a careful reading of the Securities Prospectus.

INFORMATION ON	STATEMENTS
Identity of the issuer, register, register number	Bitbond Finance GmbH, registered in the Commercial Register of the Local Court Berlin-Charlottenburg under the registration number HRB 198270 B.
Loadable address, registered office, contact details	Strelitzer Straße 60, 10115 Berlin. Tel.: +49 30 5884 9219, email: invest@bitbondsto.com , website: www.bitbondsto.com
Representative	The Bitbond Finance GmbH is represented by its Managing Directors, Radoslav Albrecht and Michael Keith Pinkus, Strelitzer Strasse 60, 10115 Berlin.
Main business activity, supervision	<p>The Issuer's main intended activity is to grant loans via cryptocurrencies such as Bitcoin or Stellar Lumens to various companies of different sizes and self-employed persons. This granting of loans is performed over the online brokerage platform operated by Bitbond GmbH, on which potential borrowers are listed with the desired loan amount and loan conditions (interest rate, term). Moreover, the Issuer reserves the right to sell acquired claims from cryptocurrency loans concluded via the Bitbond platform to third parties as part of structures for securitizing receivables. Finally, the Issuer will also grant cash loans and/or loans via cryptocurrencies to Bitbond GmbH.</p> <p>There is no separate state supervision.</p>
Key features of qualified subordinated token-based bonds	<p>The Issuer will issue unsecuritized qualified subordinated token-based bonds with a nominal amount of EUR 1 each. Investors will receive a number of tokens (BB1 tokens) generated by the Issuer representing the rights attaching to the Bonds corresponding to the subscription amount of the Bonds. One BB1 token is equivalent to EUR 1.</p> <p>The token-based bonds have a qualified subordinated structure and confer equal creditor rights in relation to the creditors of the Bonds and subordinated creditor rights in relation to the claims of other creditors of the Issuer.</p> <p>The Bonds bear interest at a fixed rate of 4.00 per cent per annum (base rate) on their nominal amount. In addition to the base rate, the token-based bonds bear variable annual interest (floating interest). The bonds become due for repayment (redemption) to creditors on the first working day after June 30, 2029. The repayment and interest payments due during the term are made exclusively in the cryptocurrency Stellar Lumens corresponding to the subscribed nominal (principal) amount of the bond. Payments will be made to the person listed as the token holder in the register kept on the Stellar Blockchain or to the respective blockchain address (wallet) specified in the register.</p> <p>The other features of the Bonds are set out in the Bonds Terms and Conditions and in the Securities Prospectus and related supplements, in particular Section 7 thereof.</p>
Term	The Bond has a term ending on June 30, 2029 (inclusive)
Contractual termination conditions, contractual penalties	The investor does not have an ordinary right of termination. This does not affect the right to extraordinary termination.

The Issuer has the right to terminate the Bonds prior to maturity by giving three months notice to first end at latest on December 31, 2021 and at latest on December 31 in each case (year) thereafter (ordinary right of termination). The Issuer also has an extraordinary right of termination.

A contractual penalty is not provided for.

Conclusion of contract, Online Subscription Process

The Bonds may be subscribed for during the Offer Period by submitting a subscription request to the Issuer as part of the Online Subscription Process which is offered exclusively on the website of the Issuer www.bitbondsto.com. The management of the Issuer has full discretion in accepting the declaration to subscribe the Bonds as part of the online subscription process. Receipt of a declaration that the subscription has been accepting is not required.

Technical steps to concluding the contract and technical means to protect against input errors in the Online Subscription Process

The investor submits its subscription request by clicking on the "CONFIRM INVESTMENT" button. Acceptance of the subscription by the Issuer takes place as part of the Online Subscription Process.

Before the investor submits a binding offer by clicking on the "CONFIRM INVESTMENT" button, it can check all the data previously entered once more and correct it if necessary. Only when the investor is sure that all the information is correct should it click on the "CONFIRM INVESTMENT" button.

Total price including all price components and taxes paid by the Issuer

The purchase price for each bond is generally 100 percent of the nominal amount of EUR 1.

The Issuer grants early subscription discounts, which are dependent both on time and volume. The purchase price is reduced until the end of a defined period or until define issue proceeds are generated, whichever occurs first. The purchase price for investors is reduced as follows:

Period	Price
11.03. (12:00:00 CET) - 01.04. (11:59:59 CET) OR when EUR 1.0 million of issue proceeds are generated earlier.	EUR 0.70
02.04. (12:00:00 CET) - 08.04. (11:59:59 CET) OR when EUR 3.0 million of issue proceeds are generated earlier.	EUR 0.90
09.04. (12:00:00 CET) - 15.04. (11:59:59 CET) OR when EUR 5.0 million of issue proceeds are generated.	EUR 0.95
16.04. (12:00:00 CET) - 22.04. (11:59:59 CET) OR when EUR 9.0 million of issue proceeds are generated.	EUR 0.97
23.04. (12:00:00 CET) - 10.05. (11:59:59 CET)	EUR 1.00

There are no other price components, in particular a premium is not charged.

Based on the floating interest component, the Issuer takes a tax deduction (capital gains tax) on all interest payments and discharges this to the tax authorities. The capital gains tax is 25% of the interest income, plus the solidarity surcharge (5.5% of the capital gains tax).

If the investor is subject to church tax, the church tax is levied as a surcharge on the capital gains tax, provided that the identity (i.e. name, address, TIN) of the investor is known to the issuer and the investor has not objected to retrieval of its data regarding religious affiliation from the Federal Central Tax Office (blocking note).

Details of payment and delivery/performance

The bonds will be issued against payment of EUR to the business account of the Issuer or against provision of cryptocurrencies (Stellar Lumens (XLM), Bitcoin (BTC) or Ether (ETH)).

Once the subscription is accepted in the online subscription process and the payment is received (EUR or cryptocurrencies), a number of BB1 tokens corresponding to the payment amount of the Bonds will be generated and immediately credited to the wallet of the respective investor after the end of the Offer Period.

For details, please refer to the Bond Terms and Conditions and the Prospectus.

Any additional costs incurred

The investor shall bear any costs that may be incurred in connection with the wallet belonging to it and, if applicable, any costs for any transfers of fiat money to the Issuer. Such charges and costs shall not be levied against the investor by the Issuer but rather by third parties. Moreover, the Investor must bear its own costs for internet, postage, telephone, etc.

Additional costs for use of means of distance communication

None

Risk warning	<p>Qualified subordinated token-based bonds are subject to special risks. Risks may arise individually or cumulatively and, in the worst case, the investor may suffer a total loss of its invested capital. Past returns are not an indicator of future returns.</p> <p>A detailed description of the risk factors can be found in the Securities Prospectus in the "Risk Factors" section.</p>
Period of validity of the information/offer provided	<p>This information is valid until notification of changes is made.</p> <p>Subscription applications for the Bonds may only be submitted within the Offer Period (March 11, 2019 to May 10, 2019) referred to in Section 7.3.5 of the Securities Prospectus. The Issuer reserves the right to extend this period by 8 weeks a single time. This period may be shortened, however, in particular in the case of a full placement.</p>
Member State of the EU whose law governs the Issuer	Federal Republic of Germany
Applicable law, place of court jurisdiction	<p>The form and content of the Bonds and all rights and obligations of the Issuer and the Creditors shall be governed in all respects by the laws of the Federal Republic of Germany.</p> <p>To the extent permitted by law, the registered office of the Issuer shall be the place of jurisdiction for all disputes arising out of or in connection with the Bonds. The Local Court Berlin shall have non-exclusive jurisdiction for all actions or other proceedings ("legal disputes") arising in connection with the Bonds.</p>
Contractual language and language of communication	<p>The Bond Terms and Conditions and the Securities Prospectus, including any supplements, shall be offered in German only. If English translations aforementioned documents are in of the fact offered, they are non-binding and offered for information purposes only.</p> <p>The Online Subscription Process, other contractual conditions (Conditions of Participation and Use), and this Consumer Information are offered in German and English. Communication between the contracting parties will be offered in German and English for the entire duration of the contract.</p>
Accessibility of the contract text	<p>The Issuer shall save the Investor's Subscription Request completed during the Online Subscription Process. This can be requested from the Issuer at any time thereafter.</p> <p>The Bond Terms and Conditions and the Securities Prospectus as well as any supplements thereto shall be permanently accessible during the term.</p>
Guarantee funds or other compensation arrangements	There is no deposit guarantee, no guarantee fund and no other compensation arrangements.

Right of withdrawal for consumers

INFORMATION CONCERNING THE EXERCISE OF THE RIGHT OF WITHDRAWAL

Right of withdrawal

You have the right to withdraw from this contract within 14 days without giving any reason by an unequivocal statement. The withdrawal period will expire after 14 days from the day of receipt of this information on a permanent data carrier, however, not before conclusion of the contract and also not before the fulfilment of our duties to inform you according to article 246b § 2(1) in connection with article 246b § 1(1) EGBGB. To meet the withdrawal deadline, it is sufficient for you to send your statement concerning your exercise of the right of withdrawal before the withdrawal period has expired, if the statement is made on a permanent data carrier (e.g. letter, fax, e-mail).

The withdrawal shall be addressed to:

Bitbond Finance GmbH, Strelitzer Straße 60, 10115 Berlin, Germany

Tel.: 49 30 5884 9219 E-mail: www.bitbondsto.com Website: invest@bitbondsto.com

Effects of withdrawal

In case of an effective withdrawal, the services received by both parties shall be reimbursed. You are obliged to pay compensation for the value of the service provided until withdrawal, if you have been informed of this legal consequence before submitting

your contractual declaration and have expressly agreed that we will begin to perform the contract before the end of the withdrawal period. If there is an obligation to pay compensation, this may mean that you still have to fulfil the contractual payment obligations for the period until withdrawal. Your right of withdrawal expires prematurely if the contract is completely fulfilled by both parties at your express request before you have exercised your right of withdrawal. Obligations to reimburse payments must be fulfilled within 30 days. The period begins for you with the dispatch of your declaration of withdrawal, for us with its receipt.

End of the Information concerning the exercise of the right of withdrawal

Ihre Bitbond Finance GmbH