

Terms and Conditions Agreement for Propstake.ai Platform

1. INTRODUCTION

1.1 Purpose of Agreement

This Agreement governs the use of the Propstake.ai platform, a service powered by AEFNE (Enhanced Adaptable Financial Engine), which enables property developers and owners ("Sellers") to list their real estate projects, and investors ("Investors") to purchase fractional ownership in these properties. By accessing and using the Propstake.ai platform (the "Platform"), you agree to be bound by the terms set forth in this Agreement.

1.2 Definitions

- **"Platform"** refers to Propstake.ai (including its website and mobile application).
- **"Property"** refers to the real estate projects listed on the Platform for fractional ownership.
- **"Sellers"** are property developers, builders, or owners who list their properties on the Platform.
- **"Fees"** refers to the platform charges for services rendered as outlined in the Fee Schedule.
- **"Listers"** refers to builders, property owners, or developers who list their projects on the Platform for investors to purchase fractional ownership.
- **"Investors"** refers to individuals or entities who use the Platform to acquire fractional ownership units in the real estate projects listed by Listers.
- **"Fractional Ownership"** means a form of ownership where the Investors own a percentage or "unit" of a property relative to their investment in a project.
- **"Investment"** means the purchase of fractional ownership units in a property project listed on the Platform.
- **"Service Fee"** means the fee charged by Propstake.ai as remuneration for providing the technology, infrastructure, and ancillary services that facilitate the transaction between Listers and Investors.
- **"Transaction"** means any deposit, withdrawal, or investment made via the Platform.
- **"KYC/AML"** means the Know Your Customer/Anti-Money Laundering procedures that must be completed by all users in accordance with applicable regulations.

1.3 Role of Propstake.ai

Propstake.ai acts solely as a facilitator for the listing, investment, and management of real

estate properties. The Platform does not own, manage, or hold ownership in the properties listed. All investments are made directly between Sellers and Investors, and all risks and returns associated with the investment are solely borne by the Investor.

2. PLATFORM OPERATION AND RESPONSIBILITIES

2.1 Listing of Properties by Sellers

Sellers may list their real estate properties on the Platform. By listing a property, the Seller affirms that they have full legal rights to sell the property or share fractional ownership and that the property is free from any legal encumbrances.

2.2 Fractional Ownership and Investments

Investors can purchase a fraction of the Property ("Property Unit") on the Platform. Each Property is divided into units, and the Investor owns a proportional share of the Property based on the amount invested. The investment is subject to the terms specified on the Platform.

2.3 Investor's Risk and Return

All returns from investments in properties listed on the Platform are based on the rental income, capital appreciation, or sale proceeds generated by the Property. **Propstake.ai does not guarantee any returns** and will not be liable for any losses incurred. **Investors bear all investment risks**, including market conditions, property maintenance, tenant issues, and legal matters.

2.4 Fees Charged by Propstake.ai

The Platform charges a service fee, which will be disclosed at the time of investment. This fee is deducted for providing access to the Platform, handling transactions, and managing fractional ownership. The Platform does not charge any fees related to the performance or market conditions of the investment.

3. INVESTMENT PROCESS

3.1 Investment Round

An Investment Round refers to the period during which an Investor can purchase the fractional ownership or a property unit in a listed Property. The Property will be available for investment until the lister continues or the listing is closed by the platform.

3.2 Cooling-Off Period

Once an Investor has committed funds to purchase Property Units, they may cancel the investment within 24 hours. After this period, the investment is considered final.

3.3 Payment and Transfer of Ownership

Investors will transfer funds to the designated Propstake.ai Wallet which is a Pakistani Scheduled Bank wallet application and being integrated in the platform under the agreed user rules agreed between bank and platform, which will hold the funds in digital account created under the bank application wallet and then transferred directly from bank to all the relevant accounts as mentioned in the transaction. It is **Clarified that Propstake.ai receives funds for purchase/sale of units along with fees under the express consent of the seller/Developer/ Builder or any relevant party in the virtual bank wallet only and does not collect any cash on any party's behalf**. Upon successful transaction, the funds are digitally transferred to all the

relevant parties from the bank wallet. Investor will receive their proportionate share of the Property via allotment documents or fractional ownership certificates.

3.4 No Guarantees or Promises of Returns

By investing, the Investor acknowledges that the return on investment is **not guaranteed** and that they are fully responsible for any gains or losses associated with their investment.

4. RISKS AND DISCLAIMERS

4.1 Property Investment Risks

Investing in real estate carries inherent risks, including but not limited to:

- Fluctuations in property values.
- Issues with property maintenance, repairs, or renovations.
- Delays in property sales or rentals.
- Legal disputes, ownership claims, or property damages. Or any other delays not herein expressly mentioned

4.2 No Liability for Propstake.ai

Propstake.ai shall not be held responsible for any losses or damages incurred by Investors, including losses related to the value of the property, the rental income, or any other unforeseen circumstances. All risks are borne solely by the Investor.

4.3 Market and Liquidity Risks

The Platform does not guarantee liquidity or the ability to sell or transfer ownership of Property Units. Market conditions and investor demand will determine the liquidity and exit strategies available to Investors.

5. RIGHTS AND OBLIGATIONS OF THE PLATFORM

5.1 Right to Reject Investments

Propstake.ai reserves the right to reject any investment that does not comply with the terms of this Agreement or the applicable laws and regulations of Pakistan.

5.2 Platform's Fee Structure

The Platform may change the fee structure at its discretion, with proper notice to Investors. All applicable fees, including management fees, transaction fees, and exit fees, will be transparently listed on the Platform before the investment. The fee structure may change from time to time but they will be displayed to the users as they proceed with the transaction.

6. TERMINATION AND EXIT

6.1 Investor Exit

Investors may choose to exit their investment by selling their fractional ownership to another Investor or, if allowed by the Property's Investment Term, selling to a third party. Exit terms, including any exit fees, will be specified on the Platform.

6.2 Platform Termination

Propstake.ai may terminate the Platform's services if legal, regulatory, or business conditions require such termination. In the event of termination, the Platform will update all relevant users and will ensure that all transactions in pipeline are through and that all funds in wallets are transferred by the users, subject to applicable exit terms.

7. PRIVACY AND DATA PROTECTION

7.1 Data Handling

Propstake.ai values the privacy of its users. All personal and financial data provided by the Investor will be handled in accordance with the **Privacy Policy** of the Platform, which complies with Pakistan's data protection laws.

7.2 Third-Party Service Providers

Propstake.ai may use third-party service providers for payments, KYC verification, and other services necessary for the operation of the Platform. These third parties will be obligated to handle Investor data securely and in accordance with applicable laws.

8. GOVERNING LAW AND DISPUTES

8.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Pakistan. Any disputes arising under this Agreement shall be subject to the exclusive jurisdiction of the courts in Lahore, Pakistan.

8.2 Dispute Resolution

In the event of a dispute, both parties agree to attempt resolution through informal negotiation or mediation before resorting to formal legal proceedings.

9. MISCELLANEOUS

9.1 Amendment of Terms

Propstake.ai reserves the right to amend these Terms and Conditions at any time. All amendments will be communicated to Investors via email or notifications on the Platform. Continued use of the Platform after changes constitutes acceptance of the revised terms.

9.2 Severability

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

9.3 Assignment:

Propstake.ai may assign or transfer this Agreement, in whole or in part, to a successor or affiliate without notice.

9.4 Force Majeure:

Propstake.ai shall not be liable for any delay or failure to perform its obligations under this Agreement if such delay or failure results from circumstances beyond its reasonable control.

9.5 Notices:

Any notices or communications required under this Agreement shall be sent via email to the address provided during registration or to the following email: support@propstake.ai.

10. ACKNOWLEDGEMENT

By using the Propstake.ai Platform, you acknowledge that you have read, understood, and agree to be bound by the above Terms and Conditions. You further acknowledge that you are solely responsible for all decisions regarding your Investments and that Propstake.ai acts only as a facilitator and does not assume any Investment risk or guarantee any returns.
