

SuperSmart SA  
EPFL Innovation Park  
1015 Lausanne  
Switzerland

Attn: CEO

London, 28 May 2019

### **Seed Financing in SuperSmart SA**

Dear Sirs

Further to our recent discussions regarding a proposed equity investment by Nice Capital Partners in SuperSmart SA (the "**Transaction**"), please find attached a Term Sheet outlining the main terms and conditions of the Transaction (the "**Term Sheet**").

While the Term Sheet does evidence our willingness to complete the Transaction on the terms and conditions set forth therein, it does not constitute a legally binding agreement, save for the provisions on confidentiality, exclusivity, fees and expenses, as well as governing law/jurisdiction. Binding legal agreement will not occur unless and until all necessary corporate approvals have been obtained and the parties have negotiated, approved, executed and delivered definitive agreements.

The offer set forth in the Term Sheet expires on **Friday, 31 May 2019 at 6:00pm GMT**.

Please return the Term Sheet duly signed by the company and the current shareholders indicating that you and they accept its terms and conditions.

We look forward to starting our due diligence as soon as practicable and to moving forward our discussions regarding the Transaction.

Faithfully yours,

## Term Sheet

This Term Sheet sets out the principal terms and conditions of the seed financing (the "**Financing**") of SuperSmart SA. It is for discussion purposes only; it is not, and may not be construed as, a binding offer or agreement and it does not create any legal obligations whatsoever on the parties until definitive legal documentation (including an investment agreement and a shareholders' agreement) is executed by all parties, except for the provisions on exclusivity (see item 22), confidentiality (see item 23), fees and expenses (see item 21) and governing law/jurisdiction (see item 24) which shall be binding on the parties.

1. **Issuer :** SuperSmart SA, a *société anonyme/Aktiengesellschaft* incorporated under the laws of Switzerland (the "**Company**"), with a share capital of CHF 100,000 divided into 100,000 ordinary shares with a nominal value of CHF 1 each and a conditional capital of CHF 15,000.
2. **Investor :** Nice Capital Partners VIII L.P. and its affiliated entities ("**NCP**" or the "**Investor**").
3. **Investment Amount :** CHF 1,500,000 in return for a 40% stake in the Company.
4. **Use of Proceeds :** The net proceeds of the Financing shall be used by the Company to fund the development and operations of the Company as set out in the business plan to be agreed between the Company and the Investor.
5. **New Shares :** The new shares shall be preferred shares with a nominal value of CHF1 each (the "**Preferred Shares**"), issued at a subscription price of CHF 22.50.
6. **Closing Date :** On or before June 15, 2019 or at any other date agreed by the Company and the Investor.
7. **Liquidation Preference :** In the event of a liquidation, dissolution or winding up of the Company (each, a "**Liquidation Event**"), the holders of Preferred Shares shall be entitled to receive, in preference to the holders of ordinary shares, an amount equal to the purchase price paid for each Preferred Share, plus an amount equal to a 15% per year interest per year (the "**Preference Amount**").  
  
After the full Preference Amount has been paid, any remaining assets of the Company legally available for distribution to shareholders will be distributed ratably among all the shareholders on an as converted basis.  
  
A merger, a consolidation, a sale of all or substantially all of the assets of the Company or a sale of more than 50% of the shares or voting rights in the Company or a change of control of the Company shall be deemed a Liquidation Event.
8. **Conversion Rights :** Each holder of Preferred Shares shall have the right to convert all or part of its Preferred Shares, at its option, at any time, into ordinary shares. The initial conversion rate shall be 1:1, subject to adjustment for stock's splits, stock's dividends, combinations and the like.

- 9. Transfer Restrictions :** Transfer of shares shall be subject to the prior approval of the Board of Directors. The Board of Directors may refuse a transfer for reasons stated in the Company's bylaws and the shareholders agreement. Founders' shares shall be subject to a 5-year lock-up. Any acquirer of shares in the Company shall adhere to the shareholders agreement prior to completion of the transfer.
- 10. Right of First Refusal :** The sale of shares by holders of ordinary shares to third parties shall be subject to a right of first refusal of the holders of Preferred Shares at the same conditions.
- 11. Tag-Along :** Tag-along rights will be granted to the holders of Preferred Shares in case of the sale of a majority shareholding in the Company or a sale by a founder of more than 25% of his shareholding.
- 12. Drag-Along :** The holders of Preferred Shares shall have customary drag along rights.
- 13. Preemption Rights :** The holders of Preferred Shares shall have preferred rights to subscribe their pro rata share of offerings of new securities of the Company (other than shares issued under the Company's stock option plan).
- 14. Anti-Dilution :** The holders of Preferred Shares will receive proportional anti-dilution protection for stock's splits, stock's dividends, combinations and the like. The conversion price of the Preferred Shares shall be subject to adjustments to prevent dilution on a full ratchet basis in the event that the Company issues new shares at a purchase price lower than the applicable conversion price.
- 15. Board of Directors :** The board of directors of the Company (the "**Board of Directors**") shall consist of three members, including one member appointed by the Investor. The chairman shall be an independent director. The Company will cover expenses of the members in relation to the Board of Directors meeting attendance. The Company shall arrange for D&O insurance to cover members appointed by the Investor.
- 16. Voting Rights :** The shareholders shall exercise their voting rights in accordance with the terms of the shareholders agreement and the Company's bylaws and in compliance with any applicable law.
- 17. Protective Provisions :** The Company shall not, without the prior consent of the holders of more than 50% of the Preferred Shares or the member of the Board of Directors appointed by them respectively:
- (i) approve the Company's annual business plan and the annual budget;
  - (ii) change the strategy of the Company;
  - (iii) increase the share capital of the Company;
  - (iv) issue, purchase, re-purchase, subscribe or redeem any shares, securities or rights to subscribe for any securities of the Company;
  - (v) resolve on any decision listed in article 704 para 1 CO;

- (vi) resolve on any acquisitions, joint ventures and strategic alliances;
- (vii) resolve on any divestitures and liquidations;
- (viii) commit to, or incur, any capital expenditure in excess of CHF 50,000 in any single transaction or series of related transactions;
- (ix) resolve on any equity or debt financing;
- (x) create or grant any mortgage, pledge, charge, security interest or other encumbrance over any of the assets or income of the Company;
- (xi) commence any litigation;
- (xii) amend any of the constitutional documents of the Company, in particular its articles of association;
- (xiii) change any of the accounting policies used by the Company as at the date hereof;
- (xiv) enter into or amend any agreements between the Company and any of its shareholders;
- (xv) allocate the available balance surplus of the Company, in particular the payment of dividends.
- (xvi) list the Company or any stock exchange; and
- (xvii) conclude any other matter deemed by the Investor likely to have a material adverse effect on the Company.

**18. Information Rights :**

As long as the Investor shall continue to hold any share in the Company, the Company shall deliver to the Investor:

- (i) quarterly management accounts (including review of business and comparison to budget);
- (ii) annual audited consolidated accounts (to be prepared in accordance with US GAAP); and
- (iii) any other financial or management information reasonably requested.

In addition, the Investor shall have the right to visit the Company's premises at any time on reasonable notice.

**19. Exit :**

The Company and the shareholders shall attempt to have the shares of the Company offered to the public by way of an initial public offering or to have all or part of the shares sold to a strategic investor within three years from the Financing. After December 31, 2022, the Investor shall have the right to sell to any third party all the shares held by the Investor and, at the discretion of holders of 50% of the Preferred Shares, all or part of the shares held by the other shareholders.

**20. Transaction Documents :**

The Financing shall be completed pursuant to an investment agreement and a shareholders agreement to be drafted by the Investor's counsel, which shall contain, among others, full representations and warranties of the Company and the founders. Other legal documentation to include appropriate management agreements and such other agreements as may be appropriate to reflect the terms of the Financing.

**21. Fees and Expenses :**

Each of the Parties shall bear its costs and expenses in connection with this Term Sheet. Upon completion of the Financing or if the Financing is not completed due to the Company and/or the current shareholders, the Company shall reimburse the costs and expenses of the Investor.

The costs directly linked to the capital increase (notary, commercial register, etc.) shall be borne by the Company.

**22. Exclusivity :**

In consideration of the fact that the Investor will commit time and expense, the Company and its current shareholders agree that until the earlier of (i) July 31, 2019 or (ii) the Closing, the Company and its current shareholders will work only with the Investor as potential investor and not negotiate with or otherwise assist any other potential investor or acquirer of all or part of the shares, business or assets of the Company.

**23. Confidentiality :**

This Term Sheet is confidential and the parties shall not disclose its terms and conditions to any third party, other than their respective legal and financial advisers.

**24. Governing Law / Jurisdiction :**

This Term Sheet shall be governed by Swiss law. All dispute arising out of or in connection with this Term Sheet shall be submitted to the exclusive jurisdiction of the courts of Geneva, Switzerland.

**25. Closing Conditions :**

The Financing shall be conditional on a number of conditions precedent, including :

- (i) completion of satisfactory business, IP, legal, financial and tax due diligence by the Investor;
- (ii) transfer of all IP to the Company;
- (iii) agreement and execution of legally binding definitive documentation, including the transaction documents;
- (iv) obtaining, in form and substance satisfactory to the Investor, of all required approvals and consents;
- (v) obtaining by the Investor of the approval of its investment committee; and
- (vi) any other conditions which the Investor may consider necessary, in particular as a result of the due diligence.

**Acknowledged and agreed:**

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 Date

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 SuperSmart SA

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 C. Witter

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 A. Boogle

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 B. Facebook