



C3FUNDING

COMMUNITY-CENTRIC CROWDFUNDING

Terms of Use

These terms went into effect on November 12, 2015, at 12 a.m. Eastern Time, and apply to all Offers launched on C3Funding on or after that date. The term C3funding includes Crowdfunding Services LLC and all its subsidiaries - such as Invest in Kalamazoo L3C and all local crowdfunding programs.

When the word INVESTOR is used in this document it refers to both those who invest in a securities offer as well as those who support or contribute to a non-securities offer.

1. Welcome to C3Funding!

Welcome to C3Funding. By using this website (the “Site”) and Services offered by C3Funding Inc. (including parent companies, subsidiaries, affiliates, agents, representatives, consultants, employees, officers, and directors — collectively, “C3Funding,” “we,” or “us”), you are agreeing to these legally binding rules (the “Terms”). You are also agreeing to our Privacy Policy and agreeing to follow any other rules on the Site.

These terms may change and if they do, we will let you know either by notifying you on the Site or by sending you an email. New versions of the terms will never apply retroactively — we will tell you the exact date they go into effect. If you keep using C3Funding after a change, that means you accept the new terms.

2. Creating an Account

To sign up for a C3Funding account, you need to be 18 or over. We may ask you for proof of age. You are responsible for your account and all the activity on it.

Although you may browse the Site without registering, to use some of C3Funding’s functions, you’ll need to register, choose an account name, and set a password. When you do that, the information you give us has to be accurate and complete. Do not impersonate anyone else or choose names that are offensive or that violate anyone’s rights. If you don’t follow these rules, we may cancel your account.

The person named on the Account is responsible for all the activity on that account, and for keeping the password confidential. If you find out that someone has used your account without your permission, you should report it to support@C3Funding.com.

3. Things You Should Never Do

This section is a list of things you probably already know you should not do — lie, break laws, abuse people, steal data, hack other people’s computers, and so on. Please behave yourself. Do not do this stuff.

We expect everyone who uses C3Funding to behave responsibly and help keep this a nice place. Do not do any of these things on the Site:

- Do not break the law. Do not take any action that infringes or violates other people’s rights, violates the law, or breaches any contract or legal duty you have toward anyone.
- Do not lie to people. Do not post information you know is false, misleading, or inaccurate. Do not do anything deceptive or fraudulent.
- Do not offer prohibited items. Do not offer any rewards that are illegal, violate any of C3Funding’s policies, rules, or guidelines, or violate any applicable law, statute, ordinance, or regulation.
- Do not victimize anyone. Do not do anything threatening, abusive, harassing, defamatory, libelous, tortious, obscene, profane, or invasive of another person’s privacy.
- Do not spam. Do not distribute unsolicited or unauthorized advertising or promotional material, or any junk mail, spam, or chain letters. Do not run mail lists, listservs, or any kind of auto-responder or spam on or through the Site.
- Do not harm anyone’s computer. Do not distribute software viruses, or anything else (code, films, programs) designed to interfere with the proper function of any software, hardware, or equipment on the Site (whether it belongs to C3Funding or another party).
- Do not abuse other users’ personal information. When you use C3Funding — and especially if you create a successful offer — you may receive information about other users, including things like their names, email addresses, and postal addresses. This information is provided for the purpose of participating in a C3Funding Offer: do not use it for other purposes, and do not abuse it.

We also need to make sure that the Site is secure and our systems function properly. So do not do any of these things — most of which boil down to “don’t mess with our system.”

- Do not try to interfere with the proper workings of the Services.
- Do not bypass any measures we have put in place to secure the Services.
- Do not try to damage or get unauthorized access to any system, data, password, or other information, whether it belongs to C3Funding or another party.
- Do not take any action that imposes an unreasonable load on our infrastructure, or on our third-party providers. (We reserve the right to determine what's reasonable.)
- Do not use any kind of software or device (whether it's manual or automated) to "crawl" or "spider" any part of the Site.
- Do not take apart or reverse engineer any aspect of C3Funding in an effort to access things like source code, underlying ideas, or algorithms.

4. How Offers Work

This section explains the relationship between Issuers and Investors of C3Funding Offers, and defines who is responsible for what. This is what you are agreeing to when you create or back a C3Funding Offer.

C3Funding provides a funding platform for creative Offers. When an Issuer posts an Offer on C3Funding, they are inviting other people to form a contract with them. Anyone who backs an Offer is accepting the Issuer's offer, and forming that contract.

C3Funding is not a part of this contract — the contract is a direct legal agreement between Issuers and their Investors.

Here are the terms that govern that agreement:

Issuers of securities offerings are responsible for complying with all the federal and or state securities laws and regulations. If the offering is dependent on an Intra State exemption from certain federal securities laws and regulations such limitations of an intrastate nature must be made apparent in the offering.

When an Offer is successfully funded, the Issuer must complete the Offer and fulfill each reward. Once an Issuer has done so, they have satisfied their obligation to their Investors.

Throughout the process, Issuers owe their Investors a high standard of effort, honest communication, and a dedication to bringing the Offer to life. At the same time, Investors must understand that when they back an Offer, they are helping to create something new — not ordering something that already exists. There may be changes or delays, and there is a chance something could happen that prevents the Issuer from being able to finish the Offer as promised.

If an Issuer is unable to complete their Offer and fulfill rewards, they have failed to live up to the basic obligations of this agreement. To right this, they must make every reasonable effort to find another way of bringing the Offer to the best possible conclusion for Investors. An Issuer in this position has only remedied the situation and met their obligations to Investors if:

- They provide an update that explains what work has been done, how funds were used, and what prevents them from finishing the Offer as planned;
- They work diligently and in good faith to bring the Offer to the best possible conclusion in a timeframe that's communicated to Investors;
- They are able to demonstrate that they've used funds appropriately and made every reasonable effort to complete the Offer as promised;
- They have been honest, and have made no material misrepresentations in their communication to Investors; and
- They offer to return any remaining funds to Investors who have not received their reward (in proportion to the amounts pledged), or else explain how those funds will be used to complete the Offer in some alternate form.

The Issuer is solely responsible for fulfilling the promises made in their Offer. If they are unable to satisfy the terms of this agreement, they may be subject to legal action by Investors.

5. How Funding Works

This section goes over the details of backing and creating Offers — things like how money gets collected, whether pledges can be changed or canceled, and how Issuers can contact Investors to provide rewards.

These are the terms that apply to the Investor:

- Your payment will be collected at the time you pledge. If the Offer does not make its stated minimum fund-raising goal, your pledge will be refunded. Please note that some offers may have no minimum funding goal, in which case the issuer will retain all funds given.
- You can change or cancel your pledge at any time before the Offer has closed. Once a successfully funded offer has closed, you can only cancel or change your pledge by making special arrangements directly with the Issuer.
- The date listed on each reward is the Issuer's estimate of when they will provide the reward — not a guarantee to fulfill by that date.

- The Issuer may need to send you questions about your reward. To receive the reward, you will need to provide the information in a reasonable amount of time or authorize C3Funding to release the information you have provided.
- C3Funding does not offer refunds. Responsibility for finishing an Offer lies entirely with the Offer's Issuer. C3Funding does not hold funds on Issuer's behalf. When the Offer is a securities offering all such funds must be deposited in an escrow account held and controlled directly by a bank. Funds for non-securities offerings made on the C3Funding site are held in a special escrow account until the offering is either funded or the time for funding has passed without reaching its goal and in which case the funds raised will be returned.

These are the terms that apply to the Issuer:

- You can refund individual pledges prior to the time your offer is successfully funded. If you do, you have no further obligation to that specific backer, and no agreement exists between you.
- In the case of a non-securities offer, we will deduct our fees before putting funds in your account. C3Funding and its payment partners will subtract these fees before transmitting the proceeds of a campaign. In the case of a securities offer, the bank will issue payment of C3Funding fees to us from the established escrow account as the remaining funds are transferred to you.
- If some pledges in non-securities offers cannot be collected, it will reduce the amount of funding you receive. In a securities offer credit cards may not be used. In some instances Debit cards may be used providing funds are sent directly from the investor's account to the bank holding the escrow account. If there are fees for using the debit card the investor will be responsible for covering these fees and only the funds reaching the escrow account in the bank will be subject to return or application to the purchase of the securities involved in the offer.
- Do not count your chickens before they hatch. Do not assume you will be able to launch your Offer when you want; there could be a reason we are not able to accept it, or a problem that takes time to resolve. Do not assume you will be able to immediately collect your funding; there may be a delay between the end of a successful campaign and your access to the funds. And do not take any actions in reliance on collecting any of the money pledged until you actually have the ability to withdraw it from your account and spend it.

6. Things We Don't Do and Are not Responsible For

We do not oversee Offers' performance, and we don't mediate disputes between users.

C3Funding is not liable for any damages or losses related to your use of the Services. We do not become involved in disputes between users, or between users and any third party relating to the use of the Services. We do not oversee the performance or punctuality of Offers, and we do not endorse any content users submit to the Site.

7. Our Fees

Creating an account on C3Funding is free. If you create an Offer that is successfully funded, we C3Funding will charge between 3% and 7% in addition to fees charged by our partners. Our partners' fees may vary slightly.

We will not collect any fees without giving you a chance to review and accept them. If our fees or the fees of our payment partners change, we will update these terms of use to reflect the change. Some funds pledged by Investors are collected by payment providers. Each payment provider is its own company, and C3Funding is not responsible for its performance.

You're responsible for paying any additional fees or taxes associated with your use of C3Funding.

8. Other Websites

C3Funding may contain links to other websites. (For instance, Offer pages, user profiles, and comments may link to other Sites.) When you access third-party websites, you do so at your own risk. We don't control or endorse those Sites.

Because C3Funding works with partners for payment processing, when you invest in or create an Offer, you are also agreeing to the payment processor's terms of service.

9. Your Intellectual Property

We do not own the content you post on C3Funding. But when you post it, you are giving us permission to use or copy it however we need in order to run the site, or show people what is happening on it. (We generally just use this to promote Offers and showcase our community on the website.) You are responsible for the content you post.

C3Funding does not own content you submit to us (your “Content”). But we do need certain licenses from you in order to perform our Services. When you submit an Offer for review, or launch an Offer, you agree to these terms:

- We can use the content you’ve submitted. You grant to us, and others acting on our behalf, the worldwide, non-exclusive, perpetual, irrevocable, royalty-free, sub-licensable, transferable right to use, exercise, commercialize, and exploit the copyright, publicity, trademark, and database rights with respect to your Content.
- Submit only the Content for which you own the copyright (unless you have permission). Your Content will not contain third-party copyrighted material, or material that is subject to other third-party proprietary rights, unless you have permission from the rightful owner of the material, or you are otherwise legally entitled to post the material (and grant C3Funding all the license rights outlined here).
- Any royalties on or licensing of your Content are your responsibility. You will pay all royalties and other amounts owed to any person or entity based on your Content, or on C3Funding’s hosting of that Content.
- You promise that if we use your Content, we are not violating anyone’s rights or copyrights. If C3Funding or its users exploit or make use of your submission in the ways contemplated in this agreement, you promise that this will not infringe or violate the rights of any third party, including (without limitation) any privacy rights, publicity rights, copyrights, contract rights, or any other intellectual property or proprietary rights.
- You are responsible for the content you post. All information submitted to the Site, whether publicly posted or privately transmitted, is the sole responsibility of the person from whom that content originated.
- We are not responsible for mistakes in your content. C3Funding will not be liable for any errors or omissions in any content.

10. C3Funding’s Intellectual Property

The Content on C3Funding is protected in various ways. You do not have the right to use Content that is not your own without getting permission first.

C3Funding's Services are legally protected in various ways, including copyrights, trademarks, service marks, patents, trade secrets, and other rights and laws. You agree to respect all copyright and other legal notices, information, and restrictions contained in any content accessed through the Site. You also agree not to change, translate, or otherwise create derivative works of the Service.

C3Funding grants you a license to reproduce your own Content. This license covers both C3Funding's own protected Content and user-generated Content on the Site. (This license is worldwide, non-exclusive, non-sub-licensable, and non-transferable.)

11. How We Deal with Copyright Issues

We require compliance with the Digital Millennium Copyright Act.

The Digital Millennium Copyright Act lays out a system of legal requirements for dealing with allegations of copyright infringement. C3Funding complies with the DMCA, and we respond to notices of alleged infringement if they comply with the law. We reserve the right to delete or disable content alleged to be infringing, and to terminate accounts for repeat infringers. (We do this when appropriate and at our sole discretion.)

If you would like to submit a claim of copyright infringement, please contact us. Our designated agent for notice of alleged copyright infringement is:

C3Funding
Attn: Copyright Agent
960 King Hwy
Kalamazoo, MI 49001
copyright@C3Funding.com

12. Deleting Your Account

You can delete your account at any time. Deleting your account will not make content you have already posted go away.

You can terminate your account at any time. All provisions of this agreement survive termination of an account, including our rights regarding any content you have already submitted to the Site. (For instance, if you have launched an Offer, deleting your account will not remove the Offer from the Site.)

13. Deleting an Offer

Offers can be deleted from the site. The Content will not be deleted but will not be visible to potential funders. You may be responsible for fees associated with unfunded offers.

14. Our Rights

To operate, we need to be able to maintain control over what happens on our website. We reserve the right to make decisions to protect the health and integrity of our system. We do not take these powers lightly, and we only use them when we absolutely have to.

C3Funding reserves these rights:

- We can make changes to the C3Funding Site and Services without notice or liability.
- We have the right to decide who is eligible to use C3Funding. We can cancel accounts or decline to offer our Services, especially if you are abusing them. We can change our eligibility criteria at any time. If these things are prohibited by law where you live, then we revoke your right to use C3Funding in that jurisdiction.

C3Funding is not liable for any damages as a result of any of these actions, and it is our policy not to comment on the reasons for any such action.

15. Warranty Disclaimer

We work hard to provide you with great services, but we cannot guarantee everything will always work perfectly. This site is presented as-is, without warranties.

You use our Services solely at your own risk. They are provided to you “as is” and “as available” and without warranty of any kind, express or implied.

C3FUNDING SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES AND CONDITIONS OF MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES IMPLIED BY ANY COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. NO ADVICE OR INFORMATION (ORAL OR WRITTEN) OBTAINED BY YOU FROM C3FUNDING SHALL CREATE ANY WARRANTY.

16. Indemnification

C3Funding agrees, to the fullest extent permitted by law, to indemnify and hold harmless the C3Funding Issuer, its officers, directors and employees (collectively, C3Issuer) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the C3Funding's negligent performance of professional services under this Agreement.

The C3Funding Investor and C3Funding Issuer (collectively, C3User) agree, to the fullest extent permitted by law, to indemnify and hold harmless C3Funding, its officers, directors, employees and sub-contractors (collectively, C3Funding) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the C3User's negligent acts in connection with the Offer and the acts of its contractors, subcontractors or consultants or anyone for whom the C3User is legally liable.

C3Funding shall not be obligated to indemnify the other party in any manner whatsoever for the other party's negligence.

17. Limitation of Liability

To the fullest extent permitted by law, in no event will C3Funding, its directors, employees, partners, suppliers, or content providers be liable for any indirect, incidental, punitive, consequential, special, or exemplary damages of any kind, including but not limited to damages (i) resulting from your access to, use of, or inability to access or use the Services; (ii) for any lost profits, data loss, or cost of procurement or substitute goods or services; or (iii) for any conduct of content of any third party on the Site. In no event shall C3Funding's liability for direct damages be in excess of (in the aggregate) one hundred U.S. dollars (\$100.00).

18. Dispute Resolution and Governing Law

We at C3Funding encourage you to contact us if you are having an issue, before resorting to the courts. In the unfortunate situation where legal action does arise, these Terms (and all other rules, policies, or guidelines incorporated by reference) will be governed by and construed in accordance with the laws of the State of Michigan and the United States, without giving effect to any principles of conflicts of law, and without application of the Uniform Computer Information Transaction Act or the United Nations Convention of Controls for International Sale of Goods. You agree that C3Funding and its Services are deemed a passive website that does not give rise to jurisdiction over C3Funding or its parents, subsidiaries, affiliates, assigns, employees, agents, directors, officers, or shareholders, either specific or general, in any jurisdiction other than the State of Michigan. You agree that any action at law or in equity arising out of or relating to these Terms, or your use or non-use of C3Funding, shall be filed only in the state or federal courts located in Kalamazoo County in the State of Michigan, and you hereby consent and submit to the

personal jurisdiction of these courts for the purposes of litigating any such action. You hereby irrevocably waive any right you may have to trial by jury in any dispute, action, or proceeding.

19. Other

These Terms of Use and the other material referenced in them are the entire agreement between you and C3Funding with respect to the Services. They supersede all other communications and proposals (whether oral, written, or electronic) between you and C3Funding with respect to the Services and govern our future relationship. If any provision of these Terms is found to be invalid under the law, that provision will be limited or eliminated to the minimum extent necessary so that the Terms otherwise will remain in full force and effect and enforceable. The failure of either you or C3Funding to exercise any right provided for in these Terms in any way will not be deemed a waiver of any other rights.

These Terms are personal to you. You cannot assign them, transfer them, or sublicense them unless you get C3Funding's prior written consent. C3Funding has the right to assign, transfer, or delegate any of its rights and obligations under these Terms without your consent. C3Funding will provide you notice via email, written notice, or by conspicuously posting the notice on our Site.