

## Risk Warnings

Investments in innovative companies and projects offer great opportunities. At the same time crowdfunding is correlated with entrepreneurial risk. The success of the each investment is dependent of a wide range of factors whose future development cannot be predicted. In the worst case this can result in a total loss of the investment. Therefore SpaceStarters strongly advises against financing investments made on the SpaceStarters Website with debt as leverage will have to be paid back to the lender irrespective if the investment is a success or results in a loss. An additional funding obligation does not exist.

An investor should consider the investment in a company always as a part of a comprehensive investment strategy. An investment in a company should represent an adequate part of the capital investments of the investor as otherwise he endangers his liquidity for other investments or his lifestyle. In order to diversity the risks of investments in companies, it is recommended to build up a portfolio of multiple investments. This way successful investments can balance less successful investments.

The decision if an investor invests on the SpaceStarters Website in a company and in which company he invests is the sole responsibility of the investor. The information about the companies that are presented on the SpaceStarters Website are provided exclusively by the companies. SpaceStarters does not warrant that the companies and their business models are able to fulfill the objectives and expectations of the investors. The forecasts of the companies are no guarantee for the future development of the businesses. To that end crowdfunding is only suitable for investors who are able to cope with a total loss of the invested capital.

The investments on SpaceStarters are subordinated loans. These have an equity-like character. In case of an insolvency the SpaceStarters investors will be attended after all the other external creditors.

The sale of a subordinated loan by the investor is in principle legally possible. But subordinated loans are not securities and not comparable with them. Hence a sale in practice may be difficult or even impossible, as no trading platform such as a stock exchange exists for subordinated loans. In consequence the investor is exposed to the risk of not having access to liquidity during the term of the investment.