

# IDEASPATCH WEBSITE TERMS OF USE

The following terms and conditions are set out in four sections:

- 1) **PART A: INTRODUCTION**
- 2) **PART B: PROVISIONS SPECIFIC FOR INVENTORS**
- 3) **PART C: PROVISIONS SPECIFIC FOR INVESTORS**
- 4) **PART D: GENERAL**

As you can see, some of the below terms apply to only inventors (Part B) or investors (Part C), and some apply to both (Part A and Part D). This will be clearly signposted to you, but please be careful to read the terms and conditions which apply to you.

## **PART A: INTRODUCTION**

### **1. Terms of website use**

These terms of use agreement (together with the documents referred to in it) sets out the terms on which you may make use of our website, [www.ideaspatch.co.uk](http://www.ideaspatch.co.uk) (our “**website**”).

By using our website, you confirm that you accept these terms of use and that you agree to comply with them. If you do not agree to these terms of use, you must not use our website.

In the case of a company, you hereby warrant that you have authority to bind the company (as the contracting party) to these terms. In the case of an individual, you hereby warrant that you are 18 years of age or older or, where you are not, that you have the consent of your parent or guardian to use the website in accordance with these terms.

### **2. Other applicable terms**

These terms of use refer to the following additional terms, which also apply to your use of our website:

- Our Privacy Policy [please visit our Privacy Policy on our main website], which sets out the terms on which we process any personal data we collect from you, or that you provide to us. By using our website, you consent to such processing and you warrant that all data provided by you is accurate.
- Our Cookie Policy [please visit our Cookie Policy on our main website], which sets out information about the cookies on our website.

### **3. Information about us**

The website is operated by Ideaspatch Limited (“**We**”, “**us**”, “**our**” and “**IdeasPatch**”). We are a limited company registered in the United Kingdom under company number 9818174 and have our registered office at Carrington May, 31 Walker Avenue, Wolverton Mill, Milton Keynes, England, MK12 5TW.

We, via the website, provide an ‘online meeting place’ through which inventors can raise finance for the patent protection of their ideas and investors can access new funding opportunities based on IP-rich business ideas. By doing so, we facilitate agreement between inventors and investors on terms agreed between them, subject to these terms.

Subsequent management of these agreements is carried out through special purpose vehicles (SPV's) and undertaken by our nominee company "IP Asset Management Ltd," ("IdeasPatch nominee") which is a separate entity from IdeasPatch Ltd. Other than as expressly set out above or otherwise in these terms, we do not have any involvement in any arrangements investors and inventors make with each other.

To contact us, please email enquiries@ideaspitch.co.uk.

## **PART B: PROVISIONS SPECIFIC TO INVENTORS**

### **4. Application**

To apply to become a crowdfunding applicant, you must:

- (a) create an account on the website as an inventor;
- (b) pay £500 to us to cover the cost of an initial professional patentability search of your Idea.
- (c) provide us via 'create a Campaign' on the platform, with a business plan for your idea ("**Idea**") which particularises an overview of your patent application; the broader commercial project itself, and; a description of the intended commercialisation/monitisation strategy, and;
- (d) provide any further information, documents or data which we may reasonably request for the purpose of analysing your business plan and the patentability search report.

In relation to your business plan and any other information, documents or data which you provide to us, you hereby warrant that they comply with our Privacy Policy.

If we consider your business plan to be feasible and we are satisfied that the results of the patentability search are clear (or at least of an acceptable risk level), that the Idea is potentially patentable and that the commercial strategy behind the patent is viable; we **may** accept your application and the crowdfunding campaign shall be initiated in accordance with clause 5.

We shall endeavour to notify you of our decision to accept or reject your application within [3 weeks] of the date we receive your application. [This notice will be accompanied by an informal report which briefly summarises the reasons for our decision and a copy of the patentability search report.] We may require some more information from yourselves as part of this process, which shall be conducted via email. Our decision to accept or reject an application shall be final and shall be made by us in our sole discretion. Our decision to accept an application (notwithstanding any statement in the abovementioned report) shall not constitute any recommendation or endorsement of your Idea, or any promise, guarantee or representation that your Idea will be successful or that the use and commercialisation of your Idea will not infringe the rights of any third person.

You hereby acknowledge and agree that the £500 search fee shall be refunded to you only in the event the crowdfunding campaign is successful pursuant to clause 5.

### **5. Crowdfunding campaign**

We will advise the successful applicant of an appropriate [funding target], based on the required amount for the patent application and [funding period]. The platform will notify the inventor of any required amendments to the Campaign information sections, prior to launch of the campaign on the platform "Campaign"; as part of our responsibilities for open, transparent and fair information. The Campaign will be accessible only to investors approved by us, the platform

("Investors"). From time to time, we may provide general guidance relating to your Campaign. If we do so, please note that we provide general guidance and information only and we will not be responsible or liable to you in connection with any funding target or other content, which remains solely your responsibility, and that our main responsibility is to ensure all Campaigns are open, transparent and fair.

[You agree not to raise funds via another online crowdfunding or similar platform, or to market or promote your Idea to persons other than the Investors without our prior written consent, during the period in which the Idea is displayed on the website ("**Funding Period**").]

If, before or by the end of the Funding Period, the funding target has been reached, the crowdfunding campaign Idea will be considered successful, and you and the Investors who invested in your Idea during the Funding Plan will establish and receive equity stakes in a special purpose vehicle ("**SPV**") pursuant to clause 6. You acknowledge and agree that this SPV will be the sole recipient of any and all funds raised in connection with a successful crowdfunding campaign.

If, by the end of the Funding Period, the funding target has not been reached, any funds pledged by Investors will be rendered void. You may then choose to reapply under clause 4.

Although the Investors are selected by us, we take no responsibility for, and make no representation or warranty about, their character, financial standing and stability or intentions for the use and commercialisation of the Idea, and you hereby accept this risk. You further acknowledge that Investors may fail to fulfil payment of pledged funds and that their payment of this is entirely outside of our control. Consequently, we cannot guarantee and shall have no liability to you for your failure to receive the benefit of any funds pledged by Investors in relation to your Idea.

## **6. Successful Campaign and SPV**

If the crowdfunding campaign for your Idea is successful:

- (a) we will refund you the £500 paid under clause 4 (c); and
- (b) you and the Investors who pledged funds in your Idea will enter into such agreements necessary to establish and operate an SPV and receive appropriate equity stakes in that SPV. IdeasPatch nominee will thenceforth take over management of that SPV for the benefit of all shareholders and in accordance with the legal framework, agreed by all parties;
- (c) pursuant to the Campaign Agreement, as agreed to upon initiation of the Campaign, you will automatically upon completion of (b) above assign all intellectual property rights owned by you in the Idea, which you hereby warrant are all intellectual property rights required for the proposed use and commercialisation of the Idea, to the SPV;
- (d) furthermore, pursuant to the Campaign Agreement (subject to such amendments as may be agreed between you and the SPV), you shall automatically upon completion of (c) above receive and accept a licence from the SPV in return to use the Idea in accordance with the terms and conditions of such Licence Agreement.

You hereby acknowledge and agree:

- (a) that the funds received by that SPV in accordance with the crowdfunding campaign shall be first directed at securing a patent for the Idea if and to the extent we determine that such protection is necessary; and
- (b) to provide us with such information reasonably necessary to enable us to monitor the progress of that SPV in its commercialisation of the Idea.

## **PART B: PROVISIONS SPECIFIC TO INVESTORS**

### **7. Application**

In addition to creating an account to use the website as an investor, Investors must pay a one-off joining fee of £50 to us in order to access Idea Webpages and to participate in crowdfunding campaigns on the website.

### **8. Investing in an Idea**

You may pledge funds in an Idea by visiting an Idea Webpage and selecting an amount you wish to contribute. By pledging funds for an Idea, you are making a promise to both us and the inventor to pay those funds [to the SPV] in the event the crowdfunding campaign for the Idea is successful.

You acknowledge that:

- (a) we do not recommend or endorse any particular Idea, nor do we give (and nothing on the website or any correspondence with you shall be construed as) any promise, guarantee or representation that an Idea will be successful or that the use and commercialisation of an Idea will not infringe the rights of any third person;
- (b) we do not verify any content set out on the Idea Webpage or the identity of the investor and, it is your sole responsibility to check, confirm and satisfy yourself as to the accuracy of any such content and identity and to the risks and value associated with all Ideas. We provide no warranty and accept no responsibility for the accuracy or completeness of any content displayed on the Idea Webpage; and
- (c) pledging funds in relation to an Idea does not entitle you to any rights in or to the Idea, including any ownership, control or intellectual property rights, and that the SPV (pursuant to clause 6 (c)) shall be the legal and beneficial owner of any such rights.

You shall ensure that any funds pledged and paid [to the SPV] will not result in a breach of applicable law, including money laundering regulations.

### **9. Successful Campaign and SPV**

If the crowdfunding campaign for an Idea towards which you pledged funds is successful, you, the inventor and any other Investors who pledged funds to the Idea will enter into the Management Agreement, which is necessary to establish and operate an SPV and receive appropriate equity stakes in that SPV. All funds are held and managed via our third party payment provider [MangoPay] which will be instructed by IdeasPatch nominee.

You hereby acknowledge and agree:

- (a) pursuant to the Licence Agreement (subject to such amendments as may be agreed between the SPV and the inventor), that the relevant inventor shall automatically upon completion of clause 6 (c) be granted a licence to use the Idea in accordance with the terms and conditions of such Licence Agreement;
- (b) that the funds received by that SPV in accordance with the crowdfunding campaign shall be first directed at securing a patent for the Idea if and to the extent we determine that such protection is necessary; and
- (c) to provide us with such information reasonably necessary to enable us to monitor the progress of that SPV in its commercialisation of the Idea.

## **PART D: GENERAL**

### **10. Changes to these terms**

We may revise these terms at any time by amending this page and, where appropriate (for example, where the changes increase your obligations or decrease your rights), notifying you by email. Please check this page from time to time to take notice of any changes we made, as they are binding on you.

### **11. Changes to our website**

We may update our website from time to time, and may change the content at any time. However, please note that any of the content on our website may be out of date at any given time, and we are under no obligation to update it.

We make no representations, warranties or guarantees, whether express or implied that the content on our website is free from errors or omissions, complete or up-to-date.

### **12. Accessing our website**

Our website is made available free of charge; however particular services shall be subject to a fee as detailed in clauses 4 and 7.

We do not guarantee that our website, or any content on it, will always be available or be uninterrupted. Access to our website is permitted on a temporary basis. We may suspend, withdraw, discontinue or change all or any part of our website (including an Ideas Webpage) without notice. We will not be liable to you if for any reason our website is unavailable at any time or for any period, with the exception of an Ideas Webpage in which case your sole remedy will be for us to extend the Funding Period accordingly.

You are responsible for making all arrangements necessary for you to have access to our website.

You are also responsible for ensuring that all persons who access our website through your internet connection are aware of these terms of use and other applicable terms and conditions, and that they comply with them.

### **13. Use of our website**

You may use our website only for lawful purposes. In particular, you may not use our website:

- (a) in any way that breaches any applicable local, national or international law or regulation;
- (b) in any way that is unlawful or fraudulent, or has any unlawful or fraudulent purpose or effect;
- (c) to provide services to third parties, without our express permission;
- (d) to transmit, or procure the sending of, any unsolicited or unauthorised advertising or promotional material or any other form of similar solicitation (spam).

You also agree not to access without authority, interfere with, damage or disrupt any part of our website, any equipment or network on which our website is stored or any software used in the provision our of website.

### **14. Account and password**

If you choose, or you are provided with, a user name, password or any other piece of information as part of our security procedures, you must treat such information as confidential. You must not disclose it to any third party.

We have the right to disable any user name or password, whether chosen by you or allocated by us, at any time, if in our reasonable opinion you have failed to comply with any of the provisions of these terms of use.

If you know or suspect that anyone other than you knows your user name or password, you must promptly notify us at [enquiries@ideaspatch.co.uk](mailto:enquiries@ideaspatch.co.uk).

## **15. Confidential Information**

Each party (being inventors, investors and us) undertake that neither shall at any time disclose to any person any confidential information concerning the business (including an inventor's idea, business plan and related information, documents and data), affairs, operations, processes, plans or intentions, trade secrets, market opportunities, customers, clients or suppliers of any other party, except as permitted by this clause 15. This shall include the identity of an investor until such point as the SPV is incorporated with that investor as a shareholder.

Each party may disclose the other's confidential information:

- (a) to its employees, officers, representatives or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with these terms, provided each party ensures that its employees, officers, representatives or advisers to whom it discloses the other party's confidential information comply with this clause 15; and
- (b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

No party shall use any other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with this agreement.

## **16. Intellectual property rights**

We are the owner or the licensee of all intellectual property rights in our website, and in the material published on it. Those works are protected by copyright laws and treaties around the world. All such rights are reserved. You have no rights in or to the website or the material published on it other than the right to use it in accordance with these terms.

IDEASPATCH is a trade mark of IdeasPatch Limited.

## **17. Disclaimer**

This website is provided for general information only. We do not offer legal, investment or financial advice, and nothing on this website or in any correspondence we have with you, including any report issued to investors under clause 4, shall be intended to amount to such advice on which you should rely. You must obtain professional or specialist advice before taking, or refraining from, any action on the basis of the content on our website or in any other correspondence we have with you.

You assume full responsibility for results achieved or obtained from the use of the website, including crowdfunding campaigns, and for conclusions drawn from such use. We do not warrant that the website, or any services, documents or information obtained by you through the website or any investors or inventors you meet through the website, will meet your particular requirements.

We shall have no liability for any loss or damage caused by errors or omissions in any content or information provided by you to us or uploaded or submitted to the website (including in any Ideas Webpage), or any action taken by us at your direction.

## **18. Limitation of our liability**

Nothing in these terms of use excludes or limits our liability for death or personal injury arising from our negligence, or our fraud or fraudulent misrepresentation, or any other liability that cannot be excluded or limited by English law.

You agree to the following limitations on our liability to you:

- (a) *Exclusion of certain losses:* We shall not be liable to you for any loss of profits, business, anticipated earnings, goodwill or business opportunity, business interruption, loss or corruption of data or information, or for any special, indirect or consequential loss or damage, howsoever arising under these terms; and
- (b) *Cap on liability:* our maximum aggregate liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of these terms shall be limited to zero at present.

To the extent permitted by law, we exclude all conditions, warranties, representations or other terms which may apply to our website or any content on it, whether express or implied.

We will not be liable for any loss or damage caused by a virus, distributed denial-of-service attack, or other technologically harmful material that may infect your computer equipment, computer programs, data or other proprietary material due to your use of our website or to your downloading of any content on it, or on any website linked to it.

## **19. TERMINATION**

You may terminate these terms with us at any time, for any reason, by deactivating your account and ceasing all use of the website, but only where an Idea which you are the inventor of or an investor of is not at that point in time the subject of a live crowdfunding campaign.

We may terminate these terms with you:

- (a) at any time and for any reason, upon providing you with 10 days' notice, but only where an Idea which you are the inventor of or an investor of is not at that point in time the subject of a live crowdfunding campaign;
- (b) immediately without notice, in the event you commit a material or persistent breach of these terms;
- (c) immediately, in the event the website is discontinued, we lose the right to provide you with the website or a particular service available on it, or where the provision of the website or a particular service available on it becomes unlawful. We will endeavor to provide you with reasonable notice in advance; however, you acknowledge that this may not be possible in all circumstances and we shall not be liable to you for such failure to notify.

## **20. Uploading content to our website**

You warrant that all content uploaded posted by you to our website will comply with our Acceptable Standards Policy.

You retain all of your ownership rights in your content, but you grant us a non-exclusive, irrevocable, perpetual, worldwide, royalty free, sub-licensable licence to use, store and copy that content and to distribute and make it available to third parties.

We also have the right to disclose your identity to any third party who is claiming that any content posted or uploaded by you to our website constitutes a violation of their intellectual property rights, or of their right to privacy.

We will not be responsible, or liable to any third party, for the content or accuracy of any content posted by you or any other user of our website. We have the right to remove any posting you make on our website.

The views expressed by other users on our website do not represent our views or values.

## **21. Viruses**

We do not guarantee that our website will be secure or free from bugs or viruses.

You are responsible for configuring your information technology, computer programmes and platform in order to access our website. You should use your own virus protection software.

You must not misuse our website by knowingly introducing viruses, Trojans, worms, logic bombs or other material which is malicious or technologically harmful. You must not attempt to gain unauthorised access to our website, the server on which our website is stored or any server, computer or database connected to our website. You must not attack our website via a denial-of-service attack or a distributed denial-of-service attack. We will report any such breach to the relevant law enforcement authorities and we will co-operate with those authorities by disclosing your identity to them. In the event of such a breach, your right to use our website will cease immediately.

## **22. Third party links and resources in our website**

Where our website contains links to other sites and resources provided by third parties, these links are provided for your information only and you agree to follow such links at your own risk. We make no representation and shall have no liability or obligation whatsoever in relation to the content, or use of, or correspondence with, any such third-party website, or any transactions completed with any such third party. We recommend that you refer to the third party's website terms and conditions and privacy policy prior to using the relevant third-party website. We have no control over and do not endorse or approve any third-party website nor the content of any of the third-party website made available via the website.

## **23. Further Assurance**

You shall, and shall use all reasonable endeavours to procure that any necessary third party shall, promptly execute and deliver such documents and perform such acts as may reasonably be required for the purpose of giving full effect to these terms.

## **24. Other IMPORTANT TERMS**

*Assignment and other dealings:* You may not assign, transfer, sub-license or deal in any other manner with any or all of your rights under these terms, without the prior written consent of IdeasPatch.

*Waiver:* A waiver of any right or remedy under these terms or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. A failure or delay by a party to exercise any right or remedy provided under these terms or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent

or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under these terms or by law shall prevent or restrict the further exercise of that or any other right or remedy.

*Severance:* If any provision or part-provision of these terms is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any such modification to or deletion of a provision or part-provision shall not affect the validity and enforceability of the rest of these terms.

*Relationship:* Nothing in these terms is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties or constitute any party the agent of another party.

*Third Party Rights:* No one other than a party to these terms, their successors and permitted assignees, shall have any right to enforce any of its terms.

*Entire Agreement:* these terms, and all documents referred to in them, constitute the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter. Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in these terms or any document referred to herein.

*Governing Law/ Jurisdiction:* these terms and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales. Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with these terms or its subject matter or formation.