

## Privacy Policy CREATIVE EQUITY GROUP, INC.

CREATIVE EQUITY GROUP, INC. ("CEG") is committed to maintaining your privacy. This privacy policy and agreement (our "**Privacy Policy**") specifies the personal information that we ask you to provide in order to participate in the services we offer, and governs how we treat this personal information.

PLEASE READ THIS PRIVACY POLICY CAREFULLY. YOUR CONSENT TO THE TERMS OF THIS PRIVACY POLICY CREATES LEGAL OBLIGATIONS FOR YOU AND FOR US. PLEASE READ SECTION 3 (YOUR CONSENT) TO LEARN WHAT CONSTITUTES "CONSENT" UNDER THIS PRIVACY POLICY. IF YOU DO NOT AGREE WITH THE TERMS OF THIS PRIVACY POLICY, PLEASE REFRAIN FROM USING OUR SITE.

### **1. Who We Are and What We Do**

Our web site provides online tools to assist companies, potential investors, and others who are interested or involved in the acquisition, development, leasing, management, and financing of real estate and real estate projects. Our website (the "**Website**" or the "**Site**") functions as follows: (i) a real estate company (an "**Offering Company**") will ask us to assist it in raising funds online for a real estate project it is contemplating (a "**Project**"); (ii) the Offering Company will provide to us all required documents describing the Project or describing the loan terms requested by the Offering Company (the "**Offering Company Documents**"); (iii) we will provide these Offering Company Documents to individuals who have registered at this Site and who present the necessary qualifications to consider an investment in the Offering Company (each an "**Investor**"); and (iv) we then facilitate exchanges between the Offering Company and an Investor; and (v) if the Investor chooses to make an investment in accordance with the Offering Company Documents, we help to process this transaction and associated paperwork. We refer to these services as "**Investment-Related Services**."

In addition to these services, designed to facilitate exchanges and process transactions for interested Investors and Offering Companies, we plan also to offer a forum – that we call the "**Marketplace**" – to allow Investors and users who register at our Site and qualify (each a "**Participating User**") to create and participate in discussions over real estate projects – whether the project is ongoing, planned, or not even yet "on the drawing board." For convenience, we use the term "**Services**" to refer collectively to the services we offer via the Marketplace and our Investment-Related Services. We view our Services as a form of "crowd-funding" or "crowd-sourcing."

Unless otherwise provided in its Offering Company Documents, Offering Companies using our Services generally take the following approach: the Offering Company will acquire the real estate property at issue (the "**Property**"). Following this acquisition of the Property, the Company will plan to renovate or redevelop the Property, and to employ community-based design, or "crowdsourcing," by allowing residents of the community in which the Property sits to provide input on the ultimate design and use of the Property. Following the selection of such a crowd-sourced design and use, the Company will plan to conduct a limited public offering of the Company's Class B or C Membership Interests through our Website.

### **2. Navigating Our Privacy Policy**

It is important that you understand this Privacy Policy. To assist in your understanding, we have (i) divided this Privacy Policy into numbered sections, (ii) created a table of contents at the conclusion of this policy, and (iii) provided a set of definitions to allow easy reference to the key concepts in this Policy. If you have questions, please feel free to contact us at the address in Section 30 (Contact Us).

### **3. Your Consent**

You indicate your consent to the terms of this Privacy Policy in different ways, depending on your relationship to the Site. The procedures for consenting to this Policy are (a) less formal if you are simply a casual Site Visitor, and (b) more formal if you are seeking to become a Registered User.

**3.1. Consent by Site Visitor.** By accessing and using our Website as a Site Visitor, you are acknowledging that you have read and understood this Privacy Policy and agree to be legally bound by it.

**3.2. Consent by Registered Users.** If you register as a Participating User or an Investor on our Site, during the registration process you will be prompted to click a "checkbox" confirming that you have had an opportunity to review this Policy, and that you agree to its terms. Clicking this checkbox confirms your agreement to be bound by this Privacy Policy. You are permitted to register only in your capacity as an individual, and we do not allow users to register on behalf of a group or organization.

### **4. Our Services Rely In Part On Information from You**

Information you may provide while visiting our Site or while participating in our Services falls into two broad categories: (i) Personally Identifiable Information, and (ii) Anonymous Information. We use the term "**Personally Identifiable Information**" to mean any information that could reasonably be used to identify you, including your name, address, e-mail address, birth date, financial information, cell or land-line phone number, or any combination of information that could be used to identify you. "**Anonymous Information**" is information that does not identify you, and may include statistical information concerning, for example, your use of our Services or the pages on our Site that you visit most frequently. Please keep in mind that our Privacy Policy does not govern information you choose to exchange with other Registered Users (or with Site Visitors), as we have no direct control over the collection or use of this information. Please use appropriate precautions in sharing your information with these users. Section 22 (Further Resources) provides further guidance on good practices in this regard.

### **5. A Site Visitor Does Not Provide Personally Identifiable Information**

We have structured our Website so that, as a casual Site Visitor, you may come to our Site and review selected information about our Services without revealing your identity or providing any Personally Identifying Information. It is only where you wish to become a Participating User – and interact in the Marketplace – or become an Investor – and consider investing in an Offering Company, that we require you to provide Personally Identifiable Information.

### **6. A Registered User Will Provide Personally Identifiable Information**

To provide our Services, and facilitate exchanges between Participating Users, and between Offering Companies and Investors, we obtain Personally Identifiable Information from you. The ways in which you provide this information, and how we use and protect this information, are set out in Sections 7, 8, 9, and 12, below.

## **7. A Participating User Provides Contact Information, and Other Similar Personally Identifiable Information**

**7.1. Services Available to Participating Users.** Participating Users are entitled to engage in exchanges and debate with other Participating Users (and Investors) via our "**Marketplace**" features. A Participating User is entitled as well to apply to qualify as an Investor on the Site, if he or she chooses and is eligible.

**7.2. Registration Information.** In order to access our Services as a Participating User we require that you complete a registration form. Our registration forms will specify the information which you must provide in order to enjoy the particular features to which you wish to subscribe, which may include such items as (i) name; (ii) email address; (iii) cell and land-line phone number; (iv) mailing address; (v) social security number (for IRS tax reporting purposes); and (vi) birth date (for COPPA and eligibility purposes) (collectively "**Contact Information**"). Our registration forms may additionally request information which you may, at your option, choose to provide or withhold. To the extent this additional information constitutes Personally Identifiable Information, we will treat it in the manner specified in this Privacy Policy.

**7.3. Completing Your Registration as a Participating User; User Passwords.** Upon completion of our registration process, you will receive a user name and password, which will allow you to gain access to our Marketplace.

**7.4. No Anonymous Postings.** We believe that website hosts best foster online discussions of substance by requiring that a user who posts information do so under his or her actual given name (please keep in mind that we strongly discourage users from providing any other personal information in the Marketplace). Accordingly, we ask that our Participating Users identify themselves in this manner in our Marketplace. If you object strongly to this practice, please contact us in accordance with Section 30 (Contact Us), and we can discuss a possible accommodation, on the understanding that we may ask you to refrain from posting information or comments in the Marketplace if your request, in our discretion and in our sole judgment, diverges too far from our policies on public discussion and debate via the Marketplace.

## **8. An Investor Provides Financial Information, Information to Verify His Or Her Identity, and Other Similar Personally Identifiable Information**

**8.1. Services Available to Investors; the Distinction Between Prospective Investors, Accredited Investors, and Existing Investors.** Given the regulatory structure governing raising funds, as well as other considerations, we divide individuals who invest through our Site into three broad categories – we call individuals who fall into one or more of these categories "Investors" – and the Investment-Related Services available to an Investor depend on which category he or she falls within, as follows:

**8.1.1. Prospective Investors.** A "**Prospective Investor**" is a Participating User who has completed, and meets the qualifications specified in, the Investor Registration. In addition to receiving Services available to our Participating Users, a Prospective Investor is

entitled to purchase Offerings, provided that he or she is qualified under Applicable Law for the offering identified in the Offerings.

**8.1.2. Accredited Investors.** An "**Accredited Investor**" is an Investor who has indicated, and CEG has made efforts to confirm, they have a net worth (individually or jointly) of at least \$1,000,000 excluding the value of my primary residence OR I have an individual income of at least \$200,000 or a joint income of at least \$300,000 for the past two years and reasonably expect to reach the same income level this year.

**8.1.3. Existing Investors.** An "**Existing Investor**" means an Investor who has executed a complete set of Offering Company Documents, who has meets the requirements and qualifications set out in those Offering Company Documents, and who makes an investment in an Offering Company.

**8.2. Baseline Information.** To qualify as an Investor on our site and receive the Investment-Related Services outlined above, you first need to provide Contact information, and complete the steps required to be a Participating User. You then must provide the additional information specified in following Section 8.3 (Identity Verification) and Section 8.4 (Investor Financial Information).

**8.3. Identity Verification.** We may require each Investor to provide information designed to verify his or her identity. This information ("**Identity Verification Information**") may include (i) information from a successfully completed electronic check transaction, (ii) a credit report, or (iii) other similar information designed to authenticate and confirm your identity.

**8.4. Investor Financial Information.** We also require each Investor to provide the information specified below, consisting of Form W-9 Information, Specific-Qualifications Information, and Payment Information, as specified below. We refer to this information collectively as "**Investor Financial Information.**"

**8.4.1. Form W-9 Information.** For tax purposes, we require that each Investor also provide a completed Internal Revenue Service Form W-9, which includes your Social Security Number (or Taxpayer Identification Number, where applicable) ("**Form W-9 Information**").

**8.4.2. Specific-Qualifications Information (aka the Investor Qualifying Questions).** We will also require that Investors provide other information needed to meet regulatory "suitability" requirements for investing in an Offering Company, in part via our Investor Qualifying Questions. Depending on the nature of the offering, this information will include: (i) information concerning an Investors' net worth and income; (ii) information concerning his or her residency; (iii) so-called "relationship" information, including whether the Investor would qualify as "friends and family" or would have the requisite relationship to the Offering Company and/or to CEG; and (iv) other information we might request to determine, on behalf of the Offering Company, whether an Investor qualifies for a particular investment. We refer to this information as "**Specific-Qualifications Information.**" When you provide relationship information to us in response to our Investor Qualifying Questions, we will assume the relationship you specify applies to CEG and its management, unless you state otherwise, or unless contrary to Applicable Law.

**8.4.3. Payment Information.** In order to make an applicable investment through our Website, an Investor must provide us with certain account and other payment

information, such as information needed to make payment via electronic checks or credit card ("**Payment Information**"). Our registration process for Investors provides additional details on the types of Payment Information needed.

## **9. How We Use Your Personally Identifiable Information**

We use your Personally Identifiable Information to process your transactions and facilitate your activities with respect to our Site and with respect to Offering Companies participating in our Site, as set out below. We do not disclose your Personally Identifiable Information to third parties without your express consent, except in the specific circumstances identified in Section 10 (There Are Strictly Limited Circumstances Where Certain Third Parties Have Access To Personally Identifiable Information).

**9.1. Required Notices.** Offering Companies are required to provide Investors with certain materials, including formal notices from regulators and Offering Companies, and other information that we provide in order to comply with Applicable Law. We may also be obligated to provide this information to you. We will use your Contact Information for these purposes. Where necessary to comply with Applicable Law, we will also use Investor Financial Information for these purposes. Offering Companies may use Contact Information and Investor Financial Information in a similar manner to meet these requirements. Registered Users cannot opt-out of this use of information.

**9.2. Processing Your Transactions.** We use the Personally Identifiable Information you provide to process transactions that you have authorized us to undertake, and to provide you with the Services you have requested. Registered Users cannot opt-out of this use of information.

**9.3. Exchanges with Offering Companies.** In order to communicate with you as a Prospective Investor (or other Investor), and to confirm (where necessary) whether you are eligible for a transaction, an Offering Company will rely on an Investor's Contact Information and, where applicable, on his or her Investor Financial Information. We will provide this Personally Identifiable Information to Offering Companies in which you have expressed an interest or purchased shares. As further detailed in Section 19 (The Relationship between this Privacy Policy and the Privacy and Information Security Practices of Offering Companies) (and unless otherwise provided in their Offering Company Documents), each Offering Company employing our Services commits to protections for your Personally Identifiable Information that are the same in all material respects as the protections we provide in this Privacy Policy. You Users cannot opt-out of use by Offering Companies and by us of Personally Identifiable Information that is necessary to process your transactions and requests. You are entitled to opt-out of the use of your Personally Identifiable Information for other purposes, such as providing you with Informal Information (as outlined below). Please see Section 11 (Changing or Removing Information; Opting Out) for instructions on opting-out.

**9.4. Operation of Our Site.** We use your Personally Identifiable Information in the operation of our Website, and to comply with Applicable Law. You cannot participate in our Site if you seek to opt-out of these uses of your Information.

**9.5. Marketplace Exchanges.** We offer a forum for online discussion and "community" participation, that we call the "**Marketplace.**" Participating Users and Investors may choose to participate in Marketplace discussions and exchanges. When a user (or when we ourselves) participate in the Marketplace, the participant will use Contact Information you

have provided for purposes of your inclusion in the Marketplace. Any comments or content you contribute to the Marketplace ("**Submitted Content**") becomes public on your transmittal of the information, and any Personally Identifiable Information you disclose becomes available to the other participants in the discussion. Our Privacy Policy does not cover the information you disclose in such online discussions on our Site. You should use discretion in what you submit to these exchanges. Please see Section 7.4 for guidance on using personal information in online discussions. You are entitled to opt-out of these uses of information. Please see Section 11 (Changing or Removing Information; Opting Out) for instructions on opting-out.

**9.6. Providing You With Informal Information.** Periodically, we might like to send you materials for informational purposes, such as notices of investment opportunities via our Site or updates concerning Offering Companies in which you have invested, and other information that does not constitute a Necessary Disclosure (collectively, "**Informal Information**"). Informal Information may take a range of forms, including email, newsletters, or automatic notices generated by our Website. As specified in Section 9.6, under this Privacy Policy (i) you will receive Informal Information only from (a) CEG and (b) those Offering Companies in which you have invested; and (ii) you are entitled to opt-out from receiving Informal Information. Periodically, we may choose to send news, bulletins, marketing materials, or other information to Registered Users, and will use Personally Identifiable Information to send such communications. If we choose to undertake such communications, you will have the ability to opt-out of receiving these communications as provided in Section 11 (Changing or Removing Information; Opting Out).

**9.7. Feedback, Questionnaires and Surveys.** Our Website may allow Site Visitors and Registered Users to participate in surveys and/or questionnaires, which from time to time we may post on the Site. We also encourage our users to provide feedback to us about our Site and our Services. You are free to choose whether you participate in these activities. We may ask that, in addition to providing your responses, you also provide Contact Information. In these instances, we use any Personally Identifiable Information you choose provide to us in connection with these activities strictly for the purposes for which you submit the information. We will use survey and questionnaire information – with any Personally Identifiable Information removed – for monitoring or improving the use and appeal of this Site and for other purposes (with no other obligation to you and, specifically, with no obligation to compensate you for these uses). You are not obligated to participate in any of these activities and, if you undertake these activities, you will have the ability to opt-out as provided in Section 11 (Changing or Removing Information; Opting Out).

## **10. There Are Strictly Limited Circumstances Where Certain Third Parties Have Access To Personally Identifiable Information**

**10.1. Service Providers.** We may employ other companies to perform functions on our behalf, such as maintaining the Website, providing services related to the Site, collecting information, responding to and sending electronic mail, or other functions necessary to our business. We may need to share your Personally Identifiable Information with these companies (collectively, "**Service Providers**"). We will share with our Service Providers only that information necessary for them to perform their functions, and we require them to commit to refrain from using your Personally Identifiable Information for any other purpose.

**10.2. Question of Harm.** We may reveal your Personally Identifiable Information to attorneys, private investigator organizations or law enforcement agencies if we believe (i) that you are in risk of harm from another, (ii) that you are harming or interfering (or will harm or

interfere) with others, or (iii) that you are violating (either intentionally or unintentionally) our Terms and Conditions of Use or are otherwise violating legal rights. We will take all reasonable steps to disclose only so much of this Information as is necessary, limiting the disclosure, for example (and where applicable), to Contact Information only.

**10.3. Legal.** CEG will reveal your Personally Identifiable Information to the extent we reasonably believe we are required to do so by law. If we receive legal process calling for the disclosure of your Personally Identifiable Information, we will attempt to notify you via the email address you supplied during registration within a reasonable amount of time before we respond to the request, unless such notification is not permitted.

**10.4. Transfer of Site.** CEG shall be entitled to transfer to a third party information it collects, including any Personally Identifiable Information, in connection with a sale of all or substantially all of the assets of the business entity responsible for the information under this Policy, provided the acquiring third party has agreed to safeguard your Personally Identifiable Information with protections that in all material respects are the same as, or more protective than, those set out in this Privacy Policy.

## **11. Changing or Removing Information; Opting Out**

**11.1. Required Updates.** Applicable Law places certain obligations on Investors to keep information current, including, for example, Form W-9 Information. We ask that you keep your information current. It is particularly important for you to keep your Investor Financial Information current, and to report to us any material change in this Information. We use this information to provide you with investment opportunities on behalf of a potentially broad array of Offering Companies and financial distributions due to you as a shareholder of an Offering Company. Without current information, you receive information in error, that you are not eligible to receive or act on. If you have any questions concerning the importance of keeping your information current (particularly you Investor Financial Information), please contact us in accordance with Section 30 (Contact Us).

**11.2. Discretionary Account Information.** To allow appropriate control over Personally Identifiable Information, you can access your account (after supplying your user name and password) to change or update discretionary information that you have previously submitted.

**11.3. Opting-Out.** You are entitled to decline to participate in certain Services, and to decline to give us permission (or to revoke that permission in your discretion) to use your Personally Identifiable Information for certain purposes. We provide you with the ability to decline – or “opt-out of” – receiving communications concerning, or being included in, these activities. Section 9 (How We Use Your Personally Identifiable Information) identifies the Services and uses for which you hold this opt-out right. To opt-out, please email us at support@CEG.com, and we can also answer questions or assist if you contact us as provided in Section 30 (Contact Us). Please understand that you will not be allowed to opt-out of Required Notices or other legal and related notices concerning your relationship to the Site.

**11.4. Deleting Information.** Finally, if you request, we will remove your name and all other Personally Identifiable Information from our databases. Please understand, however, that it may be impossible to remove this information completely, due to IRS and regulatory reporting requirements, ownership in an Offering Company and the rights thereof, and data backups and records of deletions. In addition, please understand that, if you request deletion of your

information, you will be unable to use certain features of the Website and any associated Services. You may not remove de-identified, anonymous, or aggregate data from our databases.

## **12. How We Safeguard Your Personally Identifiable Information**

We have put in place security systems designed to prevent unauthorized access to or disclosure of Personally Identifiable Information, and we take all reasonable steps to secure and safeguard this Information, including:

- Our Site's password-protected section requires users to give us unique identifiers such as their user ID and password;
- We employ a secure channel, using Secure Sockets Layer encryption, the standard for secure Internet network connections, to protect information exchanged over the Internet between your web browser and our servers;
- CEG employees (and employees of our Service Providers) are required to acknowledge that they understand and will abide by this Privacy Policy with respect to the confidentiality of Personally Identifiable Information;
- Where applicable under Section 19 (The Relationship between this Privacy Policy and the Privacy and Information Security Practices of Offering Companies) Offering Companies agree to abide by this Policy and apply similar safeguards to Personally Identifiable Information;
- We provide access to our databases containing Personally Identifiable Information on a need-to-know basis only; and
- We use automated tools to monitor network traffic to identify unauthorized attempts to upload information, change information, or otherwise seek to "hack into" our systems.

We recognize the sensitivity of information provided in response to our Investor Qualifying Questions and take additional precautions with respect to this Information, as follows:

- We store Investor Questionnaire Information that we receive on a secure system isolated from direct connection to the Internet.
- We encrypt Investor Questionnaire Information (including account and social security number information) using the AES-256 standard, which is the same encryption standard used by banks to secure sensitive customer data.

You can find more information about our security procedures at [www.CEG.com](http://www.CEG.com). Our

security systems are therefore structured to deter and prevent hackers and others from accessing information you provide to us. Please understand, though, that this information should not be construed as a warranty that our security systems are fail proof. Due to the nature of Internet communications and evolving technologies, we cannot provide and we also disclaim assurance that the information you provide us will remain free from loss, misuse, or alteration by third parties who, despite our efforts, obtain unauthorized access.

### **13. Anonymous, Aggregate Information**

We use Anonymous Information to analyze the effectiveness of our Site, to improve our Services, and for other similar purposes. In addition, from time to time, we may undertake or commission statistical and other summary analyses of the general behavior and characteristics of users participating in our Services and the characteristics of visitors at our Site, and may share Anonymous Information with third parties, including Advertisers. Rest assured, though, that Anonymous Information provided to third parties will not allow anyone to identify you, or determine anything personal about you. We may collect Anonymous Information through features of the software that supports our Services, through cookies, and through other means described below.

**13.1. IP Addresses; Logs.** CEG may automatically receive and record information in our server logs from your browser, including your IP address (the Internet address of your computer), your computer's name, the type and version of your web browser,referrer addresses, and other generally-accepted log information. We may also record page views (hit counts) and other general statistical and tracking information, which will be aggregated with that of other users in order to understand how our Website is being used, and for security and monitoring purposes. None of this data contains Personally Identifiable Information.

**13.2. Cookies.** A cookie is a small amount of data, often including an anonymous unique identifier, which is sent to your browser from a website's computers and stored on your computer's hard drive. Cookies can be used to provide you with a tailored user experience and to make it easier for you to use a website upon a future visit. We may include cookies on our Website and use them to recognize you when you return to our Website. You may set your browser so that it does not accept cookies. Cookies must be enabled on your web browser, however, if you wish to access certain personalized features of our Services.

**13.3. Tags.** We may use so-called "pixel tags" – small graphic images (also know as "web beacons" or "single-pixel GIFS") – to tell us what parts of our website have been visited or to measure the effectiveness of searches customers perform on our Site. Pixel tags also enable us to send email messages in a format customers can read, and they inform us whether emails have been opened, to help ensure that our messages are of interest to our Registered Users. None of this data includes Personally Identifiable Information, and you can "opt-out" of receiving these types of emails from us by following the directions provided in Section 11 (Changing or Removing Information; Opting Out). If any Personally Identifiable Information is collected using such tools, it will be subject to the terms of this Privacy Policy.

**13.4. Click-Throughs.** We may send email messages that use a "click-through URL" linked to content on our Website. When you click one of these URLs, you pass through our web server before arriving at the destination web page. We track this click-through data to help determine interest in particular topics and measure the effectiveness of our customer communications. If you prefer not to be tracked, simply do not click text or graphic links in the email, or notify us in accordance with Section 11 (Changing or Removing Information; Opting Out).

**13.5. Banner Ads; Advertising Profiles.** The Services may include the use of ad banner partners for the serving and/or targeting of ads, promotions, and other marketing messages. These ads may be provided, in some cases, by a third party ad service provider or advertiser ("Advertisers"). These Advertisers may use traditional banner ads, or other advertising methods, such as advertising using profiles and related Content. An Advertiser may

place or utilize its own cookie on your browser, and may use Anonymous Information about your visit to our sites, such as the number of times you have viewed the ad. If the Advertiser requests that you provide to it Personally Identifiable Information, please be aware that this Advertiser's use and collection of this information will be governed by its own privacy policy, and not our Policy. We recommend that you review the Advertiser's privacy policy before providing Personally Identifiable Information.

**13.6. Computer Configuration.** In order to determine whether your computer is supported by our system, we may collect certain Anonymous Information. This information includes, but may not be limited to, your operating system and browser, as well as the presence of any software that our Website may require to operate with your computer, or other third party software on your computer. This information is kept strictly confidential and is not shared with third parties, except as provided for in this Privacy Policy.

#### **14. Any Information Linked With Your Personally Identifiable Information Is Protected As "Personally Identifiable Information"**

To enable us to better understand the characteristics of our Registered Users and/or to provide services tailored to your needs, we may link (i) the Personally Identifiable Information a Registered User provides with (ii) Anonymous Information. If we combine or link any Anonymous Information or other information with your Personally Identifiable Information, the resulting combination will be treated and protected as Personally Identifiable Information under this Privacy Policy.

#### **15. Notice of Security Incident**

If we detect, despite the safeguards set out above, an intrusion or other unauthorized access to or use of Personally Identifiable Information (an "**Intrusion**"), we will (i) notify affected users of the Intrusion if the information at issue is sensitive, in our discretion; (ii) deliver this notice by the means we deem most efficient under the circumstances (such as, for example, first class mail or email); (iii) use contact information for each affected user that is current in our files; and (iv) use commercially reasonable efforts to accomplish these steps and effect this notice in a timely manner. To the extent applicable law requires steps in addition to those specified above, we will under all circumstances comply with applicable law.

#### **16. Participation by Children and Teens; Advisory**

Due to federal law (as reflected in the Children's Online Privacy Protection Act), WE DO NOT ALLOW INDIVIDUALS WHO WE KNOW ARE UNDER 18 TO PARTICIPATE IN OUR SITE OR SERVICES. YOU MUST BE AT LEAST 18 YEARS OLD TO USE OUR SITE AND SERVICES. Please understand that we cannot necessarily tell if a user is providing us with his or her true age.

#### **17. Notification of Changes**

From time to time, CEG may change its Privacy Policy. If we make any changes regarding disclosure of Personally Identifiable Information to third parties, we will attempt to contact you prior to the date the modified policy is scheduled to take effect. We will post notice of the new Policy from the privacy link on our Website. With respect to Site Visitors, your use of our Site following any such change constitutes your agreement to follow and be bound by the Privacy Policy, as changed. With respect to Registered Users, no such changes will take effect

unless and until you have provided us with your consent to such changes, in accordance with Section 3.2, above.

#### **18. Our Relationship with Offering Companies**

We currently do business only with Offering Companies with which we have a relationship, and this relationship is described and defined in the Offering Company Documents. As our Site matures, the Site may be opened in the future to other companies.

#### **19. The Relationship between this Privacy Policy and the Privacy and Information Security Practices of Offering Companies**

To streamline the relationship between Registered users and Offering Companies, we ask each Offering Company to adopt this Privacy Policy, and comply with all material terms of this Privacy Policy with respect to your Personally Identifiable Information. Certain Offering Companies, however, may choose to adopt differing privacy and information security practices; the Offering Company Documents will specify these differing terms, if the Offering Company has opted-out of our Privacy Policy.

#### **20. Our Affiliates**

We may choose to rely on and share information with companies closely related to us – our "Affiliates" – for certain purposes under this Privacy Policy. By "**Affiliate**," we mean an entity that controls, is controlled by, or is under common control with CEG, whether the control results from equity ownership, contract, overlapping management or otherwise. In this context, "control" means the ability to replace the officers or directors or otherwise materially influence or control management decisions. You agree that CEG Affiliates will be entitled to enjoy our rights under this Policy and, in exchange, we agree that we will be responsible for our Affiliate's conduct under this Policy, if our Affiliate fails to comply with any resulting obligations. In any event, we ensure that our Affiliates agree to protect Personally Identifiable Information in a manner no less protective of your interests than the protections set out in this Policy.

#### **21. Relationship to Terms of Use and Other Contracts; Incorporation of Terms of Use**

This Privacy Policy must be read in conjunction with our Terms and Conditions of Use, and the provisions of our Terms and Conditions of Use are incorporated herein. By way of clarifying example (and not by way of limitation), the following provisions in our Terms of Use are expressly incorporated herein, by reference to their titles: "Disclaimer of Warranties"; "Limitations of Liability"; "Indemnity"; "Mandatory Arbitration"; and "Other Disputes".

To the extent the Terms and Conditions of Use conflict with the terms of this Privacy Policy, the terms of this Privacy Policy will control.

#### **22. Further Resources**

If you wish further information concerning privacy policies in general, and concerning online social networking and safety, you should visit the following site:

<http://www.ftc.gov/privacy/index.html>

## **23. Notice of Privacy Rights to California Residents**

California law requires that we provide you with a summary of your privacy rights under the California Online Privacy Protection Act (the "Act") and the California Business and Professions Code. As required by the Act, we will provide you with the categories of Personally Identifiable Information that we collect through the Website and the categories of third party persons or entities with whom such Personally Identifiable Information may be shared for direct marketing purposes at your request. California law requires us to inform you, at your request, (1) the categories of Personally Identifiable Information we collect and what third parties we share that information with; (2) the names and addresses of those third parties; and (3) examples of the products marketed by those companies. The Act further requires us to allow you to control who you do not want us to share that information with. To obtain this information, please send a request by email or standard mail to the address set out in Section 30 (Contact Us). When contacting us, please indicate your name, address, email address, and what Personally Identifiable Information you do not want us to share with Affiliated Businesses or Marketing Partners. The request should be sent to the attention of our legal department, and labeled "California Customer Choice Notice." Please allow 30 days for a response. Also, please note that there is no charge for controlling the sharing of your Personally Identifiable Information or requesting this notice.

## **24. Third Party Links; Advertisers**

We may allow certain corporations (other than Offering Companies), advertisers, and other entities to place ads and information on our Marketplace (collectively, "**Corporate Participants**"). Although we have permitted the Corporate Participants to exchange information via the Marketplace, we are not responsible for your choice to contact or do business with them. Your correspondence and dealings with Corporate Participants, and any other terms, conditions, warranties, or representations associated with such dealings, are solely between you and the Corporate Participant, and you agree that CEG shall not be responsible or liable for any loss or damage incurred as the result of your dealings with Corporate Participants or as the result of the presence of Corporate Participants in the Marketplace.

## **25. Agreements**

In order to engage in the Services as an Investor, you will need to obtain legal rights, and undertake legal obligations, in addition to those set out in this Policy and, in particular, under Offering Company Documents. These additional rights and obligations are set out in the Offering Company Documents, that are provided to you in connection with your requesting to be qualified as an Investor, or contemplating (or making) and investment in an Offering Company. These Offering Company Documents are available to appropriate on our Site, located at [www.CEG.com](http://www.CEG.com).

## **26. Complaints**

### **26.1. Complaints and Suggestions for Improvement to Us.**

We want your feedback. If you have a suggestions on how we can improve our services or complaints you would like us to address about our Services, please contact us at the address set out in Section 30 (Contact Us). For more serious disputes, you must follow (and are bound by) the terms set out below in Section 27 (Mandatory Arbitration of Disputes). You may also

bring these types of complaints to the attention of others, for an independent review, as provided in Section 26.2 (Complaints to Regulators).

**26.2. Complaints to Regulators.** If you are a California resident, you may report complaints to the Complaint Assistance Unit of the Division of Consumer Services of the California Department of Consumer Affairs by contacting them in writing at 400 R Street, Sacramento, CA 95814, or by telephone at (800) 952-5210. Other States may provide similar avenues for lodging complaints. Please check with your State's consumer protection authority.

## **27. Mandatory Arbitration of Disputes**

Both you and CEG are required to submit to binding arbitration any claim, dispute, or controversy arising out of, relating to, or connected in any way with the Site or our Services, Privacy Policy, or Terms of Use (each a "Claim"), as specified in our Terms of Use, located at <http://www.CEG.com>.

## **28. Termination; Duration of Rights**

You are entitled to terminate this Privacy Policy at any point, by following the directions set out in Section 11.4 (Deleting Information). We will continue to protect your Personally Identifiable Information under the terms of this Privacy Policy, for the duration of the period that this Information is in our possession, or under our control. Our Terms of Use will survive a termination of this Privacy Policy (in accordance with their terms), and continue to govern any ongoing obligations or limitations on our relationship.

## **29. Definitions**

**"Affiliate"** means an entity that controls, is controlled by, or is under common control with CEG, whether the control results from equity ownership, contract, overlapping management or otherwise. In this context, "control" means the ability to replace the officers or directors or otherwise materially influence or control management decisions.

**"Anonymous Information"** means information that does not identify you – and cannot be used to identify you – such as statistical information, demographic information, website log information, and other information, as further specified in Section 4 (The Types of Information You may Provide). For the avoidance of doubt, Aggregate Information does not constitute Personally Identifiable Information.

**"Applicable Law"** means statutes and regulations that apply to Offering Companies and this Website, with respect to the services provided through this Site.

**"Contact Information"** means information that can be used to contact you, including your name, e-mail address, street address, and cell phone or land-line phone number.

**"Existing Investor"** means an Investor who meets the following three additional criteria: the Investor (i) has executed a complete set of Offering Company Documents; (ii) has met all qualifications set out in those Offering Company Documents; and (iii) has invested in one or more of the Offering Companies associated with those Offering Company Documents.

**"Form W-9 Information"** means information that must be included on a completed Internal Revenue Service Form W-9 for tax purposes, including your Social Security Number (or

Taxpayer Identification Number, where applicable). Because the Website is open only to US investors, Form W-8ECI (designed for foreign investors) is not relevant.

**"CEG"** means CEG, LLC.

**"Identity Verification Information"** means information designed to verify your identity. Identity Verification Information may include (i) information from an electronic check that you provide, (ii) a credit report, or (iii) other similar information designed to authenticate identity.

**"Informal Information"** means material that we send you for informational purposes, such as notices of investment opportunities via our Site, narrative updates concerning Offering Companies in which you have invested, and other information that does not constitute a Required Notice. Informal Information may take a range of forms, including email, newsletters, or automatic notices generated by our Website. As specified in Section 9.6, under this Privacy Policy (i) you will receive Informal Information only from (a) CEG and (b) those Offering Companies in which you have invested; and (ii) you are entitled to opt-out from receiving Informal Information.

**"Investment-Related Services"** means those services we provide to Investors and Offering Companies via our Website.

**"Investor"** means, collectively, (i) Prospective Investors; (ii) Accredited Investors; and (iii) Existing Investors.

**"Investor Financial Information"** means (i) Form W-9 Information; (ii) Specific-Qualifications Information; and (iii) Payment Information.

**"Investor Questionnaire"** or **"Investor Qualifying Questions"** means the set of questions that specify the information and qualifications needed for a Participating User to qualify as an Investor at our Site.

**"Investor Questionnaire Information"** means (i) Investor Financial Information and (ii) Identity Verification Information.

**"Marketplace"** means the interactive, community-based area of the Website that permits exchanges between Participating Users and Investors, including blogs, chat rooms, wikis, forums and similar vehicles for exchanging information and ideas.

**"Offering Circular"** means the document provided by an Offering Company to describe the securities the Company is offering via the Website. The content of Offering Circulars is governed by Applicable Law.

**"Offering Company"** means an entity that offers an investment via our Website.

**"Offering Company Documents"** means (i) the Offering Circular; (ii) the Form U-7, (iii) the Subscription Agreement; and (iv) the Operating Agreement.

**"Operating Agreement"** means the document identified as the Offering Company's "operating agreement" in the Offering Company Documents.

**"Participating User"** means a natural person (not a legal entity) who (i) is age 18 or older and (ii) has completed the registration process at our Site. We may permit certain companies (legal entities) to participate in our Marketplace. These entities are not considered "Participating Users" because they must agree to additional terms – such as further "good citizenship" terms – that apply to their participation.

**"Payment Information"** means information you provide when you invest in an Offering Company via our Website, including account information on an electronic check or credit card.

**"Personally Identifiable Information"** means (i) your Registration Information; (ii) the fact that you have qualified as an Investor (if you choose to register in this manner, and meet the requisite criteria); and (iii) any other information that could reasonably be used to identify you.

**"Project"** means any of the real estate projects described in the Offering Company Documents.

**"Prospective Investor"** means a Participating User who has completed, and meets the qualifications specified in, the Investor Questionnaire.

**"Accredited Investor"** means a Participating User who has indicated, and CEG has made efforts to confirm, they have a net worth (individually or jointly) of at least \$1,000,000 excluding the value of my primary residence OR I have an individual income of at least \$200,000 or a joint income of at least \$300,000 for the past two years and reasonably expect to reach the same income level this year.

**"Registered User"** means, collectively, (i) Participating Users and (ii) Investors. You may not register on behalf of a group or organization.

**"Registration Information"** means the information that you provide in order to participate in our services, consisting of (i) Contact Information, (ii) Investor Questionnaire Information; and (iii) your birth date.

**"Regulators"** means state and federal regulators with jurisdiction over Offering Companies and this Website in accordance with Applicable Law. The term "Regulators" includes, where applicable, the United States Securities and Exchange Commission.

**"Required Notices"** means (i) formal notices from regulators and Offering Companies and (ii) other information that we provide in order to comply with Applicable Law, as further specified in Section 9.1 (Required Notices).

**"Services"** means all services available via the Website, including Investment-Related Services and services we provide with respect to the Marketplace.

**"Service Providers"** has the meaning set out Section 10.1 (Service Providers).

**"Specific-Qualifications Information"** means information needed to meet regulatory "suitability" requirements for investing in an Offering Company. Depending on the nature of the offering, Specific-Qualifications Information will include: (i) information we request concerning your net worth or income; (ii) information concerning your residency; (iii) so-called "relationship" information, including whether you qualify as "friends and family" or as an investor with a

substantial relationship to the Offering Company and the Site; and (iv) other information we may request to determine, on behalf of the Offering Company, whether you qualify for an investment.

**"Subscription Agreement"** means the document identified as the Offering Company's "subscription agreement" in the Offering Company Documents.

**"User", "you" or "your"** refers to (i) Site Visitors and (ii) Registered Users, as applicable.

**"We," "us," and "our"** refers to (i) CEG and (ii) Offering Companies that use this Site. For the avoidance of doubt, this Privacy Policy constitutes the privacy policy for all Offering Companies, except for those limited circumstances identified in Section 1 (Who We Are and What We Do).

**"Website" or "Site"** means the website located at [www.CEG.com](http://www.CEG.com).

### **30. Contact Us**

If you have any questions about this Privacy Policy, the practices of this Site, or your dealings with this Website, please contact us at:

You may contact us, for any reason, by e-mail as follows:

[support@CEG.com](mailto:support@CEG.com)

You may contact us by mail as follows:

CEG, LLC  
1519 Connecticut Avenue NW  
Suite 200  
Washington, DC 20036

### **31. Effective Date**

The effective date of this Privacy Policy is May 1, 2012.

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