

## Terms and Conditions

### Important notice

- You are strongly urged to read and carefully consider the White Paper (as defined below) and these terms and conditions (**Terms and Conditions**) before proceeding.
- You agree that by clicking the '**SIGN UP**' button and checking the box confirming that you have '**read, understand and agree to these terms and conditions**', you accept and agree to be bound by these Terms and Conditions, and any terms incorporated by reference herein, and such terms will constitute a binding agreement between Token Generator and you, Purchaser. If you have any questions please contact [Email: tokensale.administration@railz.org](mailto:tokensale.administration@railz.org).
- Purchaser acknowledges, understands and agrees that:
  - PURCHASER IS AWARE OF THE RISKS ASSOCIATED WITH PURCHASING, OWNING AND USING TOKENS (AS DEFINED BELOW), INCLUDING THE INHERENT RISK OF THE POTENTIAL TO LOSE ALL AMOUNTS PAID FOR TOKENS. PURCHASER ACKNOWLEDGES THE RISKS DESCRIBED IN THE WHITE PAPER AND SCHEDULE 2 HEREOF. BY PURCHASING TOKENS, PURCHASER EXPRESSLY ACKNOWLEDGES AND ASSUMES THESE RISKS.
  - Tokens do not represent a debt or equity interest in Token Generator and a purchase of Tokens is not akin to making an investment. As a purchaser of Tokens, Purchaser's rights are limited to those specifically described herein and in the White Paper. Tokens have no rights, uses or attributes outside of the proposed use within the Protocol (as defined below) and accordingly may have no value outside of the value of its proposed use in the Protocol.
  - Purchaser is subject to and bound by these Terms and Conditions by virtue of Purchaser's purchase of Tokens.
  - Unless set out herein, purchases of Tokens are non-refundable and cannot be cancelled by Purchaser. Token Generator reserves the right to refuse or cancel purchase requests at any time in its sole discretion.
  - Purchaser has sufficient understanding of cryptographic tokens, token and cryptocurrency storage mechanisms (such as hot and cold wallets) and blockchain technology generally to understand these Terms and Conditions and to appreciate the risks and implications of purchasing, using and storing Tokens.

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- Certain persons, including persons who purchase Tokens earlier than Purchaser, may receive more Tokens for the same amount paid.
- These Terms and Conditions includes a disclaimer, limitation of liability and indemnity.
- Nothing in these Terms and Conditions shall be deemed to constitute a prospectus of any sort, a solicitation for investment or investment advice nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction.

### Background

- These Terms and Conditions form an agreement between you, or the entity you represent (**You or Purchaser**, which expression, where there is more than one person, means those purchasers collectively) and Railz Networks, an exempted company incorporated with limited liability pursuant to the Companies Law (Revised) of the Cayman Islands under N° 336117 (**Token Generator**), and Railz Operations an exempted company incorporated with limited liability pursuant to the Companies Law (Revised) of the Cayman Islands under N° 336571 and relate to the acquisition of Tokens (defined below) by Purchaser from Token Generator (collectively, the **Token Sale**).
- Token Generator has prepared the white paper and the yellow paper each of which are available at <https://railz.org> and describes matters relating to the Tokens, Services and Protocol (the white paper and the yellow paper, together referred to herein as the **White Paper** as amended or supplemented from time to time). Purchaser acknowledges that it has read and understands the White Paper and has no objection to its contents. Information in the White Paper is of a descriptive nature only and does not, unless explicitly incorporated herein, form a part of these Terms and Conditions. Purchaser acknowledges and agrees that the White Paper may change during the time leading up to the date of completion of Token Sale, and Purchaser accepts the obligation to promptly read new versions of the White Paper, which will be made available via the Website.
- Unless defined otherwise in these Terms and Conditions, capitalised terms have the meanings given to them in the White Paper.
- For the purposes of these Terms and Conditions, '**Tokens**' means cryptographically secured digital tokens that are generated by software code (**Token Smart Contract**) developed and/or executed by the Token Generator, and is based upon a mathematical proof and comprised of two numbers or keys: a public key that encrypts certain details and a private key that decrypts it. The Tokens are intended to have the functions and features as are set out in the White Paper. Tokens represent a digital asset and license that is personal to Purchaser, provided such license may be assigned to qualified third party purchasers for value in accordance with these Terms and Conditions and any applicable terms and conditions of the Protocol Operator (as defined below),

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and Purchaser's purchase of Tokens are subject to the terms herein. Tokens have no rights, uses or attributes outside of the proposed use within the Protocol.

### Protocol and Tokens

- The Token Generator intends to develop and deploy a blockchain-based protocol that facilitates machine-to-machine negotiation (**Protocol**). The Token Generator's intended purpose of the Tokens is to facilitate the provision and receipt of such machine-to-machine negotiation services which will be offered on the Protocol (collectively, the **Services**). Given that Tokens are designed only for the particular uses with respect to the Protocol, a Token is not necessarily merchantable and does not necessarily have any other use or value. Tokens are designed and sold as consumable virtual goods, without any specific outlook or expectation for their merchantability or market price.
- It is intended that the Protocol will be initially deployed and operated by Railz Operations (**Protocol Operator**). The purchase, ownership, receipt or possession of Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of and interaction with the Protocol in accordance with the then applicable terms of use relating to the Services and Protocol. In particular, Purchaser understands and agrees that Tokens do not represent or confer any ownership right or stake, share, security, or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Protocol, Token Generator, Protocol Operator or any of their corporate affiliates, other than any rights relating to the provision and receipt of Services offered on the Protocol, subject to these Terms and Conditions and any other applicable terms, conditions or policies that may be adopted by participants in the Protocol or otherwise. The Tokens are not intended to be a digital currency, security, commodity, or any kind of financial instrument. Purchaser is purchasing Tokens solely for the purpose of receiving Services and participating in the Protocol and is not purchasing Tokens for any other purpose, including, but not limited to, any investment, speculative or financial purpose.

### Development of Protocol

- Purchaser acknowledges and agrees that the Protocol is in an early stage of development and may undergo significant changes over time. Token Generator may develop certain applications and software for use in the Protocol, but Token Generator may not develop or maintain the Protocol. Token Generator is not responsible or liable for the Protocol or any third-party uses of the Protocol.

### Scope of Terms and Conditions

- Unless otherwise stated in these Terms and Conditions, these Terms and Conditions only govern Purchaser's purchase of Tokens and continued holding

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of Tokens. Any potential future use of Tokens in connection with providing or receiving Services or the Protocol may be governed by other applicable terms, conditions and policies (**Protocol Terms of Use**) which may be made available on the Website or through other means from time to time in the sole discretion of Protocol Operator. Any obligations or covenants of Token Generator in these Terms and Conditions are obligations or covenants to Purchaser as a purchaser of Tokens in the Token Sale, and such obligations or covenants do not attach or transfer with the transfer of any Token.

- Token Generator and/or Protocol Operator may add new terms or policies to the Protocol Terms of Use in their respective sole and absolute discretion, and may update each of such terms from time to time according to modification procedures set forth therein. In the event of any conflict between these Terms and Conditions and the Protocol Terms of Use, the Protocol Terms of Use shall take precedence. It shall be Purchaser's responsibility to regularly check the Website for any such notices.

## 1 Offer and sale

### Application

- 1.1 Subject to the terms and conditions herein, Purchaser agrees to purchase Tokens from Token Generator in accordance with these Terms and Conditions up to the total amount of Purchase Price (defined below) received or set (as applicable) by Token Generator.

### Acceptance

- 1.2 Purchaser's offer to purchase Tokens will be considered as duly accepted upon the completion of the following steps:
  - (a) Purchaser registers for an account with Token Generator on the online token purchase and sale web-portal accessible at the Website (**Portal**);
  - (b) Purchaser transfers Purchase Price, or any part thereof, to a Token Generator's receiving cryptocurrency address displayed in the White Paper or Portal (**Token Generator Receiving Address**) in accordance with the Token purchase procedures set out below or on the Website; and
  - (c) the conclusion of the Sale Period (defined below) and the recording of the generation of Tokens on the Ethereum blockchain.

### Minimum sale

- 1.3 In the event Token Generator raises less than 6,200 Ether (**ETH**) (**Minimum Threshold**), Token Generator may, in its sole discretion, not complete the Token Sale and cancel all Token purchases, and in such event all

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cryptocurrencies submitted by Purchaser will be returned by Token Generator pursuant to these Terms and Conditions.

### Sale Period

- 1.4 In these Terms and Conditions, the term **Token Sale** includes the Pre-Sale Series B and the General Availability Sale, each as defined below. The Token Generator reserves the right, in its sole discretion, to change the time periods of each phase of the Token Sale due to, among other things, technical challenges.

#### *Pre-Sale Series A*

- 1.5 Early access to the sale of Tokens (**Pre-Sale Series A**) will begin at 08:00 UTC on 1 May 2018 (**Pre-Sale Series A Start Time**) and end at the earlier of (i) 23.59 UTC on 3 June 2018 and (ii) the time and date at which 30,000,000 Tokens have been sold in the Pre-Sale Series A phase (**Pre-Sale Series A End Time**). The period starting at the Pre-Sale Series A Start Time and ending at the Pre-Sale Series A End Time is referred to herein as the **Pre-Sale Series A Period**. Participation in the Pre-Sale Series A is limited to certain qualified purchasers who may lawfully purchase Tokens in the Pre-Sale Series A in accordance with and without breaching applicable securities laws

#### *Pre-Sale Series B*

- 1.6 Early access to the sale of Tokens (**Pre-Sale Series B**) will begin at 08:00 UTC on 4 June 2018 (**Pre-Sale Series B Start Time**) and end at the earlier of (i) 23.59 UTC on 1 July 2018 and (ii) the time and date at which 120,000,000 Tokens have been sold in the Pre-Sale Series B phase (**Pre-Sale Series B End Time**). The period starting at the Pre-Sale Series B Start Time and ending at the Pre-Sale Series B End Time is referred to herein as the **Pre-Sale Series B Period**. Participation in the Pre-Sale Series B is limited to certain qualified purchasers who may lawfully purchase Tokens in the Pre-Sale Series B in accordance with and without breaching applicable securities laws<sup>1</sup>.

#### *General Availability Sale*

- 1.7 The general sale of Tokens (**General Availability Sale**) will begin at 08:00 UTC on 2 July 2018 (**General Sale Start Time**) and end at the earlier of (i) 23.59 UTC on 29 July 2018 and (ii) the time and date at which 500,000,000 Tokens (**Maximum Threshold**) have been sold in Pre-Sale Series B and General Availability Sale (collectively, the **General Sale End Time**). The period starting at the General Sale Start Time and ending at the General Sale End Time is referred to herein as the **General Sale Period**, and the period including the

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<sup>1</sup> See list of prohibited purchasers in RESTRICTED TERRITORY and EXCLUDED PURCHASERS sections below

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Pre-Sale Series A Period, the Pre-Sale Series B Period and the General Sale Period, the **Sale Period**.

- 1.8 Token Generator reserves the right to change the sale dates or extend the duration of Token Sale, including the Pre-Sale Series B Period and/or the General Sale Periods for any reason.

### Token Allocation and Distribution Policy

- 1.9 All Tokens generated in connection with the Token Sale will be pre-generated such that no new Tokens will be generated following completion of the Token Sale. Token Generator intends to hold, allocate, distribute and/or sell all Tokens generated to the proposed persons, or class of persons, set out in the "Token supply and allocation" section of the White Paper (**Token Allocation and Distribution Policy**), which section includes details regarding the timing and makeup of the distribution of Tokens, pricing of Tokens and the amount of Tokens that will be distributed.
- 1.10 Purchaser acknowledges and agrees that certain of Token Generator's past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors and service providers will receive Tokens as further described in the Token Allocation and Distribution Policy.

### Price Per Token

- 1.11 The price(s) per Token for the Tokens sold in the Token Sale are as follows:
- (a) The price per Token for the Tokens sold in Pre-Sale Series A is ETH 0.00006.
  - (b) The price per Token for the Tokens sold in Pre-Sale Series B is ETH 0.00008.
  - (c) The price per Token for Tokens sold in the General Availability Sale is ETH 0.000196.
- 1.12 Pre-Sale Series A, Pre-Sale Series B and General Availability Sale are each sometimes referred to herein as a **Sale Phase** or collectively as the **Sale Phases**, as the context requires. The price per Token payable in each Sale Phase are sometimes referred to herein as **Price Per Token**, as the context requires.
- 1.13 Once a Sale Phase is exhausted or otherwise ended, no further purchases will be accepted in that Sale Phase.

### Payment currencies

- 1.14 The Price Per Token is set in ETH. Purchaser must pay for Tokens in ETH (the **Payment Currency**).

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## Purchase price

- 1.15 The "**Purchase Price**" for the purposes of these Terms and Conditions is the Price Per Token multiplied by the number of Tokens that Purchaser purchases in the Token Sale (the **Purchased Tokens**).
- 1.16 The minimum Purchase Price payable by any Purchaser in any Sale Phase is 0.1 ETH.

## 2 Token Sale procedures

### Modification of procedures

- 2.1 The Token Generator reserves the right, in its sole discretion, to modify any of the Token Sale procedures or any of the timelines described in these Terms and Conditions due to, among other things, network congestion or other technical challenges.

### Registration of account

- 2.2 The Token Generator has set up the Portal to administer the Token Sale. In order to acquire Tokens, Purchaser must first create an account on the Portal.

### User credentials

- 2.3 To participate in the Token Sale and to log into the Portal, Purchaser must provide Token Generator or an Administrator (as such term is defined below) with Purchaser's email that will be validated and subsequently will be required to provide name, address, date of birth, email address, telephone number and certain know your customer (**KYC**) information requested by Token Generator (**User Credentials**).
- 2.4 Purchaser agrees not to allow anyone to use Purchaser's Portal sign-in information or to share Purchaser's User Credentials with any other person for the purpose of facilitating their unauthorized access to the Token Sale. If Purchaser does share it's User Credentials with anyone, that person's activities will be deemed to have been authorized by Purchaser. Purchaser is responsible for any acts or omissions that occur during the Token Sale with the use of Purchaser's User Credentials. Token Generator and any Administrator reserves the right to suspend or block Purchaser's access to the Token Sale upon suspicion of any unauthorized access or use, or any attempt thereof, associated with Purchaser's User Credentials. Purchaser agrees to maintain and promptly update its User Credentials and KYC information to keep such information accurate, complete and current. Purchaser shall use its reasonable best efforts to keep its User Credentials and KYC information private and secure from unauthorised access.

### Wallet requirements

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- 2.5 To participate in the Token Sale and to receive Tokens, Purchaser must agree to additional terms and conditions that will be provided to Purchaser for use of a digital wallet used for the receipt of Tokens. In addition, Token Generator must have a compatible digital wallet and receiving public address (**Purchaser Receiving Address**) for Purchaser's receipt of Tokens. Purchaser understands and agrees that the Terms and Conditions reserves the right to prescribe additional guidance regarding specific receipt requirements. Purchaser should not send the Purchase Price to the Token Generator Receiving Address (as defined below) from an exchange account.

### Payment of Purchase Price

- 2.6 Purchaser must pay the Purchase Price by sending the Purchase Price to the Token Generator Receiving Address. The Purchaser's purchase is not guaranteed until Token Generator receives the full amount of the Purchase Price and the Token Sale has concluded. The Purchase Price will be deemed to not be received until Token Generator confirms receipt of the full Purchase Price in Ethereum.

### Mining, Gas and transactional fees

- 2.7 The Purchaser will be responsible for, and pay in addition to the Purchase Price, all Gas, mining and other transactional fees associated with the transfer of the Purchase Price and purchase of Tokens. In the event that, due to the deduction of Gas or other transfer fees, the amount of the Purchase Price that Token Generator receives from Purchaser is greater or less than the amount of the Purchase Price associated with the number of Purchased Tokens selected by Purchaser in the Portal, Token Generator will increase or decrease Purchaser's number of Purchased Tokens in accordance with the amount actually received by Token Generator and Purchaser agrees to any such adjustment of the number of Purchased Tokens. In the event that Purchaser fails to complete the Purchase of Tokens, the Purchaser will have incurred inter-alia Gas costs and will be solely liable for all such costs of the failed Purchase.

### Token purchase instructions

- 2.8 In addition to the instructions above, the Portal includes further procedures and instructions regarding the purchase and delivery of Tokens (**Token Purchase Instructions**). The Token Purchase Instructions will set out the applicable Gas limit and the field Purchaser should insert in the sending data field. By accepting these Terms and Conditions, Purchaser acknowledges and agrees and has no objection to the Token Purchase Instructions. Failure to follow the exact procedures described in the Token Purchase Instructions may result in the incorrect transmission and/or the total loss of Purchaser's Tokens. The receipt or purchase of Tokens through any other means other than the means described in the Token Purchase Instructions are not sanctioned or agreed to in any way by Token Generator.



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- 2.9 A copy of the Token Purchase Instructions is located at the following URL address: <https://railz.org/token-purchase-instructions>

### Delivery of Tokens

- 2.10 Subject to these Terms and Conditions, Token Generator will deliver the quantity of Tokens Purchaser is to receive for conversion or purchase by the later (the **Token Delivery Date**) of:
- (a) 12 July 2018 (2359 UTC);
  - (b) thirty (30) days after the General Sale End Time (provided, however, that Token Generator reserves the right to extend the Token Delivery Date for up to two (2) additional weeks e.g. if necessary to address any technical difficulties);
  - (c) one (1) week after Purchaser provides a complete and accurate Purchaser Receiving Address;
  - (d) one (1) week after Purchaser provides complete and accurate KYC information and documentation requested by Token Generator,

provided, however, that Token Generator reserves the right to extend the Token Delivery Date if Token Generator determines, in its sole discretion, that additional time is advisable to analyse KYC information and documentation and conduct related compliance. For the avoidance of doubt, any extension pursuant to these Terms and Conditions shall not affect the obligation of Token Generator and Purchaser to make and take delivery, respectively, of Tokens purchased.

### Rejection and refund policy

- 2.11 In the event Token Generator decides to not complete the Token Sale, the Purchase Price will be returned to Purchaser by Token Generator, less all reasonable transaction costs incurred by Token Generator during the Token Sale. All cryptocurrencies submitted by Purchaser will be returned to Purchaser Receiving Address used to originally send such cryptocurrency. Purchaser's purchase of Tokens during the Token Sale is final. Purchaser cannot cancel the purchase and Purchaser's purchase cannot be refunded, except as provided in these Terms and Conditions or as may be required by applicable law.
- 2.12 Notwithstanding the foregoing, the Token Generator reserves the right to refuse or cancel any request(s) to purchase Tokens at any time in the Token Generator's sole and absolute discretion (without giving reasons), including without limitation the following:

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- (a) in connection with any failure to complete know-your-customer, anti-money laundering and counter terrorist financing checks prescribed by the Seller; or
- (b) in connection with an adverse change of the regulatory environment.

In such event, the price paid by Purchaser shall be rejected or refunded (as applicable) in accordance with these Terms and Conditions and the Token Generator's internal policies and procedures, less all reasonable transaction costs incurred by Token Generator during the Token Sale.

### **3 Purchaser's additional representations, warranties and covenants**

#### **Purchaser agrees to Purchaser acknowledgements in the White Paper**

3.1 The Purchaser acknowledges to Token Generator that:

- (a) it has received and considered the White Paper; and that
- (b) its application for Tokens includes the acknowledgements on the part of Purchaser set out in, the White Paper.

#### **Purchaser understands White Paper and has evaluated purchase**

3.2 The Purchaser acknowledges to Token Generator that:

- (a) it has read and fully considered the White Paper in connection with its application for Tokens;
- (b) it understands the White Paper; and
- (c) it has evaluated its proposed purchase of Tokens in the light of its financial condition and resources.

#### **Purchaser is aware of risks and material information**

3.3 The Purchaser confirms that:

- (a) PURCHASER IS FULLY AWARE OF THE RISKS ASSOCIATED WITH PURCHASING, OWNING AND USING TOKENS, INCLUDING THE INHERENT RISK OF THE POTENTIAL TO LOSE ALL AMOUNTS PAID FOR TOKENS AND THE RISKS DESCRIBED AND/OR REFERENCED HEREIN. BY PURCHASING TOKENS, PURCHASER EXPRESSLY ACKNOWLEDGES AND ASSUMES THESE RISKS.
- (b) Purchaser has sufficient understanding of technical and business matters (including those that relate to the Services and Protocol), cryptocurrency storage mechanisms (such as token wallets) and

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blockchain technology to understand these Terms and Conditions and to appreciate the risks and implications of purchasing Tokens.

- (c) Purchaser understands that the Tokens confer no rights of any form with respect to the Protocol or Token Generator, including, but not limited to, any ownership, distribution, redemption, liquidation, proprietary (including all forms of Intellectual property), or other financial or legal rights.
- (d) Purchaser is purchasing Tokens solely for the purpose of receiving Services, participating in the Protocol, and supporting the development, testing, deployment and operation of the Protocol, if applicable, being aware of the commercial risks associated with Token Generator and the Protocol. Purchaser is not purchasing Tokens for any other purposes, including, but not limited to, any investment, speculative or financial purpose.

### Purchaser is an Eligible Purchaser

3.4 The Purchaser represents and warrants to Token Generator that:

- (a) it is an Eligible Purchaser as defined in Schedule 1; and
- (b) it is not acting on behalf of, or for the benefit of, nor does it intend transferring any Tokens it may purchase to, any person who is not an Eligible Purchaser.

### Restricted territory

3.5 Purchaser (i) is not a citizen or entity of; (ii) was not formed in; (iii) does not reside in; (iv) is not located in; (v) does not have a place of business in; and (vi) is not conducting business in (any of which makes the Purchaser a “**Resident**”) the United States of America, the People’s Republic of China (which, for the purposes of this Agreement, does not include Hong Kong, Macau and Taiwan), Cayman Islands, Singapore or South Korea or any of the following; Afghanistan, Bosnia and Herzegovina, Central African Republic, Cuba, Democratic Republic of the Congo, Democratic People's Republic of Korea (North Korea), Eritrea, Ethiopia, Guinea-Bissau, Iran, Iraq, Libya, Lebanon, Somalia, South Sudan, Sudan, Syria, Uganda, Vanuatu, Yemen and the Crimea region or any of their respective states, provinces, territories and possessions or any other nation subject to countrywide or territory wide sanctions authorised by the United Nations (each a **Restricted Territory**). Purchaser also did not acquire any Tokens within a Restricted Territory and will not transfer any Tokens to a Resident of a Restricted Territory or within a Restricted Territory. The Purchaser is also not a Resident of any state or jurisdiction that requires the Token Generator to obtain a money services business, money transmitter or virtual currency business license or registration. You confirm that you are entering into these Terms and Conditions on an unsolicited basis and are not aware of and are in no way relying on, and did not become aware

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of the Tokens through or as a result of, from or in any Restricted Territory pursuant to any form of general solicitation or general advertising including, without limitation, any article, notice, advertisement or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or electronic mail over the internet, and you are not entering into these Terms and Conditions and did not become aware of the Tokens through or as a result of, in any Restricted Territory, any seminar or meeting to which you were invited by, or any solicitation of a subscription by, any person.

### Purchaser knows application may be rejected

3.6 The Purchaser acknowledges to Token Generator that:

- (a) Token Generator and/or any third party service provider contracted by Token Generator in connection with the Token Sale (each, an **Administrator**) has the right to reject Purchaser's application for Tokens, in whole or in part, without giving a reason for that rejection;
- (b) in the circumstances described in (a), in the case the Payment Currency is a cryptocurrency, the full amount of cryptocurrencies transferred, or the excess in respect of a scaled down subscription, minus reasonable transactional costs, will be refunded, without interest, to Purchaser Receiving Address from which the original cryptocurrency subscription amounts were remitted or to another digital wallet receiving address whitelisted by the Administrator.

### Purchaser consents to AML verification

3.7 Due to anti-money laundering requirements, Purchaser acknowledges to Token Generator that:

- (a) the Administrator and Token Generator (as the case may be) may require further verification of the identity and source of Purchaser's funds before the application for Tokens can be processed; and
- (b) if the verification evidence supplied is not satisfactory, Token Generator or Administrator will, at Purchaser's expense, return the Purchaser's funds, without interest, to the Ethereum account or Purchaser Receiving Address from which they were remitted and section 3.6 of these Terms and Conditions will apply.

3.8 The Purchaser hereby releases Token Generator and the Administrator from all claims for any loss that it may suffer as a result of that action, and it hereby waives all such claims.

3.9 The Purchaser indemnifies the Administrator and Token Generator, and each of them, against all loss and damage arising out of, or in connection with, a failure to process its application for Tokens.

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- 3.10 To the extent that the foregoing release, waiver and indemnity enures for the benefit of the Administrator, Purchaser acknowledges, and by accepting these Terms and Conditions Token Generator agrees, that Token Generator holds the benefit of that undertaking on trust for the Administrator.

### **Purchaser aware of AML reporting obligations**

- 3.11 Under the Proceeds of Crime Law (Revised) of the Cayman Islands:
- (a) if any person who is resident in the Cayman Islands knows or suspects that another person is engaged in criminal conduct or has a suspicion that a payment to Token Generator (by way of subscription or otherwise) is criminal property, that person is required to report such information or other matter pursuant to that Law; and
  - (b) that report is not treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

By subscribing for Tokens, Purchaser consents to the disclosure by or on behalf of Token Generator of any information about Purchaser to regulators and others upon request in connection with money laundering and similar matters, both in the Cayman Islands and in other jurisdictions.

### **Purchaser agrees to accept the number of Tokens allotted**

- 3.12 The Purchaser agrees with Token Generator to accept the number of Tokens that Token Generator allots to it for the Purchase Price tendered in accordance with these Terms and Conditions.

### **If Purchaser is a trustee, agent or the like, trust representations etc**

- 3.13 If Purchaser acts as trustee, agent, representative or nominee for another person (**Beneficial Owner**):
- (a) Purchaser shall notify Token Generator and Administrator that it is acting for the Beneficial Owner and provide all information and documentation required or requested relating to that Beneficial Owner;
  - (b) Purchaser understands and acknowledges to Token Generator that the representations, warranties and agreements made in these Terms and Conditions are made by Purchaser both (1) with respect to Purchaser and (2) with respect to the Beneficial Owner;
  - (c) Purchaser represents and warrants to Token Generator that it has all requisite power and authority from the Beneficial Owner to execute and perform the obligations under these Terms and Conditions;
  - (d) Purchaser indemnifies Token Generator, the Administrator and their respective directors, members, partners, officers, employees, delegates, advisors, subcontractors and agents (whether existing or in the future)

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against all costs, fees and expenses (including legal fees and disbursements) in connection with any damages arising out of, or in connection with:

- (i) any misrepresentation or misstatement by Purchaser in these Terms and Conditions; or
- (ii) the improper assertion of Purchaser's proper authorisation from the Beneficial Owner to enter into these Terms and Conditions or to perform its obligations.

3.14 To the extent that the foregoing indemnity enures for the benefit of the Administrator or for the benefit of any director, officer, employee, delegate, advisors, agent or subcontractor (whether existing or in the future) of Token Generator or the Administrator, Purchaser acknowledges, and by accepting these Terms and Conditions Token Generator agrees, that Token Generator holds the benefit of that indemnity on trust for that person.

### Use of Purchaser's personal data

3.15 The Purchaser acknowledges to, and agrees with, Token Generator to its personal data (as set out under "**Data Protection**") being used in the manner set out herein.

### Purchaser to notify of changes

- 3.16 The Purchaser undertakes to Token Generator to notify the Administrator or Token Generator immediately if:
- (a) Purchaser becomes aware that it or any person for whom it holds the Tokens has ceased to be an Eligible Purchaser; or
  - (b) any of the representations, declarations or statements in these Terms and Conditions are no longer accurate and complete in all respects.

### Purchaser to substantiate representations etc if requested

- 3.17 The Purchaser agrees with Token Generator:
- (a) that it shall be deemed to make the representations, warranties and covenants set out in this part to Token Generator as of the time of Purchaser's request and receipt of Tokens;
  - (b) to provide to Token Generator these representations, warranties, acknowledgements, undertakings and agreements at any time Token Generator requests; and
  - (c) to provide on request such certifications, documents or other evidence as Token Generator may reasonably require to substantiate these

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representations, warranties, acknowledgements, undertakings and agreements.

### No conflict

- 3.18 Purchaser is legally permitted to hold and make use of Tokens in its relevant jurisdiction. The execution, delivery and performance of these Terms and Conditions will not result in any violation of, be in conflict with, or constitute a material default under, with or without the passage of time or the giving of notice:
- (a) any provision of its organizational documents, if applicable;
  - (b) any provision of any judgment, decree or order to which it is a party, by which it is bound, or to which any of its material assets are subject;
  - (c) any material agreement, obligation, duty or commitment to which it is a party or by which it is bound; or
  - (d) any laws, regulations or rules applicable to it.

### No consents or approvals

- 3.19 The execution and delivery of, and performance under, these Terms and Conditions require no approval or other action from any governmental authority or person other than Purchaser.

### Taxes

- 3.20 The Purchase Price paid for Tokens is exclusive of all applicable taxes (including without limitation obligations to pay value added, sales, use, offerings, withholding taxes, income or similar taxes). The purchase and receipt of Tokens may have tax consequences for Purchaser and Purchaser is solely responsible for determining what, if any, taxes apply to the purchase of Tokens. Token Generator bears no liability or responsibility with respect to any tax consequences. Purchaser agrees to comply with all applicable tax obligations arising from its purchase and ownership of Tokens in all applicable jurisdictions. It is also Purchaser's sole responsibility to withhold, collect, report, pay, settle and/or remit the correct taxes to the appropriate tax authorities in such jurisdiction in which it may be liable to tax. Token Generator recommends that Purchaser seek appropriate professional advice in this area if required.

### No advice

- 3.21 The Token Generator has not provided Purchaser with any advice regarding whether purchasing a Token is a suitable purchase.

# Terms and Conditions

## 4 Anti-money laundering

### Purchasers' AML representations etc

4.1 The Purchaser represents and warrants to Token Generator that:

- (a) it is not a Prohibited Person (as defined at the end of Schedule I);
- (b) no person or entity that controls, is controlled by or under common control with, Purchaser a Prohibited Person; and
- (c) to the extent Purchaser has any Beneficial Owners:
  - (i) it has carried out thorough due diligence to establish the identities of those Beneficial Owners;
  - (ii) based on that due diligence, Purchaser reasonably believes that no Beneficial Owner is a Prohibited Person;
  - (iii) it holds the evidence of those identities and status and will maintain all of that evidence for at least five years from the date of Purchaser's Tokens are fully returned to Token Generator; and
  - (iv) it will make available that evidence and any additional evidence that Token Generator may require upon request in accordance with applicable regulations.
- (d) For these purposes, Beneficial Owners include, but are not be limited to the following: (i) shareholders of a corporation; (ii) partners of a partnership; (iii) members of a limited liability company; (iv) investors in a fund of funds; (v) the grantor of a revocable or grantor trust; (vi) the beneficiaries of an irrevocable trust; (vii) the individual who established an IRA; (viii) the participant in a self-directed pension plan; (ix) the sponsor of any other pension plan; and (x) any person represented by Purchaser in an agency, representative, intermediary, nominee or similar capacity. If the Beneficial Owner is itself an entity, the information and representations set forth in these Terms and Conditions must also be given with respect to its individual Beneficial Owners. If Purchaser is a publicly-traded company, it need not conduct due diligence as to its Beneficial Owners.

### Token Generator's power to take actions under applicable AML regulations

4.2 The Purchaser acknowledges to Token Generator that if any of the representations and warranties in the preceding clause ceases to be true or if Token Generator no longer reasonably believes that it has satisfactory evidence as to their truth, despite any other agreement to the contrary, Token Generator may, in accordance with applicable regulations, be obligated to do one or more of the following:



## Terms and Conditions

- (a) to take certain actions relating to Purchaser's holding of Tokens;
- (b) to report that action; and
- (c) to disclose Purchaser's identity to OFAC or other authority.

### **Release by Purchaser if Token Generator takes such an action**

- 4.3 If Token Generator is required to take any of the actions referred to in the preceding clause, Purchaser understands, and agrees with Token Generator, that it has no claim against Token Generator, the Administrator, and their respective affiliates, directors, members, partners, shareholders, officers, employees, advisors, delegates, subcontractors and agents (whether existing or in the future) for any of damages as a result of any of those actions.
- 4.4 To the extent that the foregoing release enures for the benefit of the Administrator, or for the benefit of any director, officer, employee, member, partner, shareholder, delegate, advisor, agent or subcontractor (whether existing or in the future) of Token Generator or the Administrator, Purchaser acknowledges, and by accepting these Terms and Conditions Token Generator agrees, that Token Generator holds the benefit of release on trust for that person.

### **Compliance with applicable AML regulations**

- 4.5 In order to comply with the anti-money laundering regulations applicable to Token Generator and the Administrator, Purchaser acknowledges to Token Generator that:
- (a) Tokens will not be issued until the Administrator or Token Generator is satisfied that evidence regarding the source of the Purchase Price, the identity of Purchaser and the payment instructions for Token returns, is satisfactory;
  - (b) wire confirmations for subscriptions from Purchaser must match Purchaser Receiving Address whitelisted by the Administrator or Token Generator.

## **5 Purchaser's power and authority**

### **If Purchaser is a corporation or other entity**

- 5.1 This clause applies if Purchaser is not an individual.
- (a) The individual executing these Terms and Conditions on behalf of Purchaser represents and warrants to Token Generator that:
    - (i) he or she is duly authorised to do so; and

## Terms and Conditions

- (ii) Purchaser has the full power and authority under its governing instruments to acquire Tokens of Token Generator.
- (b) The Purchaser further represents and warrants to Token Generator that:
  - (i) it is duly organised, validly existing and in good standing under the laws of its jurisdiction of organisation;
  - (ii) the execution and delivery of these Terms and Conditions and the performance by it of its terms:
    - (A) are within Purchaser's powers, have been duly authorised by all necessary actions on its behalf;
    - (B) require no action by or in respect of, or filing with, any governmental body, agency or official (except as disclosed in writing to Token Generator) in order to make this purchase; and
    - (C) does not contravene, or constitute a breach of or default under any provision of (1) applicable law or governmental rule, regulation or policy statement, or (2) its certificate of incorporation or other comparable organisational documents, or (3) any agreement, judgment, injunction, order, decree or other instrument binding upon it; and
  - (iii) the terms of these Terms and Conditions constitute a valid and binding agreement of Purchaser and is enforceable against Purchaser in accordance with its terms.

### **If Purchaser is an individual**

- 5.2 If Purchaser is an individual, Purchaser represents and warrants to Token Generator that:
- (a) these Terms and Conditions constitute a valid and binding agreement of Purchaser and are enforceable against Purchaser in accordance with its terms; and
  - (b) Purchaser has legal competence and capacity to enter into these Terms and Conditions.

### **If Purchaser acts as trustee etc for another**

- 5.3 In addition to clauses 5.1 and 5.2, if Purchaser is acting as trustee, agent, representative or nominee for another person or entity, Purchaser understands, and agrees with Token Generator, that the representations, warranties, acknowledgements, undertakings and agreements in these Terms

## Terms and Conditions

and Conditions are made by Purchaser (1) with respect to Purchaser and (2) with respect to that other person or entity.

### 6 Future exchange or migration of Tokens

6.1 The Tokens issued and sold to Purchaser in connection with the Token Sale are being created as ERC20 compliant tokens on the Ethereum protocol. Following completion of the Token Sale, Token Generator reserves the right to exchange and/or migrate the all Tokens generated in connection with the Token Sale (**Pre-existing Tokens**) to another Ethereum smart contract or blockchain network protocol or otherwise replace the Pre-existing Tokens with another digital token (the **Replacement Tokens**) should Token Generator determine, in its sole discretion, that doing so is necessary or useful for the operation of the Protocol, legal compliance reasons or for the purposes of achieving technical and operational efficiencies. Should Token Generator decide to exchange and/or migrate the Pre-existing Tokens, Token Generator may no longer provide support for the Pre-existing Tokens relating to the Protocol, the Services or any other operational matters, except with respect to the exchange or migration process. If the Tokens are exchanged or migrated to another protocol, the practical utility of Pre-existing Tokens will likely diminish rapidly once Replacement Tokens are created. Purchaser acknowledges and agrees that for it to participate in the Protocol or obtain future utility from the Tokens following the creation of Replacement Tokens, certain actions and efforts may be required from Purchaser in order for it to receive Replacement Tokens.

### 7 Proper instructions

#### Individuals authorised to give/receive instructions for Purchaser

7.1 In the Portal, Purchaser has provided names of individuals authorised by Purchaser to give and receive instructions between Token Generator (or the Administrator) and Purchaser, together. Those individuals are the only individuals so authorised until further written notice is given to the Administrator executed by one or more of them.

#### How can Purchaser give instructions?

7.2 The Purchaser authorises and instructs each of the Administrator and Token Generator to accept and execute any instructions in respect of the Tokens to which these Terms and Conditions relates given by Purchaser in writing or by electronic mail and Purchaser agrees to indemnify each of Token Generator and Administrator against whatever loss either of them suffers as a result of acting on such instructions.

7.3 The Purchaser acknowledges that each of the Administrator and Token Generator may rely conclusively upon, and incurs no liability in respect of, any action taken upon any notice, consent, request, instructions or other

## Terms and Conditions

instrument it believes, in good faith, is genuine or is executed by properly authorised individuals.

### 8 Security

#### Appropriate measures

- 8.1 Purchaser will implement reasonable and appropriate measures designed to secure access to: (a) any device associated with it and/or utilised in connection with its purchase of Tokens, (b) private keys to its wallet or account and (c) email address, account and its username, password and any other login or identifying credentials.

#### Access to Purchaser's account

- 8.2 In the event that Purchaser is no longer in possession of its private keys or any device associated with its account or are not able to provide its login or identifying credentials, it may lose all of its Tokens and/or access to its account, and Token Generator may, in its sole discretion, grant access to Purchaser's account to any party providing additional credentials to Token Generator. Token Generator explicitly reserves the right to determine the additional credentials required, which may include, without limitation, a sworn, notarized statement of identity.

#### Security breach

- 8.3 Purchaser will promptly notify Token Generator if it discovers or otherwise suspect any security breaches related to its account.

### 9 Data Protection

#### For what purposes can Purchaser's personal data be used?

- 9.1 The Purchaser acknowledges to Token Generator, that Purchaser's personal data may be utilised by the Administrator for any of the following purposes:
- (a) to properly identify Purchaser in accordance with anti-money laundering regulatory requirements;
  - (b) to properly record Purchaser's purchase; and
  - (c) to advise Purchaser of matters relative to its purchase of Tokens, including current values and changes to Token Generator documentation etc.

#### How can the Administrator deal with Purchaser's personal data?

- 9.2 By agreeing to purchase Tokens, Purchaser acknowledges and accepts that Purchaser and Administrator:

## Terms and Conditions

- (a) may hold and process personal data for the purposes outlined above; and
- (b) in order to fulfil its duties to Token Generator and comply with regulatory requirements, may:
  - (i) retain such personal data for prescribed periods after Purchaser has purchased Tokens;
  - (ii) transfer such personal data, by any method including electronically, to Token Generator's registered agent in Token Generator's country of incorporation, including countries that may not have enacted data protection legislation;
  - (iii) transfer such information to the directors, legal advisors or any other agent of Token Generator entitled to receive such information;
  - (iv) transfer such personal data to any person or entity to which the Administrator has a legal obligation to disclose such information; and
  - (v) maintain such information on the Administrator's computer Protocols based or maintained in countries that have not enacted data protection legislation.

### Further information

- 9.3 Upon Token Generator's request, Purchaser will immediately provide to Token Generator information and documents that Token Generator, in its sole discretion, deems necessary or appropriate to comply with any laws, regulations, rules or agreements, including without limitation judicial processes and anti-money laundering laws applicable in the Cayman Islands. Such documents may include, but are not limited to, passport, driver's license, utility bills, photographs of associated individuals, government identification cards, or sworn statements. Purchaser consents to Token Generator retaining and disclosing such information and documents in order to comply with applicable laws, regulations, rules or agreements. Purchaser's failure to provide accurate and complete information required for Purchaser's receipt of Tokens may result in delays, losses, costs, non-delivery of refunds or Tokens or other issues. Purchaser acknowledges that Token Generator may refuse to distribute Tokens to Purchaser and or provide access to Purchaser's account until such requested information and/or documents is provided. Token Generator reserves its right to request further information and documentation at any time in its sole discretion. Token Generator may refuse Purchaser access should it have doubts as to validity, authenticity and genuineness of the documents, provided by Purchaser. Purchaser agrees that Token Generator shall not be liable for any loss arising as a result of the delay or non-delivery of Tokens to Purchaser or any other actions taken by Token

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Generator described in this section, and Purchaser hereby waives all claims against Token Generator arising from such losses. Purchaser agrees to indemnify and hold harmless Token Generator, against any loss incurred by Token Generator due to any such information or documentation not being provided by Purchaser.

### Information provided during operation of Website

- 9.4 Token Generator collects information from running its Website, provided thereto, and processes such information. When Purchaser visits the Website, Token Generator collects information sent by Purchaser's computer, mobile phone, or other access device. This information may include Purchaser's IP address, device information including, but not limited to, identifier, name, and type, operating Protocol, mobile network information and standard web log information, such as browser type, and the pages Purchaser accessed on Token Generator's website. When Purchaser uses a location-enabled device with Token Generator's website, Token Generator may collect geographical location data or use various means to determine the location, such as sensor data from Purchaser's device that may, for instance, provide data on nearby cell towers and wi-fi access spots. When Purchaser accesses the Website, Token Generator or its applicable third party service providers on behalf of Token Generator may place small data files called cookies on Purchaser's computer or other device. Token Generator uses these technologies to recognize Purchaser as a user; customize the Website and advertising; measure promotional effectiveness and collect information about Purchaser computer or other access device to comply with applicable law, mitigate risk, help prevent fraud and promote trust and safety.

### Processing of personal data

- 9.5 Processing of personal data is any operation or set of operations which is performed upon personal data, whether or not by automatic means, such as collection, recording, organization, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, blocking, erasure or destruction. Token Generator may share Purchaser's personal data with third parties in order to complete the Token Sale reveal or suppress fraud or fix technical bugs or eliminate security problems. Token Generator will disclose Purchaser's personal data to its affiliates, subsidiaries and third-party service providers in so far as is necessary to complete the Token Sale. The processing of personal information shall otherwise be in accordance with the terms of Token Generator's privacy policies in effect from time to time.

### Purpose of processing personal data

- 9.6 Purchaser agrees that Token Generator will process personal data to market, conduct and perform technical analysis on the completion of the Token Sale. Processing of personal data will also be carried out in order to: (a) fulfil Token

## Terms and Conditions

Generator's obligations under these Terms and Conditions and under applicable law (including to comply with applicable anti-money laundering requirements); (b) complete Purchaser's registration; (c) provide technical support and (d) to assist Token Generator Protocol Operator in the development of the Protocol and the performance of the activities set out in the White Paper.

### Advertising

- 9.7 Purchaser acknowledges and agree that it may receive commercial electronic messages and advertising materials from Token Generator, Protocol Operator or third parties by order of Token Generator on the e-mail address and the mobile phone number provided to Token Generator or Administrator.

### 10 Tax Information Exchange Obligations

- 10.1 Purchaser understands that Tokens do not represent nor do they entitle the holder, in any way whatever, to a:

- (a) Depository Account;
- (b) Custodial Account;
- (c) Cash Value Insurance Contract;
- (d) Annuity Contract; or
- (e) Equity and/or Debt Interest in Token Generator;

as such terms are defined in the Tax Information Authority (International Tax Compliance) (Common Reporting Standard) Regulations, 2015.

- 10.2 For the purposes of these Terms and Conditions, **Tax Information Exchange Obligations** means: (i) the United States Foreign Account Tax Compliance Act provisions enacted under the United States Hiring Incentives to Restore Employment Act and any guidance, or regulations relating thereto (**FATCA**); (ii) any other legislation, regulations or guidance enacted in any jurisdiction which seeks to implement similar tax reporting, tax information exchange, reporting and/or withholding tax regimes (including the OECD Common Reporting Standard on the automatic exchange of financial account information); (iii) any intergovernmental Application between the Cayman Islands (or any Cayman Islands government body) and the U.S., the U.K. or any other jurisdiction (including any government bodies in any other such jurisdiction), entered into, in order to comply with, facilitate, supplement or implement the legislation, regulations or guidance described in (i) and (ii), including the OECD Multilateral Competent Authority Application; and (iv) any legislation, regulations or guidance in the Cayman Islands that give effect to the foregoing.

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- 10.3 Purchaser acknowledges that if Token Generator is subject to the Tax Information Exchange Obligations, or if Token Generator determines in its sole discretion that it is subject to the Tax Information Exchange Obligations, Token Generator will gather and disclose to the competent authorities information relating to purchasers of Tokens. Accordingly, Purchaser shall execute properly and provide to Token Generator in a timely manner any documentation or other information that Token Generator or its agents may request in writing from time to time in connection with the Tax Information Exchange Obligations. Without limitation, Purchaser shall provide any documentation or other information regarding Purchaser and Purchaser's beneficial owners requested by Token Generator or its agents in connection with the Tax Information Exchange Obligations. Purchaser waives any provision under the laws and regulations of any jurisdiction that would, absent a waiver, prevent or inhibit Token Generator's compliance with applicable law as described in this paragraph, including but not limited to by preventing either (i) Purchaser from providing any requested information or documentation, or (ii) the disclosure by Token Generator and its agents of the provided information or documentation to applicable regulatory authorities.
- 10.4 If Purchaser provides information and/or documentation that is in anyway misleading, or if Purchaser fails to provide Token Generator or its agents or delegates with the information and documentation that has been requested, (whether or not such action or inaction leads to compliance failures by Token Generator, or a risk of Token Generator or its token holders being subject to withholding tax or other penalties), Token Generator reserves the right to take any action and/or pursue all remedies at Token Generator's disposal. Further, Purchaser shall have no claim against Token Generator, or its agents or delegates, for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of Token Generator in order to comply with the Tax Information Exchange Obligations.

## 11 Intellectual Property

- 11.1 Token Generator and Protocol Operator each retain all right, title and interest in all of Token Generator's and Protocol Operator's ideas, concepts, discoveries, processes, code, compositions, formulae, methods, techniques, information, data, patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether patentable, copyrightable or protectable in trademark, registered or unregistered, and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world (**Intellectual**



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**Property**). Purchaser may not use any of Token Generator's or Protocol Operator's Intellectual Property for any reason without Token Generator's or Protocol Operator's express prior written consent.

### 12 Indemnification, Disclaimer, Limitation of Liability and Releases

#### Indemnification

- 12.1 To the fullest extent permitted by applicable law, Purchaser will indemnify, defend and hold harmless and reimburse Token Generator, Protocol Operator, Administrator and each of their respective past, present and future advisors, employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, attorneys, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (each a **Token Generator Party**, and collectively **Token Generator Parties**), from and against any and all actions, proceedings, claims, damages, demands and actions (including without limitation fees and expenses of counsel), incurred by such parties arising from or relating to: (i) Purchaser's purchase or use of Tokens; (ii) Purchaser's responsibilities or obligations under these Terms and Conditions; (iii) Purchaser's breach of or violation of these Terms and Conditions; (iv) any inaccuracy in any representation or warranty of Purchaser; (v) Purchaser's violation of any rights of any other person or entity; and/or (vi) any act or omission of Purchaser that is negligent, unlawful or constitutes willful misconduct.
- 12.2 Token Generator reserves the right to exercise sole control over the defense, at Purchaser's expense, of any claim subject to indemnification under this Section. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between Purchaser and Token Generator.

#### Disclaimer and Limitation of Liability

- 12.3 TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW (I) IN NO EVENT WILL TOKEN GENERATOR OR ANY OF THE TOKEN GENERATOR PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR USE OF THE TOKENS OR OTHERWISE RELATED TO THESE TERMS AND CONDITIONS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE); (II) IN NO EVENT WILL THE AGGREGATE LIABILITY OF THE TOKEN GENERATOR AND THE TOKEN GENERATOR PARTIES (JOINTLY), WHETHER IN CONTRACT,

## Terms and Conditions

WARRANTY, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS AND CONDITIONS OR THE USE OF OR INABILITY TO USE THE TOKENS, EXCEED THE AMOUNT PURCHASER HAS PAID TOKEN GENERATOR FOR THE TOKENS.

THE LIMITATIONS SET FORTH IN SECTION WILL NOT LIMIT OR EXCLUDE LIABILITY FOR FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT.

Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this Section may not apply to Purchaser.

### Claim Period

- 12.4 The Token Generator Parties shall not be liable in any way or in any event in respect of any claim under these Terms and Conditions if such claim was not made in the period commencing from the completion of the Token Sale to the date falling six (6) months after the date of the completion of the Token Sale (such period being the Claim Period). Any claim which has been made before the expiration of the Claim Period shall, if it has not been previously satisfied in full, settled or withdrawn, be deemed to have been withdrawn and shall become fully barred and unenforceable on the expiry of the period of six (6) months commencing from the date on which such claim was made, unless proceedings in respect thereof shall have been commenced against the Token Generator and for this purpose proceedings shall not be deemed to have been commenced unless they shall have been issued and served upon the Token Generator.

### Release

- 12.5 To the fullest extent permitted by applicable law, Purchaser hereby releases Token Generator and Token Generator Parties from all responsibility, liability, claims, demands, and/or damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between participants in the Protocol and the acts or omissions of third parties. Purchaser expressly waives any rights it may have under any statute or common law principles that would otherwise limit the coverage of this release to include only those claims which Purchaser may know or suspect to exist in its favour at the time of agreeing to this release.

### No Class actions

- 12.6 Any dispute arising out of or related to these Terms and Conditions is personal to Purchaser and Purchaser hereby agrees that such dispute will not be brought as a class arbitration, class action or any other type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a dispute as a representative of another

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individual or group of individuals. Further, a dispute cannot be brought as a class or other type of representative action, whether within or outside of arbitration, or on behalf of any other individual or group of individuals.

### Mitigation

- 12.7 For the avoidance of doubt, nothing in these Terms and Conditions shall limit the Purchaser's obligation (at law or otherwise) to mitigate its loss in respect of any claim under these Terms and Conditions, and the Purchaser shall not be entitled to recover damages in respect of any claim (as the case may be) if, and to the extent that, the Purchaser has already recovered damages in respect of the same fact or subject matter.

### Contract (Rights of Third Parties)

- 12.8 Any Token Generator Party or other identifiable person who is not a party to these Terms and Conditions may enforce any rights granted to it pursuant to these Terms and Conditions in its own right as if it was a party to these Terms and Conditions. Except as expressly provided in the foregoing sentence, a person who is not a party to these Terms and Conditions shall not have any rights under the Contracts (Rights of Third Parties) Law, 2014 (as amended) to enforce any term of these Terms and Conditions. Notwithstanding any term of these Terms and Conditions, the consent of or notice to any person who is not a party these Terms and Conditions shall not be required for any termination, rescission or agreement to any variation, waiver, assignment, novation, release or settlement under these Terms and Conditions at any time.

## 13 General

### Interpretation

- 13.1 In these Terms and Conditions, unless the contrary intention appears:
- (a) a reference to a statute includes references to that statute as amended or re-enacted and to other statutes that modify its application as well as references to any subordinate legislation made or to be made under that statute;
  - (b) a reference to the singular includes the plural and vice versa;
  - (c) a reference to a gender includes the other genders;
  - (d) a reference to persons includes individuals, companies, firms, partnerships, government bodies or agencies and corporations sole and aggregate;
  - (e) obligations entered into by more than one person in these Terms and Conditions bind all of those persons jointly and each of them severally; and

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(f) the headings do not affect the interpretation of these Terms and Conditions.

13.2 The Schedules, if any, annexed to or referenced in these Terms and Conditions are hereby incorporated by reference and form a part of these Terms and Conditions.

### Entire agreement

13.3 These Terms and Conditions (and any pre-sale agreement the Purchaser has entered into with the Token Generator) comprise the entire agreement between the parties and there are any not any agreements, understandings, promises or conditions, oral or written, express or implied, concerning the subject matter which are not merged in these Terms and Conditions (or such pre-sale agreement (if any)) and superseded hereby.

13.4 The Purchaser acknowledges and agrees that the development of the Protocol and the offering of Services is made in an environment in which there are frequent changes and rapid market pivots, and that premises of Token Generator may be updated frequently and corrected when tested. For that reason, Purchaser must not rely on any statements outside of these Terms and Conditions in connection with the subject matter of these Terms and Conditions. Furthermore, the Token Generator may make changes to these Terms and Conditions from time to time (in its sole discretion) and the amended Terms and Conditions will be effective immediately.

### Multiple purchasers

13.5 If there is more than one Purchaser, then all representations, warranties, acknowledgements, undertakings and agreements by Purchaser binds those persons jointly and each of them individually, and all benefits in favour of Purchaser benefits those persons jointly and each of them individually.

### Successors and assigns

13.6 These Terms and Conditions is binding on Purchaser and its successors, assigns, heirs, executors, administrators and legal representatives and enures for the benefit of Token Generator's successors and assigns.

### Survival of these Terms and Conditions

13.7 These Terms and Conditions survives the acceptance of Purchaser's Token purchase application.

### Assignment

13.8 Purchaser shall not assign these Terms and Conditions, or any contractual rights represented by the Tokens, without the prior written consent of Token Generator. Any assignment or transfer in violation of this Section will be void.

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Token Generator may assign these Terms and Conditions to an affiliated entity at any time without Purchaser's prior consent. Subject to the foregoing, these Terms and Conditions, and the rights and obligations of the parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives.

### Severance

- 13.9 If any provision of these Terms and Conditions is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable under any law of any jurisdiction for any reason, the provision shall be modified to make it valid and, to the extent possible, effectuate the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision pursuant to this section shall not affect or impair the validity and enforceability of the rest of these Terms and Conditions, nor the validity and enforceability of such provision or part-provision under the law of any other jurisdiction.

### Waivers

- 13.10 The failure by Token Generator to exercise or enforce any right or provision of these Terms and Conditions will not constitute a present or future waiver of such right or provision nor limit Token Generator's right to enforce such right or provision at a later time. All waivers by Token Generator must be unequivocal and in writing to be effective.

### Electronic communications

- 13.11 Purchaser agrees and acknowledges that all agreements, notices, disclosures and other communications that Token Generator provides pursuant to these Terms and Conditions or in connection with or related to Purchaser's purchase of Tokens, may be provided by Token Generator and Administrator in electronic form.

### Irrevocability

- 13.12 Unless otherwise set out herein, these Terms and Conditions are irrevocable.

### Governing law

- 13.13 These Terms and Conditions shall be governed in all respects, including as to validity, interpretation and effect, by the laws of the Cayman Islands, without giving effect to its principles or rules of conflict of laws, to the extent such principles or rules are not mandatorily applicable by statute and would permit or require the application of the laws of another jurisdiction. All disputes or claims arising out of or in connection with these Terms and Conditions,

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including disputes relating to its validity, breach, termination or nullity shall be finally settled under by a court in the Cayman Islands.

### Force Majeure

13.14 The Token Sale and the performance of Token Generator's or Protocol Operator's activities set out in the development Timeline available on the Website may be interrupted, suspended or delayed due to force majeure events. For the purposes of these Terms and Conditions, a force majeure event shall mean any extraordinary event or circumstances which could not be prevented by Token Generator or Protocol Operator and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies or other circumstances beyond Token Generator's or Protocol Operator's control, which were not in existence at the time of Token Sale. Purchaser understands and agrees that Token Generator and Protocol Operator shall not be liable and each disclaims all liability to Purchaser in connection with an force majeure event.

### English

13.15 Only English versions of the White Paper, the Terms and Conditions and Token Generator's communications shall be considered official. The English version shall prevail in case of differences in translation.

### Execution

By checking the "Terms and Conditions" button, Purchaser agrees to comply with and be bound by these Terms and Conditions. Purchaser acknowledges and accepts that all purchases of rights to Tokens from the Token Generator are final, and there are no refunds or cancellations, except as expressly provided for in these Terms and Conditions or as may be required by applicable law or regulation. Purchaser further acknowledges and accepts that the Token Generator reserves the right to refuse or cancel these Terms and Conditions at any time in its sole discretion.

### Notes:

- To be valid, these Terms and Conditions must be consented to and executed (including by digital signature) by each applicant, including all joint holders.
- Purchaser agrees and acknowledges that all agreements, notices, written confirmations disclosures and other communications that Token Generator provides pursuant to these Terms and Conditions or in connection with or related to Purchaser's purchase of Tokens, may be provided by Token Generator, in its sole discretion, to Purchaser, in electronic form.

## Terms and Conditions

- If these Terms and Conditions are entered into by a corporation, it must be executed (including by digital signature) by an individual authorised to sign it on the corporation's behalf who must state his/ her capacity.
- If these Terms and Conditions is by a firm or partnership (not a corporation), the following applies:
  - For a limited partnership, it must be in the name of the limited partnership and executed by or on behalf of the general partner, bearing in mind that if the general partner is a corporation paragraph 2 applies.
  - For any other type of partnership, it must be in the name of and executed by all partners.
- If these Terms and Conditions are entered executed under a power of attorney, that power of attorney or a duly certified copy of it must be sent to the Token Generator.
- In respect of joint applicants only, on the death of one, the Tokens will be held in the name of and to the order of the survivor or survivors or the executor or administrator of the last survivor.

# Terms and Conditions

## SCHEDULE 1

### Who are Eligible Purchasers?

From time to time, Token Generator may amend the criteria for determining who is an Eligible Purchaser for the purpose of an purchase of Tokens.

Initially, all Purchasers are **Eligible Purchasers** except the following:

- 1 a Purchaser whose acquisition of Tokens would cause a breach of the law or requirements of any country or governmental authority, including anti-money laundering regulations or conventions;
- 2 a Purchaser who is acting on behalf of terrorists or terrorist organisations, including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the US Treasury Department's Office of Foreign Asset Control<sup>2</sup> (**OFAC**) or on the sanctions lists adopted by the United Nations and the European Union to such extent such sanctions are extended by the UK Government to its Overseas Territories, as such lists may be amended from time to time;
- 3 a Purchaser who acts, directly or indirectly, for a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure<sup>3</sup> unless Token Generator, after being specifically notified by Purchaser in writing that it is such a person, conducts further due diligence, and determines that the purchase of Tokens is permitted;
- 4 a Purchaser or an entity acting as trustee, agent, representative or nominee for a Purchaser that is a foreign shell bank<sup>4</sup>;
- 5 a Purchaser who makes representations or warranties in these Terms and Conditions that are not true when given or have ceased to be true;

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<sup>2</sup>The OFAC list may be accessed on the web at <http://www.treas.gov/ofac>.

<sup>3</sup>Senior foreign political figure means a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party or a senior executive of a foreign government-owned corporation. In addition a senior foreign political figure includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure. The immediate family of a senior foreign political figure typically includes the political figure's parents, siblings, spouse, children and in-laws. A close associate of a senior foreign political figure is a person who is widely and publicly known internationally to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

<sup>4</sup>Foreign shell bank means a foreign bank without a physical presence in any country, but does not include a regulated affiliate.



## Terms and Conditions

6 a Purchaser whose circumstances are such that, in the opinion of Token Generator's directors, its continued ownership of Tokens would cause an undue risk of adverse tax or other consequences to Token Generator. Those circumstances include those that affect that Purchaser directly or indirectly, whether taken alone or in conjunction with another person or persons, connected or not, or any other circumstance that appears to the directors to be relevant;

7 a Purchaser, or a Purchaser that is an entity acting as trustee, agent, representative or nominee for a person, who is a **United States person** (within the meaning of Regulation S of the United States Securities Act) or is otherwise a resident of a Restricted Territory. The Purchaser must notify Token Generator immediately if Purchaser becomes a United States person, a resident of a Restricted Territory or becomes aware that any person for whom Purchaser holds shares as trustee, agent, representative or nominee has become a United States person or resident of a Restricted Territory.

8 for a Purchaser, or a Purchaser that is an entity acting as trustee, agent, representative or nominee a person, from the following states and territories:

- People's Republic of China (PRC)
- Cayman Islands
- South Korea
- Singapore

9 a Purchaser, or a Purchaser that is an entity acting as trustee, agent, representative or nominee for a person, from the following states and territories:

Afghanistan, Bosnia and Herzegovina, Central African Republic, Cuba, Democratic Republic of the Congo, Democratic People's Republic of Korea (North Korea), Eritrea, Ethiopia, Guinea-Bissau, Iran, Iraq, Libya, Lebanon, Somalia, South Sudan, Sudan, Syria, Uganda, Vanuatu, Yemen and the Crimea region or any other nation subject to countrywide or territory wide sanctions authorised by the United Nations.

All persons who do come within any of these categories are known, collectively, as **Prohibited Persons**.

# Terms and Conditions

## SCHEDULE 2

### Certain Risks and Disclosures

#### 1 IMPORTANT NOTICE

PLEASE READ THIS SECTION CAREFULLY. YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE TAKING ANY ACTION IN CONNECTION WITH THE WHITE PAPER.

The White Paper is intended to present relevant information to potential Purchasers in connection with the proposed generation and sale of Tokens by the Token Generator under the Token Sale (together, the **Token Generation**), including information about the Token Smart Contract and the proposed Protocol to be operated by the Protocol Operator.

##### 1.1 Reliance

The Tokens are offered solely on the basis of the information contained in the White Paper and these Terms and Conditions. Potential Purchasers should disregard, and not rely upon, any other information or representations given or made by any dealer, broker or other person. No person is authorised to give any information or to make any representations in connection with the offering of Tokens apart from those contained in the White Paper and these Terms and Conditions. A potential Purchaser to whom such information or representations are given or made must not rely on them as having been authorised by the Token Generator or Protocol Operator.

Statements in the White Paper are based on the law and practice in the Cayman Islands current at the date it was issued. Those statements are therefore subject to change should that law or practice change. Under no circumstance does the delivery of the White Paper or the sale of Tokens imply or represent that the affairs of the Token Generator have not changed since the date of the White Paper.

##### 1.2 Purchaser responsibility

Nothing contained in the White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Token Generator. The Token Generator does not make representations or warranties of any kind with respect to the economic return from, or the tax consequences of a purchase of Tokens. Prospective Purchasers should carefully review the whole of the White Paper and these Terms and Conditions. They should also consult with their legal, tax and financial advisors in relation to the following: (i) the legal and regulatory requirements within their own countries for purchasing, holding and disposing of Tokens; (ii) any foreign exchange restrictions to which they may be subject in their own countries in relation to purchasing, holding or disposing of Tokens; and (iii) the

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legal, tax, financial and other consequences of subscribing for, purchasing, holding or disposing of Tokens.

The White Paper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors. To the maximum amount permitted by applicable law, each of the Token Generator and Protocol Operator expressly disclaim and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) Purchaser's acceptance of or reliance on any information contained in the White Paper, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

### 1.3 Distribution and selling restrictions

The distribution of the White Paper and the offering or purchase of Tokens may be restricted in certain jurisdictions. Neither the White Paper nor Tokens qualify for offer, sale or distribution under the laws of any jurisdiction governing the offer or sale of securities.

The receipt of the White Paper and the Terms and Conditions does not constitute an invitation to a recipient to subscribe for Tokens in a jurisdiction where it is necessary to comply with some registration or other legal requirement to make that invitation, or the use of the Terms and Conditions, lawful. No such recipient may treat the White Paper or the accompanying Terms and Conditions as an invitation to subscribe for Tokens, nor may such recipient use the Terms and Conditions. More particularly, the White Paper does not constitute an offer or solicitation:

- (a) by anyone in a jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so; or
- (b) to anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of every person in possession of the White Paper and every person wishing to apply for Tokens to inform himself, herself or itself of, and to observe all applicable laws and regulations of, any relevant jurisdiction.

The Token Generator has not made an invitation to the public in the Cayman Islands to subscribe for Tokens. For these purposes, "public" has the same meaning as "public in the Islands" as defined in the Mutual Funds Law (Revised) of the Cayman Islands. Apart from this restriction, persons resident, domiciled, established, incorporated or registered pursuant to the laws of the Cayman Islands may beneficially own Tokens.

## 2 DISCLOSURE SCHEDULE

The acquisition of Tokens involves a high degree of risk. Before acquiring Tokens, it is recommended that each Purchaser conduct its own careful examination of all

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relevant information and risks about the Token Generator, Protocol and Tokens and, specifically, the disclosures and risk factors set out below. If any of the following risks actually occurs, the Protocol, Tokens and Purchaser's Tokens may be materially and adversely affected, including the Purchaser's Tokens being rendered worthless or unusable.

### 3 Disclosures regarding the White Paper

#### 3.1 Accuracy of information, no consent of parties referenced in White Paper

The White Paper includes references to market and industry information and forecasts that have been obtained from surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

Save for the Token Generator and its respective directors, executive officers and employees, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in the White Paper and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same.

Neither the Token Generator nor any of the Token Generator Parties has conducted any independent review of the information extracted from third party sources, verified the accuracy or completeness of such information or ascertained the underlying economic assumptions relied upon therein. Consequently, neither Token Generator nor its directors, executive officers and employees acting on its behalf makes any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same

#### 3.2 Terms used

To facilitate a better understanding of Tokens being offered for purchase by the Token Generator, and the businesses and operations of the Token Generator, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in the White Paper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

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### 3.3 Forward looking statements

All statements, estimates and financial information contained in the White Paper, made in any press releases or in any place accessible by the public and oral statements that may be made by Token Generator or any Token Generator Parties that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding the Token Generator's financial position, business strategies, plans and prospects and the future prospects of the industry which the Token Generator is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Token Generator's revenue and profitability, prospects, future plans, other expected industry trends and other matters discussed in the White Paper regarding Token Generator are matters that are not historic facts, but only predictions.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements. These factors include, amongst others:

- changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which the Token Generator conducts its respective businesses and operations;
- the risk that the Token Generator may be unable to execute or implement their respective business strategies and future plans;
- changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
- changes in the anticipated growth strategies and expected internal growth of the Token Generator;
- changes in the availability and fees payable to the Token Generator in connection with their respective businesses and operations;
- changes in the availability and salaries of employees who are required by the Token Generator to operate their respective businesses and operations;
- changes in preferences of customers of the Token Generator;

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- changes in competitive conditions under which the Token Generator operate, and the ability of the Token Generator to compete under such conditions;
- changes in the future capital needs of the Token Generator and the availability of financing and capital to fund such needs;
- war or acts of international or domestic terrorism;
- occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of the Token Generator;
- other factors beyond the control of the Token Generator; and
- any risk and uncertainties associated with the Token Generator and its business and operations, Tokens, the Token Generation and the underlying assets (each as referred to in the White Paper).

Nothing contained in the White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Token Generator.

Further, the Token Generator disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

### 3.4 No further information or update

No person has been or is authorised to give any information or representation not contained in the White Paper in connection with the Token Generator and its business and operations, Tokens, the Token Generation (each as referred to in the White Paper) and, if given, such information or representation must not be relied upon as having been authorised by or on behalf of the Token Generator. The Token Generation (as referred to in the White Paper) shall not, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change, or development reasonably likely to involve a material change in the affairs, conditions and prospects of Token Generator or in any statement of fact or information contained in the White Paper since the date hereof.

### 3.5 Restrictions on distribution and dissemination of White Paper

The distribution or dissemination of the White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of the White Paper or such part thereof (as the case may be) at your own expense and without liability to the Token Generator.

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Persons to whom a copy of the White Paper has been distributed or disseminated, provided access to or who otherwise have the White Paper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute the White Paper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

### 3.6 Language of White Paper

The White Paper may have been prepared in multiple languages. In the event of any inconsistencies between one version and another, the English language version shall prevail.

## 4 Disclosures regarding Tokens

### 4.1 Tokens are utility tokens

Tokens are digital utility tokens that afford Token holders access to the Protocol and/or to execute certain functions on the Token Smart Contract in accordance with the terms of an open-source license agreement further described on the Website. Tokens do not represent a loan to Token Generator nor do they provide Purchaser with any ownership or other interest in or to Token Generator. For greater certainty, the purchase of Tokens does not provide Purchaser with any form of ownership right or other interest in or to Token Generator or its present or future assets and revenues, including, but not limited to, any voting, distribution, redemption, liquidation, revenue sharing, proprietary (including all forms of intellectual property), or other financial or legal rights.

### 4.2 Tokens are non-refundable

Token Generator is not obliged to provide Tokens holders with a refund for any reason, and Token holders will not receive money or other compensation in lieu of a refund. Statements set out in the White Paper are merely expressions of the Token Generator's objectives and desired work plan to achieve those objectives. and no promises of future performance or price are or will be made in respect to Tokens, including no promise of inherent value, and no guarantee that Tokens will hold any particular value.

### 4.3 Tokens are provided on an "as is" basis

Tokens are provided on "as is" basis. The Token Generator Parties and each of their respective directors, officers, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding Tokens, including any warranty of title, merchantability or fitness for a particular purpose or any warranty that Tokens and Protocol will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the Token Generator Parties and each of their respective directors, officers, employees, shareholders, affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory

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quality, fitness for a particular purpose, non-infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

### 4.4 Not an offering of securities, commodities or swaps

The sale of Tokens and Tokens themselves are not securities, commodities, swaps on either securities or commodities, or a financial instrument of any kind. Purchases and sales of Tokens are not subject to the protections of any laws governing those types of financial instruments. The White Paper and all other documents referred to in the White Paper including the Terms and Conditions do not constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy an investment, a security, commodity, or a swap on either a security or commodity.

### 4.5 Non-Investment purposes

Purchaser acknowledges and agrees that Purchaser is not purchasing Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes. Tokens are not designed for investment purposes and should not be considered as a type of investment.

### 4.6 Force majeure

The Token Generation and the performance of the Token Generator's activities set out in the development roadmap on the Website may be interrupted, suspended or delayed due to force majeure events. For the purposes of the White Paper, a force majeure event shall mean any extraordinary event or circumstances which could not be prevented by Token Generator and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies or other circumstances beyond Token Generator's control, which were not in existence at the time of Token Generation. Purchaser understands and agrees that Token Generator shall not be liable and disclaims all liability to Purchaser in connection with a force majeure event.

### 4.7 Insurance

Unlike bank accounts or accounts at financial institutions, Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Token Generator to offer recourse to Purchaser. Purchaser bears all risk in respect of the Tokens.



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## 5 Governmental disclosures

### 5.1 Risk of unfavorable regulatory action in one or more jurisdictions

The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum network, or restricting the right to acquire, own, hold, sell, convert, trade, or use Tokens. Developments in laws, regulations, policies or rules may alter the nature of the operation of the blockchain network upon which Tokens are dependent.

There can be no assurance that governmental authorities will not examine the operations of Token Generator Parties and/or pursue enforcement actions against Token Generator Parties. All of this may subject Token Generator Parties to judgments, settlements, fines or penalties, or cause Token Generator Parties to restructure their operations and activities or to cease offering certain products or services, all of which could harm Token Generator Parties' reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on Tokens and/or the development of the Protocol.

### 5.2 Purchaser bears responsibility of legal categorisation

There is a risk that Tokens might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future. The Token Generator does not provide any warranty or guarantee as to whether Tokens will be a security in the jurisdiction of the Purchaser. Each Purchaser will bear all consequences of Tokens being considered a security in their respective jurisdiction. Every Purchaser is responsible to confirm if the acquisition and/or disposal of Tokens is legal in its relevant jurisdiction, and by accepting these Terms and Conditions each Purchaser undertakes not to use Tokens in any jurisdiction where doing so would be unlawful. If a Purchaser establishes that the purchase or use of Tokens is not legal in its jurisdiction, it should not acquire Tokens and must immediately stop using or possessing Tokens.

Acquiring Tokens in exchange for cryptocurrencies will most likely continue to be scrutinized by various regulatory bodies around the world, which may impact the usage of Tokens. The legal ability of the Token Generator to provide or support Tokens in some jurisdictions may be eliminated by future regulation or legal actions. In the event the Token Generator determines that the purchase or usage of Tokens is illegal in a certain jurisdiction, the Token Generator may cease operations in that jurisdiction, or adjust Tokens or the Protocol in a way to comply with applicable law.

### 5.3 Purchaser bears responsibility for complying with transfer restrictions

Tokens may be placed on third-party exchanges, giving future purchasers and users an opportunity to openly buy Tokens. Existing laws on the circulation of securities in certain countries, such as the United States of America, Canada and Singapore, may

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prohibit the sale of Tokens to the residents of those countries. When buying Tokens, Purchaser should be aware of the restrictions on their subsequent sale.

### 6 General security risks

#### 6.1 Risk of theft and hacking

Token generation events and initial coin offerings are often targeted by hackers and bad actors. Hackers may attempt to interfere with the Purchaser's digital wallet, the Token Smart Contract or the availability of Tokens in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. Any such attack may result in theft of Purchaser's Tokens.

#### 6.2 Private keys

Tokens purchased by Purchaser may be held by Purchaser in Purchaser's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Purchaser's digital wallet or vault storing Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Purchaser uses, may be able to misappropriate Purchaser's Tokens. Token Generator is not responsible for any such losses.

#### 6.3 Failure to map a public key to Purchaser's digital wallet

Failure of the Purchaser to map a public key to such Purchaser's digital wallet may result in third-parties being unable to recognize buyer's Tokens balance on the Ethereum blockchain when and if they configure the initial balances of a new blockchain based upon the Protocol.

#### 6.4 Exchange risks

If Purchaser sends Ether to the Token Generator from an exchange or an account that Purchaser does not control, Tokens will be allocated to the account that has sent Ether; therefore, Purchaser may never receive or be able to recover Purchaser's Tokens. Furthermore, if Purchaser chooses to maintain or hold Tokens through a cryptocurrency exchange or other third party, Purchaser's Tokens may be stolen or lost.

#### 6.5 Risk of incompatible wallet services

The wallet or wallet service provider used for the acquisition and storage of Tokens has to be technically compatible with Tokens. The failure to assure this may result in the Purchaser not being able to gain access to its Tokens.

#### 6.6 Risk of weaknesses or exploitable breakthroughs in the field of cryptography

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Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum and Tokens, which could result in the theft or loss of Tokens.

### 6.7 Internet transmission risks

There are risks associated with using Tokens including, but not limited to, the failure of hardware, software, and internet connections. The Token Generator shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Protocol and Tokens, howsoever caused.

Transactions in cryptocurrencies may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. cryptocurrencies transactions are deemed to be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

## 7 Protocol and Token Smart Contract disclosures

### 7.1 No guarantee that the Protocol or Token Smart Contract will be developed

Purchaser acknowledges, understands and agrees that Purchaser should not expect and there is no guarantee or representation or warranty by Token Generator or Protocol Operator that: (a) the Protocol and Token Smart Contract will ever be adopted; (b) the Protocol and Token Smart Contract will be adopted as developed and not in a different or modified form; (c) a final blockchain utilizing or adopting the Token Smart Contract will ever be launched; and (d) a final blockchain will ever be launched with or without changes to the Token Smart Contract and with or without a distribution of tokens matching the fixed initial balances of Tokens recorded on the Token Smart Contract. Furthermore, Tokens issued under the Token Smart Contract will not have any functionality on the final blockchain and holding Tokens is not a guarantee, representation or warranty that the holder will be able to use such final blockchain, or receive any tokens actually utilized on the Protocol with the final blockchain created, even if the Protocol is launched and the Token Smart Contract is adopted, of which there is no guarantee, representation or warranty made by Token Generator.

### 7.2 Risks associated with the Token Smart Contract and associated software and/or infrastructure.

#### (a) Malfunctions

The Token Smart Contract is based on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause Tokens and/or the Protocol to malfunction or function in an unexpected or unintended manner.

#### (b) Bugs and weaknesses

The Ethereum blockchain rests on open source software, and accordingly there is the risk that the Token Smart Contract may contain intentional or unintentional bugs or

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weaknesses which may negatively affect Tokens or result in the loss or theft of Tokens or the loss of ability to access or control Tokens. In the event of such a software bug or weakness, there may be no remedy and Tokens holders are not guaranteed any remedy, refund or compensation.

### (c) Delays and congestions

On the Ethereum blockchain timing of block production is determined by proof of work so block production can occur at random times. For example, Ether contributed to the Token Smart Contract in the final seconds of a distribution period may not get included for that period. Purchaser acknowledges and understands that the Ethereum blockchain may not include the Purchaser's transaction at the time Purchaser expects and Purchaser may not receive Tokens the same day Purchaser sends Ether. The Ethereum blockchain is prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the Ethereum network in an attempt to gain an advantage in purchasing cryptographic tokens. Purchaser acknowledges and understands that Ethereum block producers may not include Purchaser's transaction when Purchaser wants or Purchaser's transaction may not be included at all.

### (d) Value of Ether

Ether, the native unit of account of the Ethereum blockchain may itself lose value in ways similar to Tokens, and also other ways. More information about Ethereum is available at <http://www.ethereum.org>.

## 7.3 Irreversible nature of blockchain transactions

Transactions involving Tokens that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Tokens, the transaction is not reversible. Further, at this time, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies and Tokens. Consequently, the Token Generator may be unable to replace missing Tokens or seek reimbursement for any erroneous transfer or theft of Tokens.

## 7.4 Amendments to protocol

The development team and administrators of the source code for Ethereum blockchain or the Token Smart Contract could propose amendments to such network's protocols and software that, if accepted and authorized, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Tokens.

## 7.5 Risk of mining attacks

As with other decentralized cryptocurrencies, Ethereum blockchain, which is used for Tokens, is susceptible to mining attacks, including but not limited to double-spend

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attacks, majority mining power attacks, "selfish-mining" attacks and race condition attacks. Any successful attack presents a risk to Tokens, including the expected proper execution and sequencing of Tokens and Ethereum contract computations in general. Despite the efforts of the Token Generator and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which Tokens interact with and consequently Tokens may be impacted also in that way to the extent described above.

### **8 Token Generator and Protocol Operator disclosures**

#### 8.1 Legal structure of Token Generator and Protocol Operator

The Token Generator is an exempted company incorporated in the Cayman Islands pursuant to the Companies Law (Revised). An exempted company is a body corporate which has separate legal personality capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, and having perpetual succession. The constitution of an exempted company is contained in two documents, the memorandum of association and the articles of association (**Articles**). The Articles typically provide that there must be at least one director of a Cayman company and the management of the company is the responsibility of, and is carried out by, its board of directors. The memorandum of association of a Cayman company must specify the authorised share capital of such company. The memorandum of association will state the aggregate amount of the authorised share capital, together with details of the number of shares into which it is divided and the par value of those shares. As a holder of Tokens, you are not entitled to any shares of Token Generator nor to any other right or interest in or to Token Generator (including any debt or equity interest therein) and will have no rights to appoint or remove the board of directors or operators of Token Generator.

The Protocol Operator is also an exempted company incorporated in the Cayman Islands pursuant to the Companies Law (Revised). As a holder of Tokens, you are not entitled to any shares of Protocol Operator nor to any other right or interest in or to Protocol Operator (including any debt or equity interest therein) and will have no rights to appoint or remove the board of directors or operators of Protocol.

Because Tokens confer no governance rights of any kind with respect to the Token Generator, Protocol Operator or the Protocol, all decisions involving the Token Generator's and Protocol Operator's products or services, including the services provided on the Protocol will be made by Token Generator and/or the Protocol Operator in their sole discretion. These decisions could adversely affect the Protocol and the utility of any Tokens you own.

#### 8.2 Relationship between Token Generator and Protocol Operator

The Token Generator and Protocol Operator are not partners under any partnership arrangement and, accordingly, neither party may contractually bind the other as its partner.

## Terms and Conditions

### 8.3 Dependence on management team

The ability of each of the Token Generator's and Protocol Operator's project teams, which are respectively responsible for maintaining competitive position of the Tokens and Protocol, is dependent to a large degree on the services of their management teams. The loss or diminution in the services of members of such senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Tokens and Protocol. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this competition may seriously affect such entity's ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Tokens and Protocol.

### 8.4 Risks related to reliance on third parties

Even if completed, the Protocol will rely, in whole or partly, on third-parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third-parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, any of which might have a material adverse effect on the Protocol.

### 8.5 Insufficient interest in the Protocol and Tokens

It is possible that the Protocol or Tokens will not be used by a large number of individuals, businesses and organizations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Tokens and Protocol.

### 8.6 Protocol development risks

The development of the Token Smart Contract and/or Protocol may be abandoned for a number of reasons, including lack of interest from the public, insufficient funding, insufficient commercial success or prospects or departure of key personnel.

### 8.7 Changes to Protocol

The Protocol is still under development and may undergo significant changes over time. Although Protocol Operator intends for the Protocol to have the features and specifications set forth in the White Paper, changes to such features and specifications may be made for any number of reasons, any of which may mean that the Protocol does not meet expectations of the Purchaser.

### 8.8 Other projects

The Token Smart Contract and Protocol may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with the Token Generator Parties, and such projects may provide no benefit to the Tokens or Protocol.

## Terms and Conditions

### 8.9 Disclosures relating to conflicts of interest

Any of the Token Generator Parties may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.

## 9 Other disclosures

Purchases of Tokens should be undertaken only by individuals, entities, or companies that have significant experience with, and understanding of, the usage and intricacies of cryptocurrencies, including cryptographically secured digital tokens, and blockchain based software systems. Purchaser should have a functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. While the Token Generator will be available to assist purchasers of Tokens during the sale, the Token Generator will not be responsible in any way for loss of BTC, ETH or Tokens resulting from actions taken by, or omitted by purchasers. If you do not have such experience or expertise, then you should not purchase Tokens or participate in the sale of Tokens.

Cryptographic tokens such as Tokens are a new and untested technology. In addition to the risks included above, there are other risks associated with your purchase, possession and use of Tokens, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed above.