

# BiTT<sub>o</sub> TOKEN

## CONTRIBUTION TERMS AND CONDITIONS

### WARNING

*THIS DOCUMENT AND ANY OTHER DOCUMENTS THAT ARE PUBLISHED IN ASSOCIATION WITH THESE TERMS (SUCH AS THE WHITE PAPER RELATES TO A TOKEN OFFERING TO PERSONS (CONTRIBUTORS) IN RESPECT OF THE INTENDED DEVELOPMENT AND USE OF THE EXCHANGE BY VARIOUS PARTICIPANTS. THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OF SECURITIES OR A PROMOTION, INVITATION OR SOLICITATION FOR INVESTMENT PURPOSES. THE TERMS OF THE CONTRIBUTION ARE NOT INTENDED TO BE A FINANCIAL SERVICE THAT IS OFFERING DOCUMENT OR A PROSPECTUS. THE TOKEN OFFERING INVOLVES AND RELATES TO THE DEVELOPMENT AND USE OF EXPERIMENTAL SOFTWARE AND TECHNOLOGIES THAT MAY NOT COME TO FRUITION OR ACHIEVE THE OBJECTIVES SPECIFIED IN THE WHITE PAPER. THE PURCHASE OF TOKENS REPRESENTS A HIGH RISK TO ANY CONTRIBUTORS. THE TOKENS DO NOT REPRESENT EQUITY, SHARES, UNITS, ROYALTIES OR RIGHTS TO CAPITAL, PROFIT OR INCOME IN THE EXCHANGE OR SOFTWARE OR IN THE ENTITY THAT ISSUES TOKENS OR ANY OTHER COMPANY OR INTELLECTUAL PROPERTY THAT IS ASSOCIATED WITH THE EXCHANGE OR ANY OTHER PUBLIC OR PRIVATE ENTERPRISE, CORPORATION, FOUNDATION OR OTHER ENTITY IN ANY JURISDICTION. THE TOKENS ARE NOT, THEREFORE, INTENDED TO REPRESENT A SECURITY OR SIMILAR LEGAL INTEREST.*

### 1. INTRODUCTION

1.1 Your purchase of Tokens (as defined below) during the Token Sale (as defined below) from BiTT<sub>o</sub> Exchange Limited, a company registered in the U.K (**Company, we, our or us**) is subject to these terms of sale (**Terms**). Each of you and Company is a party and,

together are the parties.

1.2 By purchasing Tokens during the Token Sale and indicating your acceptance of these Terms on the Website, you will be bound by these Terms and any other terms incorporated by reference. If you have any questions regarding these Terms, please contact us at [www.bitto.tech](http://www.bitto.tech)

1.3 To be eligible to participate in the Token Sale and to log into the Token Sale portal to make a purchase, you will have to go to the Website and provide us with your user credentials & your Wallet details. Your Wallet must support the Ethereum ERC-20 token standard to receive any Tokens you purchase from us.

1.4 The Token Issuing Entity is conducting a sale of Tokens and the Token Sale will be made available to many participants under these Terms.

1.5 The purpose of the BiTTo Exchange project is to help SMEs get financing. The goal is to transform the way financing process works. Further information is available in the White Paper.

1.6 Once developed and built the Exchange is intended to focus on intermediating between lenders and borrowers.

1.7 The Exchange project is being made possible by contributions from the community in the form of purchase of Tokens that will enable Exchange development, improvement of the platform and support of the associated eco-system. The Token Sale is, therefore, intended to give Contributors the ability to support and transact on the Exchange.

1.8 Tokens will be an integral part of the Exchange to support and to serve as an intermediate service between users.

1.9 The Tokens are intended to fulfill the following functions:

- (a) Exchange access
- (b) Reward for rendered services
- (c) Toll functions
- (d) Trust arbitrage function
- (e) Collateral for lending support

1.10 The Contributions from the Token Sale will be distributed as follows:

- (a) Contributors: Maximum of 21,000,000 Tokens (Around 2,000,000 Tokens for Pre Sale).
- (b) Reserve: 9,000,000 Tokens. This portion will be allocated for future developments, efficient operations of the Exchange and rewards for team.

1.11 Token value will likely reflect the scale and growth potential of the Exchange and its usability.

1.12 These Terms specify the terms and conditions applicable to the Token Sale.

1.13 It is intended that the Token Issuing Entity may form part of the group of companies that operate the BiTTo Exchange brand and Exchange. The Exchange shall be operated by an associated or subsidiary company of the Company and shall be subject to its own terms and conditions for participants that also contain terms relating to the use and functioning of the Tokens.

1.14 We do not control the underlying technological infrastructure for the Tokens or the Exchange protocols (**Blockchain**) or third party applications related thereof. We are not responsible or liable for the Blockchain, the operation of the Exchange or any third-party uses of

the Exchange.

## **2. GENERAL**

2.1 These Terms shall govern our relationship with you in relation to the Token Sale and the Tokens and, to the extent applicable, modify, replace and supersede any previous terms and conditions in relation to the same. In the event there is a conflict between these Terms and any other terms or agreements, these Terms shall take precedence unless such additional terms expressly reference variation to these Terms.

2.2 We reserve the right to notify you of any further ETH wallet-specific requirements at any time. For the avoidance of doubt, any refunds will be made in ETH.

2.3 We are not responsible for any delays, losses, costs, non-delivery of refunds or of Tokens, or other issues arising from the failure to provide, or providing an inaccurate Wallet.

2.4 By agreeing to purchase Tokens during the Token Sale you are confirming your acceptance of these Terms and agree to be bound by them.

## **3. DEFINITIONS AND INTERPRETATION**

3.1 In these Terms, references to the following words shall have the meanings set out below:

**Availability Period:** has the meaning given to it in clause 4.2.

**Blockchain:** has the meaning given in clause 1.14. **Contributor(s):** the person(s) who make Contributions in accordance with, and who agree to, these Terms.

**Contributions/Contributing:** payment of the Price (including by way of exchange of cryptocurrency) in return for issuance of Tokens in accordance with these Terms.

**Contribution Cap A:** has the meaning given in clause 4.2.

**Contribution Cap B:** has the meaning given in clause 4.2.

**Contribution Failure:** has the meaning given to it in clause 4.4.

**Contribution Software:** has the meaning given in clause 5.7.

**Effective Date:** the date on which you have: i) indicated your agreement to these Terms; and ii) we have successfully received your Contribution.

**Group:** our ultimate holding company and any subsidiary companies of our holding company

**Intellectual Property Rights:** rights to all existing and future patents, trademarks, design rights, service marks, trade dress, trade or business names (including domain names), registered designs, copyright (including rights in computer software), moral rights, database rights, format rights and topography rights (whether or not any of these is or are registered and including applications for registration), know-how, trade secrets and rights of confidence and all rights and forms of protection throughout the world of a similar nature or with similar effect to any of these for the full unexpired period of any such rights and any extensions and/or renewals thereof.

**Exchange:** the decentralised platform with the purpose to decentralize financing process and that will use the Contributions from the Contributor and other Contributors to attempt to develop the same;

**Our Marks:** the words BiTTo Exchange, Token name BiTTo and/or any logo, mark, domain name or trade name that contains, is confusingly similar to or is comprised of Our Marks or any other name or mark owned from time to time by us or any company within the Group.

**Price:** the purchase price paid by the Contributor for the Tokens as specified in condition 5.2.

**Privacy Policy:** our privacy policy found on the website.

**Risk Factors:** the risk factors listed in Schedule A.

**Round A:** has the meaning given to it in clause 4.2.

**Round B:** has the meaning given to it in clause 4.2.

**SCS:** has the meaning given to in clause 4.11.

**Terms:** these terms and conditions.

**Released Parties:** any of our respective past, present and future founders, employees, officers, directors, contractors, consultants, equity holders, suppliers, advisors, auditors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns.

**Round A Tokens:** Tokens purchased at the price specified in row A of the table specified at clause 5.2 Sale.

**Sites:** the Websites and any other online site, application or platform that are owned, operated or controlled by or on behalf of us or the Group from time to time and each of its related pages through which a Contributor takes part in the Token Sale.

**Terms:** these terms and conditions.

**Token/s:** the BiTTo tokens issued in respect of the development of the Exchange in return for Contributions as described in, and in accordance with, these Terms.

**Tokenholders:** persons who have applied for, and received, Tokens from the Company in accordance with this Agreement or any applicable valid private Token Sale agreement.

**Token Issuing Entity:** the Company, a Group company or any new company commonly owned by shareholders of the Company to be established to issue the Tokens.

**Token Sale:** the utility token sale of Tokens in order to help fund the development of the Exchange in accordance with these Terms.

**Our Wallet:** the crypto-wallet(s) that we use for receipt of Contributions and issuance of Tokens to you in accordance with these Terms and/or any payment account details specified in writing to you

from time to time on the applicable

**Project Failure:** has the meaning given to it in clause 8.5.

**Wallet:** Your Wallet or Our Wallet;

**Website(s):** the website located at (<https://bitto.tech/>) and at any replacement website we notify you of from time to time (and such other web addresses including RSS feeds that are owned, operated or controlled by or on behalf of us from time to time and that make available such website) and each of its related pages.

**White Paper:** the TGE Document and white paper available.

**Your Wallet:** the ERC20-compliant Token wallet notified by you in writing (or via the Website) to us, into which your Tokens will be placed in accordance with these Terms.

3.2 In these Terms (except where the context otherwise requires):

- (a) The Section headings are included for convenience only and shall not affect the interpretation of these Terms;
- (b) Any phrase introduced by the terms "including", "include" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (c) Any reference to "persons" includes natural persons, firms, partnerships, or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- (d) Any reference to a statute, statutory provision, ordinance, subordinate legislation, code or guideline ("legislation") is a reference to that legislation and all other subordinate legislation made under the relevant legislation as amended and in force from time to time and to any legislation that re-enacts or consolidates (with or without modification) any such legislation.

3.3 These Terms are drafted in English: if translated into another language, the English language text shall in any event prevail.

## 4. TOKEN SALE

4.1 In consideration of payment of the Contributions, the Company will, or will ensure that the Token Issuing Entity will, allocate and pay the number of Tokens Contributed for into Your Wallet from Our Wallet after the closing of the ICO Token Sale.

4.2 **Commencement and Duration.** The Company will conduct a public sale of Tokens (i.e. the **Token Sale**), which will consist of 4 rounds (Rounds 1 to 4). Round A will begin on 22<sup>nd</sup> of December 2017 and end on 29<sup>th</sup> of December 2017 or when the Contribution Soft Cap A of 200 ETH Equivalent value has been reached. This date will be reconfirmed on the website. When the **Contribution Cap B** of 20,000 ETH has been reached, whichever is earlier (**Availability Period**).

4.3 Tokens shall be available during the Availability Period, after which no more tokens will be created. The total available amount of Tokens shall be fixed at 30,000,000 and allocated as per paragraph 4.1 above.

### *Contribution Failure*

4.4 In the event that Contributions of less than Contribution Cap A (i.e. 100 ETH) is received, this shall result in withdrawal of the Token Sale (**Contribution Failure**) and the Token Sale shall be abandoned.

4.5 In the event of a Project Failure, purchasers of Round A Tokens acknowledge and accept that they might not receive the Round A Tokens that they have made Contributions for and may not receive a refund of any of the Contribution that they have made.

### *Price Must Be Received in Full Within 24 Hours*

4.6 If we have not received the payment of the full Price to Our Wallet within 24 hours of Exchange confirmations of the transaction. We reserve the right, in our sole discretion, to modify any of the timelines



described herein to account for Exchange congestion or other technical challenges.

### *Delivery of Token*

4.7 We will deliver the quantity of Tokens that you purchase not later than fifteen (15) days after the Availability Period (although we may extend the delivery deadline for up to two (2) additional weeks if necessary to address any unforeseen technical difficulties). A confirmation email to state the number of token that is purchased will be the final.

### *Possible Migration of Tokens*

4.8 Tokens are being created as ERC-20 tokens on the Ethereum protocol. We reserve the right to migrate the ERC-20 based Tokens (**Pre-existing Tokens**) to another protocol and to generate replacement Tokens on the new protocol (**Replacement Tokens**) in the future, should we determine, in our sole discretion, that doing so is necessary or useful to the operation of the Exchange.

4.9 Should we decide to migrate the Tokens, we may no longer provide support for the Pre-existing Tokens relating to the Exchange except with respect to the migration process. Although we do not at this time anticipate that it will require any Pre-existing Tokenholders to convert their Pre-existing Tokens to Replacement Tokens, we anticipate there will be significant incentives for Pre-existing Tokenholders to do so, since the practical utility of Pre-existing Tokens will likely diminish rapidly once the Replacement Tokens are created and in use by a significant portion of Exchange participants. Accordingly, you acknowledge and agree that in order for you to continue to participate in the Exchange or obtain utility from the Tokens you may need to convert the Tokens you purchase during the Sale to Replacement Tokens in the future.

4.10 Should we decide to migrate the Tokens, we will notify you via the email address you provided to us at the time of the Sale. You are solely responsible for updating us should your contact information

change.

4.11 You also understand and accept that as the Contribution is smart-contract based, the functions, terms and conditions applicable thereon are set forth in the smart contract system existing on the Ethereum blockchain Smart Contract System (SCS). Furthermore, no other document or communication may modify or add any additional obligations or covenants for the Token Issuing beyond those set forth in these Terms.

4.12 You agree that you shall have no further claims against the Company in respect of their support of the Exchange or the Token Sale in respect of any support, contribution or advice provided to the Company or Released Parties save for as detailed in these Terms and that receipt of your Tokens will constitute full performance of any promises, representations, contracts or statements made by the Company or any Released Parties in respect of the same.

## **5. CONTRIBUTION MECHANICS**

### *Qualification and General Issues*

5.1 Any Contribution made to us during the Availability Period are characterised as a non-refundable and non-redeemable acquisitions of Tokens.

5.2 In addition to the provisions of clauses 4.4 and 4.5, purchasers of Round A Tokens understand and acknowledge that some or all of their Contributions could be used for the development and marketing of the Token Sale (and specifically, Round 2 of the Token Sale).

### *Contribution Limits:*

5.3 The total maximum number of Contributions that we will accept during the Token Sale shall be equal to the maximum of 36,000 ETH (i.e. **Contribution Cap B**).

5.4 We will not accept any Contributions after Contribution Cap B has

been reached. In case, for example, due to technical reasons, the Contribution Software (defined below) accepts Contributions exceeding Contribution Cap B, the Contributions that exceed Contribution Cap B (calculated based on the time of receipt) shall be returned to the address the respective Contribution transfer has been sent from.

5.5 Subject to Contribution Cap B, there is no maximum Contribution amount per Contributor except Contributions until Contribution Cap A is reached which limited to 60 ETH per Contributor. Minimum Contribution amount per Contributor is 0.1 ETH.

#### *Contribution Software:*

5.6 Contributions in ETH must be made by using the SCS or to such other address we specify to you in writing herein or on our Sites (**Contribution Software**). Any Contribution in ETH to us without using the Contribution Software will not lead to a recommendation for Token allocation as set forth below.

5.7 Tokens will only be issued on behalf of the Token Issuing Entity during the Availability Period as specified in writing by us in these terms or on the Site. To the extent that any third-party website, service or smart-contract offers Tokens during the Availability Period or facilitates the allocation or transfer of Tokens in any way during the Availability Period or at any time up to Exchange launch, such third-party websites or services are, unless explicitly mentioned on the website specified above, not authorised by us and have no relationship in any way with us. We shall not be liable for you making any transfers of value to a wallet that is not Our Wallet as specified by us in writing.

#### *Contribution timing and thresholds*

5.8 Block Time Delay: You are aware that, due to Ethereum block time delay, the exact time of the end of the Availability Period cannot be guaranteed.

**5.9 You must ensure that you do not Contribute directly from an address provided by a cryptocurrency exchange service provider.**

**5.10 You are responsible for ensuring that the address used for your Contribution is fit to handle return functions and particularly, must ensure that you do not Contribute directly from an address provided by a cryptocurrency exchange service provider: failure to do so, may lead to your loss of this ETH (pursuant to your intended Contribution) - this also applies in event that your Contribution is not accepted by the Contribution Software for any other reason.**

*Contribution Information:*

5.11 Relevant information relating to the Contributions made during the Availability Period shall be recorded by the Contribution Software (**Contribution Information**).

5.12 Upon a successful Contribution having been made, the Contribution Information will reflect the quantity of Tokens to be allocated to the Contributor in proportion to their Contribution.

*Issuance of Tokens*

5.13 The creation and allocation of Tokens by are initiated by the Contributor sending ETH to the SCS, which triggers a smart contract operation. The SCS creates and allocates the corresponding Tokens to Your Wallet (i.e. from where the ETH was sent from). Contributors shall ensure that they make a Contribution using an ETH address with which the Contribution Software can operate.

*Token Functionality*

5.14 Tokens are only intended for use in connection with the Exchange under the various applicable terms that shall be implemented when the Exchange is ready for use.

5.15 The exact functioning of Tokens on the Exchange shall only be

determined once the Exchange is developed and fully operational and subject to any applicable terms of use of the Exchange.

5.16 Ownership of Tokens carries no rights express or implied other than the right to use Tokens as a mean to enable usage of and interaction with and within the Exchange, if the Exchange is successfully completed and deployed. Beyond this, ownership of Tokens carries no other rights express or implied. In particular, you understand and accept that you have no right to claim as a holder of Tokens any intellectual property rights, income, profit, dividend, capital, equity, royalties or equivalent rights or any other form of economic or voting participation in or relating to the Token Issuing Entity, the Exchange and any parties related to the Exchange project.

## **6. LEGAL STATUS OF TOKEN ISSUING ENTITY AND EXCHANGE PROJECT**

6.1 Tokens are a proprietary blockchain token giving token holders the right to support operations on the Exchange.

6.2 The founders of the Token Issuing Entity have established the same in order to develop the Exchange and issue the Tokens to Contributors.

6.3 Acquisitions of Tokens are non-refundable. Tokens are not redeemable to the Token Issuing Entity other than as specifically advised in the terms herein and any terms applicable to use of the Exchange.

6.4 Tokens can only be acquired and used in connection with the Exchange with other participants under these Terms, the SCS and subject to any other terms and conditions that will be implemented for users of the Exchange on which the Tokens shall be usable. Tokens have no nominal or par value.

6.5 By contributing to the Exchange project including by receiving, using and holding Tokens, no form of partnership, joint venture or any similar relationship between the Contributors, the Token Issuing Entity

and/or other individuals or entities involved with the Exchange and the project shall be created or envisaged.

## **7. EXCHANGE LAUNCH**

If we are successful in developing the Exchange, when we determine that the technology, protocols and ecosystem have been sufficiently developed to allow the Exchange to be launched, we will issue a public announcement, including any relevant material information, to Token holders.

## **8. REPRESENTATIONS**

8.1 You warrant and acknowledge that you have full legal capacity, power and authority to execute and deliver this agreement (i.e. Terms) and to perform your obligations hereunder.

8.2 These Terms constitute a valid and binding obligation of the Contributor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

8.3 The warrant and acknowledge that you are entering into these Terms for your own account, not as a nominee or agent.

8.4 You acknowledge that have such knowledge and experience in technology and financial and business matters that you are capable of evaluating the merits and risks of entering into the Token Sale and these Terms, is able to incur a complete loss of any monies or assets involved in the purchase of Tokens without impairing your financial condition and are able to bear the economic risk of such participation for an indefinite period of time.

8.5 You understand and accept that while the individuals and entities related to the Exchange, including those involved with the creation and

allocation of Tokens and receipt of Contributions (including the Token Issuing Entity), will make reasonable efforts to develop and complete the Token Sale and to develop the Exchange, it is possible that despite the reasonable endeavours of the Company such development may fail (i.e. a **Project Failure**) and that the Exchange, as well as the Tokens will not be created, will become useless and/or valueless including due to technical, operational, commercial, regulatory or any other reasons.

8.6 In the event of a Project Failure, you might not receive the Tokens that you have made Contributions for and may not receive a refund of **any** Contributions that you have made.

8.7 By Contributing to the Token Sale and/or by receiving, using and holding Tokens, you represent and warrant that you:

(a) understand and expressly accept that the Token Issuing Entity will operate under the laws where it is established and any other applicable mandatory laws pursuant to the sovereignty of legal jurisdictions but subject to applicable international conflict of law frameworks and principles;

(b) have entered into the Token Sale on the understanding that it did not represent the offer of 'securities' under generally agreed principles of international law including the laws of the European Union, the United Kingdom, Gibraltar, the United States of America and the jurisdiction in which they are established (if different).

(c) have a detailed understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens, like bitcoin (BTC) and ether (ETH), and Blockchain-based software systems;

(d) are legally permitted to receive and hold and make use of Tokens in the Contributor's jurisdiction;

(e) will carefully review the code of the Token and fully understands and accepts the functions of such cryptocurrency tokens;

(f) are legally permitted to receive Tokens and software and to

contribute to the Exchange;

(g) are of a sufficient age to legally acquire Tokens;

(k) are is not obtaining or using Tokens for any illegal purposes;

(h) will contribute only from a wallet or wallet service provider that technically supports ECR20 Tokens and further understand and accept, that failure to assure this may result in the inability to gain access to your Tokens;

(i) will take sole responsibility for any restrictions and risks associated with the receiving and holding of Tokens;

(j) are not contributing to obtain Tokens purely for the purpose of speculative investment or the hope that the value of Tokens will increase and is acquiring Tokens to support and/or participate in the Exchange;

(l) waive the right to participate in a class action lawsuit or a class-wide arbitration in respect of the Contribution or against the Token Issuing Entity or any entity or individual involved with the issuance or allocation of Tokens or in respect of the operation of the Exchange;

(m) understand that the Contribution to the Exchange and the allocation of Tokens do not involve the purchase of equity, shares or rights to other securities or any equivalent legal interest in any existing or future public or private company, corporation or other entity in any jurisdiction;

(n) understand and expressly accepts that there are no any warranties of any kind, including, but not limited to, warranties of title or implied warranties, merchantability or fitness for a particular purpose in respect of Tokens and/or the success of the Exchange and/or Project, expressed or implied and to the fullest extent permitted by applicable law and that Tokens is created, acquired and exchanged at the sole risk of the Contributor on an “as is” and “under development” basis;

(o) understand that you have no right against any other party to request



any refund of Contributions made to the Company or the Token Issuing Entity;

(p) understand that, with regard to Tokens, no market liquidity may be guaranteed and that the value of Tokens over time (if any) may experience extreme volatility or depreciate entirely;

(q) bear the sole responsibility to determine if their Contribution or the allocation, use or ownership of Tokens and the potential appreciation or depreciation in the value of Tokens over time (if any), the sale and purchase of Tokens and/or any other action or transaction related to the Exchange have tax implications for him/her or it;

(r) by your Contribution and/or by receiving, using or holding Tokens, and to the fullest extent permitted by law, the Contributor agrees not to hold any third party (including developers, advisors, administrators, auditors, promoters, contractors or founders) liable for any legal or tax liability associated with or arising from the Contribution and the allocation, use or ownership of Tokens or any other action or transaction related to the Exchange and/or Project;

(s) you have reviewed the non-exhaustive indicative list of Risk Factors associated with the proposed Token Sale, the Tokens and the Exchange project.

## **9. PROVISION OF INFORMATION & PERSONAL DATA**

9.1 We may determine, in our sole discretion, that it is necessary to obtain certain information about you in order to comply with applicable laws or regulations in connection with selling Tokens to you. You agree to provide us such information promptly upon request and acknowledge that we may refuse to sell Tokens to you until you provide such requested information and we have determined that it is permissible to sell you Tokens under applicable laws or regulations.

9.2 Identity and Disclosure. You shall provide true and complete information to us. You shall also provide us with such other information as we may reasonably request from time to time.

9.3 You shall not use fictitious or alias names for the registration, which shall be considered a breach of these Terms.

9.4 You consent to the Company, and any member of the Group, capturing and processing data relating to you for:

(a) fulfilling our obligations under this agreement;

(b) legal and administrative purposes; and

(c) carrying out checks to verify your identity which may include sharing your data with third parties.

9.5 The Company may make such information available to any member of the Group, those who provide products or services, including services used to verify identity, to any member of the Group, including the Company, such as advisers, regulatory authorities, potential purchasers of the Company, and as may be required by law.

9.6 You consent to the transfer of such information to any member of the Group and business contacts outside the European Economic Area in order to further their business interests even where the country or territory in question does not maintain adequate data protection standards.

9.7 Your personal data shall be processed in accordance with the Terms and our Privacy Policy.

9.8 These Terms shall be terminated in the event that we become aware that Your Wallet or your identity information discloses any risks of crime, fraud, money laundering or other significant risk factors or that there have been any misrepresentations made. Where permitted by applicable law your Contributions shall be returned and no Tokens shall be issued to you.

## **10. PROJECT MANAGEMENT**

10.1 Subject to clause 5.3, it remains at our sole discretion to decide

how to allocate the Contributions received in order to develop and execute the Exchange. The White Paper specifies at a high level how the Contributions are intended to be used but the exact allocation of Contributions shall be at the discretion of the Token Issuing Entity. In addition, the Token Issuing Entity is permitted to take such measures as it deems prudent to manage any Cryptocurrency price fluctuation and Exchange risks including the conversion of ETH received into fiat or other cryptocurrencies or placing some of the ETH received with a third party to manage those assets on our behalf pending realisation of the value for Exchange development purposes.

10.2 You acknowledge, understand and accept that:

- (a) you have no influence on the governance and decisions of the Exchange or the Token Issuing Entity;
- (b) we have the right to engage subcontractors to perform the entire or partial development and execution of the Exchange;
- (c) developing and creating the Exchange requires substantial research and development effort. It is possible that substantial conceptual, commercial or technical changes could be made during that process;
- (d) the level of development of the Exchange that is attainable also depends on the amount of Contributions received, and the amount of software development and community support.

## **11. TAXES**

Any amounts that you pay for Tokens are exclusive of all applicable taxes. You are responsible for determining what, if any, taxes apply to your purchase of Tokens, including, for example, sales, use, value added, and similar taxes. It is also your responsibility to withhold, collect, report and remit the correct taxes to the appropriate tax authorities. To the fullest extent permitted by law, we are not responsible for withholding, collecting, reporting, or remitting any sales, use, value added, or similar tax arising from the your purchase of Tokens.

## **12. TERM**

This Terms will take effect from the Effective Date and continue until terminated in accordance with these Terms.

## **13. LIABILITIES**

13.1 WE MAKE NO WARRANTIES OR REPRESENTATIONS (WHETHER EXPRESS OR IMPLIED BY LAW, STATUTE OR OTHERWISE) WITH RESPECT TO THE EXCHANGE, TOKEN, OUR SITES, OUR WEBSITE OR ANY CONTENT AVAILABLE THEREIN OR RELATED THERETO OR THAT OUR SITES, THE WEBSITE, EXCHANGE, TOKEN, SOFTWARE OR HARDWARE (OR THAT PROVIDED TO US BY THIRD PARTIES) WILL BE ERROR-FREE OR UNINTERRUPTED OR WITH RESPECT TO THE QUALITY, FITNESS FOR PARTICULAR PURPOSE OR SUITABILITY OF ALL OR ANY OF THE FOREGOING. EXCEPT AS EXPRESSLY STATED OTHERWISE IN THESE TERMS, ALL WARRANTIES, REPRESENTATIONS AND IMPLIED TERMS AND CONDITIONS ARE HEREBY EXCLUDED TO THE FULLEST EXTENT PERMITTED BY LAW.

13.2 **Liability Limitations.** Our obligations under these Terms do not constitute personal obligations of the Released Parties other than as provided under these Terms. Other than as expressly provided in these Terms, in no event will we be liable for any direct, indirect, special, incidental, consequential or punitive loss, injury or damage of any kind (regardless of whether we have been advised of the possibility of such loss) including any loss of business, revenue, profits or data. Our liability arising under these Terms, whether in contract, tort (including negligence) or for breach of statutory duty or in any other way shall only be for direct damages and shall not exceed the amount of your Contribution. However, nothing in these Terms will operate to exclude or limit either party's liability for death or personal injury arising as a result of that party's negligence or for fraud.

13.3 **Indemnification.** You shall defend, indemnify and hold us and

our officers, directors, employees and representatives harmless on demand from and against any and all claims, demands, liabilities, losses, damages, costs and expenses (including reasonable legal fees) resulting or arising (directly or indirectly) from your breach of these Terms.

**13.4 Set off.** Without prejudice to any other rights or remedies available to us under these Terms or otherwise, we shall be entitled to set off any amounts otherwise payable by us to you hereunder, against any liability of you to us, including any claims we have against you resulting from or arising from, your breach of these Terms.

**13.5 TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW YOU RELEASE US AND THE OTHER RELEASED PARTIES FROM 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 THE EXCHANGE, YOUR INVOLVEMENT IN SUPPORTING THE EXCHANGE AND PROJECT AND THE TOKEN SALE, THE USABILITY AND VALUE OF THE TOKEN AND DISPUTES BETWEEN PARTICIPANTS IN THE EXCHANGE AND THE ACTS OR OMISSIONS OF ANY THIRD PARTIES.**

**13.6 EXPRESSLY WAIVE ANY RIGHTS YOU MAY HAVE UNDER ANY STATUTE OR COMMON LAW PRINCIPLES THAT WOULD OTHERWISE LIMIT THE COVERAGE OF THIS RELEASE TO INCLUDE ONLY THOSE CLAIMS WHICH YOU MAY KNOW OR SUSPECT TO EXIST IN YOUR FAVOUR AT THE TIME OF AGREEING TO THIS RELEASE.**

**13.7 THE COMPANY EXPRESSLY EXCLUDES ANY LIABILITY IN RESPECT OF THE LAW OF OTHER JURISDICTIONS WHERE PARTICIPANTS MAY BE ESTABLISHED OR RESIDENT INCLUDING CONTRIBUTIONS BY PERSONS FROM THE UNITED STATES OF AMERICA - WHETHER BY RESIDENCY OR CITIZENSHIP (“US-PERSONS”) US PERSONS ARE**

## EXPRESSLY EXCLUDED FROM PARTICIPATION IN THE TOKEN SALE.

13.8 You further specifically acknowledge that the risk of acquiring, transferring, creating, holding or using Tokens or Your Wallets rests entirely with you. We shall not be responsible for your failure to provide us with the correct address for Your Wallet.

## 14. MISCELLANEOUS

14.1 Notices: all notices pertaining to these Terms will be given:

(a) by email to you at the email address provided by you (or as subsequently updated by you to us in the event of change); and Any notice sent by email shall be deemed received on the earlier of an acknowledgement being sent or twenty-four (24) hours from the time of transmission.

(b) by email to us addressed '**re Token Sale**'

14.2 Relationship of Parties: there is no relationship of exclusivity, partnership, joint venture, employment, agency or franchise between you or us under these Terms. Neither party has the authority to bind the other (including the making of any representation or warranty, the assumption of any obligation or liability and/or the exercise of any right or power), except as expressly provided in these Terms.

14.3 Confidentiality and Non-Disclosure: as a Contributor, you may receive confidential information from us, including confidential information as to our marketing plans, marketing concepts, structure and payments. This information is confidential to us and constitutes our proprietary trade secrets. You shall not disclose this information to third parties or use such information other than for the purposes of these Terms without our prior written consent, save as expressly required by law (provided that any such disclosure is only to the extent so required).

14.4 Assignment

(a) Except where you have received our prior written consent, you may not assign at law or in equity (including by way of a charge or declaration of trust) or deal in any other manner with these Terms or any rights under these Terms. Any purported assignment in breach of this Section shall confer no rights on the purported assignee.

(b) We may assign any of our rights under these Terms or transfer all of our rights or obligations by novation to any member of the Group or the Token Issuing Entity or transfer all our rights or obligations by novation to any member of the Group or the Token Issuing Entity.

14.5 Governing Law: these Terms (including any variation or modification thereto) shall be deemed executed in Gibraltar and shall be governed by and construed in accordance with the laws of Gibraltar without giving effect to conflicts of law principles. You irrevocably agree that, subject as provided below, the courts of Gibraltar shall have exclusive jurisdiction to determine any claim, dispute or matter arising out of, or in connection with, or concerning these Terms or its enforceability and you waive any objection to proceedings in such courts on the grounds of venue or on the grounds that proceedings have been brought in an inconvenient forum. Nothing in this Section shall limit the right of us to take proceedings against you in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

14.6 Severability: whenever possible, each provision of these Terms will be interpreted in such a manner as to be effective and valid under applicable law but, if any provision of these Terms is held to be invalid, illegal or unenforceable in any respect, such provision will be ineffective only to the extent of such invalidity, or unenforceability, without invalidating the remainder of these Terms or any other provision hereof.

14.7 Entire Agreement: these Terms embody the complete agreement and understanding of the parties hereto with respect to the subject matter hereof and supersedes any prior or subsequent oral or written

agreement or understanding between the parties in relation to such subject matter save in respect to the terms of the Token Sale entered into by the Contributor that shall remain in full force and effect.

14.8 Reliance & Waiver: each of the parties acknowledges and agrees that in entering into these Terms, it has not relied on any statement, representation, guarantee warranty, understanding, undertaking, promise or assurance (whether negligently or innocently made) of any person (whether party to these Terms or not) other than as expressly set out in these Terms. Each party irrevocably and unconditionally waives all claims, rights and remedies that, but for this Section, it might otherwise have had in relation to any of the foregoing. Nothing in this Section shall limit or exclude any liability for fraud.

14.9 Third-Party Rights: except insofar as these Terms expressly provides that a third party may in their own right enforce a term of these Terms, a person who is not a party to these Terms has no right under local law or statute to rely upon or enforce any term of these Terms but this does not affect any right or remedy of a third party that exists or is available apart from under that local law or statute.

14.10 No Waiver: no delay, neglect or forbearance by us in enforcing any provision of these Terms shall be a waiver by, or in any way prejudice any right, we have under these Terms.



## **Schedule A**

### **Risk Factors**

#### **1. SOME MATERIAL RISK FACTORS**

Contributors are aware of the many risk involved in the purchase, use and sale of tokens and the token sale process. We have outlined below some of the material risks that are obvious to the Company and persons involved in the Token Sale and Exchange project (including Released Parties):

**1.1 Early Stage Technology.** The Token will be used to develop a Exchange that is based on or in some way involved with distributed ledger technologies (**DLT**). You understand and accept that the use of DLT Tokenised stores of value is highly experimental. Participation in the proposed Token Sale and Exchange project therefore represents a very high risk to Contributors. The Token Issuing Entity will invest in software and other technologies and that in all cases these technologies and businesses will still be in an early development stage and unproven, and there is an inherent risk that the software, technologies and related businesses invested in by the Token Issuing Entity could be unfit for their intended purpose and/or not have the value expected.

**1.2 Cryptocurrency.** The Token Issuing Entity may wish to store or convert cryptocurrency contributions into one or more fiat and/or alternative cryptocurrencies and there could be significant difficulties in making and managing such cryptocurrencies and funds including relating to the lack of ready convertibility between fiat currencies, cryptocurrencies and Tokens and the difficulty in being able to deal with such assets via traditional market counterparties and intermediaries. If the value of cryptocurrencies fluctuates unfavourably during or after the Token Sale, we may not be able to fund development, or may not be able to develop or maintain the Exchange in the manner that is intended. In addition to the usual market forces, there are several potential events which could exacerbate the risk of unfavourable fluctuation in the value of cryptocurrencies, including but not limited to another DAO-like attack on the Ethereum Exchange; or

significant security incidents or market irregularities at one or more of the major cryptocurrency exchanges.

**1.3 Main Protocol.** Many of the Exchange project technologies including the Token will, at least initially, be based on the Bitcoin and the Ethereum protocols. Any malfunction, breakdown, forking or abandonment of these protocols may have a material adverse effect on the Exchange or the Tokens. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present fundamental risks to the value of such protocols and the Exchange.

**1.4 Risk of software weaknesses:** You understand and accept that the Exchange and the Tokens, the Contribution software and other involved software and technology and technical concepts and theories are still in an early development stage and unproven, and there is no warranty that the process for receiving, use and ownership of Tokens will be uninterrupted or error-free and there is an inherent risk that the software, Exchange, Tokens and related technologies and theories could contain weaknesses, vulnerabilities or bugs causing, inter alia, the partial or complete: loss of Tokens; inability to use Tokens; and/or lack of usefulness of Tokens.

**1.5 Risk of blockchain mining attacks:** You understand and accept that, as with other public blockchain based systems that depend upon independent miners, the Exchange may be susceptible to mining attacks including but not limited to double-spend attacks, majority mining power attacks, “selfish-mining” attacks, and race condition attacks. Any successful attacks present a risk to the Exchange, expected proper execution and sequencing of Tokens transactions, and expected proper execution and sequencing of software computations.

**1.6 Risk of loss of your credentials:** You understand and accept that if your Wallet credentials are lost or stolen, the obtained Tokens associated with the Contribution will be unrecoverable and will be permanently lost. A private key, or a combination of private keys, is necessary to control and dispose of Tokens stored in your Wallet. Accordingly, loss of requisite private key(s) associated with your

Wallet 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 service you use, may be able to misappropriate your Tokens. Any errors or malfunctions caused by or otherwise related to the Wallet you choose to receive and store Tokens, including your own failure to properly maintain or use such Wallet, may also result in the loss of your Tokens. Your failure to precisely follow the procedures set forth herein for buying and receiving Tokens, including, for instance, if you provide an incorrect Wallet address, or provide an address that is not ERC-20 compatible, may result in the loss of your Tokens.

**1.7 Cybercrime.** The acquisition and management of cryptocurrencies and Tokens is inherently subject to the risk of cybercrime that is difficult to manage and mitigate. This may result in concerted attempts and even successful attempts to hack the Exchange, Token Sale process and the Sites and software and wallets used to manage contributions received in respect of Tokens and other software or technology components and to defraud Contributors and the Token Issuing Entity. The Token Issuing Entity and the Token Sale may be subject to unauthorised access, hacking and/or theft of some of cryptocurrency and Token assets and it may not be possible to successfully insure against the same at a reasonable price or at all. The Token Issuing Entity is not required to insure the assets of the Token Issuing Entity and does not intend to insure the same. Any unauthorised access or cybercrime may result in theft or loss or inability to access Contributions, impacting the ability to issue Tokens, the value of Tokens and may also impact the ability to develop and launch the Exchange.

**1.8 Failure or Abandonment.** The Token Sale event itself or the Exchange project may be fully or partially abandoned or required to be re-structured for a number of reasons or remain technologically or commercially unsuccessful, or be shut down for many reasons including e.g., lack of interest from industry and/or the public, changes in law or regulatory issues, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects). There is no assurance that any Tokens or rights to Token acquired by Contributors will have

the value expected or any value at the time of realization. You therefore understand and accept that the Contribution and/or the allocation, use and ownership of Tokens, carries significant risks that could lead to the Tokens being unusable or valueless particularly:

(a) as a means to exchange information and services with other Exchange participants; and

(b) given that that they are not capable of being exchanged or redeemed to the Token Issuing Entity in return for fiat or alternative cryptocurrencies.

**1.9 Regulatory risk:** You understand and accept that DLT and blockchain technology allows new forms of interaction and that it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology based applications, which may be contrary to the current setup of the Contribution process and which may, inter alia, result in substantial modifications of the Exchange and Token utility including potential loss of Tokens for the Contributor. There is a risk that the offer and or use of the Tokens could be prohibited under applicable securities law. The Company or any related entity may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction and/or use the Tokens or make it commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

**1.10 Risk of uninsured losses:** Tokens do not represent deposits and are not subject to any statutory or private insurance unless you specifically obtain private insurance to insure them. Thus, in the event of a loss normally there is no public insurance in place or private insurance arranged by the Company, to offer recourse to you.

**1.11 Risk of governance failure:** Tokens confer no governance rights of any kind with respect to the Exchange, Company or Token Issuance Entity, all decisions involving Company's products or services or that of any subsidiary company within the Exchange or the Company itself will be made by the Company at its sole discretion, including, but not

limited to, decisions to discontinue its products or services on the Exchange, or to sell or liquidate the Company. These decisions could adversely affect the Exchange and the utility of any Tokens you own.

**1.12 Risk of a lack of a suitable legal remedy:** This Token sale is not structured as an offer of securities or a promotion, invitation or solicitation for investment purposes. The terms applicable to unregulated contributions are not normally therefore subject to financial services offering requirements including in respect of documentation or prospectus formats that are must meet certain standards required by law. For unregulated Token offerings that do not represent equity, shares, units, royalties or right to capital, profit or income in the Exchange or software or in the entity that issue Tokens and/or any other company or intellectual property associated with the Exchange, or any other public or private enterprise, corporation, foundation or other entity in any jurisdiction. Unregulated Token sales are not therefore intended to represent a security or similar legal interest. The impact on Contributors for investing in unregulated Tokens include that there is no independent review or oversight required by law, accounts of Token offerors may not be subject to audit requirements. In the event of a dispute as to whether (i) Contributions have been appropriately used to meet any legally binding representations made in any Token sale documentation (ii) the Exchange or Tokens have been developed within the scope of the legally binding representations or function as represented; (iii) the terms and conditions of the Token sale or exchange have been breached (iv) or any other potential legal claim against a Token issuer or any related third parties (**Respondents**), it may prove very difficult and costly for Contributors to assert their legal rights in their home jurisdiction (based on applicable law and jurisdiction and enforcement issues) or in the jurisdiction of the Respondents and this may dissuade Contributors from asserting their legal (including contractual and statutory) rights. In addition, even if a claim is brought it may prove difficult to distinguish between legally binding and enforceable contractual representations, warranties and terms from mere statements of the intended potential future use of a Token that are not sufficiently certain legally binding promises. Terms and conditions of Token sales

will also normally take significant care to warn Contributors about the many risks involved in Tokens, Token sales, and the viability of the underlying Exchanges on which Tokens are intended to be used and this may also make it very difficult to bring a claim successfully. Contributors and all market participants are encouraged to do their own research and consider the following helpful risk warnings and advice on this sector, and particularly the regulatory status of token sales and the risk of loss of value and lack of statutory protection that have been issued by regulators in a number of jurisdictions:

### **Gibraltar**

<http://www.fsc.gi/news/statement-on-initial-coin-offerings-250>

### **UK**

<https://www.fca.org.uk/news/statements/initial-coin-offerings>

### **USA**

[https://www.sec.gov/oiea/investor-alerts-and-bulletins/ib\\_coinofferings](https://www.sec.gov/oiea/investor-alerts-and-bulletins/ib_coinofferings)

### **CHINA**

<http://www.pbc.gov.cn/goutongjiaoliu/113456/113469/3374222/index.html>

