Hello prospective crowdsale participants,

The Storj crowdsale will begin on **July 18, 2014** at **08:00 AM EST** according to the terms listed herein.

"THE PROGRAM" refers to the software code that will be executed to provide cryptocurrency through the crowdsale, which cryptocurrency may be compatible with Metadisk, DriveMiner, and/or any future application that runs on the Storj network.

"SJCX" refers to Storjcoin X, the first cryptocurrency issued on the Storj network which will be provided to you as a crowdsale participant.

THE PROGRAM IS DISTRIBUTED IN THE HOPE THAT IT WILL BE USEFUL, BUT WITHOUT ANY WARRANTY. IT IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF THE PROGRAM IS WITH YOU. SHOULD THE PROGRAM PROVE DEFECTIVE, YOU ASSUME THE COST OF ALL NECESSARY SERVICING, REPAIR OR CORRECTION.

IN NO EVENT UNLESS REQUIRED BY APPLICABLE LAW WILL THE STORJ LABS BE HELD LIABLE TO YOU FOR DAMAGES, INCLUDING ANY GENERAL, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE PROGRAM (INCLUDING BUT NOT LIMITED TO LOSS OF DATA OR DATA BEING RENDERED INACCURATE OR LOSSES SUSTAINED BY YOU OR THIRD PARTIES OR A FAILURE OF THE PROGRAM TO OPERATE WITH ANY OTHER PROGRAMS), EVEN IF STORJ LABS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

STORJ CROWDSALE DETAILS

Storj has decided to hold a crowdsale to aid in development and to offer early adopters a chance to experience our software before anyone else. The goal of the Storj team is to raise up to 9,800 BTC (or ~$6,000,000 at current exchange rates). This revenue will be allocated in the following categories:

- Reimbursement of prior expenses
- Salaries for full time contributors and payments to freelancers
- Further development of Metadisk, our web application software
- Development of DriveMiner, our storage and bandwidth renting software
- Research and development for the protocol, applications, and blockchain technologies
- Marketing, advertising, media, and articles
- Community Funding
- Legal counsel

This should give us enough resources to solidify our development team, perfect our codebase, and strengthen the Storj community.

For more information about what Storj is creating please take a look at the deck on our homepage http://storj.io and look at the crowdsale page at http://storj.io/crowdsale.

TERMS

1. Storjcoin X (SJCX)

SJCX will be used to purchase bandwidth and storage space on the Storj network, initially within Metadisk and DriveMiner. Because Storj is making innovations in blockchain technology, we reserve the right to release new versions of SJCX in the future if further development cannot continue without a hard fork or if another crowdsale is warranted.

To reward early adopters, holders of SJCX at the time of creation of new coins will automatically be given at least a 10% stake in the new versions of Storjcoin. This will allow us, and other 3rd parties to experiment with new blockchain technology before integrating it into SJCX, but making sure that SJCX holders get their fair share in the interim.

- Algorithm: Counterparty Protocol
- Block Time: 10 minutes
- Total Coins: 500,000,000 SJCX
- Coin Distribution
    - Bitcoin Sales - 70% of coins
    - Developer Pool - 15% of coins
    - Community Pool - 15% of coins

2. Pricing

The amount of SJCX participants receive during the crowdsale will depend on the phase in which they contribute.

PHASE 1 - 10% Increase	0 - 1,800 BTC	38,500 SJCX per BTC
PHASE 2 - 5% increase	1,800 - 4,800 BTC	36,750 SJCX per BTC
PHASE 3 – Standard rate	4,800 - 9,800 BTC	32,480 SJCX per BTC

3. Early access to DriveMiner beta

When Storj determines that its storage and bandwidth renting application, DriveMiner, is ready for use, participants in the crowdsale will be granted first access to the software and will be able to sell their own space or purchase space from other users using SJCX. Storj reserves the right to limit access to the beta for any reason.

Other Terms

We reserve the right to make modifications to the crowdsale plan, as we continue to refine the protocols and strategy. Subscribers to our newsletter will be notified via email if we change the terms. Please check the address in a block explorer before sending your coins. After we hit our 9,800 BTC limit, the extra coins will be returned to the wallet address which they were sent from.

Other Cryptocurrencies

We may be accepting up to 3 alternative cryptocurrencies in private or public sales with up to 200 BTC in market value each, at our discretion. This is so we have a solid stake in any platform that we intend to integrate with Storj in the future. Potentials include Mastercoin, Counterparty, and Safecoin. These sales distributions will be included as part of the Bitcoin sales portion of SJCX.

DISCLOSURES

1. Stake in Storj

SJCX is not a stock, security, equity, or share in a company. "Ownership" of SJCX tokens resulting from this sale does not grant you any rights in Storj Labs whatsoever.

2. No refunds

No refunds will be made to purchasers of token Storjcoin X should they change their mind at a later time, as the creation of the Storjcoin X tokens is locked in.

3. Pre-crowdsale

Storj held a pre-crowdsale to help us offset some of our ongoing marketing and development costs. This allowed us to have a small team, and prototype our applications. The pre-crowdsale was opened to a limited amount of people who fully understood the terms and conditions while we were still drafting them. Pre-crowdsale participants received SJCX at a rate of 40,250 SJCX per BTC up to 200 BTC.

4. If you send BTC From Coinbase or any other wallet that you don't control the private key for, then you can't claim Storjcoin X

If you send your crowdsale bitcoins from a wallet that you do not control the private key for (e.g. Coinbase), then you will not be able to claim the Storjcoin X you purchased, and we will be unable to generate new ones for you. This is because the tokens are issued on the Counterparty (XCP) protocol. We recommend you use Counterwallet to send your contribution as you will see your Storjcoin X within Counterwallet immediately after we process the transaction with no further steps. (Storj does not have a stake in Counterwallet).

5. Low liquidity / Ability to sell these digital tokens will be limited

If you are purchasing the token Storjcoin X in order to hold it as "a store of wealth or value", please understand that this project is in its early days of development and that we cannot predict what the market depth will be. Therefore, it may be harder to buy and sell these tokens without affecting the price on the market.

The address for the crowdsale is

132aBrspLgL54cm9eQfGNFLGqXwBRQrugc

By sending BTC to the crowdsale address,you agree to all of the terms stated above.

CONTACT

If you have any questions, please contact us at <hello@storj.io>.