

# Terms and Conditions

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## 1. Principles

By transferring Ether (“ETH”) to the Smart Contract System and distributing ExoTown Tokens (“SNEK”), the User understands and accepts that the User makes a contribution into a Smart Contract System for the development of the ExoTown project (“Contribution”). For further information on ExoTown, visit: <https://exo.town>. The information contained on the website and/or in the Whitepaper are of descriptive nature only, are not binding and do – unless explicitly referred to herein – not form part of the Terms as set forth below.

The User understands and accepts that while the individuals and entities assigned to this task will make reasonable efforts to develop and complete the ExoTown, it is possible that such development may fail and User’s SNEK become useless and/or valueless due to technical, commercial, regulatory or any other reasons (see also section 5 regarding Risks).

The User is also aware of the risk that even if all or parts of the ExoTown are successfully developed and released in full or in parts, due to a lack of public interest, the ExoTown could be fully or partially abandoned, remain commercially unsuccessful or shut down for lack of interest, regulatory or other reasons. The User therefore understands and accepts that the transfer of ETH to the Smart Contract System and the distribution of SNEK by the Smart Contract System carry significant financial, regulatory and/or reputational risks (including the complete loss of value of created SNEK if any, and attributed features of the ExoTown).

By transferring ETH to the Smart Contract System, the User expressly agrees to all of the terms and conditions set forth in Smart Contract System Code existing on the Ethereum blockchain and in this document (together the “Terms”), which is incorporated by reference herein. This document does not constitute a prospectus of any sort, is not a solicitation for investment and does not pertain in any way to an initial public offering or a share/equity offering and does not pertain in any way to an offering of securities in any jurisdiction. It is a description of the functionality of a Smart Contract System.

By transferring ETH to the Smart Contract System and receiving SNEK, no form of partnership, joint venture or any similar relationship between the Users and ExoTown and/or other individuals or entities involved with the deployment of the Smart Contract System and the setting up of the ExoTown service is created.

The Contribution into the Smart Contract System will not involve any fiat currencies and will strictly be done in cryptocurrencies (ETH).

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## 2. SNEK Creation Function

### 2.1 USAGE LICENSE; NO OWNERSHIP, REVENUE OR GOVERNANCE RIGHTS

#### **Usage License:**

Ownership of SNEK carries no rights express or implied other than a limited right (license) to use SNEK in connection with the ExoTown or ExoTown services, if and to the extent the ExoTown has been successfully completed and launched.

#### **No Ownership, Revenue or Governance Rights:**

In particular, User understands and accepts that SNEK do not represent or constitute any ownership right or stake, share or security or equivalent rights nor any right to receive future revenues, shares or any other form of participation or governance right in or relating to the ExoTown or ExoTown services.

### 2.2 CONTRIBUTION

### **2.2.1 TERMS**

#### **Contribution Period:**

The Smart Contract system distributes SNEK tokens during 3 Contribution Periods. Each Contribution Period is limited with Start and End Unix timestamps corresponding to specific dates. The Smart Contract System determines whether transaction is within Contribution period based on current block timestamp using non-strict comparison. User understands and accepts that the date and/or time corresponding to block timestamp may differ from the actual date and/or time.

#### **Contribution:**

Transferring ETH to the Smart Contract System during the Contribution Period.

#### **Creation Rate:**

The Smart Contract System will allocate specified amount of SNEK tokens multiplied by Volume Coefficient for every Contribution of 1 ETH.

#### **Volume Coefficient:**

Depending on the Contribution amount, Volume Coefficient is:

0 ETH to 10 ETH: 1

10 ETH to 20 ETH: 1.01

20 ETH to 50 ETH: 1.02

50 ETH to 100 ETH: 1.03

100 ETH to 300 ETH: 1.05

300 ETH to 500 ETH: 1.07

500 ETH or more: 1.1

#### **Hard Cap:**

No more than specified amount of SNEK tokens will be distributed during Contribution period. Any Contribution which would result in exceeding the Hard Cap will be declined by the Smart Contract.

#### **Minimum Purchase Requirements:**

Minimum Purchase range is not specified.

#### **Creation and Allocation of SNEK:**

The creation and allocation of SNEK is initiated by the User sending an amount of ETH to the Smart Contract System, located on the Ethereum blockchain at the address set forth, which triggers a smart contract operation. After the confirmation of the transaction, the Smart Contract System creates and allocates the corresponding SNEK to the User's wallet address, from where the ETH were sent from. User must assure to make his contribution using an ETH address to which they hold the according private key (e.g. not an address of a currency exchange or wallets that doesn't support ExoTown tokens yet). Issuance of SNEK (meaning that respective entries of the Public Key (PUK) of User) are made by the Smart Contract System on the blockchain according to the allocation information in the Smart Contract System.

#### **No Refund:**

The User understands and accepts that all Contributions for SNEK are final and may not be reversed, except in case Contributions have surpassed the Hard Cap. User therefore shall assure to make his Contribution using an ETH address to which they hold the according private key. Other Contributions are non-refundable. By contributing for SNEK, the User acknowledges that he has no right to request a refund for any reason, and that the User will not receive money or other compensation for any SNEK that is not used or remains unused.

#### **Assure to use the original Smart Contracts:**

Only the Smart Contract(s) existing at the address set forth will issue SNEK during the Contribution Period. Access to this Smart Contract will be available through 0xF3Eb09a1FD5a3e133a669074De1231D7a673744B. User shall examine Smart Contract program code at <https://github.com/ExoTown/crowdsale-contract>. To the extent that any third-party website, service or smart-contract offers SNEK during the Contribution Period and/or

facilitates the allocation or transfer of SNEK in any way during the Contribution Period, such third-party websites or services are not authorized by ExoTown and have no relationship in any way with ExoTown.

#### **Early Termination of the Contribution Period:**

During the Contribution Period, ExoTown may at any time stop the contribution function at its own discretion and thereby end the Contribution procedure, in particular for security reasons.

#### **2.2.2 "PRIVATE SALE"**

Hard Cap: 2 400 000 SNEK

Creation Rate: 4 000 SNEK for 1 ETH

Contribution Period: November 27th, 2017 (00:00:00AM UTC) — December 1st, 2017 (11:59:59PM UTC)

#### **2.2.3 "PUBLIC PRE-SALE"**

Hard Cap: 3 600 000 SNEK

Creation Rate: 3 000 SNEK for 1 ETH

Contribution Period: December 2nd, 2017 (12:00:00AM UTC) — December 22nd, 2017 (11:59:59PM UTC)

#### **2.2.4 "PUBLIC SALE"**

Hard Cap: 10 000 000 SNEK

Creation Rate: 2 000 SNEK for 1 ETH

Contribution Period: January 19th, 2018 (12:00:00AM UTC) — March 15th, 2018 (11:59:59PM UTC)

### **2.3 SNEK FUNCTIONALITY**

SNEK are only for use in connection with the ExoTown under the terms of the Smart Contract System and only constitute a transferable representation of attributed functions specified in the Smart Contract System.

25% of ExoTown's profit goes to buying back tokens and then burning them. User understands and accepts that ExoTown can't guarantee regular or irregular financial reporting of any kind due to possible changes in legislation of Russian Federation or any other circumstances that will make publishing this information impossible.

ExoTown may distribute parts of operational profit to buy tokens back and lease them in the market thus supporting liquidity.

User understands and accepts that subject to a decision of the SNEK holders based on a governance mechanism, an inflation mechanism (e.g. for staking rewards etc.) may be implemented in the future.

Ownership of SNEK carries no rights express or implied other than the right to use SNEK in connection with ExoTown services, if successfully completed and deployed. Beyond this, ownership of SNEK carries no rights express or implied. In particular, User understands and accepts that he has no right to claim as holder of SNEK any intellectual property rights, equity or equivalent rights or any other form of participation in or relating to the ExoTown.

### **2.4 REPRESENTATION AND WARRANTIES OF USER**

By transferring ETH to the Smart Contract System and creating SNEK, the User represents and warrants that:

the User is not a citizen or resident of a country, whose legislation conflicts with the present allocation of SNEK and/or the ExoTown service in general;

the User is not a citizen or resident of the USA;

the User has a deep 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;

the User understands and accepts that there is no warranty or assurance that the network of miners will allocate the SNEK to the Users as proposed by these Terms. The User understands and accepts that the consensus mechanism securing the Ethereum Network may change in the future, and the stakeholders who are in control of the Network may also change as a result;

the User has carefully reviewed the code of the Smart Contract System located on the Ethereum blockchain and fully understands and accepts the functions implemented therein;

the User is legally permitted to transfer ETH to the Smart Contract System, create and obtain SNEK in the User's jurisdiction;

User will contribute ETH from a wallet respectively within a wallet or wallet service provider that technically supports the SNEK. User understands and accepts, that failure to assure this may have the result that User will not gain access to his SNEK;

User understands and accepts, that if he exceeds with his Contribution the Hard Cap as described within section 2.2., the total amount of his Contribution will not be accepted by the Smart Contract System.

User further understands and accepts, that in such case the Gas necessary for the transaction will be lost.

The User is legally permitted to receive software and contributing to the Smart Contract System for the development of the ExoTown;

the User is of a sufficient age to legally create and obtain SNEK;

the User will take sole responsibility for any restrictions and risks associated with the creation of SNEK by the Smart Contract System as set forth below;

the User is not submitting ETH to the Smart Contract System to obtain SNEK for the purpose of speculative investment;

the User is not obtaining or using SNEK for any illegal purposes;

the User is purchasing the functionality of the SNEK issued by the Smart Contract System primarily to support the development, testing, deployment and operation of the ExoTown service, being aware of the commercial risks associated with the ExoTown service;

the User waives the right to participate in a class action lawsuit or a classwide arbitration against ExoTown or any individual involved with the creation of SNEK;

the User understands the creation of SNEK does not involve the purchase of shares or any equivalent in any existing or future public or private company, corporation or other entity in any jurisdiction;

the User understands that the transfer of ETH to the Smart Contract System, the creation of SNEK and the development of the ExoTown carries significant financial, regulatory and reputational risks as further set forth in the Terms;

the User understands and expressly accepts that there is no warranty whatsoever on SNEK, the Smart Contract System and/or the success of the ExoTown, expressed or implied, to the extent permitted by law, and that the Smart Contract System is used and SNEK are created and obtained at the sole risk of the User on an "as is" and "under development" basis and without, to the extent permitted by law, any warranties of any kind, including, but not limited to, warranties of title or implied warranties, merchantability or fitness for a particular purpose;

the User understands that the User has no right against any other party to request any refund of the ETH submitted to the Smart Contract System for the creation of the SNEK under any circumstance;

the User understands with regard to SNEK no market liquidity may be guaranteed and that the value of SNEK over time may experience extreme volatility or depreciate in full;

the User understands that the User bears the sole responsibility to determine if the User's contribution to the Smart Contract System for the development of the ExoTown service, the transfer of ETH to the Smart Contract System, the creation, ownership or use of SNEK, the potential appreciation or depreciation in the value of SNEK over time (if any), the allocation of SNEK and/or any other action or transaction related to the ExoTown service have tax implications for him; by creating, holding or using SNEK, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the creation, ownership or use of SNEK or any other action or transaction related to the ExoTown.

As part of the contribution process the User will use own account (address) on the Ethereum network, with a private key associated to this address and password. The password is used to encrypt the User's private key. Following the creation of SNEK by the Smart Contract System, the SNEK will be transferred to the User's address by the Smart Contract System. The User understands that the User must keep his password and private key safe and that the User may not share them with anybody. The User further understands that if his private key and/or password is lost or stolen, the User will not be able to generate a new password or recover his private key, and if the User also loses his private keys and password, the SNEK associated with the User's account (address) will be unrecoverable and will be permanently lost. Furthermore, the User understands that there is no recovery mechanism for lost keys and passwords, so no one will be able to help the User retrieve or reconstruct a lost password and private keys and provide the User with access to any lost SNEK.

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### 3. ExoTown Development

The User understands and accepts that the development and execution of the ExoTown will be assigned to a third party contractor ("Contractor"), by releasing the amount of contributed ETH by the Smart Contract System to the wallet of Contractor. Contractor has the right to engage subcontractors to perform the entire or partial development and execution of the ExoTown. The scope of the development work will be triggered by the amount of Contributions received during the Contribution Period. Contractor shall further have the right to assign the ExoTown including the Contributions received for its development to a third party.

The User understands and accepts that for the purpose of the development and execution of the ExoTown, ExoTown receives the full amount of ETH transferred to the Smart Contract System during the Contribution Period. This amount covers expenses, charges and other costs that may arise by ExoTown and/or its subcontractors as part of the development and execution of the ExoTown service. ExoTown has the right to support and/or acquire other companies for the benefit of successfully developing the ExoTown service. It remains at ExoTown's sole discretion to decide how to allocate the funds in order to develop and execute the ExoTown service.

The User understands and accepts that the User may not have any expectation of influence over governance on the ExoTown.

The User understands and accepts that the ExoTown will need to go through substantial development works as part of which it may become subject of significant conceptual, technical and commercial changes before release. User understands and accepts that as part of the development, an upgrade of the SNEK may be required (hard-fork of SNEK) and that, if User decides not to participate in such upgrade, he may no longer use his SNEK and that non upgraded SNEK may lose their functionality in full.

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## 4. Audit of the Smart Contract System

The Smart Contract System has been, on a reasonable effort basis, audited and approved by technical experts. The technical experts have confirmed that the Smart Contract System has, with regard to both accuracy and security, been programmed according to the current state of the art. However, the User understands and accepts that smart contract technology is still in an early development stage and its application of experimental nature which carries significant operational, technological, financial, regulatory and reputational risks. Accordingly, while the audit conducted raises the level of security and accuracy, the User understands and accepts that the audit does not amount to any form of warranty, including direct or indirect warranties that the Smart Contract System and the SNEK are fit for a particular purpose or do not contain any weaknesses, vulnerabilities or bugs which could cause, inter alia, the complete loss of ETH and/or SNEK.

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## 5. Risks

The User understands and accepts the risks in connection with transferring ETH to the Smart Contract System and creating SNEK as exemplary set forth above and hereinafter. In particular, but not concluding, the User understands the inherent risks listed hereinafter:

**Risk of software weaknesses:** The User understands and accepts that the Smart Contract System concept, the underlying software application and software platform (i.e. the Ethereum blockchain) is still in an early development stage and unproven, why there is no warranty that the process for creating SNEK will be uninterrupted or error-free and why there is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of ETH and/or SNEK.

**Regulatory risk:** The User understands and accepts that the 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 Smart Contract System and which may, inter alia, result in substantial modifications of the Smart Contract System and/or the ExoTown or ExoTown services, including its termination and the loss of SNEK for the User.

**Risk of abandonment / lack of success:** The User understands and accepts that the creation of the SNEK and the development of the ExoTown may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects). The User therefore understands that there is no assurance that, even if the ExoTown service is partially or fully developed and launched, the User will receive any benefits through the SNEK held by him.

**Risk associated with other applications:** The User understands and accepts that the ExoTown service may give rise to other, alternative projects, promoted by unaffiliated third parties, under which SNEK will have no intrinsic value.

**Risk of loss of private key:** SNEK can only be accessed by using an Ethereum wallet with a combination of User's account information (address), private key and password. The private key is encrypted with a password. The User understands and accepts that if his private key file or password respectively got lost or stolen, the obtained SNEK associated with the User's account (address) or password will be unrecoverable and will be permanently lost.

**Risk of theft:** The User understands and accepts that the Smart Contract System concept, the underlying software application and software platform (i.e. the Ethereum blockchain) may be exposed to attacks by hackers or other individuals that could result in theft or loss of SNEK and/or ETH, impacting the ability to develop the ExoTown.

**Risk of Ethereum mining attacks:** The User understands and accepts that, as with other cryptocurrencies, the blockchain used for the Smart Contract System is 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 Smart Contract System, expected proper execution and sequencing of SNEK transactions, and expected proper execution and sequencing of contract computations.

**Risk of governance attacks and failure:** The Contributor understands and accepts that the ExoTown services may use an in-built decentralized governance system (“Governance System”). For these reasons, it is possible that the Governance System adopts proposals that have an adverse effect on the useful functioning of ExoTown services and/or the value of SNEK. If the Governance System is attacked, or becomes controlled either directly or indirectly by some party who makes unwise decisions, or the community generally makes unwise decisions, the value of SNEK held by a Contributor might be greatly reduced or even permanently lost.

**Risk of incompatible Wallet service:** The User understands and accepts, that the wallet or wallet service provider used for the contribution, has to be technically compatible with the SNEK. The failure to assure this may have the result that User will not gain access to his SNEK.

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## 6. Taxation

The User bears the sole responsibility to determine if his contribution into the Smart Contract System for the development of the ExoTown, the transfer of ETH, the creation, ownership or use of SNEK, the potential appreciation or depreciation in the value of SNEK over time (if any), the allocation of SNEK and/or any other action or transaction related to the ExoTown have tax implications for him.

By creating, holding or using SNEK, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the creation, ownership or use of SNEK or any other action or transaction related to the ExoTown.

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## 7. No Liability

The User acknowledges and agrees that, to the fullest extent permitted by any applicable law, the User will not hold any developers, auditors, contractors or founders of the SNEK, the Smart Contract System and/or ExoTown liable for any and all damages or injury whatsoever caused by or related to the use of, or the inability to use, SNEK or the Smart Contract System under any cause or action whatsoever of any kind in any jurisdiction, including, without limitation, actions for breach of warranty, breach of contract or tort (including negligence) and that developers, auditors, contractors or founders of the Smart Contract System, the SNEK and/or the ExoTown shall not be liable for any indirect, incidental, special, exemplary or consequential damages, including for loss of profits, goodwill or data, in any way whatsoever arising out of the use of, or the inability to use of the Smart Contract System, ExoTown services and/or SNEK.

The User further specifically acknowledges that developers, auditors, contractors or founders of the SNEK, Smart Contract System and/or the ExoTown are not liable, and the User agrees not to seek to hold them liable, for the conduct of third parties, including other creators of SNEK, and that the risk of creating, holding and using SNEK rests entirely with the User.

By creating, holding or using SNEK, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any regulatory implications or liability associated with or arising from the creation, ownership or use of SNEK or any other action or transaction related to the ExoTown.

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## 8. Miscellaneous

The User understands and accepts that the network of miners will be ultimately in control of the Smart Contract System. The User understands that a majority of these miners could agree at any point to make changes to the official Smart Contract System and to run the new version of the Smart Contract System. Such a scenario could lead to SNEK losing intrinsic value.

The User agrees that if any portion of these Terms is found illegal or unenforceable, in whole or in part, such provision shall, as to such jurisdiction, be ineffective solely to the extent of such determination of invalidity or unenforceability without affecting the validity or enforceability thereof in any other manner or jurisdiction and without affecting the remaining provisions of the Terms, which shall continue to be in full force and effect.

The Terms govern the creation, ownership and use of SNEK and supersede any public statements about the launch of SNEK and/or the Smart Contract System made by anyone in the past, present and future.

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## 9. Updates to the Terms and Conditions

The ExoTown Team reserves the right, at its sole discretion, to change, modify, add, or remove portions of the Terms and/or WhitePaper (<https://exo.town/whitepaper.pdf>) at any time during the Token Sale period by posting the amended Terms and/or WhitePaper on the ExoTown website (<https://exo.town/>). Any User will be deemed to have accepted such changes by purchasing SNEK. The Terms may not be otherwise amended. If at any point you do not agree to any portion of the then-current version of the Terms, you should not purchase SNEK.