

## TERMS AND CONDITIONS RELATING TO PRESALE

Last updated: 4 October 2017

PLEASE READ THESE TERMS AND CONDITIONS ("T&Cs") CAREFULLY. BY MAKING A CONTRIBUTION TO HEARTHY FOR THE PURCHASE OF HEARTHY TOKENS (HER) DURING THE TOKEN SALE, YOU WILL BE BOUND BY THESE T&Cs AND ALL TERMS INCORPORATED HEREIN BY REFERENCE. BY ACCEPTING THESE T&Cs, YOU WILL BE ENTERING INTO A BINDING AGREEMENT WITH HEARTHY. THESE T&Cs CONTAIN PROVISIONS WHICH AFFECT YOUR LEGAL RIGHTS. NOTE THAT CLAUSE 18 CONTAINS A BINDING ARBITRATION CLAUSE. IF YOU DO NOT AGREE TO THESE T&Cs, DO NOT MAKE A CONTRIBUTION FOR THE PURCHASE OF HER AND NAVIGATE AWAY FROM THE HEARTHY WEBSITE.

### PROHIBITION ON U.S CONTRIBUTORS

Due to legal and regulatory uncertainty in the United States of America, citizens and green card holders of and persons residing in the United States of America are prohibited from making contributions to Hearthly and participating in the Token Sale. Persons from the United States of America that participate in the Token Sale by providing false information about their citizenship, residency and/or nationality shall be in breach of these T&Cs and shall be required to indemnify Hearthly in respect of any damages and/or losses suffered due to this breach in accordance with the indemnification provisions set out in these T&Cs.

### PARTIES TO THESE T&Cs

HEARTHY is a initiative, still without legal form, and shall be the creator of HER under these T&Cs.

References in these T&Cs to "Contributor", "your" or "you" are to the person/entity who accepts these T&Cs and agrees to make a contribution to Hearthly as set out in and on the terms of these T&Cs. You and Hearthly shall together be referred to as the "Parties" and references to a "Party" shall be to the relevant one of them as the context requires.

If you have any questions relating to these T&Cs, please contact us at [support@hearthly.co](mailto:support@hearthly.co)

### YOU AND HEARTHY HEREBY AGREE AS FOLLOWS:

#### 1. Hearthly Platform

1.1 Hearthly is a decentralized platform (the "Hearthly Platform") aimed at connecting doctor and patients, as described in the whitepaper. The Platform will handle the bidding process based on rules that have been determined by both (i) the Platform's general infrastructure and (ii) the specific requirements of the relevant user.

1.2 For a more detailed description of the proposed Hearthly Platform, please refer to

a) the Hearthy website at <https://Hearthy.co/>;

b) the Hearthy Whitepaper (a copy of which can be found at <http://hearthly.co/assets/images/Hearthy-whitepaper.pdf>);

(collectively referred to as the "Project Documentation")

1.3 The information contained in the Project Documentation is of descriptive nature only, is not binding and does not form part of these T&Cs.

## 2. Scope of T&Cs

2.1 Save as otherwise set out in these T&Cs, these T&Cs (including any terms incorporated herein by reference) govern only your contribution to Hearthy for the purchase of HER during the Contribution Period (as such terms are defined in clauses 4.1 and 3 below).

2.2 Any potential future use of HER in connection with the provision or receipt of services on the Hearthy Platform shall be subject to and governed by such other applicable terms, conditions and policies relating to the use of the Hearthy Platform ("Platform Terms"). Such Platform Terms will be made available to Hearthy Platform users, if the Hearthy Platform is successfully developed and deployed.

## 3. PRESALE Contribution Period

3.1 Contributions may be made during a defined period of time ("Contribution Period"). The PRESALE Contribution Period shall commence on 15th October 2017 at 5:00 P.M. UTC and shall end on satisfaction of one of the following conditions ("Completion Conditions") (whichever is the earlier):

a) 6.000 Ether ("ETH") contributions are received by the Smart Contract System (as defined in clause 4.1); or

b) the expiry of 1 month from the commencement of the Contribution Period, which for the avoidance of doubt shall be on November 15th 2017 at 5:00pm UTC

## 4. Creation and issue of HER through the Smart Contract System

4.1 Hearthy has deployed a smart contract system (the "Smart Contract System") on the Ethereum blockchain for the purposes of creating its own proprietary tokens ("HER") and issuing such HER to the Contributor's Ethereum wallet. HER shall be based on the ERC20 token standard and is intended to have the functionality set out in Schedule 1. Hearthy Tokens will be created on the followin tokens sale.

4.2 The Smart Contract System shall be made available to receive contributions during the Contribution Period.

## 5. Method of Contribution

5.1 You may contribute to Hearthy during the Token Sale in the manner described in this clause 5.

5.2 The creation and issue of HER shall be initiated by the Contributor transferring an amount in ETH during the Contribution Period to the Smart Contract System, located on the Ethereum blockchain at the address to be published on <https://Hearthy.co/> when the Contribution Period commences. The Smart Contract System's receipt of the contribution in Ether from the Contributor will trigger a smart contract operation whereby HER will be created and issued to the Ethereum wallet address from which the contribution was received.

5.3 For the Presale Contributors will be whitelisted, as soon as the team checks the profile Hearthy's team will contact the selected contributors and process all the purchases.

5.3 Contributions shall be sent exclusively to the Smart Contract System's address specified on the Hearthy website in accordance with clause 5.2. To the extent that any third-party website, service or smart-contract offers to receive contributions and issue HER or facilitates the allocation or transfer of HER in any way during the Contribution Period, such third-party websites or services are, unless expressly set out in these T&Cs or mentioned on the Hearthy website, not authorised by Hearthy nor do they have any legal or commercial relationship in any way with Hearthy, the Hearthy Platform or HER.

5.4 The Smart Contract System shall only accept contributions that are made in ETH. The Smart Contract System will not accept any contributions made in fiat currencies or any crypto-currencies (other than ETH). Contributors that send contributions:

a) in a fiat currency or any cryptocurrency other than ETH; or

b) to any third-party website, wallet address, service or smart contract that offers HER in the manner described in clause 5.3  
risk losing their entire contribution and Hearthy shall not be responsible or liable for recovering or returning any such contributions to the Contributor nor shall Hearthy be responsible or liable for any losses incurred by the Contributor in this respect.

5.5 In order to receive HER, Contributors must have an Ethereum wallet that supports the ERC20 token standard (in other words the Contributor's Ethereum wallet must possess technical infrastructure that is compatible with the receipt, storage and transfer of HER, being tokens that are created based on the ERC20

token standard). Hearthy reserves the right to prescribe additional conditions relating to the specific wallet requirements at any time acting in its sole and absolute discretion.

5.6 Subject to compliance with the foregoing provisions of this clause 5, delivery of HER to the Contributor's Ethereum wallet address shall be made approximately one month after conclusion of the Contribution Period.

#### 6. HER Price

The price per HER will be denominated in Ether. During the Contribution Period, a contribution of one (1) ETH will entitle the Contributor to receive such number of HER, as determined by the HER allocation mechanism set out below. The base price of HER shall be 1 ETH = 1000 HER but:

a) Tier 1 contributors who participate in the Presale 55 million HER to be issued during the Token Sale ("Tier 1 Bonus Period") will receive a 45% bonus in the number of HER

#### 7. Refunds, Refusals, Suspension and Termination of Contributions

7.1 Hearthy has imposed a minimum aggregate contribution target equivalent to 600 ETH. If on conclusion of the Contribution Period, the aggregate sum of all contributions received by Hearthy is less than the Minimum Target, Hearthy shall, within a reasonable period of time, exercise reasonable endeavours to procure that contributions are returned to the Contributor.

7.2 Hearthy reserves the right to refuse or reject any contributions made at any time in our sole and absolute discretion. To the extent that we refuse or reject a contribution, we will exercise reasonable endeavours to procure that the contribution is returned to the Contributor to the Ethereum wallet from which the contribution was made, however, we do not warrant, represent or offer any assurances that we will successfully be able to recover and/or return any such contributions.

7.3 Subject to clauses 7.1 and 7.2 and except to the extent required by applicable law, all contributions received by Hearthy under these T&Cs are final and Contributors shall not be entitled to claim any refund or reimbursement of contributions from Hearthy.

7.4 At any time prior to satisfaction of the Completion Conditions, Hearthy may either temporarily suspend or permanently abort the Token Sale for security reasons. Any suspension or abort of the Token Sale shall be deemed to commence from the moment that Hearthy publishes a notice to that effect on its website.

7.5 During any period of suspension or in the event that the Contribution Period is aborted, the Smart Contract System will no longer be able to receive and accept contributions, create HER and/or issue HER to Contributors. Contributors

who send us contributions (after we publish a notice that the Token Sale has been suspended or aborted in accordance with clause 7.4) risk losing their entire contribution and we shall not be responsible or liable for recovering or returning any such contributions to the Contributor nor shall we be responsible or liable for any losses incurred by the Contributor in this respect. Contributors are therefore strongly advised to check our website before sending a contribution to the Smart Contract System.

## 8. Token Functionality

8.1 Ownership of HER carries no rights, whether express or implied, other than a limited potential future right or expectation to use and interact with the Hearthy Platform (as further described in Schedule 1), if and to the extent the Hearthy Platform is successfully developed and deployed. Any potential future right or expectation relating to the provision and receipt of services on the Hearthy Platform shall be subject to any restrictions and limitations set out in these T&Cs and/or the Platform Terms (as applicable).

8.2 You acknowledge and accept that HER do not represent or constitute:

- a) any ownership right or stake, share, equity, security, commodity, bond, debt instrument or any other financial instrument or investment carrying equivalent rights;
- b) any right to receive future revenues, shares or any other form of participation or governance right from, in or relating to Hearthy and/or the Hearthy Platform;
- c) any form of money or legal tender in any jurisdiction, nor do they constitute any representation of money (including electronic money); or
- d) the provision of any goods and/or services as at the date that these T&Cs form a binding agreement between the Parties.

8.3 Protections offered by applicable law in relation to the acquisition, storage, sale and/or transfer of the instruments and/or investments referred to in clause 8.2 shall not apply to any contribution made under these T&Cs for the acquisition of HER or to your storage, sale and/or transfer of HER.

8.4 Hearthy makes no warranties or representations and offers no assurances (in each case whether express or implied) that HER shall confer any actual and/or exercisable rights of use, functionality, features, purpose or attributes in connection with the Hearthy Platform.

## 9. Contributor's Representations and Warranties

9.1 By participating in the Token Sale and sending a contribution to Hearthy, you hereby represent and warrant that:

- a) you have read and understood these T&Cs (including all the Schedules hereto);
- b) you have the necessary authority and consent to accept these T&Cs, to enter into a binding agreement with Hearthy and to perform the obligations set out herein;
- c) the acceptance of these T&Cs and the entry into a binding agreement with Hearthy shall not result in any breach of, be in conflict with, or constitute a material default under: (i) any provision of the Contributor's constitutional or organizational documents (in the case of a corporate entity including, without limitation, any company or partnership); (ii) any provision of any judgment, decree or order imposed on the Contributor by any court or governmental or regulatory authority; and/or (iii) any material agreement, obligation, duty or commitment to which the Contributor is a party or by which the Contributor is bound;
- d) you have sufficient understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens (like Bitcoin and ETH), token storage facilities (including digital token wallets), blockchain technology and blockchain-based software systems;
- e) you have obtained sufficient information about the potential future use and functionality of HER to make an informed decision to participate in the Token Sale pursuant to these T&Cs;
- f) you understand that HER confer only a limited potential future right or expectation to use and interact with the Hearthy Platform (as more particularly described in Schedule 1) and that HER confer no other rights of any kind with respect to Hearthy and/or the Hearthy Platform, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property rights), or other financial or legal rights;
- g) if you are an individual, you are at least 18 years of age, you have sufficient legal capacity to accept these T&Cs and to enter into a binding agreement with Hearthy on the terms set out herein;
- h) if you are making a contribution for the acquisition of HER for or on behalf of an entity, such entity is duly incorporated, registered and validly existing under the applicable laws of the jurisdiction in which the entity is established;
- i) if you are making a contribution for the purchase of HER for or on behalf of an entity or person, you are authorized to accept these T&Cs and enter into a binding agreement with Hearthy on such entity's or person's behalf (and in such circumstances, references in these T&Cs to "Contributor", "your" or "you" shall be a reference to the entity or person on whose behalf you are authorized to make a contribution);

j) you are making a contribution for the purchase of HER to support the development, testing, deployment and operation of the Hearthy Platform and to potentially use and interact with the Hearthy Platform at a future point in time. You are not making a contribution under these T&Cs for any other uses or purposes, including, but not limited to, any investment, speculative or other financial purposes;

k) any contribution to be made by you for the purchase of HER is not derived from or related to any unlawful activities, including but not limited to money laundering or terrorist financing activities;

l) you shall not use HER to finance, engage in, or otherwise support any unlawful activities;

m) the contribution shall be transferred to Hearthy from a Ethereum wallet that: (i) is registered in your name or in the name of a person who is duly authorised by you to send a contribution to Hearthy; and (ii) is not located in or that is not registered in the name of a person located in or resident of the United States of America or any country or territory that has been designated by the Financial Action Task Force as a "non-cooperative country or territory";

n) making a contribution and receiving HER under these T&Cs is not unlawful or prohibited under the laws of your jurisdiction or under the laws of any other jurisdiction to which you may be subject and any contribution shall be made in full compliance with applicable laws (including, but not limited to, in compliance with any tax obligations to which you may be subject in any relevant jurisdiction);

o) you are not a citizen of or resident or domiciled in the United States of America or making a contribution for the purchase of HER from a location in the United States of America, nor are you an entity (including, but not limited to, any company or partnership) incorporated, established or registered in or under the laws of the United States of America, nor are you making a contribution for the purchase of HER for or on behalf of any such person or entity;

p) you are not the subject of any sanctions administered or enforced by any country, government or international authority nor are you resident or established (in the case of a corporate entity) in a country or territory that is the subject of a country-wide or territory-wide sanction imposed by any country or government or international authority.

q) you will comply with any applicable tax obligations in your jurisdiction arising from your acquisition, storage, sale or transfer of HER; and

r) you shall send your contribution from an Ethereum wallet that supports the ERC20 token standard (i.e. technically supports the receipt, storage, holding and transfer of tokens such as HER).

## 10. Risks

You acknowledge and agree that sending a contribution to Hearthy, the creation and issue of HER and the development and deployment of the Hearthy Platform carries significant financial, regulatory and reputational risks, including but not limited to those set out in Schedule 2 of these T&Cs.

BY MAKING A CONTRIBUTION TO HEARTHY AND ACCEPTING THESE T&Cs YOU EXPRESSLY ACKNOWLEDGE, ACCEPT AND ASSUME THESE RISKS.

## 11. Audit of the Smart Contract System

11.1 Hearthy shall exercise reasonable endeavours to have the Smart Contract System audited and approved by technical experts with regard to both accuracy and security of the underlying code.

11.2 Notwithstanding clause 11.1, smart contract technology is still in an early stage of development and its application is currently of an experimental nature, which carries significant operational, technological, financial, regulatory and reputational risks. Accordingly, while any audit conducted shall raise the level of security and accuracy of the Smart Contract System, you acknowledge, understand and accept that the audit does not amount to any form of warranty, representation or assurance (in each case whether express or implied) that the Smart Contract System and HER are fit for a particular purpose or that they are free from any defects, weaknesses, vulnerabilities, viruses or bugs which could cause, inter alia, the complete loss of ETH contributions and/or HER.

## 12. Security

You are responsible for implementing all reasonable and appropriate measures for securing the wallet, vault or other storage mechanism you use to send a contribution to Hearthy and to receive and store HER that are issued to you by the Smart Contract System, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). If your private key(s) or other access credentials are lost, you may lose access to your HER. Hearthy shall not be responsible for any security measures relating to your receipt, possession, storage, transfer or potential future use of HER nor shall we be under any obligation to recover or return any HER and we hereby exclude (to the fullest extent permitted under applicable law) any and all liability for any security breaches or other acts or omissions which result in your loss of (including your loss of access to) HER issued to you during the Token Sale.

## 13. Right to Request Information

We may determine, in our sole and absolute discretion, that it is necessary to obtain certain information about you in order to comply with applicable law in connection with the creation and issue of HER to you. You agree to provide us such information promptly upon request, and you acknowledge and accept that



we may refuse or reject any contributions for the purchase of HER until you provide such requested information and we have determined that it is permissible to create and issue HER to you under applicable law.

#### 14. Indemnity

14.1 To the fullest extent permitted by applicable law, you will indemnify, defend and hold harmless Hearthly and our respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the "Hearthly Parties") from and against any and all claims, demands, actions, damages, losses, costs and expenses (including reasonable professional and legal fees) that arise from or relate to:

- a) your acquisition or use of HER under these T&Cs;
- b) the performance or non-performance of your responsibilities or obligations under these T&Cs;
- c) your breach of any of the terms and conditions set out in these T&Cs; or
- d) your breach of any rights of any other person or entity.

14.2 Hearthly reserves the right to exercise sole control over the defence, at your sole cost and expense, of any claim subject to an indemnity set out in clause 14.1.

14.3 The indemnity set out in this clause 14 is in addition to, and not in lieu of, any other remedies that may be available to Hearthly under applicable law.

#### 15. Disclaimers

15.1 To the fullest extent permitted by applicable law and except as otherwise specified in writing by us:

- a) HER are sold on an "as is" and "as available" basis, without any warranties or representations of any kind, and we expressly disclaim all warranties and representations relating to the HER (whether express or implied), including, without limitation, any implied warranties of merchantability, fitness for a particular purpose, title and non-infringement;
- b) we do not represent or warrant that HER are reliable, current or defect-free, meet your requirements, or that any defects will be corrected; and
- c) we cannot and do not represent or warrant that HER or the delivery mechanism for HER are free of viruses or other harmful components.

15.2 Neither these T&Cs nor the Project Documentation constitute a prospectus

or offering document, and are not an offer to sell, nor the solicitation of an offer to buy any investment or financial instrument in any jurisdiction. HER should not be acquired for speculative or investment purposes with the expectation of making a profit on immediate re-sale.

15.3 No regulatory authority has examined or approved of any of the information set out in these T&Cs and/or the Hearthy Whitepaper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of these T&Cs and/or the Project Documentation does not imply that applicable laws, regulatory requirements or rules have been complied with.

## 16. Limitation of Liability

16.1 To the fullest extent permitted by applicable law, in no circumstances shall:

a) Hearthy or any of the Hearthy Parties be liable for any direct, indirect, special, incidental or consequential loss of any kind (including, but not limited to, loss of revenue, income, business or profits, loss of contract or depletion of goodwill, loss of anticipated savings, loss of use or data, or damages for business interruption or any like loss) arising out of or in any way related to the acquisition, storage, transfer or use of HER or otherwise related to these T&Cs, regardless of the cause of action, whether based in contract, tort (including negligence), breach of statutory duty, restitution or any other legal or equitable basis (even if Hearthy or any of the Hearthy Parties have been advised of the possibility of such losses and regardless of whether such losses were foreseeable); and

b) the aggregate liability of Hearthy and the Hearthy Parties (jointly), whether in contract, tort (including negligence), breach of statutory duty, restitution or any other legal or equitable basis, arising out of or relating to these T&Cs or the use of or inability to use HER, exceed the amount of your contribution.

16.2 The limitations and exclusions of liability set out in clause 16.1 shall not limit or exclude liability for the gross negligence, fraud or intentional, wilful or reckless misconduct of Hearthy, nor shall it limit or exclude any losses for which, as a matter of applicable law, it would be unlawful to limit or exclude liability.

## 17. Taxation

17.1 You are solely responsible for determining whether your contribution to Hearthy for the development of the Hearthy Platform, the transfer of ETH, the creation, ownership, use, sale, transfer or liquidation of HER, the potential appreciation or depreciation in the value of HER over time (if any), the allocation of HER and/or any other action or transaction contemplated by these T&Cs or related to the Hearthy Platform will give rise to any tax implications on your part.

17.2 You are also solely responsible for withholding, collecting, reporting, paying, settling and/or remitting any and all taxes to the appropriate tax authorities in such jurisdiction(s) in which you may be liable to pay tax. Hearthly shall not be responsible for withholding, collecting, reporting, paying, settling and/or remitting any taxes (including, but not limited to, any income, capital gains, sales, value added or similar tax) which may arise from your contribution and acquisition of HER under or in connection with these T&Cs.

17.3 You agree not to hold Hearthly or any of the Hearthly Parties liable for any tax liability associated with or arising from the creation, ownership, use or liquidation of HER or any other action or transaction related to the Hearthly Platform.

#### 18. Dispute Resolution by Arbitration

PLEASE READ THE FOLLOWING CLAUSE CAREFULLY BECAUSE IT CONTAINS CERTAIN PROVISIONS, SUCH AS A BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER, WHICH AFFECT YOUR LEGAL RIGHTS. THIS CLAUSE REQUIRES YOU TO ARBITRATE CERTAIN DISPUTES AND CLAIMS WITH HEARTHY AND LIMITS THE MANNER IN WHICH YOU CAN SEEK RELIEF FROM US.

18.1 Binding Arbitration. Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, "Disputes") in which either Party seeks injunctive or other equitable relief for the alleged unlawful use of intellectual property, including, without limitation, copyrights, trademarks, trade names, logos, trade secrets or patents, you and Hearthly (i) waive your and Hearthly's respective rights to have any and all Disputes arising from or related to these T&Cs resolved in a court, and (ii) waive your and Hearthly's respective rights to a jury trial. Instead, you and Hearthly agree to arbitrate Disputes through binding arbitration (which is the referral of a Dispute to one or more persons charged with reviewing the Dispute and making a final and binding determination to resolve it instead of having the Dispute decided by a judge or jury in court).

18.2 No Class Arbitrations, Class Actions or Representative Actions. Any Dispute arising out of or related to these T&Cs is personal to you and Hearthly and will be resolved solely through individual arbitration and 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 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.

18.3 Arbitration Rules. The enforceability of this clause 18 will be both substantively and procedurally governed by and construed and enforced in accordance with the International Chamber of Commerce Rules of Arbitration, to the maximum extent permitted by applicable law.

18.4 Notice; Informal Dispute Resolution. Each Party will notify the other Party in writing of any Dispute within thirty (30) days of the date it arises, so that the Parties can attempt in good faith to resolve the Dispute informally. Notice to Hearthy shall be sent by e-mail to support@hearthly.co Notice to you shall be sent to any address you provide to us in writing in a notice. Your notice must include (i) your name, postal address, email address and telephone number, (ii) a description in reasonable detail of the nature or basis of the Dispute, and (iii) the specific relief that you are seeking. If you and Hearthy cannot agree how to resolve the Dispute within thirty (30) days after the date that the notice is received by the applicable Party, then either you or Hearthy may, as appropriate and in accordance with this clause 18, commence an arbitration proceeding or, to the extent specifically provided for in clause 18.1, file a claim in court.

18.6 Authority of Arbitrator. These T&Cs, the applicable International Chamber of Commerce Rules of Arbitration and the arbitrator will have (i) the exclusive authority and jurisdiction to make all procedural and substantive decisions regarding a Dispute, including the determination of whether a Dispute is arbitrable, and (ii) the authority to grant any remedy that would otherwise be available in court, provided, however, that the arbitrator does not have the authority to conduct a class arbitration or a representative or class action, which is prohibited by these T&Cs. The arbitrator may only conduct an individual arbitration and may not consolidate more than one individual's claims, preside over any type of class or representative proceeding or preside over any proceeding involving more than one individual.

18.8 Severability of Dispute Resolution and Arbitration Provisions. If any term, clause or provision of this clause 18 is held invalid or unenforceable, it will be so held to the minimum extent applicable and required by law, and all other terms, clauses and provisions of this clause 18 will remain valid and enforceable. Further, the waivers set forth in clause 18.2 above are severable from the other provisions of these T&Cs and will remain valid and enforceable, except as prohibited by applicable law.

## 19. Miscellaneous

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

19.2 We may amend these T&Cs from time to time, including where there are changes to the intended functionality of HER or as may be otherwise required by any laws or regulatory requirements to which we are subject. If we make any amendments to these T&Cs, we will publish a notice together with the updated

T&Cs on our website and we will change the "Last Updated" date at the top of these T&Cs. Any amended T&Cs shall become effective immediately upon the publication of notice and updated T&Cs on our website. It is your responsibility to regularly check our website for any such notices and updated T&Cs.

19.3 If any term, clause or provision of these T&Cs is found to be illegal, void or unenforceable (in whole or in part), then such term, clause or provision shall be severable from these T&Cs without affecting the validity or enforceability of any remaining part of that term, clause or provision, or any other term, clause or provision of these T&Cs, which shall remain in full force and effect.

19.4 These T&Cs constitute the entire agreement between the Parties in relation to its subject matter. These T&Cs replace and extinguish any and all prior agreements, draft agreements, arrangements, warranties, statements, assurances, representations and undertakings of any nature made by, or on behalf of the Parties, whether oral or written, public or private, in relation to that subject matter.

19.5 You acknowledge that by accepting these T&Cs, you have not relied on any oral or written statements, warranties, assurances, representations or undertakings which were or may have been made by or on behalf of Hearthy in relation to the subject matter of these T&Cs at any time before your acceptance of them ("Pre-Contractual Statements"), other than those set out in these T&Cs. You hereby waive any and all rights and remedies which might otherwise be available in relation to such Pre-Contractual Statements.

19.6 Nothing in these T&Cs shall be deemed to create any form of partnership, joint venture or any other similar relationship between you and Hearthy and/or other individuals or entities involved with the development and deployment of the Smart Contract System and/or the Hearthy Platform.

19.7 Subject to clause 18, these T&Cs and any dispute or claim arising out of or in connection with their subject matter or formation (including non-contractual disputes and claims) shall be governed by and construed in accordance with Gibraltar Law.

19.8 The Parties irrevocably agree that the Gibraltar courts shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with these T&Cs or their subject matter or formation (including non-contractual disputes and claims).

## SCHEDULE 1

### INTENDED FUNCTIONALITY OF HER

Activity in the Hearthy Platform is intended to be performed primarily using HER. HER's principal purpose is therefore to operate as an 'in-app currency'. Hearthy Platform users can choose to be paid in HER for the provision of services to other users. Although services can be acquired on the Hearthy Platform in fiat currency, users will be incentivised to use HER as there will be lower transaction

fees and rewards for transacting in HER. The intention is to create an internal economy within the Hearthly Platform, whereby HER will be an integral part which drives this ecosystem. HER will therefore continuously circulate within the Hearthly ecosystem, passing from one user to another as a means of consideration for the acquisition of goods/services.

Tied-in to the "in-app currency" functionality, HER will be used to reward users and participants of the Hearthly Platform for contributing to its development, success and growth.

#### POSSIBILITY OF CHANGE TO THE FUNCTIONALITY OF HER

PLEASE NOTE THAT WE ARE IN THE PROCESS OF UNDERTAKING A LEGAL AND REGULATORY ANALYSIS OF THE FUNCTIONALITY OF HER. FOLLOWING THE CONCLUSION OF THIS ANALYSIS, WE MAY DECIDE TO AMEND THE INTENDED FUNCTIONALITY OF HER IN ORDER TO ENSURE COMPLIANCE WITH ANY LEGAL OR REGULATORY REQUIREMENTS TO WHICH WE ARE SUBJECT. WE SHALL PUBLISH A NOTICE ON OUR WEBSITE OF ANY CHANGES THAT WE DECIDE TO MAKE TO THE FUNCTIONALITY OF HER AND IT IS YOUR RESPONSIBILITY TO REGULARLY CHECK OUR WEBSITE FOR ANY SUCH NOTICES. ON THE CONCLUSION OF THIS ANALYSIS, WE WILL DECIDE WHETHER OR NOT TO CHANGE THE FUNCTIONALITY OF HER.

CONSEQUENTLY, YOU MAY UNDER CERTAIN CIRCUMSTANCES BE ENTITLED TO CLAIM A REFUND OF YOUR CONTRIBUTION FROM US IN ACCORDANCE WITH CLAUSE 7.2 OF THESE T&Cs ON SUCH TERMS AND CONDITIONS AS HEARTHY MAY PRESCRIBE IN ITS REFUND POLICY WHICH SHALL BE MADE AVAILABLE ON ITS WEBSITE.

#### SCHEDULE 2

##### RISK FACTORS

1. Risk of software weaknesses: because HER, the Smart Contract System and the Hearthly Platform are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on HER, the Smart Contract System and/or the Hearthly Platform. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the HER (including the utility of HER for obtaining services), the Smart Contract System and/or the Hearthly Platform, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol. 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. There is no warranty or assurance that the process for creating HER will be uninterrupted or error-free and why there is an inherent risk that the software could contain defects, weaknesses, vulnerabilities, viruses or bugs causing, inter alia, the complete loss of contributions and/or HER.

2. Regulatory risk: blockchain technology allows new forms of interaction and 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 to the Smart Contract System and/or the Hearthly Platform, including its termination and the loss of HER for the Contributor. Additionally, regulation of proposed activities of the Hearthly Platform is currently uncertain. It is not known what regulatory framework the proposed Hearthly Platform and associated activities will be caught by, the nature and obligations that will be imposed on Hearthly in order to comply with any such regulatory framework or when/if Hearthly will even be able to apply to be regulated, or successfully obtain the necessary licences so that it may lawfully carry out its proposed business activities.

3. Risks associated with uncertain regulations and enforcement actions: the regulatory status of HER and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory authorities may apply existing regulation with respect to such technology and its applications, including the Hearthly Platform and HER. It is likewise difficult to predict how or whether any legislative or regulatory authorities may implement changes to law and regulation affecting distributed ledger technology and its applications, including the Hearthly Platform and HER. Regulatory actions could negatively impact the Hearthly Platform and HER in various ways, including, for purposes of illustration only, through a determination that HER are a regulated financial instrument that requires registration or licensing. Hearthly 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, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

4. Risk of abandonment / lack of success: the creation and issue of HER and the development of the Hearthly Platform 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). There is no assurance that, even if the Hearthly Platform is partially or fully developed and launched, you will receive any benefits through HER that you hold.

5. Risk associated with other applications: the Hearthly Platform may give rise to other, alternative projects, promoted by unaffiliated third parties, under which HER will have no intrinsic value.

6. Risks associated with markets for HER: the Company may not enable or otherwise facilitate any secondary trading or external valuation of HER. This may restrict the contemplated avenues for using HER to the provision of services by HERdents and or receipt of services by employers, and could therefore create illiquidity risk with respect to any HER you own. Even if secondary trading of HER is facilitated by third-party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more

susceptible to fraud or manipulation. Furthermore, to the extent that third parties do ascribe an external exchange value to HER (e.g. as denominated in a crypto or fiat currency), such value may be extremely volatile and diminish to zero. If you are purchasing the HER as a form of investment on a speculative basis or otherwise, or for a financial purpose, with the expectation or desire that their inherent, intrinsic or cash-equivalent value may increase with time, you assume all risks associated with such speculation or actions, and any errors associated therewith, and accept that the HER are not offered by the Company or its affiliates on an investment basis. You further acknowledge that any funds you consider to be invested in the Company, the Hearthly Platform or the HER will not be protected, guaranteed or reimbursed by any governmental, regulatory or other entity, and will not, for instance be guaranteed by the Gibraltar Deposit Guarantee Scheme, the Gibraltar Investor Compensation Scheme, and is unlikely to be protected by any equivalent scheme in a jurisdiction outside of Gibraltar.

7. Risk of losing access to tokens due to loss of private key(s), custodial error or your error: HER can only be accessed by using an Ethereum wallet with a combination of the Contributor's account information (address), private key and password. The private key is encrypted with a password. You acknowledge, understand and accept that if your private key or password gets lost or stolen, the obtained HER associated with your Ethereum wallet address may be unrecoverable and permanently lost. Additionally, any third party that gains access to your private key, including by gaining access to the login credentials relating to your Ethereum wallet, may be able to misappropriate your HER. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store HER, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your HER.

8. Risk of theft: 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 including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Any such successful attacks could result in theft or loss of contributions or HER, adversely impacting the ability to develop the Hearthly Platform and derive any usage or functionality from HER. Furthermore, because the Hearthly Platform is based on open-source software, there is a risk that a third party or a member of the Hearthly team may intentionally or unintentionally introduce weaknesses or defects into the core infrastructure of the Hearthly Platform, which could negatively affect the Hearthly Platform and HER.

9. Risk of Ethereum mining attacks: 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 rare condition attacks. Any successful attacks present a risk to the Smart Contract System, expected proper execution and sequencing of token transactions, and expected proper execution and



sequencing of contract computations. You understand and accept that the network of miners will ultimately be in control of the delivery of the HER via the Smart Contract System, and that a majority of miners could agree at any point to make changes, updates, modifications to, or effect a deletion or destruction of the Smart Contract System, and that such a scenario could lead to the HER losing intrinsic value and/or functionality.

10. Risk of incompatible wallet service: the wallet or wallet service provider used to receive HER must conform to the ERC20 token standard in order to be technically compatible with HER. The failure to ensure such conformity may have the result that Contributor will not gain access to his HER.

11. Risk of hard-fork: the Hearthy Platform will need to go through substantial development works as part of which it may become the subject of significant conceptual, technical and commercial changes before release. As part of the development, an upgrade to HER may be required (hard-fork of HER) and that, if you decide not to participate in such upgrade, you may no longer be able to use your HER and any non-upgraded HER may lose its functionality in full.

12. Risk of uninsured losses: unlike bank accounts or accounts at some other financial institutions, HER 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 us, to offer recourse to you.

13. Risks arising from taxation: the tax characterization of HER is uncertain. You must seek your own tax advice in connection with acquisition, storage, transfer and use of HER, which may result in adverse tax consequences to you, including, without limitation, withholding taxes, transfer taxes, value added taxes, income taxes and similar taxes, levies, duties or other charges and tax reporting requirements.

14. Risk of an unfavourable fluctuation of Ethereum and other currency value: Hearthy intends to use the contributions received to fund the development of the Hearthy Platform and various other operating expenses. The contributions received will be denominated in ETH, and may be converted into other cryptographic and fiat currencies. If the value of ETH or other currencies fluctuates unfavourably during or after the Contribution Period, Hearthy may not be able to fund the development of, or may not be able to maintain, the Hearthy Platform in the manner that it intended.

15. Risk of dissolution of the Company or network: it is possible that, due to any number of reasons, including, but not limited to, an unfavourable fluctuation in the value of ETH (or other cryptographic and fiat currencies), decrease in HER utility due to negative adoption of the Hearthy Platform, the failure of commercial relationships, or intellectual property ownership challenges, the Hearthy Platform may no longer be viable to operate and the Company may dissolve.

16. Risks arising from lack of governance rights: because HER confer no governance rights of any kind with respect to the Hearthly Platform or Hearthly, all decisions involving the Hearthly Platform or Hearthly will be made by Hearthly acting in its sole and absolute discretion, including, but not limited to, decisions to discontinue the Hearthly Platform, to create and issue more HER, or to sell or liquidate Hearthly. These decisions could adversely affect the Hearthly Platform and/or HER you hold.

18. Risks associated with the development and maintenance of the Hearthly Platform: the Hearthly Platform is still under development and may undergo significant changes over time. Although we intend for the HER and Hearthly Platform to function as described in Schedule 1, and intend to take commercially reasonable steps toward those ends, we may have to make changes to the specifications of the HER or the Hearthly Platform for any number of legitimate reasons. Moreover, we have no control over how other participants will use the Hearthly Platform, what products or services will be offered through the Hearthly Platform by third parties, or how third-party products and services will utilize HER (if at all). This could create the risk that the HER or Hearthly Platform, as further developed and maintained, may not meet your expectations at the time of purchase. Furthermore, despite our good faith efforts to develop and participate in the Hearthly Platform, it is still possible that the Hearthly Platform will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the Hearthly Platform and HER, and the potential utility of the HER, including the utility of the HER for obtaining services and/or offering rewards and/or being used in the manner intended at the time of the Token Sale.

19. Risk of Competing Platforms: It is possible that alternative platforms could be established that utilize the same open source code and protocol underlying the Hearthly Platform and attempt to facilitate services that are materially similar to the services offered by or within the Hearthly Platform. The Hearthly Platform may compete with these alternatives, which could negatively impact the Hearthly Platform and HER, including the utility of the HER for obtaining services offered by or within the Hearthly Platform.

20. Unanticipated Risks: cryptographic tokens such as HER are a new and untested technology. In addition to the risks set out in this Schedule 2, there are other risks associated with your acquisition, storage, transfer and use of HER, including those that Hearthly may not be able to anticipate. Such risks may further materialize as unanticipated variations or combinations of the risks set out in this Schedule 2.