



BaapPay

**THE EVOLUTION OF THE PAYMENT
PLATFORM IS HERE**

IMPORTANT NOTICE

PLEASE READ THIS SECTION AND THE FOLLOWING SECTIONS ENTITLED “DISCLAIMER OF LIABILITY”, “NO REPRESENTATIONS AND WARRANTIES”, “REPRESENTATIONS AND WARRANTIES BY YOU”, “CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS”, “MARKET AND INDUSTRY INFORMATION AND NO CONSENT OF OTHER PERSONS”, “NO ADVICE”, “NO FURTHER INFORMATION OR UPDATE”, “RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION”, “NO OFFER OF SECURITIES OR REGISTRATION” AND “RISKS AND UNCERTAINTIES” CAREFULLY.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S).

[PLEASE CLICK HERE TO READ](#)

VISION

BaapPay is a multi-layered platform which features a payment gateway, point of sale software, and our very own BaapWorld app store. We believe that as cryptocurrency adoption further penetrates businesses and the lives of consumers, there will be a point where; buying, selling, and trading cryptocurrency will be a part of everyday living.

The payment platform is built to work with existing credit card infrastructure; including credit card and debit and will engage the protocols for payment processing and cryptocurrency flows analogous to conventional electronic systems of payments. This idea would permit faster and easier cryptocurrency adoption and to be considered as a platform for mainstream payments that would in turn provide the merchants with higher level of ease to accept cryptocurrencies.



ABSTRACT

MARKET ANALYSIS AND PERSPECTIVES

According to www.CoinMarketCap.com, the daily trading volume of cryptocurrencies in August 2017 exceeded \$5.4 billion, and the market capitalization of cryptocurrency rose above \$120 billion.

However, the cryptocurrency market still represents a tiny percentage of world trade. According to Deloitte, the aggregate revenue of 250 of the world's largest retail companies in 2015 rose by 5.2% reaching 4.31 trillion dollars.⁽¹⁾ The prospects for the development of a more sophisticated cryptocurrency market remain significant, despite the fact the number of cryptocurrency payments is still negligible. The need to increase the use of cryptocurrency as a mainstream payment method is obvious. Increased usage will be a catalyst for continued growth.

The results of a research study by Garrick Hileman and Michel Rauchs show that the use of cryptocurrency as a means of payment is apparent in both B2B transactions and C2B transactions. The average B2B payment (among the companies surveyed) was \$1,878. Conversely, the average C2B payment totaled \$210, and the average P2P transfer was \$351.⁽²⁾ This clearly shows that the cryptocurrencies still have quite some way to go in order to be thought of as a standard payment facility.

In 2013, financial authorities in developed countries started to observe the impact of Bitcoin's price rise on the world financial system. Due to the lack of interoperability with the modern banking system, Bitcoin posed a risk for regular consumers. Price fluctuated, meaning that the use of cryptocurrencies caused certain regulatory actions.

The USA's Internal Revenue Service (I.R.S) describes cryptocurrencies as "a digital representation of value that functions as a medium of exchange, a unit of account, and/or a store of value [and] does not have legal tender status in any jurisdiction."⁽³⁾ The IRS treats cryptocurrencies as property and requires gains or losses on an VC exchange. In 2013, the Financial Criminal Enforcement Network (FinCEN) released a guidance paper stating that exchanges and administrators of cryptocurrencies are subject to the Bank Secrecy Act (BSA) and must register as a Money Services Business.(MSB)⁽⁴⁾ This regulation is applied only to serious cryptocurrency operators, as opposed to regular merchants who accept cryptocurrencies for goods and services.

In July 2017 the Uniform Law Committee prepared a draft of the future model law on cryptocurrencies, which aims to create a statutory structure for regulating the 'virtual currency business activity' of those offering services⁽⁵⁾ or products to residents of enacting states.

1 <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/consumer-industrial-products/gx-cip2017-global-powers-of-retailing.pdf>

2 https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2017-global-cryptocurrency-benchmarkingstudy.pdf

3 <https://www.irs.gov/newsroom/irsvirtual-currency-guidance>

4 <https://www.fincen.gov/news/testimony/statement-jennifer-shasky-calvery-director-financial-crimes-enforcement-network-0>

5 <https://coincenter.org/entry/theulc-s-model-act-for-digital-currency-businesses-has-passed-here-s-why-it-s-good-for-bitcoin>

In particular, the act would require licensure of and impose prudential regulations and customer protection requirements on businesses whose products and services include (1) the exchange of cryptocurrencies for cash, bank deposits, or other cryptocurrencies; (2) the transfer of cryptocurrencies from one customer to another. These provisions will most likely be implemented in 2018-19. BaapPay considers the creation of a uniform legislation for all US states as a promising opportunity for merchants in terms of legal risk reduction. The regulation will effectively cover only exchange services and host wallet providers.

China, as one of the biggest markets in the world, is a significant player in the blockchain field. However, recently the People's Bank of China banned ICOs (blockchain-based fundraising mechanisms). Chinese regulators then proceeded to attack the industry and imposed a ban on all cryptocurrency exchanges services.⁽⁶⁾ This decision was not surprising to many experts. They believe that China will temporarily stop the outflow of capital, regroup, and later impose strict regulation on cryptocurrency operations.⁽⁷⁾

In the European Union, no state has imposed a permanent ban on cryptocurrency transactions, and in 2015 the Court of Justice of the European Union (CJEU) prohibited the collection of VAT from cryptocurrency transactions, seeing them as a "means of payment."⁽⁸⁾ All EU countries may soon require local money services to comply with 4th AML Directive, which currently only applies to exchange markets. The EU's uniform licensing system provides clarity and will reduce our costs. There is no specific ban or regulation for merchants at a regional level, however some national regulators, such as National Bank of Poland, published warnings about the risky nature of cryptocurrencies. That said, there are no specific actions or prohibitions for merchants.⁽⁹⁾ We consider that the EU and South Asia to be a good starting point for BaapPay.

Japan is a pioneer of cryptocurrency regulation. After the Mt. Gox cryptocurrency exchange crashed, the courts began bankruptcy procedure and distributed the remaining cryptocurrency among its creditors. Then, in April 2017, the Japanese Parliament officially allowed Bitcoin as a means of payment. As a result, the number of merchants that accept Bitcoin increased considerably.⁽¹⁰⁾ In July 2017, Japan repealed Bitcoin taxation⁽¹¹⁾ and Japanese consumers are eager to invest in Bitcoin owing to the national currency deflation. Switzerland has declared itself as a crypto-friendly country. Its cantons offer the same provisions in their local legislation systems. Both nations are excellent prospective markets for BaapPay.

6 <https://www.coindesk.com/chinainternet-finance-association-bitcoinexchanges-lack-legal-foundation/>

7 <https://www.coindesk.com/chinasico-ban-understandable-reasonableprobably-temporary/>

8 <http://www.ey.com/gl/en/services/tax/international-tax/alert--cjeu-holdsexchanging-traditional-currency-forvirtual-currency-is-exempt-from-vat>

9 <https://www.cryptocoinsnews.com/virtual-currencies-includedamendments-eu-anti-money-launderingdirective/>

10 <https://cointelegraph.com/news/two-japanese-retail-chains-will-acceptbitcoin-bitcoin-merchants-numberexplode>

11 <https://cointelegraph.com/news/its-official-japan-has-eliminated-tax-onbitcoin-rise-in-trading-expected>

Developing a cryptocurrency market in Africa could be possible too. Zimbabwe, Nigeria and South Africa declared the legality of cryptocurrency exchanges. Also, BitMari, a project based in Zimbabwe, started providing cryptocurrency services earlier this year. Also, the dominance of mobile payments and the difficulty of accessing banking.⁽¹²⁾

Being proponents of a greater state control, South American countries prefer to ban or limit the circulation of cryptocurrencies. Ecuador, Bolivia, and Venezuela have explicitly banned them as method of payment. Venezuela has gone as far as creating their own national cryptocurrency based on the Ethereum network and is simply an ERC20 token. These types of currencies however are centralized, but can still be used in ecosystem of all cryptocurrencies. The rest of the continent has not imposed any specific regulation yet, and Brazil and Argentina have declared an intention to collect VAT from cryptocurrency turnover.

We at BaapPay believe the continued and increased acceptance of cryptocurrency is inevitable, and the fully integrated payment solution system we have built will “future proof” any business who accepts traditional legacy forms of payment and Point of Sale systems.

¹² <https://www.bitmari.com/core/>

PROBLEM

To date, cryptocurrency has yet to gain mainstream adoption. The last barriers to mass market adoption will be removed when cryptocurrencies become embedded into everyday commerce. An estimated \$22 trillion of consumer spending takes place annually between consumers and merchants. Local and national currencies are used to pay for everything from your cup of coffee every morning to your weekly groceries. What if you could pay for your cup of coffee with Bitcoin or Ethereum? Without requiring the merchant to change their point of sale equipment, BaapPay is enabling universal merchant acceptance of cryptocurrencies. This will greatly accelerate the adoption of cryptocurrency and tapping into the existing ecosystem of global commerce both in store and online.

Buyer issue

Today, the market capitalization of cryptocurrency exceeds \$500 billion USD. It is expected that this will double by the end of 2019, due to an increase in existing coins' value and as a result of new tokens being issued. The problem is that cryptocurrency holders are not able to use it because few merchants accept cryptocurrency payments.

Merchant's issue's

Today, 99% of merchants around the world are set up to accept credit and debit cards through a payment system which does not integrate with the rest of their inventory system or cash register system. Moreover, even if the merchant has the latest in card processing technology and inventory management point of sale systems, they do not have the ability to seamlessly accept any form of cryptocurrency. The only way a merchant can accept any sort of cryptocurrency right now is by using their personal mobile phones, or expensive third party services such as BitPay which relies on the permission of Visa to continue allowing them to perform this processing of payment.

Merchants cannot currently join the fast growing cryptocurrency economy, for several reasons.

Merchants lack the knowledge needed to accept cryptocurrency payments. They fear the volatility associated with cryptocurrency, are unable to integrate cryptocurrency into their accounting systems properly, lastly, very few accountants are yet qualified to help with this.

Conclusion: BaapPay solves all of these issues using a seamless technology which includes, but does not have to, hardware, proprietary software, automatic conversion of cryptocurrency to any local currency right at the point of sale, so that the proper amount of tax can be charged. Read-on to see how this exciting technology actually works!

SOLUTION

MERCHANT ACCEPTANCE OF CRYPTOCURRENCY

Currently, none of the major payment processors have attempted to integrate cryptocurrency into their current payment systems. However, BaapPay believes that the integration of the traditional payment systems along with cryptocurrency would offer a great opportunity to both consumer and business owners.

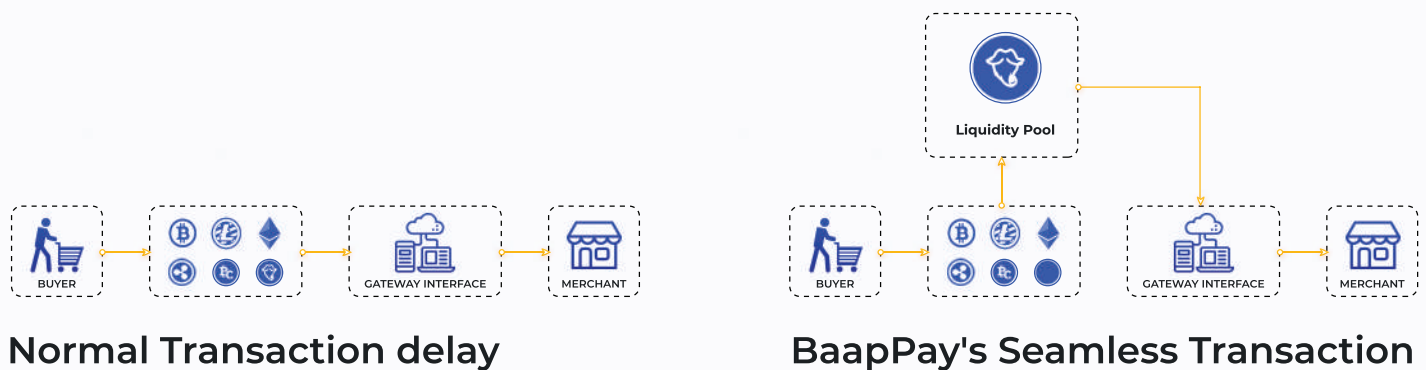
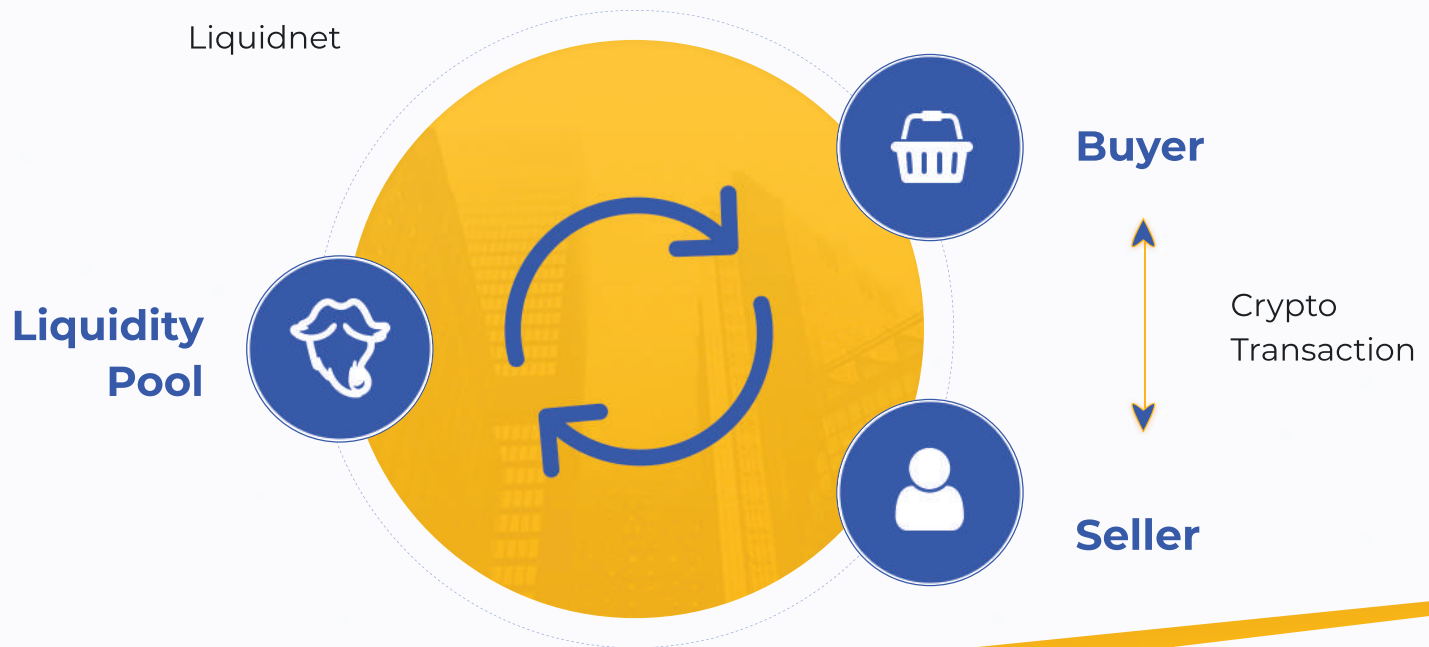
Thus, BaapPay intends to work with each country's own governing body in order to obtain the necessary licensing in each specific country or region. whether it be as a payment processor or an ISO.

Below is a list of possible partnerships that BaapPay would attempt to commence:

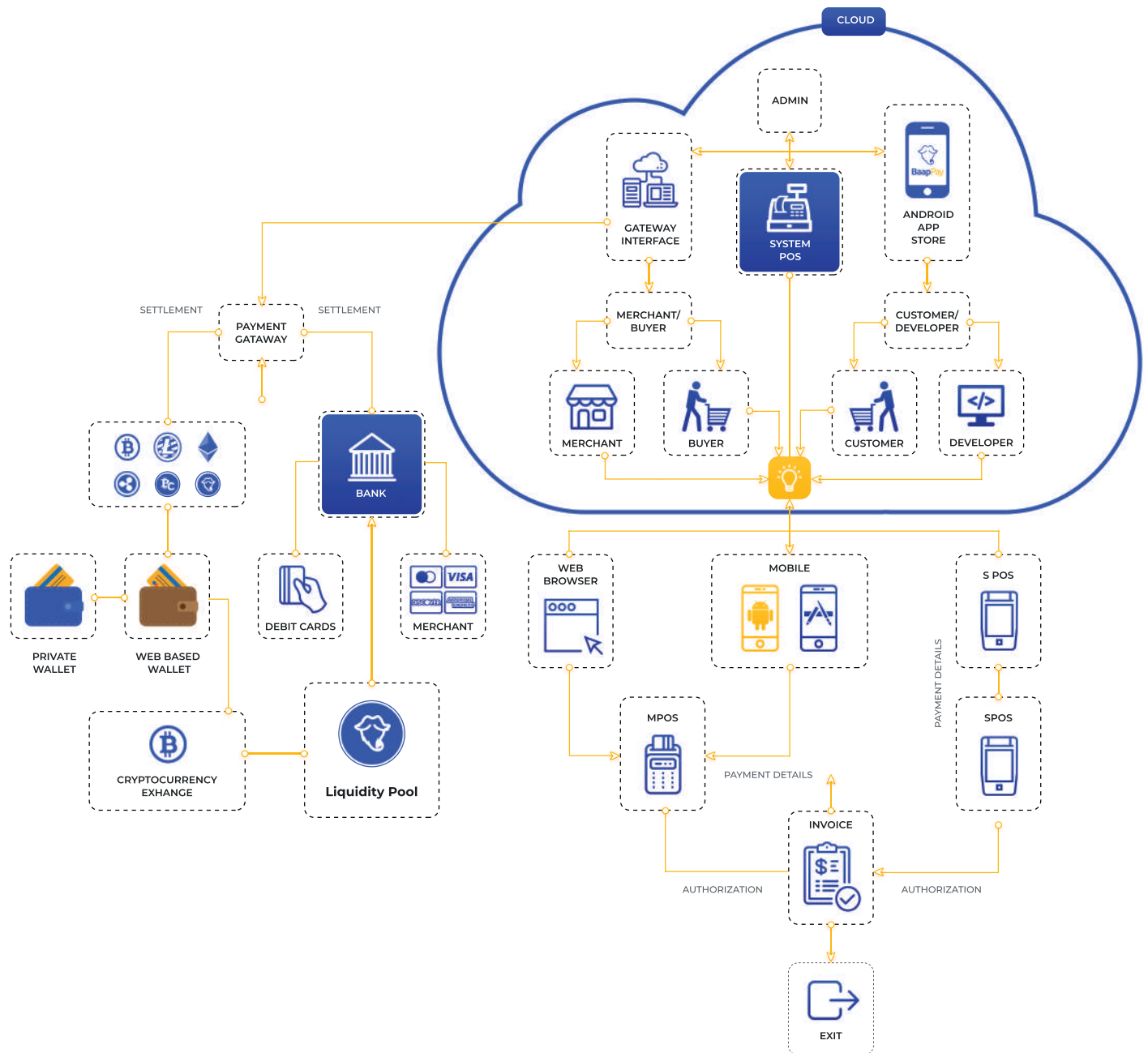
Card Networks	Acquirers & Processors	Issuers	ISOs & MSPs
			

Liquidity pool

Instead of waiting for each transaction to be confirmed by the blockchain, our smart contract allows the customer transactions to be funded through a liquidity pool. This protocol removes the need for each payment to be individually written to the blockchain, and makes point of sale purchases instant.



OUR PLATFORM MODEL



Our Platform

BAAPPAY IS A FULLY INTEGRATED PLATFORM, THAT COVERS MANY ASPECT THAT ARE RELATED TO THE PAYMENT INDUSTRY.

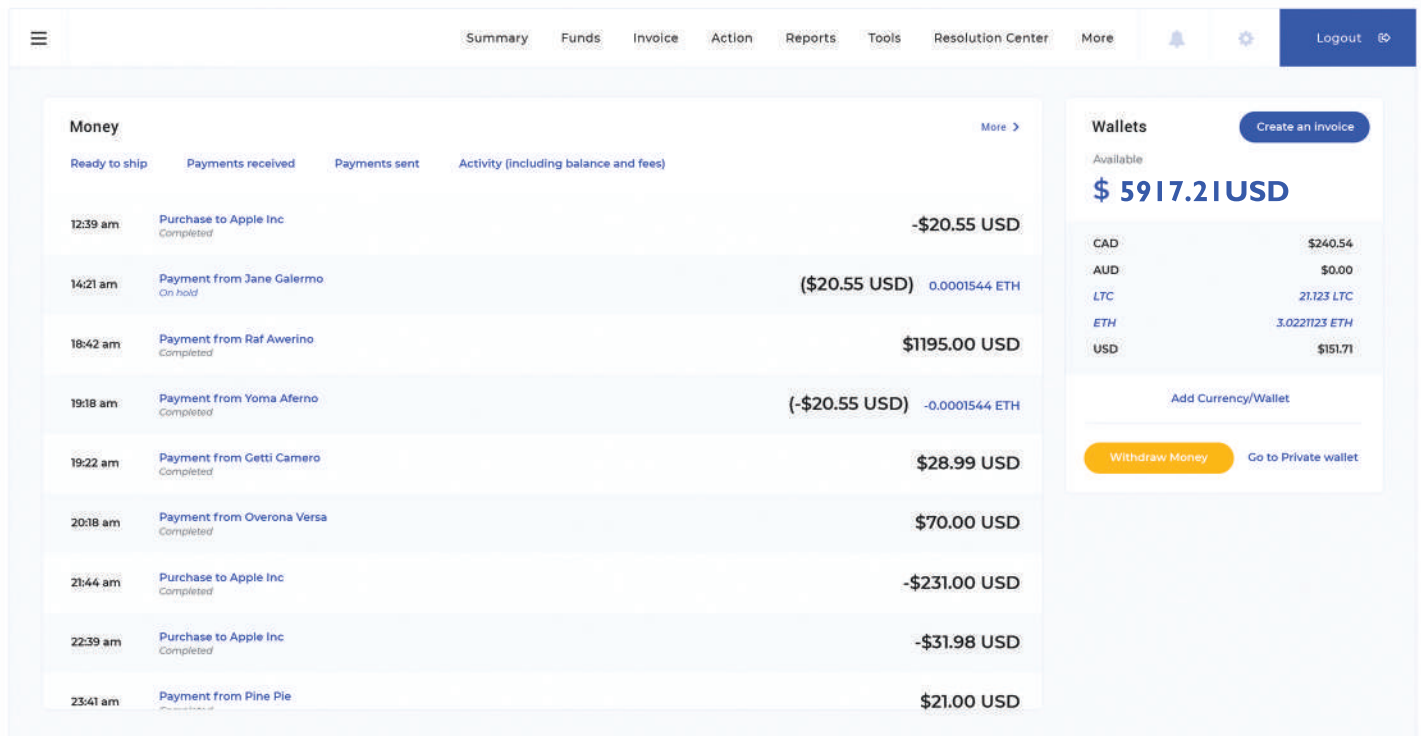
A. PAYMENT GATEWAY

Our payment gateway is a PayPal like interface that allows merchants to collect fiat or cryptocurrency payment for their goods and services.



Features

- BaapPay will carry the major cryptocurrencies, such as ETH, BTC, LTC, XRP, BCH and our own BAAP Tokens. BaapPay will always be evaluating which cryptocurrencies should be added to our platform, and we will listen to the feedback from both consumers and merchants regarding the cryptocurrencies that are most popularly asked for which we may not have listed at that time.
- Peer-to-Peer Transactions for both fiat and cryptocurrencies.
- Pay for online purchases using your credit/debit cards or cryptocurrencies
- Merchants will have a choice to either automatically convert the cryptocurrency into fiat or keep the cryptocurrency, which they can either convert later-on or spend as cryptocurrency.
- BaapPay will connect Credit, Debit cards, different cryptocurrencies and Bank accounts into one account interface, thus allowing the account holder to transfer money to other BaapPay account holders.
- Sellers will be able to add a BaapPay purchase/order button on their websites, and blogs within minutes.



The screenshot displays the BaapPay dashboard interface. At the top, there is a navigation bar with tabs: Summary, Funds, Invoice, Action, Reports, Tools, Resolution Center, and More. A 'Logout' button is located on the right. The main content area is divided into two sections. The left section, titled 'Money', shows a list of transactions with columns for time, description, and amount. The right section, titled 'Wallets', displays the available balance in USD and a table of other currencies and their balances.

Time	Description	Amount
12:39 am	Purchase to Apple Inc Completed	-\$20.55 USD
14:21 am	Payment from Jane Galerno On hold	(\$20.55 USD) 0.0001544 ETH
18:42 am	Payment from Raf Awerino Completed	\$1195.00 USD
19:18 am	Payment from Yoma Aferno Completed	(-\$20.55 USD) -0.0001544 ETH
19:22 am	Payment from Getti Camero Completed	\$28.99 USD
20:18 am	Payment from Overona Versa Completed	\$70.00 USD
21:44 am	Purchase to Apple Inc Completed	-\$231.00 USD
22:39 am	Purchase to Apple Inc Completed	-\$31.98 USD
23:41 am	Payment from Pine Pie Processing	\$21.00 USD

Currency	Balance
CAD	\$240.54
AUD	\$0.00
LTC	21.123 LTC
ETH	3.0221123 ETH
USD	\$151.71

Sample transaction

Item total is \$19.99 USD plus 13% tax = \$22.58 USD

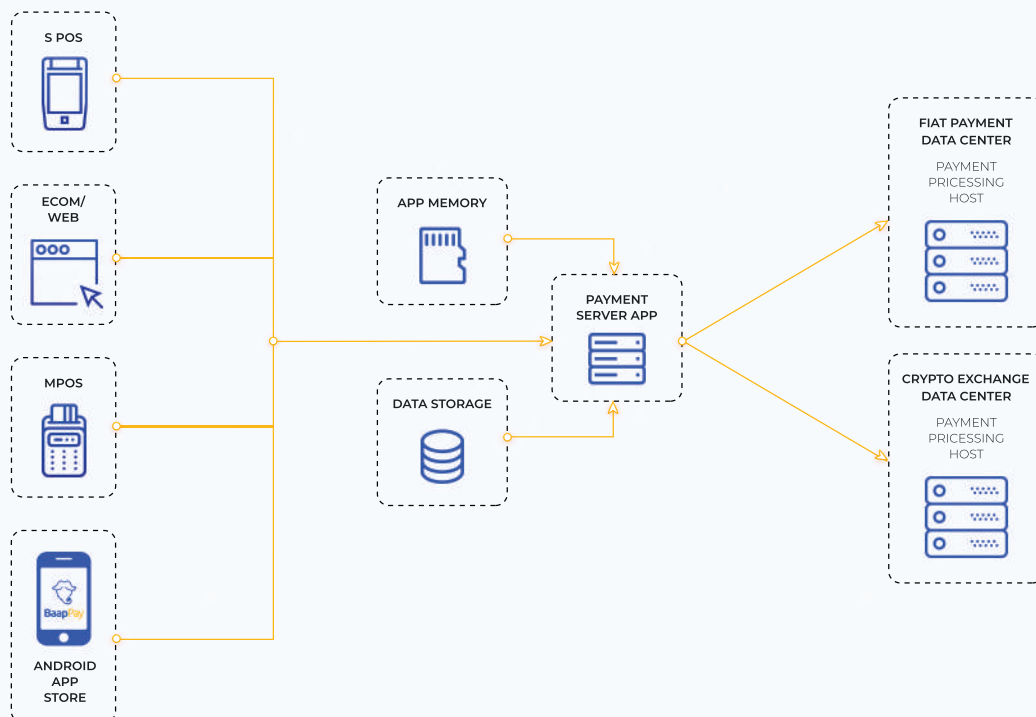
- ETH price \$ 985 USD / \$19.99 USD = 0.02029441624365 ETH
- ETH total 0.02029441624365 X Tax (13%) = .0026382741116745 ETH
- Total 0.0229326903553245 ETH= which is \$22.58 USD

Merchant will receive ETH, however, will have the option to instantly convert into fiat. In addition, if they decide to accept ETH, our reporting system would reflect the total fiat including tax so that the merchant's sales ledger would be in accordance with their incorporate tax filing.

Payment gateway deployment process:

Our payment gateway can be deployed on to any of the devices which includes the Smart Terminal, Payment Terminal, Android Devices & e-commerce. The payment data enters the system via the POS device and then makes its way through processing as shown in the image. Our Cloud Server decides the payment processing host based on the customer input:

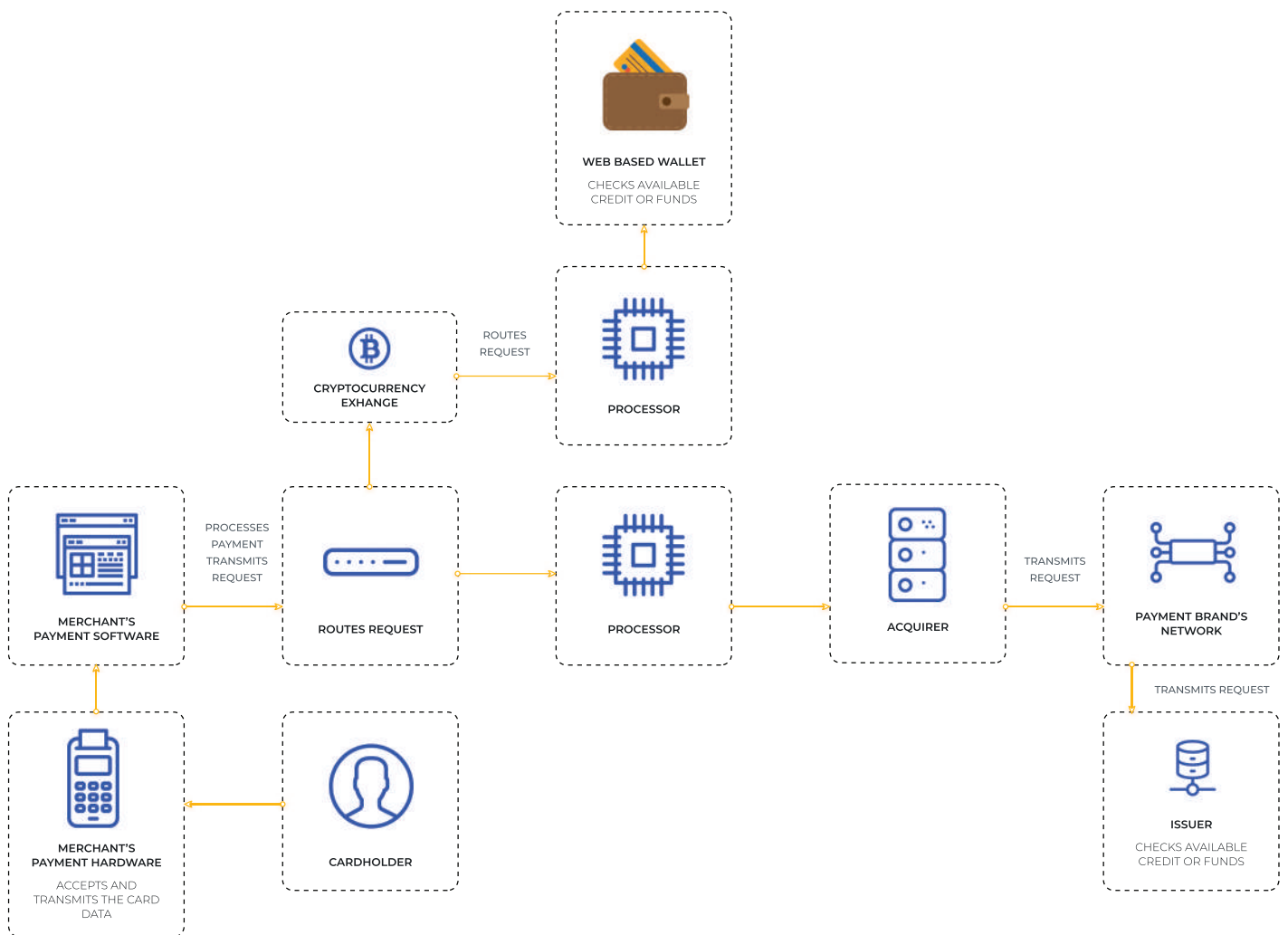
- A Fiat Payment will be sent to the Fiat Payment processing host,
- A Cryptocurrency Payment will be sent to the Cryptocurrency Exchange processing host.



Payment Process

In general, there are two stages for Fiat payment systems authorization and settlement. Authorization is a term used to represent the state of the payment process to the point where the purchase is finalized. Settlement is a term used to represent what happens after the sale and how to settle the account balances between all parties (i.e. merchant, acquirer, and issuer)

In the cryptocurrency payment process, the Baap Wallet would server as the authorization factor. Since blockchain security methods use encryption technology, transactions are efficiently securer than regular online payment gateways. The decentralized nature of the program also leads to payments being safer and less susceptible to malicious attacks. Once on the blockchain, there is no human aspect included, thus, minimizes fraud and issues. Once payment is confirmed and verified on the Blockchain, you cannot change it.



Wallets On Our Exchange Platform

OUR UNIQUE WALLET PROVIDES 2 CRYPTO WALLETS ON OUR PLATFORM

Baap Wallet

This wallet runs on the cloud and is accessible from any computing device in any location. This wallet will allow you to convert from fiat to cryptocurrency and vice versa.



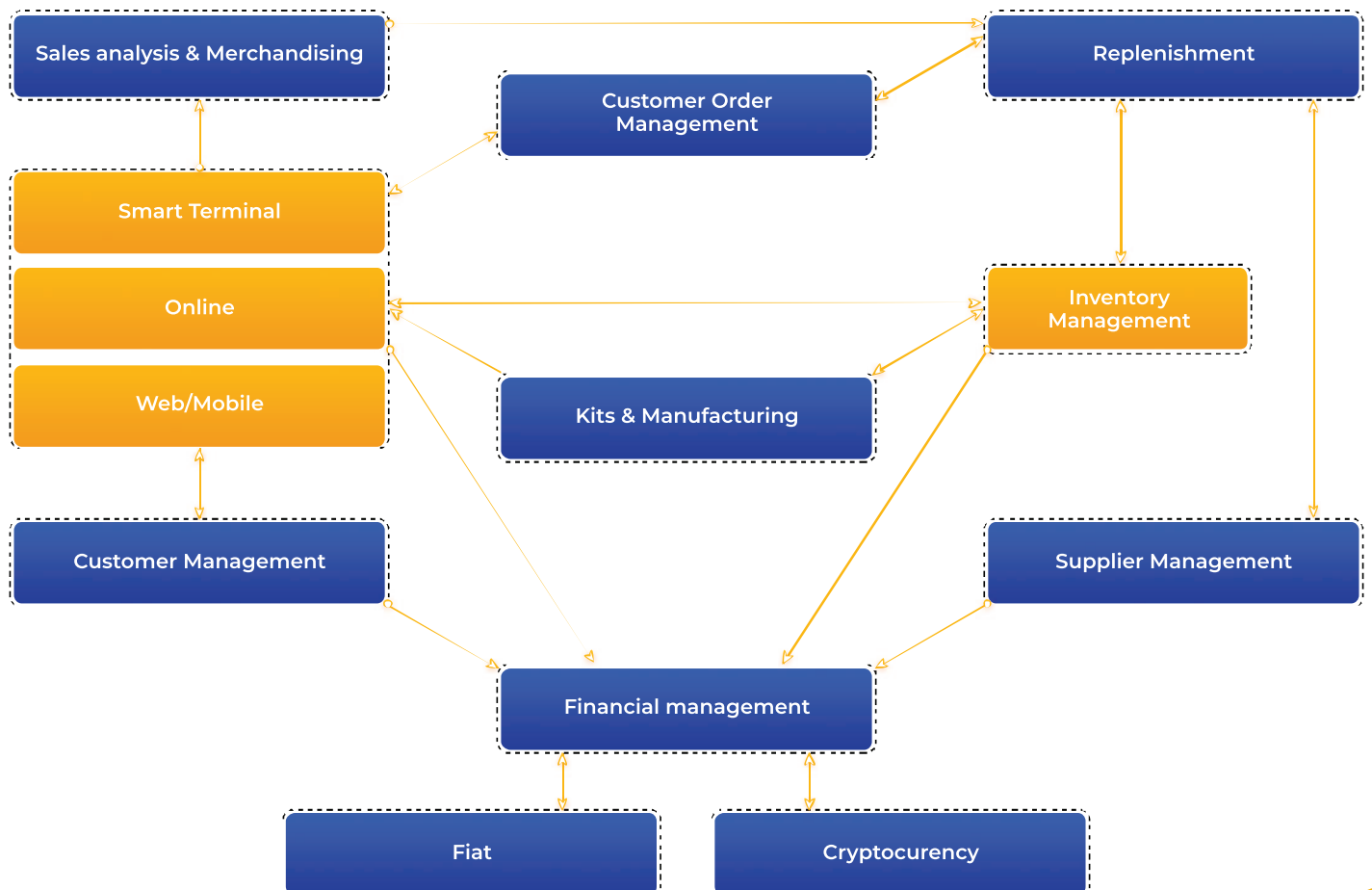
Customer private key wallet

In this wallet, only the customer would have access to the private keys. The wallet would be downloaded and installed onto either a PC, laptop, tablet or phone. The wallet is only accessible from the device that it is downloaded onto. This wallet could be paired with other devices, using the same private keys.

POINT OF SALE (POS) SYSTEM

Merchants will also have access to our fully integrated Point-of-Sale software, which could be accessed from a web browser, mobile or our smart terminal. This POS system is a fully integrated business management software. The most advance features in our POS system is that: it can account for sales, inventory, track employees, use multi-locations, loyalty tools, however, more importantly, it can accept fiat and cryptocurrency while integrating cryptocurrency transaction. Lastly, since BaapPOS is a cloud based software, all transactions can be viewed real-time using any device within the POS system.

BaapPOS System



COMPARISON OF WEB-BASED POINT OF SALE (POS) SOFTWARE CURRENTLY AVAILABLE IN THE MARKET

Features	BaapPos	Revel	Vend HQ	Lightspeed Retail	Quickbooks POS	Bindo POS	Shopify POS
Roughly equivalent monthly pricing	No Fee *	\$99	\$120	\$99	\$250	\$150	\$79
PCI Certified - Cloud & Hardware	Y	X	X	Y	X	X	X
Acceptance of Crypto Currency	Y	X	X	X	X	X	X
Convert Crypto to Fiat Currency	Y	X	X	X	X	X	X
Instant Confirmation of CryptoCurrency	Y	X	X	X	X	X	X
Exclusive focus on Retail/Services	Y	Y	X	X	X	X	X
Full off-line transactions	Y	X	X	X	X	X	X
Multi-store option	Y	X	Y	Y	Y	Y	X
Inventory Reporting Martix	Y	X	Y	Y	Y	Y	Y
No PC/MAC required for back-office/Cloud based	Y	X	X	Y	X	X	X
Spreadsheet and graphical reporting views	Y	Y	X	Y	X	X	X
Advanced reporting with business intelligence	X	X	Y	Y	X	X	X
Integrated barcode label printing	Y	X	X	Y	Y	Y	X
Automatic barcode creation	Y	X	X	Y	X	X	X
iPad and web-browser identical interface	Y	X	X	X	X	X	X
Employee performance leaderboard	X	X	X	Y	X	X	X
International: taxes, currency and language	Y	Y	Y	Y	X	X	X
Easy setup	Y	Y	X	Y	X	X	X

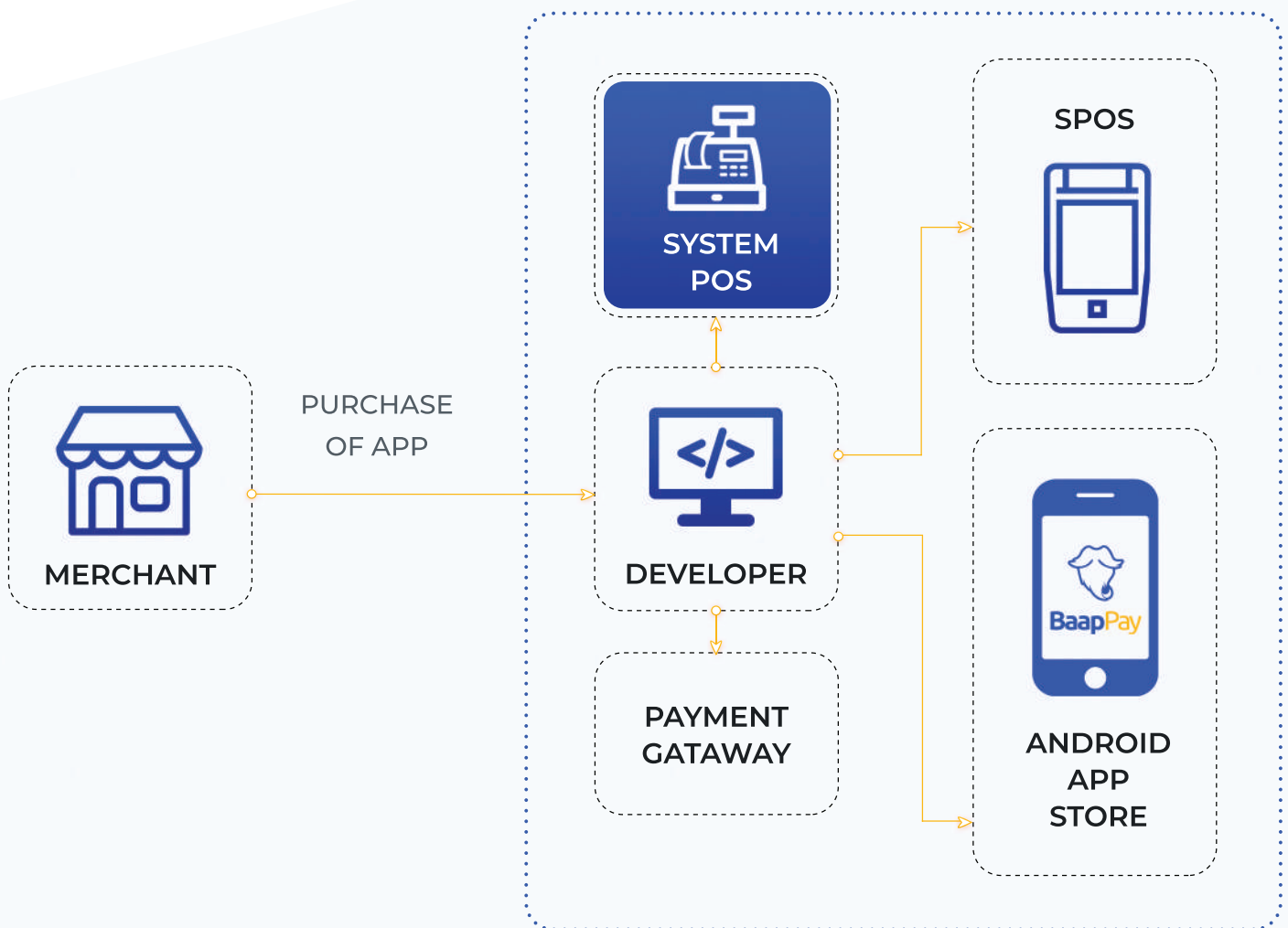
** If you are using our payment gateway service, otherwise \$19.99/month

APP WORLD

Want to develop your own app with BaapPay technology? BaapWorld is an App store that runs on Android, giving developers the ability to download our simple SDK to create apps and utilizes our devices functionalities. It also allows Merchants to have access to their favorite Android apps.

USING OUR COMPETITOR'S POS SOFTWARE ON OUR HARDWARE

Our platform also offers Merchants the scalability option to either use our POS software or our competitor's POS software that is available in our App store.



DEVICES



Smart POS

The SPOS is a Smart Payment Terminal, however, unlike traditional Payment Terminals, the SPOS Smart Terminal combines all aspects of a sale; register, payment and accounting into one Terminal. It comes equipped with a android-based 5.5-inch capacitive touch screen.

Features; GPS, Bluetooth, barcode scanner, built-in speakers, microphone, thermal printer, 6000mAh lithium battery, camera, QR code scanner and wifi-4G capabilities. This device accepts NFC, chip, swipe payment and is EMV & PCI certified. Giving it the ability to accept both Cryptocurrency and fiat payments.

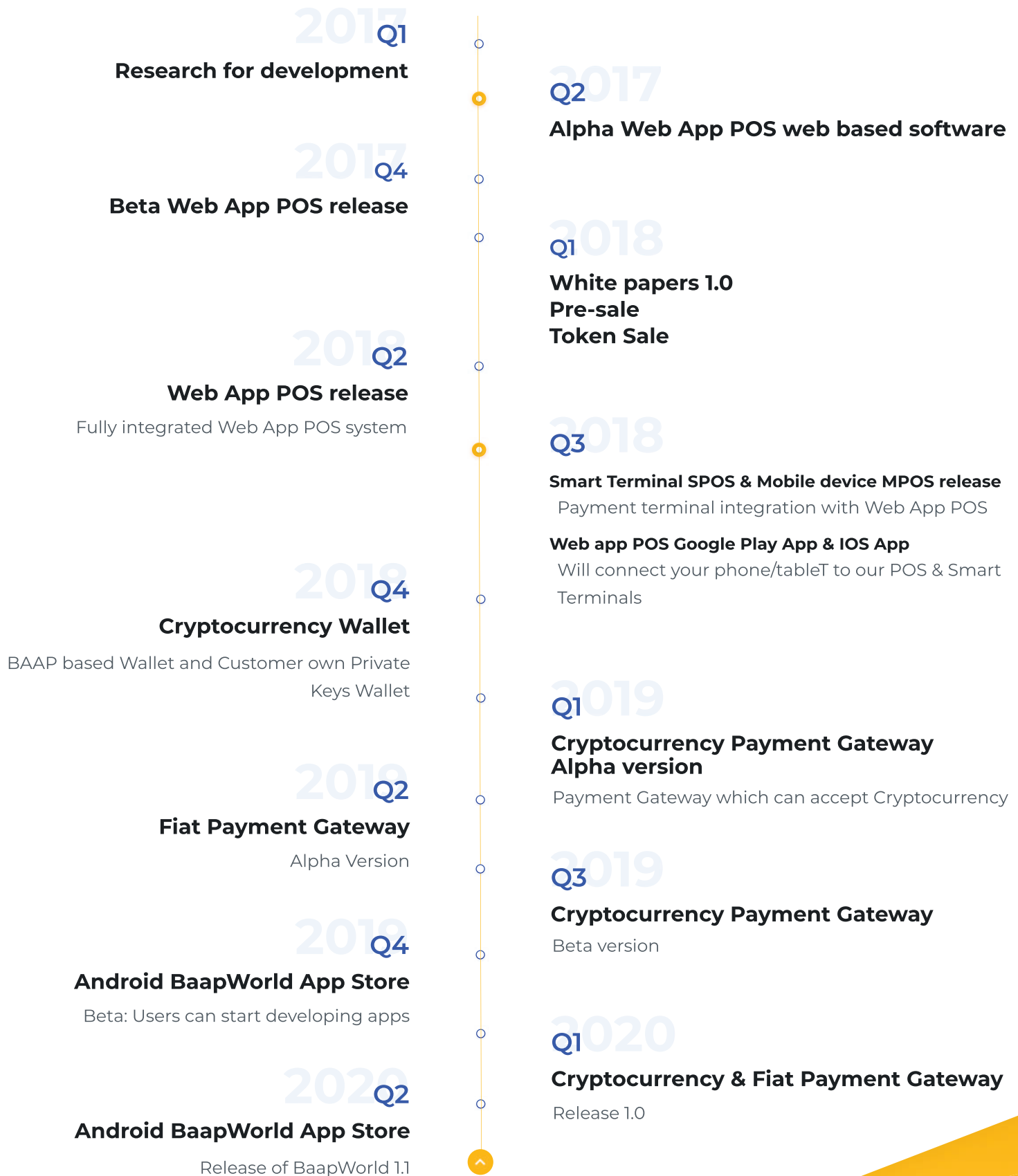
Mobile

BaapPay's MPOS, offers the security required by Visa and MasterCard and an efficient pricing system to allow for widespread adoption. This affordable mobile device will turn your desktop and mobile into a payment terminal so that you can both accept crypto and fiat.

Being PCI PTS 4.0, EMV L1 & L2 certified, MPOS keeps the sensitive transaction and personal data safe from the unyielding attempts of scams and frauds. In addition to accepting cryptocurrency, this device has the ability to accept Android Pay, Apple Pay Samsung Pay.



ROAD MAP



TOKEN



Merchants are not charged a fee with BAAP. Giving more incentives to accept our token.



Rewards, get points every time you use our coin



You can use our token in our BaapWorld app store



Use BAAP anywhere on our platform

To further advance and promote the platform, we will hold a token distribution, in which we will be offering 94 million BAAP tokens. The revenue from the token sale will be utilized for; promoting the POS software, integration of the smart terminals, further advancement of the cryptocurrency gateway including our two wallets, app store and fiat payment gateway.

NAME: BAAP TOKEN

SYMBOL: BAAP

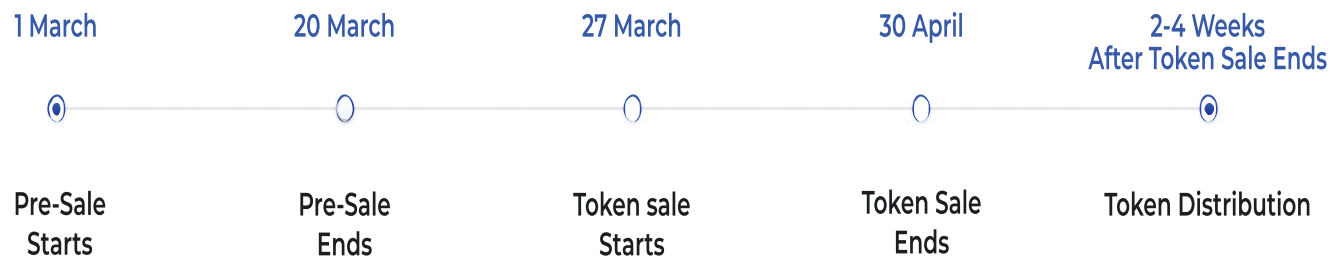
Platform: ERC 20

Official Website: <https://baapaytoken.com>

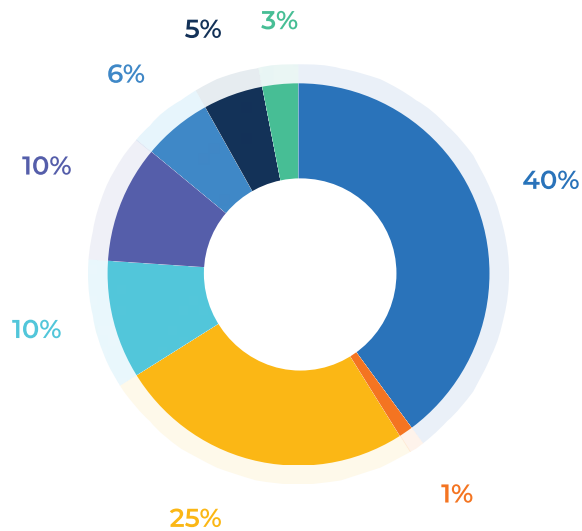
Email: hey@baapay.com

TOKEN SALE

Key Dates

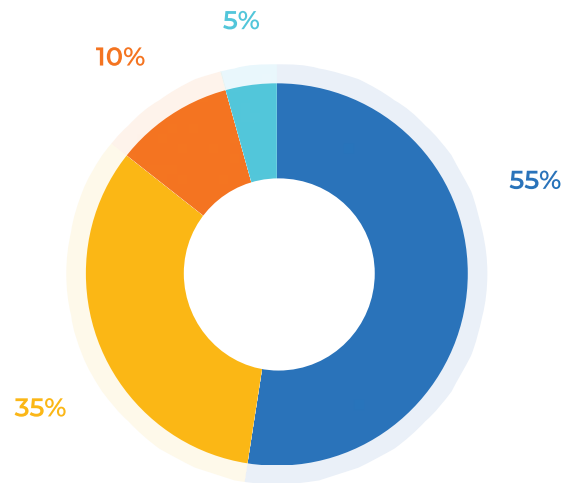


TOKEN ALLOCATION



Contributors in Pre-Token and Token Sale	40%
Bounty	1%
<i>Tokens that will be held for at least 6 months</i>	
Liquidity Pool	25%
Future development	10%
Founders and team	10%
Future and Startegic and Partnership	6%
Banking Partners/Payment Date Providers	5%
Advisors and Ambassadors	3%

FUND ALLOCATION



Platform Development	55%
Flat Payment Gateway	
Cryptocurrency Gateway	
App Store Platform	
POS	
Payment Termial Devices	
Marketing and customer acquisition	35%
Operational costs	10%
Legal	5%



BAAPPAY TOKENSALE TERMS AND CONDITIONS

This BaapPay Tokensale Terms and Conditions Agreement (this “Agreement”) contains the terms and conditions that govern your use and purchase of the BaapPay tokens distributed on the applicable blockchain, as determined from time to time (the “BaapPay Tokens”) and is an agreement between you or the entity that you represent (“Buyer” or “you”) and (“BaapPay”) (together with its parent company, subsidiaries and affiliates, “Company”). Buyer, BaapPay, and Company are herein referred to each individually as a “Party” and collectively, as the “Parties”.

NOW, THEREFORE, in consideration of the mutual representations, warranties and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Buyer hereby agree as follows:

PLEASE READ THIS SECTION AND THE FOLLOWING SECTIONS ENTITLED “DISCLAIMER OF LIABILITY”, “NO REPRESENTATIONS AND WARRANTIES”, “REPRESENTATIONS AND WARRANTIES BY YOU”, “CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS”, “MARKET AND INDUSTRY INFORMATION AND NO CONSENT OF OTHER PERSONS”, “NO ADVICE”, “NO FURTHER INFORMATION OR UPDATE”, “RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION”, “NO OFFER OF SECURITIES OR REGISTRATION” AND “RISKS AND UNCERTAINTIES” CAREFULLY.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S).

Buyer acknowledges, understands and agrees to the following:

- **MATTERS RELATING TO BaapPay SOFTWARE:** BaapPay is developing the BaapPay software (the “BaapPay Software”) as further described in the BaapPay White Paper (as it may be amended from time to time) (the “White Paper”); • **BINDING AGREEMENT:** Buyer understands and agrees that Buyer is subject to and bound by this Agreement by virtue of Buyer’s purchase of BaapPay Tokens.
- **NO U.S., CHINA, SINGAPORE OR CANADIAN PURCHASERS:** BaapPay Tokens are not being offered or distributed to U.S. persons or China persons or Singapore persons or Canadian persons (as defined below). You may not purchase, use, transfer ownership in, or possess any BaapPay Tokens if you are: (A) a citizen, resident of, or a person located or domiciled in the United States of America including its states, territories or the District of Columbia, or any entity, including, without limitation, any corporation or partnership created or organized in or under the laws of the United States of America,



any state or territory thereof or the District of Columbia (a “U.S. Person”) and green card holder; and/or (B) a citizen, resident of, or a person located or domiciled in Canada, including its provinces or territories, or any entity, including, without limitation, any corporation or partnership created or organized in or under the laws of Canada or any of its provinces or territories (a “Canadian Person”); (C) a citizen, resident of, or a person located or domiciled in China, including its provinces or territories, or any entity, including, without limitation, any corporation or partnership created or organized in or under the laws of China or any of its provinces or territories (a “China Person”); (D) a citizen, resident of, or a person located or domiciled in Singapore, including its provinces or territories, or any entity, including, without limitation, any corporation or partnership created or organized in or under the laws of Singapore or any of its provinces or territories (a “Singapore Person”).

- BaapPay TOKENS HAVE NO RIGHTS, USES OR ATTRIBUTES. The BaapPay Tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied, including, without limitation, any uses, purpose, attributes, functionalities or features. Company does not guarantee and is not representing in any way to Buyer that the BaapPay Tokens have any rights, uses, purpose, attributes, functionalities or features.
- PURCHASE OF BAAPPAY TOKENS ARE NON-REFUNDABLE AND PURCHASES CANNOT BE CANCELLED. BUYER MAY LOSE ALL AMOUNTS PAID.
- BAAPPAY TOKENS MAY HAVE NO VALUE.
- COMPANY RESERVES THE RIGHT TO REFUSE OR CANCEL BaapPay TOKEN PURCHASE REQUESTS AT ANY TIME IN ITS SOLE DISCRETION.
- PLEASE READ THE RISKS SET FORTH IN SECTION 7 CAREFULLY AND IN THEIR ENTIRETY.
- THIS AGREEMENT INCLUDES PRE-DISPUTE RESOLUTION IN SECTION 9.1 AND REQUIRES ARBITRATION IN SECTION 9.2.

ARTICLE ONE: ACCEPTANCE OF AGREEMENT AND PURCHASE OF BAAPPAY TOKENS



1.1. This Agreement shall be effective and binding on the Parties when Buyer: (a) clicks the check box on the official [BaapPay TOKEN PURCHASE WEBSITE ADDRESS] website (the “Website”) to indicate that Buyer has read, understands and agrees to the terms of this Agreement; or, if earlier (b) upon Company’s receipt of payment from Buyer. Buyer agrees to be bound on this basis, and confirms that Buyer has read in full and understands this Agreement and the terms on which Buyer is bound.

1.2. Website Terms of Use. Company has established Terms of Use, as may be amended from time to time, for the Website located at [BaapPay TOKEN PURCHASE WEBSITE ADDRESS], which are hereby incorporated by reference. Buyer has read, understands and agrees to those terms.

1.3. White Paper. Company has prepared the White Paper, which is available at [BaapPay TOKEN PURCHASE WEBSITE ADDRESS], describing matters relating to the BaapPay Software. The White Paper, as it may be amended from time to time, is hereby incorporated by reference. Buyer has read and understands the White Paper and its contents.

1.4. BaapPay Tokens.

- A. No Purpose. As mentioned above, the BaapPay Tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied. Although You may choose to trade BaapPay Tokens with other BaapPay Token users or other third parties, they are not an investment, currency, security, commodity, a swap on a currency, security or commodity or any other kind of financial instrument.
- B. Company’s Use of Proceeds. Buyer acknowledges and understands that the proceeds from the sale of the BaapPay Tokens will be utilized by Company in its sole discretion.

ARTICLE TWO: BAAPPAY TOKEN DISTRIBUTION

2.1. Allocation and Distribution of BaapPay Tokens. BaapPay intends to allocate and distribute BaapPay Tokens (the “BaapPay Token Distribution”) in accordance with the material specifications as set forth in Exhibit A to this Agreement which includes pricing of the BaapPay Token Distribution Tokens that will be distributed and other details. During the BaapPay Distribution Period, BaapPay will provide specific procedures on how Buyer should purchase BaapPay Tokens through the official Website. By purchasing BaapPay Tokens, Buyer acknowledges and understands and has no objection to such procedures and material specifications. Failure to use the official Website and follow such procedures may result in Buyer not receiving any BaapPay Tokens. Any buyer of BaapPay Tokens may lose some or all of the amounts paid in exchange for BaapPay Tokens, regardless of the purchase date. The access or use of the BaapPay Distribution Contract, access or use of the BaapPay Token Contract and/or the receipt or purchase of BaapPay Tokens through any other means other than the official



Website are not sanctioned or agreed to in any way by BaapPay or any other Party. Buyer should take great care that the website used to purchase BaapPay Tokens has the following universal resource locator (URL): <https://baapapaytoken.com>

2.2. No U.S. Buyers. The BaapPay Tokens are not being offered to U.S. Persons. U.S. Persons are strictly prohibited and restricted from using the BaapPay Distribution Contract, using the BaapPay Token Contract and/or purchasing BaapPay Tokens and Company is not soliciting purchases by U.S. Persons in any way. If a U.S. Person uses the BaapPay Distribution Contract, uses the BaapPay Token Contract and/or purchases BaapPay Tokens, such person has done so and entered into this Agreement on an unlawful, unauthorized and fraudulent basis and this Agreement is null and void. Company is not bound by this Agreement if this Agreement has been entered into by a U.S. Person as Buyer or Buyer has entered into this Agreement or has purchased BaapPay Tokens on behalf of a U.S. Person, and Company may take all necessary and appropriate actions, in its sole discretion, to invalidate this Agreement, including referral of information to the appropriate authorities. Any U.S. Person who uses the BaapPay Distribution Contract, uses the BaapPay Token Contract and/or purchases BaapPay Tokens or enters this Agreement on an unlawful, unauthorized or fraudulent basis shall be solely liable for, and shall indemnify, defend and hold harmless BaapPay and BaapPay's 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 and those of the Company (collectively, the "BaapPay Parties") from any damages, losses, liabilities, costs or expenses of any kind, whether direct or indirect, consequential, compensatory, incidental, actual, exemplary, punitive or special and including, without limitation, any loss of business, revenues, profits, data, use, goodwill or other intangible losses (collectively, the "Damages") incurred by a BaapPay Party that arises from or is a result of such U.S. Person's unlawful, unauthorized or fraudulent use of the Beluga Pay Distribution Contract, unauthorized use of the BaapPay Token Contract and/or the receipt or purchase of BaapPay Tokens.

2.3. No Canadian Buyers. The BaapPay Tokens are not being offered to Canadian Persons. Canadian Persons are strictly prohibited and restricted from using the BaapPay Distribution Contract, using the BaapPay Token Contract and/or purchasing BaapPay Tokens and Company is not soliciting purchases by Canadian Persons in any way. If a Canadian Persons uses the BaapPay Distribution Contract, uses the BaapPay Token Contract and/or purchases BaapPay Tokens, such person has done so and entered into this Agreement on an unlawful, unauthorized and fraudulent basis and this Agreement is null and void. Company is not bound by this Agreement if this Agreement has been entered into by a Canadian Persons as Buyer or Buyer has entered into this Agreement or has purchased BaapPay Tokens on behalf of a Canadian Persons, and Company may take all necessary and appropriate actions, in its sole discretion, to invalidate this Agreement, including referral of information to the appropriate authorities. Any Canadian Persons who uses the BaapPay Distribution Contract, uses the BaapPay Token Contract and/or purchases BaapPay Tokens or enters this Agreement on an unlawful,



unauthorized or fraudulent basis shall be solely liable for, and shall indemnify, defend and hold harmless BaapPay and BaapPay's 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 and those of the Company (collectively, the "BaapPay Parties") from any damages, losses, liabilities, costs or expenses of any kind, whether direct or indirect, consequential, compensatory, incidental, actual, exemplary, punitive or special and including, without limitation, any loss of business, revenues, profits, data, use, goodwill or other intangible losses (collectively, the "Damages") incurred by a BaapPay Party that arises from or is a result of such Canadian Person's unlawful, unauthorized or fraudulent use of the BaapPay Distribution Contract, unauthorized use of the BaapPay Token Contract and/or the receipt or purchase of BaapPay Tokens.

2.4. No Representations and Warranties. The BaapPay Tokens will be distributed to buyers thereof pursuant to the BaapPay Distribution Contract and the BaapPay Token Contract. None of BaapPay or any other entity making up the Company makes any representations or warranties, express or implied, including, without limitation, any warranties of title or implied warranties of merchantability or fitness for a particular purpose with respect to the BaapPay Distribution Contract, the BaapPay Token Contract or the BaapPay Tokens or their utility, or the ability of anyone to purchase or use the BaapPay Tokens. Without limiting the foregoing, none of the BaapPay Parties represent or warrant that the process of purchasing the BaapPay Tokens or receiving the BaapPay Tokens will be uninterrupted or error-free or that the BaapPay Tokens are reliable and error-free. As a result, Buyer acknowledges and understands that Buyer may never receive BaapPay Tokens and may lose the entire amount Buyer paid to Company. Buyer shall provide an accurate digital wallet address to Company for receipt of any BaapPay Tokens distributed to Buyer pursuant to the BaapPay Distribution Contract and the BaapPay Token Contract.

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

2.6. Not an Investment. Buyer should not participate in the BaapPay Token Distribution or purchase BaapPay Tokens for investment purposes. BaapPay Tokens are not designed for investment purposes and should not be considered as a type of investment. Within forty- eight (48) hours from the end of the BaapPay Distribution Period, all BaapPay Tokens will no longer be transferable and the BaapPay Token Contract will prevent all further transfers and public key



mappings. At this point, the distribution of BaapPay Tokens will be complete. Buyer acknowledges, understands and agrees that Buyer should not expect and there is no guarantee or representation or warranty by Company that: (a) the BaapPay Software will ever be adopted; (b) the BaapPay Software will be adopted as developed by BaapPay and not in a different or modified form; (c) a blockchain utilizing or adopting the BaapPay Software will ever be launched; and (d) a blockchain will ever be launched with or without changes to the BaapPay Software and with or without a distribution matching the fixed, non-transferable Beluga Pay Token balances. Furthermore, BaapPay Tokens will not have any functionality or rights on the BaapPay Platform and holding BaapPay Tokens is not a guarantee, representation or warranty that the holder will be able to use the BaapPay Platform, or receive any tokens utilized on the BaapPay Platform, even if the BaapPay Platform is launched and the BaapPay Software is adopted, of which there is no guarantee, representation or warranty made by Company.

2.7. Not for Speculation. Buyer acknowledges and agrees that Buyer is not purchasing BaapPay Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes.

ARTICLE THREE: NO OTHER RIGHTS CREATED

3.1. No Claim, Loan or Ownership Interest. The purchase of BaapPay Tokens (a) does not provide Buyer with rights of any form with respect to the Company or its revenues or assets, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights; (b) is not a loan to Company; and (c) does not provide Buyer with any ownership or other interest in Company.

3.2. Intellectual Property. Company retains all right, title and interest in all of Company's intellectual property, including, without limitation, inventions, ideas, concepts, code, discoveries, processes, marks, methods, software, compositions, formulae, techniques, information and data, whether or not patentable, copyrightable or protectable in trademark, and any trademarks, copyright or patents based thereon. Buyer may not use any of Company's intellectual property for any reason without Company's prior written consent.

ARTICLE FOUR: SECURITY AND DATA; TAXES

4.1. Security and Data Privacy.

- A. Buyer's Security. Buyer will implement reasonable and appropriate measures designed to secure access to: (i) any device associated with Buyer and utilized in connection with Buyer's purchase of BaapPay Tokens; (ii) private keys to Buyer's wallet or account; and (iii) any other username, passwords or other login or identifying credentials. In the event that Buyer is no longer in possession of Buyer's private keys or any device associated with Buyer's account or is not able to provide Buyer's login or identifying credentials,



Buyer may lose all of Buyer's BaapPay Tokens and/or access to Buyer's account. Company is under no obligation to recover any BaapPay Tokens and Buyer acknowledges, understands and agrees that all purchases of BaapPay Tokens are non-refundable and Buyer will not receive money or other compensation for any BaapPay Tokens purchased.

- B. Additional Information. Upon Company's request, Buyer will immediately provide to Company information and documents that Company, in its sole discretion, deems necessary or appropriate to comply with any laws, regulations, rules or agreements including without limitation judicial process. Such documents include, but are not limited to, passport, driver's license, utility bills, photographs of associated individuals, government identification cards, or sworn statements. Buyer consents to Company disclosing such information and documents in order to comply with applicable laws, regulations, rules or agreements. Buyer acknowledges that Company may refuse to distribute BaapPay Tokens to Buyer until such requested information is provided.

4.2. Taxes. Buyer acknowledges, understands and agrees that: (a) the purchase and receipt of BaapPay Tokens may have tax consequences for Buyer; (b) Buyer is solely responsible for Buyer's compliance with Buyer's tax obligations; and (c) Company bears no liability or responsibility with respect to any tax consequences to Buyer.

ARTICLE FIVE: REPRESENTATIONS AND WARRANTIES OF BUYER

By buying BaapPay Tokens, Buyer represents and warrants to each of the BaapPay Parties that:

5.1. Not a U.S. Person: Buyer is not a U.S. Person.

5.2. Not a Canadian Person: Buyer is not a Canadian Person.

5.3. Authority. Buyer has all requisite power and authority to execute and deliver this Agreement, to use the BaapPay Distribution Contract and the BaapPay Smart Contract, purchase BaapPay Tokens, and to carry out and perform its obligations under this Agreement. Buyer, and any third party having a direct or indirect beneficial interest in Buyer or BaapPay Tokens being acquired by Buyer, are legally able to purchase, use, transfer, and hold title to BaapPay Tokens in the applicable jurisdictions in which Buyer and such third party may purchase, use, transfer, and hold title to such BaapPay Tokens. Buyer further acknowledges and agrees that neither Buyer, nor any person having a direct or indirect beneficial interest in Buyer or BaapPay Tokens being acquired by Buyer, shall use funds, value, or other



consideration that was acquired or transferred from or to any jurisdiction in an illegal manner in the acquisition of any BaapPay Tokens.

- A. If an individual, Buyer is at least 18 years old and of sufficient legal age and capacity to purchase BaapPay Tokens.
- B. If a legal person, Buyer is duly organized, validly existing and in good standing under the laws of its domiciliary jurisdiction and each jurisdiction where it conducts business.

5.4. No Conflict. None of the execution, delivery and performance of this Agreement, or the purchase or use of BaapPay Tokens, will not result in any violation of, be in conflict with, or constitute a material default under, with or without the passage of time or the giving of notice: (a) any provision of Buyer's organizational documents, if applicable; (b) any provision of any judgment, decree or order to which Buyer is a party, by which it is bound, or to which any of its material assets are subject; (c) any material agreement, obligation, duty or commitment to which Buyer is a party or by which it is bound; or (d) any laws, regulations or rules applicable to Buyer.

5.5. No Consents or Approvals. The execution and delivery of, and performance under, this Agreement require no approval or other action from any governmental authority or person other than Buyer.

5.6. Buyer Knowledge and Risks of Project. Buyer has sufficient knowledge and experience in business and financial matters, including a sufficient understanding of blockchain or cryptographic tokens and other digital assets, smart contracts, storage mechanisms (such as digital or token wallets), blockchain-based software systems and blockchain technology, to be able to evaluate the risks and merits of Buyer's purchase of BaapPay Tokens, including but not limited, to the matters set forth in this Agreement, and is able to bear the risks thereof, including loss of all amounts paid, loss of BaapPay Tokens, and liability to the BaapPay Parties and others for its acts and omissions, including with limitation those constituting breach of this Agreement, negligence, fraud or willful misconduct. Buyer has obtained sufficient information in order to make an informed decision to purchase BaapPay Tokens.

5.7. Funds; Payments.

- A. Funds. The funds, including any fiat, virtual currency or cryptocurrency, Buyer uses to purchase BaapPay Tokens are not derived from or related to any unlawful activities, including but not limited to money laundering or terrorist financing, and Buyer will not use the BaapPay Tokens to finance, engage in, or otherwise support any unlawful activities.
- B. Payments. All payments by Buyer under this Agreement will be made only in Buyer's name, from a digital wallet or bank account not located in a country or territory that has



been designated as a “non-cooperative country or territory” by the Financial Action Task Force, and is not a “foreign shell bank” within the meaning of the U.S. Bank Secrecy Act (31 U.S.C. § 5311 et seq.), as amended, and the regulations promulgated thereunder by the Financial Crimes Enforcement Network, as such regulations may be amended from time to time, or any similar applicable Canadian law relating the Canadian Bank 6 Act or the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA).

5.8. Miscellaneous Regulatory Compliance. Anti-Money Laundering; Counter-Terrorism Financing. To the extent required by applicable law, Buyer complies with all anti-money laundering and counter- terrorism financing requirements. b. Sanctions Compliance. Neither Buyer, nor any person having a direct or indirect beneficial interest in Buyer or BaapPay Tokens being acquired by Buyer, or any person for whom Buyer is acting as agent or nominee in connection with BaapPay Tokens, is the subject of sanctions administered or enforced by any country or government (collectively, “Sanctions”) or is organized or resident in a country or territory that is the subject of country-wide or territory-wide Sanctions.

5.9. No Illegal Purposes. Neither Buyer, nor any person having a direct or indirect beneficial interest in Buyer or BaapPay Tokens being acquired by Buyer, shall use BaapPay Tokens for any illegal purpose or in any illegal manner.

ARTICLE SIX: DISCLAIMERS

6.1. Buyer expressly acknowledges, understands and agrees that Buyer is using the BaapPay Distribution Contract, the BaapPay Token Contract and purchasing BaapPay Tokens at the Buyer’s sole risk and that the BaapPay Distribution Contract, the BaapPay Token Contract and BaapPay Tokens are each provided, used and acquired on an “AS IS” and on an “AS AVAILABLE” basis without representations, warranties, promises or guarantees whatsoever of any kind by Company and Buyer shall rely on its own examination and investigation thereof.

6.2. No Representation or Warranty. (A) COMPANY DOES NOT MAKE AND EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED OR STATUTORY; AND (B) WITH RESPECT TO THE BAAPPAY DISTRIBUTION CONTRACT, THE BAAPPAY TOKEN CONTRACT AND THE BAAPPAY TOKENS, COMPANY SPECIFICALLY DOES NOT REPRESENT AND WARRANT AND EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATIONS OR WARRANTIES OF TITLE, NON- INFRINGEMENT, MERCHANTABILITY, USAGE, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, OR AS TO THE WORKMANSHIP OR TECHNICAL CODING THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT.



ARTICLE SEVEN: RISKS

BAAP PAY TOKENS MAY HAVE NO VALUE. BUYER MAY LOSE ALL AMOUNTS PAID.

Buyer has carefully reviewed, acknowledges, understands and assumes the following risks, as well as all other risks associated with the BaapPay Tokens (including those not discussed herein), all of which could render the BaapPay Tokens worthless or of little value:

7.1. No Rights, Functionality or Features. BaapPay Tokens have no rights, uses, purpose, attributes, functionalities or features, express or implied. Beluga Pay Tokens do not entitle holders to participate on the BaapPay Platform, even if the BaapPay Platform is launched and the BaapPay Software development is finished and the BaapPay Software is adopted and implemented.

7.2. BaapPay Platform. Buyer should not purchase BaapPay Tokens in reliance on the BaapPay Platform because BaapPay Tokens are not usable on the BaapPay Platform and do not entitle Buyer to anything with respect to the BaapPay Platform.

7.3. Purchase Price Risk. The distribution of BaapPay Tokens will occur at the end of each set period during the BaapPay Distribution Period. The purchase price a buyer receives for BaapPay Tokens depends upon the actions of all other users in respect of to the BaapPay Token Contract during the same period. Other user acts in respect of the BaapPay Token Contract during the same period receives the same price per BaapPay Token. It is possible for other people to commit acts after Buyer has acquired BaapPay Tokens and dramatically impact the price Buyer and everyone else pays per BaapPay Token received. There are no guarantees as to the price of BaapPay Tokens purchased by Buyer and no guarantees that the price per BaapPay Token determined each period by the market will be equal to or higher in the subsequent periods of the BaapPay Distribution Period. There is the possibility that the price per BaapPay Token in subsequent periods of the BaapPay Distribution Period falls below the price paid by initial buyers of BaapPay Tokens during the BaapPay Distribution Period. BaapPay reserves the right to change the duration of the BaapPay Distribution Period for any reason, including, without limitation, bugs in the BaapPay Distribution Contract or the BaapPay Token Contract or the unavailability of the Website or other unforeseen procedural or security issues.

7.4. Blockchain Delay Risk. On the Ethereum blockchain, timing of block production is determined by proof of work so block production can occur at random times. For example, consideration contributed to the BaapPay Smart Contract in the final seconds of a distribution period may not get included for that period. Buyer acknowledges and understands that the Ethereum blockchain may not include the Buyer's transaction at the time Buyer expects and Buyer may not receive BaapPay Tokens the same day Buyer purchases BaapPay Tokens.



7.5. Ability to Transact or Resell. Buyer may be unable to sell or otherwise transact in BaapPay Tokens at any time, or for the price Buyer paid. By using the BaapPay Distribution Contract or the BaapPay Token Contract or by purchasing BaapPay Tokens, Buyer acknowledges, understands and agrees that: (a) BaapPay Tokens may have no value; (b) there is no guarantee or representation of liquidity for the BaapPay Tokens; and (c) the BaapPay Parties are not and shall not be responsible for or liable for the market value of BaapPay Tokens, the transferability and/or liquidity of BaapPay Tokens and/or the availability of any market for BaapPay Tokens through third parties or otherwise.

7.6. Token Security. BaapPay Tokens may be subject to expropriation and or/theft. Hackers or other malicious groups or organizations may attempt to interfere with the BaapPay Distribution Contract, the BaapPay Token Contract or the BaapPay Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus- based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the platform rests on open source software and BaapPay Tokens are based on open source software, there is the risk that smart contracts may contain intentional or unintentional bugs or weaknesses which may negatively affect the BaapPay Tokens or result in the loss of Buyer's BaapPay Tokens, the loss of Buyer's ability to access or control Buyer's BaapPay Tokens or the loss of BaapPay Tokens in Buyer's account. In the event of such a software bug or weakness, there may be no remedy and holders of BaapPay Tokens are not guaranteed any remedy, refund or compensation.

7.7. Access to Private Keys. Baap Pay Tokens purchased by Buyer may be held by Buyer in Buyer's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Buyer's digital wallet or vault storing BaapPay Tokens will result in loss of such Beluga Pay Tokens, access to Buyer's BaapPay Token balance and/or any initial balances in blockchains created by third parties. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Buyer uses, may be able to misappropriate Buyer's BaapPay Tokens. Company is not responsible for any such losses.

7.8. BaapPay Tokens Will Become Non-Transferable. Buyer acknowledges and understands that BaapPay Tokens will become non-transferrable until March 31, 2018. Terms are subject to change.

7.9. New Technology. The BaapPay Software and the BaapPay Platform and all of the matters set forth in the White Paper are new and untested. The BaapPay Software might not be capable of completion, implementation or adoption. It is possible that no blockchain utilizing the BaapPay Software will be ever be launched and there may never be and operational Baapay Platform. Buyer should not rely on the BaapPay Software or the ability to receive tokens associated with the BaapPay Platform in the future. Even if the BaapPay Software is completed, implemented and adopted, it might not function as intended, and any tokens associated with a blockchain adopting the BaapPay Software may not have functionality that is desirable or



valuable. Also, technology is changing rapidly, so the BaapPay Tokens and any tokens transferable on the BaapPay Platform may become outdated.

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

7.11. Failure to Map a Public Key to Buyer's Account. Failure of Buyer to map a public key to Buyer's account may result in third parties being unable to recognize Buyer's BaapPay Token balance on the blockchain when and if they configure the initial balances of a new blockchain based upon the BaapPay Software of which Company makes no representation or guarantee.

7.12. Exchange & Counterparty Risks. If Buyer sends value or other consideration to the BaapPay Token Contract from an exchange or an account that Buyer does not control, pursuant to the BaapPay Token Contract, BaapPay Tokens will be allocated to the account that has sent such value or consideration; therefore, Buyer may never receive or be able to recover Buyer's BaapPay Tokens. Furthermore, if Buyer chooses to maintain or hold BaapPay Tokens through a cryptocurrency exchange or other third party, Buyer's BaapPay Tokens may be stolen or lost. In addition, third parties may not recognize Buyer's claim to any derivative tokens if and when launched by third parties according to the distribution rules set in the BaapPay Software. By using the BaapPay Distribution Contract, using the BaapPay Token Contract and/or by purchasing BaapPay Tokens, Buyer acknowledges and agrees that Buyer sends value or consideration to the BaapPay Token Contract through an exchange account and/or holds BaapPay Tokens on a cryptocurrency exchange or with another third party at Buyer's own and sole risk.

7.13. Changes to the BaapPay Software. The BaapPay Software is still under development and may undergo significant changes overtime. Although Company intends for the BaapPay Software to have the features and specifications set forth in the White Paper, Company may make changes to such features and specifications for any number of reasons, and any party that adopts the BaapPay Software and launches the BaapPay Platform also may make changes, any of which may mean that the BaapPay Platform does not meet Buyer's expectations.

7.14. Risk of Alternative Blockchains based on BaapPay Software. The Baap Pay Software will not likely be licensed under an open source license until after the end of the BaapPay Distribution Period; however, it is possible somebody will not respect the BaapPay Software copyright or will modify the BaapPay Software after it has been released under an open source license. Therefore, it is possible for someone to utilize the BaapPay Software to build and launch blockchain protocols using a token distribution other than the one intended for the



BaapPay Tokens pursuant to the BaapPay Software both prior to or after the BaapPay Software has become licensed as open source.

7.15. Risk of Lack of Transferability in Blockchain Cryptographic Token. The BaapPay Software is built such that any blockchain that adopts the BaapPay Software will require approval of holders of a predetermined minimum threshold number of the total issued and outstanding BaapPay Tokens before tokens on such blockchain (the “Blockchain Tokens”) can be transferred. In other words, if the BaapPay Software is adopted, it will be the responsibility of holders holding at least said predetermined number of the issued and outstanding BaapPay Tokens to adopt one or more blockchains in order for Blockchain Tokens received on such blockchains to be transferable. Buyer acknowledges, understands and agrees that if the BaapPay Software is adopted and the requisite vote described above is not obtained, Buyer may not be able to transfer any Blockchain Tokens Buyer receives.

7.16. Project Completion. The development of the BaapPay Software may be abandoned for a number of reasons, including, but not limited to, lack of interest from the public, lack of funding, lack of commercial success or prospects, or departure of key personnel.

7.17. Lack of Interest. Even if the BaapPay Software is finished and adopted and the BaapPay Platform is launched, the ongoing success of the BaapPay Platform relies on the interest and participation of third parties like developers. There can be no assurance or guarantee that there will be sufficient interest or participation in the BaapPay Platform.

7.18. Uncertain Regulatory Framework. The regulatory status of cryptographic tokens, digital assets and blockchain technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether governmental authorities will regulate such technologies. It is likewise difficult to predict how or whether any governmental authority may make changes to existing laws, regulations and/or rules that will affect cryptographic tokens, digital assets, blockchain technology and its applications. Such changes could negatively impact BaapPay Tokens in various ways, including, for example, through a determination that BaapPay Tokens are regulated financial instruments that require registration. Company may cease the distribution of BaapPay Tokens, the development of the BaapPay Software or cease operations in a jurisdiction in the event that governmental actions make it unlawful or commercially undesirable to continue to do so. The Buyer accepts such risk entirely and agrees that it is solely liable, and the Company shall have no liability to Buyer whatsoever, in respect of any fine, sanction, or penalty imposed on Buyer or any entity related thereto by any governmental authority in any country

7.19. Risk of Government Action. As noted above, the industry in which Company operates is new, and may be subject to heightened oversight and scrutiny, including investigations or



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

ARTICLE EIGHT: LIMITATION OF LIABILITY; INDEMNIFICATION

8.1. Limitation of Liability. To the fullest extent permitted by applicable law, Buyer disclaims any right or cause of action against the BaapPay Parties of any kind in any jurisdiction that would give rise to any Damages whatsoever, on the part of any BaapPay Party. Each of the BaapPay Parties shall not be liable to Buyer for any type of Damages, even if and notwithstanding the extent a BaapPay Party has been advised of the possibility of such Damages. Buyer agrees not to seek any refund, compensation or reimbursement from a BaapPay Party, regardless of the reason, and regardless of whether the reason is identified in this Agreement.

8.2. Damages. In no circumstances will the aggregate joint liability of the BaapPay Parties, whether in contract, warrant, tort or other theory, for Damages to Buyer under this Agreement exceed the amount received by Company from Buyer.

8.3. Force Majeure. Buyer understands and agrees that Company shall not be liable and disclaims all liability to Buyer in connection with any force majeure event, including acts of God, labour disputes or other industrial disturbances, electrical, telecommunications, hardware, software or other utility failures, software or smart contract bugs or weaknesses, earthquakes, storms, or other nature-related events, blockages, embargoes, riots, acts or orders of government, acts of terrorism or war, technological change, changes in interest rates or other monetary conditions, and, for the avoidance of doubt, changes to any blockchain-related protocol.

8.4. Release. To the fullest extent permitted by applicable law, Buyer releases the BaapPay 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 disputes between Buyer and the acts or omissions of third parties.

8.5. Indemnification.

- A. To the fullest extent permitted by applicable law, Buyer will indemnify, defend and hold harmless and reimburse the BaapPay Parties from and against any and all actions,



proceedings, claims, Damages, demands and actions (including without limitation fees and expenses of counsel), incurred by a BaapPay Party arising from or relating to: (i) Buyer's purchase or use of BaapPay Tokens; (ii) Buyer's responsibilities or obligations under this Agreement; (iii) Buyer's breach of or violation of this Agreement; (iv) any inaccuracy in any representation or warranty of Buyer; (v) Buyer's violation of any rights of any other person or entity; and/or (vi) any act or omission of Buyer that is negligent, unlawful or constitutes willful misconduct.

- B. Company reserves the right to exercise sole control over the defense, at Buyer's expense, of any claim subject to indemnification under this Section 8.5. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between Buyer and Company.

ARTICLE NINE: DISPUTE RESOLUTION

9.1. Informal Dispute Resolution. Buyer and Company shall cooperate in good faith to resolve any dispute, controversy or claim arising out of, relating to or in connection with this Agreement, including with respect to the formation, applicability, breach, termination, validity or enforceability thereof (a "Dispute"). If the Parties are unable to resolve a Dispute within ninety (90) days of notice of such Dispute being received by all Parties, such Dispute shall be finally settled by Binding Arbitration as defined in Section 9.2 below.

9.2. Binding Arbitration. Any Dispute not resolved within 90 days as set forth in Section 9.1 shall be referred to and finally resolved by arbitration under the London Court of International Arbitration (LCIA) rules in effect at the time of the arbitration, except as they may be modified herein or by mutual agreement of the Parties. The number of arbitrators shall be one who shall be selected by Company. The seat, or legal place, of arbitration shall be London, England. The language to be used in the arbitral proceedings shall be English. The governing law of the Agreement shall be as set forth in Section 10.1 herein. The arbitration award shall be final and binding on the Parties ("Binding Arbitration"). The Parties undertake to carry out any award without delay and waive their right to any form of recourse insofar as such waiver can validly be made. Judgment upon the award may be entered by any court having jurisdiction thereof or having jurisdiction over the relevant Party or its assets. Company and Buyer will each pay their respective attorneys' fees and expenses. Notwithstanding the foregoing, Company reserves the right, in its sole and exclusive discretion, to assume responsibility for any or all of the costs of the arbitration.

9.3. No Class Arbitrations. Class Actions or Representative Actions. Any dispute arising out of or related to this Agreement is personal to Buyer and Company 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.

ARTICLE TEN: MISCELLANEOUS

10.1. Governing Law and Venue. This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the laws of the Dominica, without giving effect to its principles or rules of conflict of laws, to the extent such principles or rules are not mandatorily applicable by statute and would permit or require the application of the laws of another jurisdiction.

10.2. Assignment. Buyer shall not assign this Agreement without the prior written consent of BaapPay. Any assignment or transfer in violation of this Section 10.2 will be void. Company may assign this Agreement to an affiliate. Subject to the foregoing, this Agreement, and the rights and obligations of the Parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives.

10.3. Entire Agreement. This Agreement, including the exhibits attached hereto and the materials incorporated herein by reference, constitutes the entire agreement between the Parties and supersedes all prior or contemporaneous agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof, including, without limitation, any public or other statements or presentations made by any BaapPay Party about the BaapPay Tokens, the BaapPay Software, the BaapPay Platform, Blockchain Tokens or any other tokens on the BaapPay Platform.

10.4. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable for any reason, the provision shall be modified to make it valid and, to the extent possible, effectuate the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

10.5. Modification of Agreement. Company may modify this Agreement at any time by posting a revised version on the Website, available at <https://baapaytoken.com>. The modified terms will become effective upon posting. It is Buyer's responsibility to check the Website regularly for modifications to this 11 Agreement. This Agreement was last modified on the date listed at the beginning of this Agreement.

10.6. Termination of Agreement: Survival. This Agreement will terminate upon the completion of all sales in the BaapPay Token Distribution. Company reserves the right to terminate this Agreement, in its sole discretion, in the event that Buyer breaches this Agreement. Upon termination of this Agreement: (a) all of Buyer's rights under this Agreement immediately



terminate; (b) Buyer is not entitled to a refund of any amount paid; and (c) Articles 3, 4, 6, 7, 8, 9, and 10 will continue to apply in accordance with their terms.

10.7. No Waivers. The failure by Company to exercise or enforce any right or provision of this Agreement will not constitute a present or future waiver of such right or provision nor limit Company's right to enforce such right or provision at a later time. All waivers by Company must be unequivocal and in writing to be effective.

10.8. No Partnership; No Agency; No Third Party Beneficiaries. Nothing in this Agreement and no action taken by the Parties shall constitute, or be deemed to constitute, a partnership, association, joint venture or other cooperative entity between the Parties. Nothing in this Agreement and no action taken by the Parties pursuant to this Agreement shall constitute, or be deemed to constitute, either Party the agent of the other Party for any purpose. No Party has, pursuant to this Agreement, any authority or power to bind or to contract in the name of the other Party. This Agreement does not create any third party beneficiary rights in any person.

10.9. Electronic Communications. Buyer agrees and acknowledges that all agreements, notices, disclosures and other communications that Company provides Buyer pursuant to this Agreement or in connection with or related to Buyer's purchase of BaapPay Tokens, including this Agreement, may be provided by Company, in its sole discretion, to Buyer, in electronic form.

EXHIBIT A

BAAPPAY TOKEN DISTRIBUTION

NAME: BAAP TOKEN

Platform: ERC 20

Official website: <https://baapaytoken.com>

email: hey@baapaytoken.com