

TERMS AND CONDITIONS

for users acquiring Suncontract Tokens

June 2017

READ THESE TERMS AND CONDITIONS ("**Terms**") CAREFULLY BEFORE USING THE SERVICES DESCRIBED HEREIN. BY UTILIZING THE WEBSITE LOCATED AT <https://suncontract.org/> ("**Website**") AND PRODUCTS OFFERED THEREIN, YOU ACKNOWLEDGE THAT YOU HAVE READ THESE TERMS AND CONDITIONS AND THAT YOU AGREE TO BE BOUND BY THEM. IF YOU DO NOT AGREE TO ALL OF THE TERMS AND CONDITIONS UNDER THIS AGREEMENT, YOU ARE NOT AN AUTHORIZED USER OF THESE SERVICES AND YOU SHOULD NOT USE THIS WEBSITE NOR ITS PRODUCTS/SERVICES. "YOU" SHALL BE CONSTRUED AS REFERRING TO YOURSELF OR THE ENTITY YOU REPRESENT.

Suncontract RESERVES THE RIGHT TO CHANGE, MODIFY, ADD OR REMOVE PORTIONS OF THESE TERMS AT ANY TIME FOR ANY REASON WITHOUT YOUR CONSENT. WE SUGGEST THAT YOU REVIEW THESE TERMS PERIODICALLY FOR CHANGES. SUCH CHANGES SHALL BE EFFECTIVE IMMEDIATELY UPON POSTING ON THE WEBSITE. YOU ACKNOWLEDGE THAT BY ACCESSING OUR WEBSITE AFTER WE HAVE POSTED CHANGES TO THESE TERMS, YOU ARE AGREEING TO THE MODIFIED TERMS. IN PARTICULAR, Suncontract IS LIKELY TO CHANGE THESE TERMS AFTER THE DEVELOPMENT OF THE PRODUCTS ("**Platform**") AND THEIR PUBLIC RELEASE. THESE TERMS ARE MOSTLY FOCUSED ON THE DISTRIBUTION OF Suncontract TOKENS.

THIS DOCUMENT OR ANY OTHER DOCUMENT, PRODUCED AND SIGNED BY Suncontract, DOES NOT CONSTITUTE AN OFFER, SOLICITATION OR ADVICE TO SELL OR INVEST IN SHARES OR SECURITIES IN Suncontract OR THE WEBSITE OR THE PRODUCTS OFFERED THERETO. NONE OF THE INFORMATION OR ANALYSES PRESENTED ARE INTENDED TO FORM THE BASIS FOR ANY INVESTMENT DECISION, AND NO SPECIFIC RECOMMENDATIONS ARE INTENDED, AND Suncontract's SERVICES AND THE WEBSITE ARE NOT, DO NOT OFFER AND SHALL NOT BE CONSTRUED AS INVESTMENT OR FINANCIAL PRODUCTS, BUT AS SOFTWARE.

ACCORDINGLY, ANY ACQUISITION OF CRYPTOGRAPHIC TOKENS FROM Suncontract DOES NOT PRESENT AN EXCHANGE OF CRYPTOCURRENCIES FOR ANY FORM OF ORDINARY SHARES IN Suncontract OR THE WEBSITE, AND HOLDER OF ANY CRYPTOGRAPHIC TOKENS, ISSUED BY Suncontract IS NOT ENTITLED TO ANY

GUARANTEED FORM OF DIVIDEND OR OTHER REVENUE RIGHT. HOLDERS OF Suncontract CRYPTOGRAPHIC TOKENS ARE ONLY ENTITLED TO THE USE OF THE PLATFORM AND SOFTWARE AND CERTAIN OTHER RIGHTS WITHIN THE PLATFORM IN ACCORDANCE WITH THE TERMS SET OUT HEREIN.

Suncontract CRYPTOGRAPHIC TOKENS ARE AVAILABLE TO USERS IN EXCHANGE FOR CERTAIN OTHER CRYPTOGRAPHIC TOKENS AND Suncontract DOES NOT, CURRENTLY PROVIDE EXCHANGE OF Suncontract CRYPTOGRAPHIC TOKENS FOR FIAT CURRENCY. Suncontract ALSO DOES NOT PROVIDE CUSTODIAL OR WALLET SERVICES FOR THE TOKENS.

ANY PERSON OR ENTITY, INCLUDING ANYONE ACTING ON ITS BEHALF, BEING BASED, DOMICILED, LOCATED OR INCORPORATED IN THE UNITED STATES OF AMERICA AND ANY OF ITS LANDS, SHALL NOT USE THE WEBSITE OR Suncontract TOKENS AND SHALL LEAVE THIS WEBSITE IMMEDIATELY. Suncontract SHALL NOT BE RESPONSIBLE FOR FRAUDULENT, DECEPTIVE OR OTHERWISE MALICIOUS USE OF ANY TOOLS WHATSOEVER BY PERSONS OR ENTITIES BASED, DOMICILED, LOCATED OR INCORPORATED IN THE UNITED STATES OF AMERICA AND ANY OF ITS LANDS TO USE THE WEBSITE OR Suncontract TOKENS UNDER THE SEMBLANCE OF PROVENANCE FROM ANY OTHER COUNTRY OR JURISDICTION OUTSIDE THE UNITED STATES OF AMERICA AND ANY OF ITS LANDS.

Suncontract EXPRESSLY DISCLAIMS ANY AND ALL RESPONSIBILITY FOR ANY DIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND WHATSOEVER ARISING DIRECTLY OR INDIRECTLY FROM: (I) RELIANCE ON ANY INFORMATION CONTAINED IN THIS DOCUMENT, (II) ANY ERROR, OMISSION OR INACCURACY IN ANY SUCH INFORMATION OR (III) ANY ACTION RESULTING THEREFROM, (IV) USAGE OR ACQUISITION OF PRODUCTS, AVAILABLE THROUGH THE WEBSITE.

1. TERMS

1.1 The following terms shall have for the purposes of these General terms and conditions the following meanings.

- (a) **"Agreement"** means these terms and conditions, including Schedule A.
- (b) **"Digital Asset"** are tokens, available on a particular public blockchain network, which includes Ether.
- (c) **"ETH"** or **"Ether"** shall mean the value token on the Ethereum blockchain called "ether".
- (d) **"Ethereum"** shall mean an open-source, public, blockchain-based distributed computing platform featuring smart contract (scripting)

functionality.

- (e) **“European Economic Area”** or **“EEA”** shall mean all EU countries and in addition Iceland, Liechtenstein and Norway.
- (f) **“Founders”** shall have the meaning set out in paragraph 4.3(b).
- (g) **“Maximum Threshold”** has the meaning set out in paragraph 4.10
- (h) **“Minimum Threshold”** has the meaning set out in paragraph 4.9
- (i) **“Platform”** shall have the meaning set out in paragraph 2.1.
- (j) **“Project”** shall have the meaning set out in section 2.
- (k) **“Restricted Areas”** shall have the meaning set out in paragraph 6.1.
- (l) **“SNC”** means Suncontract Token as set out in paragraph 2.3.
- (m) **“Suncontract IP”** has the meaning, set out in paragraph 12.1.
- (n) **“Terms”** means these General Terms and Conditions.
- (o) **“Third-party Wallet”** is a solution, enabling users to store their Digital Assets and SNCs.
- (p) **“Total SNC Number”** shall have the meaning, set out in paragraph 4.2.
- (q) **“User(s)”** shall mean any person, whether natural or legal, accessing the Website, or directly/indirectly making use of the Project, or the Platform, or SNCs.
- (r) **“VAT”** means value added tax of relevant jurisdiction(s), if applicable.
- (s) **“Website”** shall mean <http://www.suncontract.org>.

2. THE PROJECT

- 2.1 The aim of Suncontract is to develop and deploy a platform for the pooling of energy resources, with particular focus on renewable energy resources, hence directly connecting power producers and power consumers on the blockchain through the use of smart contracts (**“Platform”**).
- 2.2 Suncontract’s goal is to develop the software Platform on a supranational plane, targeting producers and consumers in the energy sector and connecting them together through the use of the blockchain and smart contracts.
- 2.3 Suncontract Platform integral element shall be the Suncontract Token (**“SNC”**) and its purpose is:
 - (a) distribution of SNCs in accordance with the terms set out herein will

- enable Suncontract to secure sufficient resources for the development and deployment of the Platform,
 - (b) SNCs shall be used as utility tokens to access the Platform. Projects will be required to pay the fee for Suncontract services to Suncontract in SNCs; experts and advisors will be requested to deliver some SNCs in order to provide their services through the Platform;
 - (c) SNCs shall be the predominant means of payment for the Platform services,
 - (d) SNCs shall NOT be construed as granting any legal governance rights of Suncontract, such as voting in the annual general meeting, other statutory rights, rights to dividends or profits and similar.
- 2.4 Suncontract is entitled to charge fees for using the Platform and the decision on such fees is in Suncontract's sole discretion. The fees may include, but shall not be limited to the following:
- (a) charging each project a certain amount of SNCs,
 - (b) charge a transaction fee for payments among stakeholders on the Platform.
- 2.5 Suncontract undertakes that the Fee Schedule shall be published on the Website at any given time, and users accepting these Terms agree that the fees published on the Website are valid and fully-binding; so however that any change of the fees shall not in any way affect these Terms.
- 2.6 The Platform shall be developed and run on the Ethereum blockchain.
- 2.7 The Project does not encompass and Suncontract is not a provider of:
- (a) exchange services between virtual currencies and fiat currencies,
 - (b) wallet or custodial services of credentials necessary to access virtual currencies.
- 2.8 Users understand and accept that the Project is currently in alpha development phase and that it still requires substantial development works. Due to unforeseeable material, conceptual, technical, regulatory and commercial changes before the final release, or any time after the release of the Platform, User understands and accepts that an upgrade of Platform and/or SNC tokens may be required (including a hard-fork of SNC) and that if User decides not to participate in such upgrade, he may no longer use his SNCs and that non-upgraded SNCs may lose their functionality in full.
- 2.9 Choice of other projects and advisors able to access the Platform is subject to requirements and conditions, set out by Suncontract at its sole own discretion.

3. **SNC STRUCTURE AND PERTAINING HOLDERS' RIGHTS**

- 3.1 SNC will be an ERC-20 standard Ethereum token.
- 3.2 The SNC token smart contract address will be published in due time prior to SNC distribution.
- 3.3 SNC tokens carry no rights, express or implied, other than those set out herein.
- 3.4 SNC tokens are designed to be exchangeable on cryptographic token exchanges. Suncontract gives no warranties that SNC tokens will be exchangeable on such exchanges, but undertakes on a best effort basis to do everything that is reasonable possible and within the powers of Suncontract to enable exchange of SNC tokens on as many exchanges as possible.

4. **SNC TOKEN DISTRIBUTION**

- 4.1 Contributions given to Suncontract in exchange for SNCs shall be considered as contribution towards the project and contributors shall be among the first users to have access to the Platform. Contribution shall be done in Digital Assets. Failure to follow the instructions on the Website may limit, delay, or prevent a User from contributing. Users understand and accept that when making a contribution, such contribution shall go into a smart contract system on Ethereum and such users shall receive SNCs in exchange at a future date.
- 4.2 The total amount of SNC tokens available shall depend on the amount of ETH contributed during the SNC token offering ("**Total SNC Number**"). Suncontract shall not create additional SNC tokens at any time after the initial token release.
- 4.3 SNC tokens shall be distributed in the following manner:
 - (a) 80% of the Total SNC Number shall be distributed in accordance with paragraph 4.7,
 - (b) 20% of the Total SNC Number shall belong to the Suncontract team and advisors, with the Suncontract team namely consisting of the developers, and with the escrow(s) being included as advisors, as remuneration for services provided for the benefit of Suncontract before the distribution; the bounties, referrals shall be distributed from this portion of the SNC tokens.
- 4.4 Suncontract reserves the right to use an emergency stop functionality to stop the distribution process. Use of this functionality shall remain at the discretion

of Suncontract and shall only be used in limited situations, such as, but not limited to: i) detection of a serious security issue, ii) serious network performance issue, depriving all users of equal treatment, iii) any type of material attack on the SNCs, the Platform, Website or Ethereum network.

- 4.5 Users, wishing to participate in the token distribution, will be obliged to send their Digital Assets for acquisition of SNCs from an Ethereum address wallet, for which they control the private key, meaning that such address and/or private key cannot belong to a third party, such as a Digital Assets exchange. Users will receive their SNCs to the same address from where they have sent the Digital Assets.
- 4.6 Suncontract shall in no way be responsible for any funds lost due to the Users' negligence, lack of diligence, or failure to follow any instructions issued by Suncontract, including sending funds through Digital Assets exchange(s).
- 4.7 Distribution of tokens as further defined in paragraph 4.3 shall be conducted in two phases as follows: Distribution of tokens shall start by no later than 1 month after the time of the offering elapses as further explained in paragraph 4.12(c) below.
 - (a) Private distribution shall be limited up to a maximum of an additional 25% calculated on the aggregate number of SNC tokens generated during the token offering as laid out under the sub-clause below, with the latter amounting to 80% of the total SNC tokens in circulation. In other words, there shall be 20% of **total** SNC tokens reserved for private distribution so as to cover early costs of the Project such as, but not limited to costs of establishment of Suncontract entities and basic infrastructure, public relations, marketing and legal advisory. The SNC tokens allocated for private distribution shall be generated upon termination of the token offering, and thereafter no more SNC tokens will be issued. The advisors shall receive the distribution at the end of the offering as defined under paragraph 4.12(c) below, whereas the Suncontract team shall only receive the tokens six (6) months after the end of the same offering.
 - (b) Public distribution to Users shall take place as stated under paragraph 4.12(c). The offering of the SNC tokens shall commence on the 28th of June, 2017. Without prejudice to the other terms in this Agreement, the pricing of the SNC tokens throughout the duration of the SNC token offering will be as follows:
 - i) Pre-offering before the 28th of June – 11,600 SNCs (eleven thousand six hundred SNCs) for 1 ETH

- ii) First week: 11,500 SNCs (eleven thousand five hundred SNCs) for 1 ETH
- iii) Second week: 11,000 SNCs (eleven thousand SNCs) for 1 ETH
- iv) Third week: 10,500 SNCs (ten thousand five hundred SNCs) for 1 ETH
- v) Fourth week: 10,000 SNCs (ten thousand SNCs) for 1 ETH

4.8 The funds raised from the SNC distribution will belong to Suncontract and will be used for, *inter alia*, the development, marketing, operations, legal, governmental duties and running of the Project, as defined above.

4.9 Suncontract reserves the right to change the dates set out in in these Terms at any given time due to technical or organisational reasons, without any duty to provide any reason(s) to the users or the public. Any such changes will be published on the Website.

4.10 In order for the public distribution in accordance with paragraph 4.7(b) to take place, at least 10,000 ETH have to be paid during the SNC token offering in accordance with the terms set out herein ("**Minimum Threshold**"). If Minimum Threshold is not achieved, then all contributed Digital Assets shall be returned to the users who contributed such Digital Assets i.e. to the same addresses from which the Digital Assets were sent. Consequently, the users would not receive any SNCs.

4.11 The distribution of the SNC tokens is limited to a contribution of 100,000 ETH during the SNC token offering ("**Maximum Threshold**").

4.12 Public distribution as per paragraph 4.7(b) shall be executed as follows:

- (a) Distribution shall be automatically effected by a smart contract deployed on the Ethereum blockchain shortly after the Users send their Digital Assets during the SNC token offering,
- (b) Users shall send their Digital Assets to the smart contract address,
- (c) When
 - (i) the time of the SNC token offering, defined in paragraph 4.7(b), has expired at 23:59 on the 25th of July and Minimum Threshold has been achieved; or
 - (ii) Maximum Threshold has been achieved;
 whichever occurs first, the offering of SNC tokens shall halt, and the tokens shall be sent to each of the participating Users wallet address soon thereafter.
- (d) If the time of the offering as defined above is over and Minimum

Threshold has not been achieved, the Digital Assets paid into the smart contract will be returned to the contributors within 15 business days.

- (e) No more SNC tokens shall be issued after the token offering has ended.

- 4.13 All SNC purchases shall be publicly viewable via Ethereum blockchain explorers such as etherscan.io.
- 4.14 The only official and authorised website for SNC token distribution is the Website. The User(s) must ensure that the URL of the web browser indicates that it is using a hypertext transport protocol secure connection ("https") and that the domain name is correct. Suncontract may partner with third party service provider to enable easier acquisition of SNCs with digital assets other than Ether.
- 4.15 Save for the exception stipulated under paragraph 4.11(d), all contributions to Suncontract in exchange for SNC tokens are **final and non-refundable**. By participating in the SNC token distribution, you acknowledge that Suncontract is not required to provide a refund for any reason, and that you will not receive money or other compensation in lieu of a refund.
- 4.16 SNC is not a consumer product and its users accepts explicitly and agree to it that they are not covered by the consumer protection regulation of any jurisdiction.

5. **RISKS**

- 5.1 You understand that Digital Assets, SNC, blockchain technology, Ethereum, Ether and other associated and related technologies are new and relatively untested and outside of Suncontract's exclusive control and any adverse changes in market forces or the technology impacting Suncontract's performance under this Agreement shall absolve Suncontract from responsibility over any delayed or unachieved milestones.
- 5.2 In addition to the above, you also acknowledge that you have been warned of the following risks, associated with the Website, the Digital Assets, the SNCs, the Platform and other relevant technologies mentioned herein, and that you absolve Suncontract from any and all responsibility on any damages occurring in light of the risks listed below.

- (a) **Legal risks regarding securities regulations**

There is a risk that in some jurisdictions the SNCs or other Digital

Assets might be considered to be a security, or that it might be considered to be a security in the future. Suncontract does not give warranties or guarantees that SNC tokens are not a security in all jurisdictions. Each User of SNC tokens shall bear its own legal or financial consequences of SNC tokens being considered a security in their respective jurisdiction.

Every User is bound to check if acquisition and disposal of SNC tokens is legal in its jurisdiction, and by accepting these Terms each User undertakes not to use SNC tokens should their use not be legal in the relevant jurisdiction. If a User establishes that the use of SNC under these Terms is not legal in its jurisdiction, it shall neither use the SNC nor acquire them, and should immediately stop using or possessing them if such case arises.

Acquiring cryptographic tokens in possession and exchanging them for other cryptographic tokens will most likely continue to be scrutinized by various regulatory bodies around the world, which have so far given mixed reactions and opinions depending on the jurisdiction. The legal ability of Suncontract to provide SNC tokens and the Platform in some jurisdictions may be hindered or eliminated by future regulation or legal actions. In the event, it turns out with a high degree of certainty that SNC tokens are not legal in certain jurisdiction, Suncontract will either a) cease operations in that jurisdiction, or b) adjust SNC tokens and the Platform in a way to comply with the regulation should that be possible and viable.

(b) Risks associated with Ethereum

SNC tokens are issued on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause the SNC tokens to malfunction or function in an unexpected or unintended manner. Ether, the native unit of account of the Ethereum may itself lose value and hence impact the value SNC tokens. Other unforeseeable changes in Ethereum, whether intended or not, may likewise impact the value and usability of SNC tokens. More information about Ethereum is available at <http://www.ethereum.org>

(c) Risk of unfavourable regulatory action in one or more jurisdictions

Blockchain technologies have been the subject of scrutiny by various regulatory bodies around the world. The functioning of the Ethereum network and associated blockchain networks and Digital Assets and SNC tokens could be impacted by one or more regulatory inquiries or actions, including but not limited to restrictions on the use or

possession of digital tokens like SNC tokens, which could impede or limit their existence, permissibility of their use and possession, and their value.

(d) Risk of theft and hacking

Hackers or other groups or organizations may attempt to interfere with your Third-party Wallet, the Website or the availability of SNC tokens and Digital Assets in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks.

(e) Risk of security weaknesses in the Website and SNC tokens source code or any associated software and/or infrastructure

There is a risk that the Website and SNC tokens may unintentionally include weaknesses or bugs in the source code interfering with the use of or causing the loss of SNC tokens.

(f) Risk of weaknesses or exploitable breakthroughs in the field of cryptography

Advances in cryptography, or technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum, SNC tokens, the Platform, which could result in the theft or loss of SNC tokens.

(g) Risk of mining attacks

As with other decentralized cryptocurrencies, the Ethereum blockchain, which is used for the SNC tokens, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, *"selfish-mining"* attacks, and race condition attacks. Any successful attacks present a risk to the SNC tokens, expected proper execution and sequencing of SNC tokens, and expected proper execution and sequencing of Ethereum smart contract computations in general. Despite the best efforts of Suncontract and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining Attacks, as described above, may also target other blockchain networks, with which the SNC tokens interact with and consequently the SNC tokens may be impacted also in that way to the extent described above.

(h) Risk of low or no liquidity

Even though there are currently online service available which enable possibility of exchange of cryptographic tokens with other such tokens or even enable the exchange of cryptographic tokens for fiat money, there are no warranties and/or guarantees given that SNC

tokens will be listed or made available for exchange with other cryptographic tokens and/or fiat money, and no guarantees are given whatsoever with the capacity (volume) of such potential exchange. It shall be explicitly cautioned, that such exchange, if any, might be subject to poorly-understood regulatory oversight, and Suncontract does not give any warranties in regard to any exchange services providers. Users might be exposed to fraud and failure. In any case, Suncontract will not enable exchange of SNC tokens for other cryptographic tokens or for fiat currency, although it will commit reasonable endeavours to list SNC tokens on such exchange(s).

(i) Risk of loss of value

Value of SNC tokens may fluctuate and their users might suffer loss in value of such acquired tokens. There might be various reasons that would cause unfavourable fluctuations of the value of the SNC tokens.

(j) Risk of uninsured losses

SNC tokens are unlike bank accounts or accounts at some other financial institutions and therefore are entirely uninsured. Suncontract does not offer any indemnity in case of any such losses in relation to SNC tokens.

(k) Risk of malfunction in the Ethereum network or any other blockchain

It is possible that the Ethereum network or any other network, to which the SNC tokens are interacting with, malfunctions in an unfavourable way, including but not limited to one that results in the loss of SNC tokens.

(l) Internet transmission risks

You acknowledge that there are risks associated with using the SNC tokens including, but not limited to, the failure of hardware, software, and Internet connections. You acknowledge that Suncontract shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Website and SNC tokens, howsoever caused.

(m) Unanticipated risks

Cryptocurrencies and blockchains are new and untested technology. In addition to the risks set forth here, there are risks that Suncontract cannot foresee and it is unreasonable to believe that such risks could have been foreseeable. Risks may further materialize as unanticipated.

(n) **Insufficient interest in Suncontract, the Platform and SNC tokens**

It is possible that Suncontract, SNC or Platform will not be used by a large number of individuals, businesses and other organisations and that there will be limited public interest in the creation and development of its functionalities. Such lack of interest could impact the development of the Platform.

(o) **SNC and the Platform, as developed may not meet your expectations**

The Platform is currently under development and may undergo significant changes before release. Your expectations regarding the form and functionality of the Platform and SNC tokens may not be met upon release of new Website, deployment of the Platform, additional products and services for any number of reasons, including a change in the design and implementation plans and execution of the implementation of SNC. Suncontract does not offer any guarantee as to the marketability or expected use of the Platform and/or SNC tokens.

(p) **The Platform may never be completed or released**

The Platform, described in section 2, may never be released and operational, even though Suncontract will make reasonable efforts to complete and deploy it.

- 5.3 The SNC tokens and the Platform are provided “*as is*”. We and our affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding the SNC tokens, including any warranty that the SNC tokens will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by law, we and our affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non- infringement, or quiet enjoyment, and any warranties arising out of any course of dealing or usage of trade.

6. **ELIGIBILITY**

- 6.1 The Website, the Platform and SNC tokens are not offered for use to natural and legal persons having their habitual residence or their seat of incorporation in the United States of America (**“Restricted Areas”**). In addition to the above, user(s) shall warrant that they adhere to the terms and conditions stipulated in Schedule A.

- 6.2 Natural and legal persons with their habitual residence or seat of incorporation in the Restricted Areas shall not use the Website, the Platform and SNC tokens.
- 6.3 Suncontract reserves its right to decide in its own discretion to adopt reasonable organisational and technical measures to ensure that the Website and SNC tokens are not available to persons from paragraph 6.1. Due to the SNC tokens being offered on the Internet (meaning both the world-wide web and the Ethereum blockchain) Suncontract and users understand that there is a possibility that there might be a certain “*flow back*” of SNC tokens to natural and legal persons with their habitual residence or seat of incorporation located in the Restricted Areas. Suncontract consequently explicitly prohibits persons from paragraph 6.1 from using the SNC tokens. Suncontract shall not be held liable for any legal or monetary consequence arising of such use. Such persons using SNC tokens despite the prohibition shall on first request indemnify and hold harmless Suncontract from any legal or monetary consequence arising of their breach of the terms as described in this paragraph 6.3. Any person, matching the criteria from paragraph 6.1, shall immediately stop using SNC tokens and leave the Website.
- 6.4 If you are registering to use the Platform on behalf of a legal entity, you represent and warrant that
- (a) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization; and
 - (b) you are duly authorized by such legal entity to act on its behalf.
- 6.5 You further represent and warrant that you:
- (a) are of legal age to form a binding contract (at least 18 years old in most jurisdictions);
 - (b) have full power and authority to enter into this Agreement and in doing so will not violate any other agreement to which you are a party;
 - (c) are not located in, under the control of, or a national or resident of any Restricted Areas;
 - (d) have not been placed on any of the sanctions lists, published and maintained by the United Nations, European Union, any EU country, UK Treasury and US Office of Foreign Assets Control (OFAC);
 - (e) will not use the SNC tokens if any applicable laws in jurisdiction of your habitual residence or incorporations prohibit you from doing so in accordance with these Terms;

- (f) have a deep understanding of the functionality, usage, storage of cryptographic tokens, smart contracts, and blockchain-based software;
- (g) have carefully reviewed the content of this document and have understood and agreed with these Terms,
- (h) will contribute Ether (ETH) from a Wallet or Wallet service provider that technically supports the SNC token;
- (i) you have read and understood these Terms completely;
- (j) you have obtained and was given sufficient information about the SNC tokens to make an informed decision to acquire them;
- (k) you understand that the SNC tokens confer only the right to use and access the Platform, as set out in paragraph 2.3, and confer no other rights of any form with respect to the Platform or Suncontract;
- (l) you are acquiring SNC Tokens to access the Platform and to support its development, testing, deployment and operation; and that you are not acquiring SNC tokens for any other use or purpose, including, but not limited to, any investment, speculative or other financial purposes; and
- (m) your purchase of SNC tokens complies with applicable law and regulation in your jurisdiction, including, but not limited to, (i) legal capacity and any other threshold requirements in your jurisdiction for purchasing the Tokens, using the Tokens in the Platform, and entering into contracts with us, (ii) any foreign exchange or regulatory restrictions applicable to such purchase, and (iii) any governmental or other consents that may need to be obtained.

7. FINANCIAL REGULATION AND COOPERATION WITH LEGAL AUTHORITIES AND AUTHORIZED FINANCIAL INSTITUTIONS AND REGULATORS

7.1 The SNC tokens and the Platform are unregulated. Suncontract is closely following changes to legislation in the most relevant jurisdictions in the world and undertakes to act accordingly, if regulatory changes significantly impact operations of SNC tokens and the Platform. Suncontract is not a financial institution and is currently not under supervision of any financial supervisory authority. Suncontract does not provide any licensed financial services, such as investment services, capital raising, fund management or investment advice. This SNC token distribution is not a public offering of equity or debt and consequently does not fall under the securities or any prospectus regulation.

7.2 This document or any other document, produced and signed by Suncontract,

as well as the Website, and any of their content does not constitute an offer or solicitation to sell shares or securities.

- 7.3 None of the information or analyses presented are intended to form the basis for any investment decision, and no specific recommendations are intended, and Suncontract services and the Website are not, do not offer and shall not be construed as investment or financial products.
- 7.4 Suncontract undertakes to cooperate with any governmental legal authority or regulator or supervisory authority of any country, and also with all authorized financial institutions if so required under the relevant laws.

8. LIABILITY

- 8.1 Suncontract and its affiliates and their respective officers, employees or agents will in regard to the Website, the Platform and SNC tokens not be liable to you or anyone else for any damages of any kind, including, but not limited to, direct, consequential, incidental, special or indirect damages (including but not limited to loss of profits, trading losses or damages that result from use or loss of use of this Website, Platform and SNC tokens), even if Suncontract has been advised of the possibility of such damages or losses, including, without limitation, from the use or attempted use of SNC tokens, the Website or the Platform.
- 8.2 Further, neither we nor any of our affiliates or licensors will be responsible for any compensation, reimbursement, or damages arising in connection with: (a) your inability to use the Website, the Platform or SNC tokens, including without limitation as a result of any termination or suspension of the Ethereum network or this Agreement, including as a result of power outages, maintenance, defects, system failures or other interruptions; (b) the cost of procurement of substitute goods or services; (c) any investments, expenditures, or commitments by you in connection with this Agreement or your use of or access to the Website, the Platform and SNC tokens; or (d) any unauthorized access to, alteration of, or the deletion, destruction, damage, loss or failure to store any data, including records, private key or other credentials, associated with to the Website, the Platform and SNC tokens.
- 8.3 You waive your right to demand the return of any cryptographic tokens you exchanged with us for the purpose of acquiring SNC tokens, including, without limitation, a demand for specific performance.
- 8.4 You will defend, indemnify, and hold harmless us, our affiliates and licensors, and each of their respective employees, officers, directors, and representatives

from and against any claims, damages, losses, liabilities, costs, and expenses (including reasonable attorney fees) arising out of or relating to any third-party claim concerning this Agreement or your use of the Website, the Platform and SNC tokens contrary to these Terms. If we or our affiliates are obligated to respond to a third-party subpoena or other compulsory legal order or process described above, you will also reimburse us for reasonable attorney fees, as well as our employees' and contractors' time and materials spent responding to the third-party subpoena or other compulsory legal order or process at reasonable hourly rates.

8.5 The information, software, products, and services included in or available through the Website and the Platform may include inaccuracies or typographical errors. Changes are periodically added to the information herein. Suncontract and/or its suppliers may make improvements and/or changes to the Website and the Platform at any time. Suncontract makes no representations about the suitability, reliability, availability, timeliness, and accuracy of the Website, the Platform, SNC tokens, information, software, products, services and related graphics contained on the Website for any purpose. To the maximum extent permitted by applicable law, the Website, the Platform and SNC tokens, all such information, software, products, services and related graphics are provided "*as is*" without warranty or condition of any kind. Suncontract hereby disclaims all warranties and conditions with regard to the Website, the Platform, SNC tokens, information, software, products, services and related graphics, including all implied warranties or conditions of merchantability, fitness for a particular purpose, title and non-infringement.

8.6 You warrant to Suncontract that you will not use the Website, the Platform or the SNC tokens for any purpose that is unlawful or prohibited by these Terms. You may not use the Platform or SNC tokens in any manner that could damage, disable, overburden, or impair the Platform, SNC tokens or the Website.

9. SECURITY

9.1 You will implement reasonable and appropriate measures designed to secure access to (i) any device associated with the email address associated with your account with the Platform, (ii) private keys required to access any relevant Ethereum address, and (iii) your username, password and any other login or identifying credentials of the Platform.

9.2 In case you suspect a security breach in any of the abovementioned, you will inform us immediately so we can take all required and possible measures to secure your account, the Website, the Platform, SNC tokens and systems as

whole.

- 9.3 In the event that you are no longer in possession of any device associated with your account or are not able to provide your login or identifying credentials to the Platform, we may, in our sole discretion, and only if we are able to, grant access to your account to any party providing additional credentials to us. We explicitly reserve the right to determine the additional credentials required, which may include, without limitation, a sworn, notarized statement of identity.

10. PRIVACY

- 10.1 As a principle, Suncontract may collect only what it needs and will not share your personal information with any third parties other than our identity verification partner, if it applies. Even within Suncontract, access to your personal information is limited to a subset of employees who work on compliance and identity verification matters.
- 10.2 You will provide to us, immediately upon our notice of request, information that we, in our sole discretion, deem to be required to maintain compliance with any law, regulation or policy. Such documents include, but are not limited to, passports, driver's licenses, utility bills, photographs of you, government identification cards, or sworn statements.
- 10.3 Suncontract reserves its right to request documentation, described in paragraph 10.1, prior to activating your account at any of Suncontract and the Platform services, and any services, available through the Website. Suncontract may refuse you access to the Platform, SNC tokens and Website should it have doubts as to validity, authenticity and genuineness of the documents, provided by you.
- 10.4 Suncontract collects information from running the Website and uses information, provided to us by you. When you visit the Website, or use our products, we collect information sent to us by your computer, mobile phone, or other access device. This information may include your IP address, device information including, but not limited to, identifier, name, and type, operating system, mobile network information and standard web log information, such as your browser type, and the pages you accessed on our Website. When you use a location-enabled device with our Website and products, we may collect geographical location data or use various means to determine the location, such as sensor data from your device that may, for instance, provide data on nearby cell towers and wi-fi access spots. However, we will not release your personally-identifiable information to any third party without your consent,

except as set forth herein.

- 10.5 If you create an account at our Website or the Platform we may collect and store the following types of information: your name, address, phone, email and other similar information. Before permitting you to use our Website and acquiring SNC tokens, we may require you to provide additional information (such as a date of birth, passport number, numbers that you may use or have registered with your local tax authority, or other data which can be used for personal identification purposes and that may be required to comply with applicable laws) so that we can verify your identity or address. We may also obtain information about you from third parties such as identity verification services.
- 10.6 When you access the Website, or use our products or services we (or Google Analytics or similar service provider on our behalf) may place small data files called cookies on your computer or other device. We use these technologies to recognize you as our User; customize our Website and advertising; measure promotional effectiveness and collect information about your computer or other access device to mitigate risk, help prevent fraud, and promote trust and safety.
- 10.7 Throughout this policy, we use the term “personal information” to describe information that can be associated with a specific person and can be used to identify that person. We do not consider personal information to include information that has been anonymized so that it does not identify a specific User.
- 10.8 We store and process your personal information on our servers in the EU and elsewhere in the World, where our facilities or our service providers are located. We protect your information using physical, technical, and administrative security measures to reduce the risks of loss, misuse, unauthorized access, disclosure, and alteration. Some of the safeguards we use are firewalls and data encryption, physical access controls to our data centres, and information access authorization controls. We also authorize access to personal information only for those employees who require it to fulfil their job responsibilities. All of our physical, electronic, and procedural safeguards are designed to comply with applicable laws and regulations. Data may from time to time be stored also in other locations.
- 10.9 We are sometimes required to compare the personal information you provide to third party databases in order to verify its accuracy and confirm your identity. This allows us to comply with relevant regulations. We will not sell or rent your personal information to third parties. We may combine your

information with information we collect from other companies and use it to improve and personalize the Website and our products, as well as our content and advertising. We may use your name and email address to provide you with information about products or services that may be of interest to you, but we will not use your personal information without complying with applicable laws and, where appropriate, obtaining your consent.

10.10 We reserve our right to share your personal information with:

- (a) our banking partners;
- (b) companies that we plan to merge with or be acquired by (should such a combination occur, we will require that the newly combined entity follow these terms with respect to your personal information, and you would as well receive prior notice of any change in applicable policy);
- (c) 3rd party identification services providers for fraud prevention purposes;
- (d) law enforcement, government officials, or other third parties when
 - i) we are compelled to do so by a subpoena, court order, or similar legal procedure; or
 - ii) we believe in good faith that the disclosure of personal information is necessary to prevent physical harm or financial loss, to report suspected illegal activity or to investigate violations of our Terms;
- (e) other third parties only with your prior consent or direction to do so.

Suncontract will not provide your personal information to any other Suncontract and Platform users without your consent or direction.

10.11 You may access, review and edit your personal information linked to use of the Platform after the successful launch thereof by logging in to the Website using your credentials.

10.12 The data that we collect from you will be transferred to, and stored at, in the EU and may be transferred and/or stored to other places outside the European Economic Area (EEA). It may also be processed by staff operating outside the EEA who work for us or for one of our service providers. Staff may be engaged in the fulfilment of our Services and/or the processing of your details and the provision of support services. By submitting your personal data, you agree to this transfer, storing, or processing. We will take all steps reasonably necessary to ensure that your data is treated securely and in accordance with these Terms. Third parties may be located in other countries where the laws on processing personal information may be less stringent than in your country. Our services may, from time to time, contain links to and from

the websites of our partner networks, advertisers, and affiliates (including, but not limited to, websites on which the Suncontract services are advertised). If you follow a link to any of these websites, please note that these websites and any services that may be accessible through them have their own privacy policies and that we do not accept any responsibility or liability for these policies or for any personal information that may be collected through these websites or services, such as contact and location data. Please check these policies before you submit any personal data to these websites or use these services.

11. TAXES

- 11.1 All your factual and potential tax obligations are your concern and responsibility and Suncontract is not in any case and under no conditions bound to compensate for your tax obligation or give you any advice related to tax issues, including but not limited what kind of filing or reporting you need to do with the competent tax authority, which taxes and to which extent you are obliged to pay, which tax exemptions you are eligible to etc.
- 11.2 All fees and charges payable by you are exclusive of any taxes, and shall certain taxes be applicable, they shall be added on top of the payable amounts. Upon our request, you will provide us any information we reasonably request to determine whether we are obligated to collect VAT from you, including your VAT identification number. If any deduction or withholding is required by law, you will notify us and will pay us any additional amounts necessary to ensure that the net amount that we receive, after any deduction and withholding, equals the amount we would have received if no deduction or withholding had been required. Additionally, you will provide us with documentation showing that the withheld and deducted amounts have been paid to the relevant taxing authority.

12. INTELLECTUAL PROPERTY

- 12.1 We retain all right, title and interest in all of our intellectual property, including inventions, discoveries, processes, marks, methods, compositions, formulae, techniques, information, source code, brand names, graphics, User interface design, text, logos, images, information and data pertaining to the Project (hereinafter: **"Suncontract IP"**), whether or not patentable, copyrightable or protectable in trademark, and any trademarks, copyrights or patents based thereon. You may not use any of our intellectual property for any reason, except with our express, prior, written consent.
- 12.2 These Terms shall not be understood and interpreted in a way that they would

mean assignment of intellectual property rights, unless it is explicitly defined so in these Terms.

- 12.3 You are being granted a non-exclusive, non-transferable, non-assignable, revocable license to access and use the Website and the Project and the SNC tokens strictly in accordance with these Terms. As a condition of your use of the Website and the SNC tokens you warrant to Suncontract that you will not use the Website, or the Project or SNC tokens for any purpose that is unlawful or prohibited by these Terms. You may not use the SNC tokens in any manner that could damage, disable, overburden, or impair the Website and the Project. You may not obtain or attempt to obtain any materials or information through any means not intentionally made available or provided for through the Website and SNC tokens. Limitation to the transferability of license shall not be understood in a way, that the users are not allowed to transfer SNC tokens to third parties.
- 12.4 All Suncontract IP is the property of Suncontract and is protected by all copyright, trademark and other laws that protect intellectual property and proprietary rights. You agree to observe and abide by all copyright and other proprietary notices, legends or other restrictions contained in any such content and will not make any changes thereto.
- 12.5 You will not modify, publish, transmit, reverse engineer, participate in the transfer or sale, create derivative works, or in any way exploit any of the Suncontract IP, in whole or in part, found on the Website or associated products and services. Suncontract IP is not for resale. Your use of the Suncontract IP does not entitle you to make any unauthorized use of any Suncontract IP, and in particular you will not delete or alter any proprietary rights or attribution notices in any Suncontract IP. You will use Suncontract IP solely for your personal use, and will make no other use of Suncontract IP without the express written permission of Suncontract and the copyright owner. You agree that you do not acquire any ownership rights in any Suncontract IP. We do not grant you any licenses, express or implied, to the intellectual property of Suncontract except as expressly authorized by these Terms.

13. NOTICES

- 13.1 We may provide any notice to you under this Agreement by: (i) posting a notice on the Website; or (ii) sending an email to the email address associated with your account. Notices we provide by posting on the Website will be effective upon posting and notices we provide by email will be effective when we send the email. It is your responsibility to keep your email address

updated. You will be deemed to have received any email sent to the email address then associated with your account when we send the email, whether or not you actually receive or read the email.

13.2 To give us notice under this Agreement, you must contact us by email to support@suncontract.org. We may update this email address for notices to us by posting a notice on our Website. Notices to us will be effective one business day after they are sent.

13.3 All communications and notices to be made or given pursuant to this Agreement must be in the English language.

14. MISCELLANEOUS

14.1 Materials, such as Business Plan, Development Road Map and others, published in the Website or elsewhere, are not binding and do not – unless explicitly referred to herein – form part of these Terms, and are of a descriptive nature only.

14.2 We do not permit individuals under the age of 18 to register with our Website and use our products. If we become aware that a child under the age of 18 has provided us with personal information, we will delete such information from our files immediately and block his/her/their access to our Website and products.

14.3 We and our affiliates will not be liable for any delay or failure to perform any obligation under this Agreement where the delay or failure results from any cause beyond our reasonable control, including acts of God, labour disputes or other industrial disturbances, electrical, telecommunications, hardware, software or other utility failures, earthquake, storms or other elements of nature, blockages, embargoes, riots, acts or orders of government, acts of terrorism, or war, changes in blockchain technology (broadly construed), changes in the Ethereum or any other blockchain protocols or any other force outside of our control.

14.4 We and you are independent contractors, and neither party, nor any of their respective affiliates, is an agent of the other for any purpose or has the authority to bind the other. Both parties reserve the right (a) to develop or have developed for itself products, services, concepts, systems, or techniques that are similar to or compete with the products, services, concepts, systems, or techniques developed or contemplated by the other party and (b) to assist third party developers or systems integrators who may offer products or services which compete with the other party's' products or

services.

- 14.5 These Terms do not create any third-party beneficiary rights in any individual or entity.
- 14.6 You will not assign these Terms, or delegate or sublicense any of your rights under these Terms, without our prior written consent. Any assignment or transfer contrary to these Terms will be void. Subject to the foregoing, these Terms will be binding upon, and inure to the benefit of the parties and their respective successors and assigns.
- 14.7 The failure or omission by us to enforce any provision of these Terms will not constitute a present or future waiver of such provision nor limit our right to enforce such provision at a later time. All waivers by us must be unequivocal and in writing to be effective.
- 14.8 Except as otherwise set forth herein, if any portion of these Terms is held to be invalid or unenforceable, the remaining portions of these Terms will remain in full force and effect. Any invalid or unenforceable portions will be interpreted to affect the intent of the original portion. If such construction is not possible, the invalid or unenforceable portion will be severed from these Terms, but the rest of the Terms will remain in full force and effect.
- 14.9 "Suncontract" refers to the Project as a whole, including any or all of the entities, being used by Suncontract, incorporated in Slovenia, which acts as the jurisdiction for execution of a smart contract for distribution of SNCs in accordance with section 4; and as a services provider or operating company for the Project. Provided that the jurisdiction of choice may be changed at any time by us at any point and at our own sole discretion; the change shall be announced on the website when effected.
- 14.10 All disputes or claims arising out of or in connection with these Terms including disputes relating to its validity, breach, termination or nullity, and any disputes or claims arising out of or in connection with the use of Website, the Project and SNC tokens shall be finally settled under the Rules of Arbitration of the Ljubljana Arbitration Centre which shall enjoy exclusive jurisdiction in all matters directly or indirectly related to this Agreement. The applicable law shall be the law of the Republic of Slovenia. The language to be used in the arbitral proceedings shall be English.
- 14.11 Prior to filing any claims in accordance with paragraph 14.9, you undertake to file such claim or request directly to Suncontract via e-mail at address support@suncontract.org. You agree that you will not file any claims in accordance with paragraph 14.9 earlier than 30 days after sending such claim

or request to Suncontract in accordance with this paragraph 14.11. Any claim, filed with the arbitral tribunal contrary to the rules set out in this paragraph 14.11, shall be rejected immediately by the tribunal as premature.

14.12 These Terms, including Schedule A, represent the entire agreement between you and us regarding the subject matter of these Terms, in particular use of the Website, the Project and SNC tokens. These Terms supersede all prior or contemporaneous representations, understandings, agreements, or communications between you and us, whether written or verbal, regarding the subject matter of these Terms. We will not be bound by, and specifically object to, any term, condition or other provision which is different from or in addition to the provisions of these Terms (whether or not it would materially alter these Terms) and which is submitted by you in any order, receipt, acceptance, confirmation, correspondence or other document.

14.13 These Terms are not boilerplate. If you disagree with any of them, believe that any should not apply to you, or wish to negotiate these Terms, please contact Suncontract via e-mail and immediately navigate away from the Website and cease using the Project. By making use of the Website, the Project and SNC tokens, you shall have accepted all the terms and conditions under this Agreement and confirm that you have made such acceptance with no undue pressure and fully aware and informed of all the terms and conditions stated herein.

SCHEDULE A

Warranty given by user(s) especially in relation to the United States

ALL PARTICIPANTS AND USERS HEREBY EXPRESSLY AFFIRM THAT THEY ARE:

- (a) NOT an individual who is a resident of the United States of America, its territories or possessions, any state of the United States of America or the District of Columbia (the "USA");
- (b) NOT a corporation, partnership or other legal entity formed under the laws of the USA;
- (c) NOT an agency, branch or office located in the USA of a corporation, partnership or other legal entity that was formed under laws other than those of the USA;
- (d) NOT a trust of which any trustee is described in (a), (b) or (c) above;
- (e) NOT a legal entity the shares of which are not publicly traded on a securities exchange, and (ii) more than 45% of the shares of which are owned by or for the benefit of an individual or entity described in (a), (b), (c) or (d) above;
- (f) NOT a member of any branch of the military of the USA; and
- (g) NOT an agent or a fiduciary acting on behalf or for the benefit of an individual or entity described in (a), (b), (c), (d), (e) or j(f) above.

THE USER(S)' DECISION TO SUBSCRIBE TO SNC TOKENS WAS:

- (a) NOT based, at least in part, on information received or communications exchanged while the user, or the person providing the information or with whom the communication was exchanged, was within the USA;
- (b) NOT made inside the USA; and
- (c) NOT communicated to Suncontract from a source within the USA.

THE USER(S)' PURCHASE OF SNC TOKENS WAS:

- (a) made on his/her own account as principal;
- (b) NOT made in anticipation of a further distribution of the SNC Tokens to others; and
- (c) NOT preceded, and will not be followed within 2 days from the Closing Time, by any effort to create or condition a market for the SNC Tokens in the USA.

I, as the User, have read and understood the above representations as well as the full Terms & Conditions of this Agreement.