

TERMS AND CONDITIONS RELATING TO THE PSY TOKEN SALE

April 2024

Please read these Terms and Conditions (“T&Cs”) carefully. By making a contribution to the Company (as defined below) for the purchase of PSY tokens (“PSY”) during the Token Sale (as defined below), you will be bound by these T&Cs and all terms incorporated herein by reference.

By accepting these T&Cs, you will be entering into a binding agreement with the Company. These T&Cs contain provisions which affect your legal rights. If you do not agree to these T&Cs, do not make a contribution for the purchase of PSY.

PARTIES TO THESE T&Cs

PsyDAO Association is an association registered in Switzerland, with registered address at Weinberghöhe 21 CH-6340 Baar, Switzerland (the “Company”, “we”, “our”, or “us”), and the creator of its proprietary token known as PSY under these T&Cs. PsyDAO Association is also the developer of the commons where the PSY tokens created under these T&Cs will be used.

There may be other entities within the group of companies from time to time to which the Company belongs (“PsyDAO Group”) that will develop, manage and/or operate the PsyDAO Commons (as defined below) (or any parts thereof).

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

If you have any questions relating to these T&Cs, please contact us at info@psydao.com.

THE PARTIES HEREBY AGREE AS FOLLOWS:

1. PsyDAO Commons

1.1 PsyDAO has developed a membership commons, PsyDAO, that enables researchers, creators, artists and enthusiasts to connect with each other to accelerate psychedelic science. The commons empowers community centered around shared resources, including intellectual property, cash and cash equivalents, and physical goods (together, “PsyDAO Commons”).

1.2 For a more detailed description of the PsyDAO Commons and the utility of PSY in the PsyDAO Commons, please refer to:

- a) the PsyDAO website at <https://paydao.com/> (“PsyDAO Website”);
- b) the PsyDAO Whitepaper, as may be amended from time to time, which can be found at <https://psydao.com/> (“PsyDAO Whitepaper”); (together, “Project Documentation”).

1.3 Except as otherwise agreed in these T&Cs, the information contained in the Project Documentation is of descriptive nature only, is not binding on the Company and does not form part of these T&Cs.

2. Scope of T&Cs

2.1 Save as otherwise set out in these T&Cs, these T&Cs (including any terms incorporated herein by reference) govern only your contribution to the Company for the purchase of PSY during the Token Sale (as defined in clause 3 below).

2.2 Any potential future use of PSY in connection with the provision or receipt of services within the PsyDAO Commons will be subject to and governed by such other applicable terms, conditions and policies relating to the PsyDAO Commons (the “Commons Rules”).

3. Token Sale

3.1 You may make contributions during the public sale of PSY (the “Token Sale”) as described in these T&C.

3.2 The total number of PSY available for purchase during the Token Sale is 10,233,415.5 tokens.

3.3 The Token Sale commences on April 19, 2024 and ends on satisfaction of one of the following conditions (whichever is the earlier):

- a) 10,233,415.5 PSY (or any other quantity of PSY as may be determined by the Company at its sole discretion) are purchased after the start of the Token Sale; or
- b) A supermajority of holders of PSY purchased during the sale vote to end the sale.

4. PSY price

4.1 During the Token Sale, the price payable by Contributors per one PSY is USD 0.10. PSY purchased during the Token Sale will be locked for the duration of the Token Sale period, following which the PSY will be unlocked and freely transferable

4.2 The price per PSY is payable in Ether (“ETH”) at the applicable USDC price determined by Chainlink oracle at the time of payment.

5. Unsold PSY

In the event that not all PSY available for purchase are sold in the Token Sale, the unsold PSY will either be (i) burned and/or (ii) used for marketing purposes, e.g., to reward community members, acquire new users or incentivize other communities, the relevant decision is made in the sole discretion of the Company. In the event that the Company decides to burn the unsold PSY, the total number of PSY will be reduced accordingly.

6. Right to request information

6.1 Before you are able to make a contribution to the Company or at any time after making a contribution, we may (in our sole and absolute discretion) request you to provide certain information and documentation for the purposes of satisfying any “know your customer” (“KYC”) or similar obligations as determined by the Company.

6.2 You agree that you will, promptly upon the Company's request, supply such information and documentation as may be reasonably requested by us pursuant to clause 6.1 in order for us to:

- a) carry out, to our satisfaction, all KYC and other similar checks as determined by the Company; and
- b) ensure, to our satisfaction, that we have complied with all applicable laws and regulations in connection with the creation and issue of PSY to you as contemplated by these T&Cs.

7. Method of contribution

7.1 You must contribute to the Company during the Token Sale in the manner described in this clause 7.

7.2 Contributions to be made in ETH must be sent from your wallet used for signing in on our website in respect of which you can identify your private key. Your wallet will be required to verify your ETH contribution to the Company and to enable the Company to issue PSY to you through the Smart Contract System (as further described in clause 8). ETH contributions must be sent to the Company's respective wallet address specified on the website <https://token.PSY.com/>. You must have enough funds in your wallet for the payment, gas and transaction fee prior to participating in the Token Sale.

7.3 Contributions must be sent to the Company's wallet addresses, as described in clause 7.2. To the extent that any third-party website, service or smart-contract offers to receive contributions and issues PSY or facilitates the allocation or transfer of PSY in any way during the Token Sale, such third-party websites or services are, unless expressly set out in these T&Cs or mentioned on the PSY Website, not authorised by the Company nor do they have any legal or commercial relationship in any way with the Company, the PsyDAO Commons or PSY.

7.4 Contributors that send contributions:

- a) in (i) any crypto-currency other than ETH or (ii) a manner that does not otherwise conform with the methods of contribution described in these T&Cs; or
- b) to any third-party website, wallet address, bank account, service or smart contract that offers PSY in the manner described in this clause 7; risk losing their entire contribution. The Company will not be responsible or liable for recovering or returning any such contributions to the Contributor, nor will the Company be responsible or liable for any losses incurred by the Contributor in this respect.

8. Creation and issue of PSY through the Smart Contract System

8.1 The Company has deployed a smart contract system (the "Smart Contract System") on the Ethereum blockchain for the purposes of creating PSY and issuing such PSY to the Contributor's Ethereum wallet. PSY will be based on the ERC20 token standard and is intended to have the utility set out in the PsyDAO Whitepaper.

8.2 The Company will keep a record of:

- a) all ETH contributions received by the Company's wallet;
- b) the time the contribution was received;
- c) the amount of the contribution; and
- d) the wallet address from which the contribution was sent (as the case may be),

("Contribution Records").

8.3 In order to receive PSY, Contributors must have and must notify the Company in accordance with the procedures specified by the Company on the PSY Website of the address of an Ethereum wallet that supports the ERC20 token standard. In other words, the Contributor's Ethereum wallet must possess technical infrastructure that is compatible with the receipt, storage and transfer of PSY, being tokens that are created based on the ERC20 token standard. The Company reserves the right to prescribe additional conditions relating to specific wallet requirements at any time acting in its sole and absolute discretion.

8.4 Immediately following your contribution, the Company will undertake an automated contribution verification procedure by reference to the Contribution Records. Subject to clause 6, provided the Company is successfully able to verify your contribution, the Company will send instructions to the Smart Contract System to initiate the creation and issue of PSY to the Ethereum wallet address which you send us automated notice of through the Smart Contract System pursuant to clause 8.3.

8.5 Subject to compliance with clauses 6, 7 and 8, the Smart Contract System will distribute the applicable number of PSY to the Ethereum wallet address notified to it under clause 8.3, upon confirmation by the Company of its receipt of the relevant contribution in accordance with these T&Cs. The unlocking of transferability of PSY occurs after the completion of the Token Sale.

8.6 Without limiting the grounds upon which the Company may refuse to distribute tokens, if distribution of PSY to you, or the holding of PSY by you, is or becomes impossible or a violation of any applicable legal or regulatory requirements, or the Company suspects this may be the case, then:

a) the Company need not distribute any PSY or return any contribution or its equivalent to you nor, in either case, to any other person or entity;

b) the Company may request, require or facilitate steps to be taken to ensure the full return of any PSY that you hold;

c) the Company reserves the right to terminate its relationship with you and take any actions considered necessary or desirable for the Company to meet its legal and regulatory obligations; and

d) such actions will be irrespective of any contribution that has been made by you to the Company and/or any other third party, and the Company is not required to provide reasons.

8.7 On initial distribution during the sale, PSY will be inactive (which means they are not transferable) and must be activated by the Company at the conclusion of the sale in order to be transferable to any third party in accordance with clause 9.

8.8 On receipt of your contribution, such contribution will immediately become the sole and exclusive property of the Company, which will be entitled to apply the contribution towards the operating expenses relating to the business of any entity within the PsyDAO Group to which the Company belongs. The application of your contribution will be determined by us acting in our sole and absolute discretion and we are not under any obligation to inform you or otherwise verify how your contribution is used.

9. Transferability

9.1 Subject to any applicable lock-up and vesting periods and the Company's sole discretion, activation of PSY will be made on or around the conclusion of the Token Sale, subject to completion of any verification measures undertaken by the Company and other relevant factors at the Company's discretion.

9.2 PSY that are purchased by you may be claimed by you only. PSY are not transferable to any blockchain address prior to activation. Prior to activation of any PSY, you cannot transfer nor attempt to transfer (whether by assignment, trust, charge, sub-contract, novation or otherwise), PSY or any part or the whole of your rights, title or interest under these T&Cs, including your right to claim those PSY, to any other person or entity, whether with or without consideration. All such transfers and attempted transfers are strictly prohibited, will be deemed void and will not be recognised by, nor binding on, the Company.

9.3 PSY are transferable, after activation by the Company, subject to any applicable lock-up and vesting periods and other conditions set out in these T&Cs.

9.4 After activation, you may transfer to another wallet or address any PSY which you lawfully hold. Such transfer will be deemed effective, and a transfer of any PSY will only be effective, as at the time and date of the relevant transaction being included in a block on the Ethereum blockchain which has received such number of confirmations as the Company considers necessary for that transaction to be considered irreversible.

9.5 If you transfer PSY to a wallet or address owned by another person, then that person and the owner of each other wallet or address to which that PSY is further transferred (each, "New Holder") are each deemed to be bound by these T&Cs as Contributors for the period of time they hold such PSY, and you irrevocably and unconditionally undertake to ensure that each New Holder, prior to the transfer of PSY to them, expressly agrees to be bound by these T&Cs as a Contributor for the period of time they hold PSY.

9.6 By transferring any PSY you assign all your rights, title and interest under these T&Cs to the owner of the wallet or address to which you transfer that PSY.

9.7 The owner of the wallet in which any PSY is held will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as the absolute owner of that PSY for all purposes (regardless of any notice of any trust or any other interest, or the theft or loss of any private key) and neither the Company nor any other person will be liable for so treating that person as absolute owner.

9.8 The Company agrees that, if any rule of law (including any legislation, rule of common law, rule of equity or customary law) requires written notice to effect the transfer of any PSY, such notice is deemed given as an electronic record by inclusion of the relevant transaction on a block on the Ethereum blockchain in accordance with clause 9.4 above.

9.9 Notwithstanding any other provision in this clause 9, the Company reserves the right to treat as void any transfer of a PSY which the Company reasonably believes to be unlawful for any reason.

9.10 Notwithstanding any of the above, there is no guarantee or assurance of the availability of any market for transfer of PSY or any such market's liquidity.

10. Refunds, refusals, suspension and termination of contributions

10.1 You accept any contribution that may, as provided in these T&Cs, be returned will be less such gas (being an amount of ETH which is expended in the transfer of ETH as a

transaction cost for using the Ethereum network), transaction fees, costs, charges or other expenses the Company has incurred or reasonably expects to incur (whether or not directly attributable to your contribution or such return). For the avoidance of doubt, no interest will accrue on the value of any contribution, including any contribution which is in fact returned. You acknowledge and agree that you are unlikely to receive an amount equivalent to your contribution by way of a refund and that such refunded amount may be significantly lower than the amount contributed by you, and it could be nil.

10.2 The Company reserves the right to refuse or reject any contributions made at any time in the Company's sole and absolute discretion. To the extent that we refuse or reject a contribution, we will exercise reasonable endeavours to procure that the contribution is returned to the Contributor to the Ethereum wallet, or to the bank account from which the contribution was made (as the case may be), subject to clause 10.1. However, we do not warrant, represent or offer any assurances that we will successfully be able to recover and/or return any such contributions.

10.3 Subject to clauses 10.1 and 10.2 and except to the extent required by applicable law, all contributions received by the Company under these T&Cs are final and Contributors will not be entitled to claim any refund or reimbursement of contributions from the Company.

10.4 At any time prior to satisfaction of the Completion Conditions, the Company may either temporarily suspend or permanently end the Token Sale in whole or part, and with respect to all or certain persons, at any time if:

a) any change occurs to the Ethereum network, which in the Company's opinion is likely to materially prejudice the success of the Token Sale or the development of the PsyDAO Commons in any respect;

b) any change occurs to any local, national or international regulatory, financial, political or economic conditions, which in the Company's opinion is likely to materially prejudice the success of the Token Sale or the PsyDAO Commons in any respect;

c) with or without reasons, PsyDAO elects to cease support for the PsyDAO website or participation in the PsyDAO Commons;

d) the Token Sale or the Company is required by any applicable law or regulation to be licensed or approved or fundamentally restructured;

e) the Company is notified by any government, quasi-government, authority or public body (including any regulatory body of any jurisdiction) in any jurisdiction that the Token Sale or PsyDAO Commons is under investigation, or prohibited, banned or must cease, or the Company is otherwise required by law to end the Token Sale;

f) the Token Sale is discontinued due to any force majeure event and the Company cannot reasonably expect the Token Sale to be resumed within 90 days;

g) the Company considers there are security reasons for doing so; or

h) with or without reasons, the Company elects to terminate the Token Sale.

10.5 Any suspension, abortion or end of the Token Sale will be deemed to commence from the moment that the Company publishes a notice to that effect on the PSY Website.

10.6 During any period of suspension or in the event that the Token Sale is ended, the Smart Contract System will no longer be able to receive and accept contributions, create PSY and/or issue PSY to Contributors. Contributors who send us contributions (after we publish a notice that the Token Sale has been suspended, aborted or ended in accordance with clause

10.5) risk losing their entire contribution and we will not be responsible or liable for recovering or returning any such contributions to the Contributor nor will we be responsible or liable for any losses incurred by such contributors in this respect. Contributors are therefore strongly advised to check the PSY Website before sending a contribution to the Smart Contract System.

11. Token utility

11.1 Ownership of PSY carries no rights, whether express or implied, other than a limited delegated authority to govern, use, and interact with the PsyDAO Commons and treasury as may be made available from time to time (as further described in the PsyDAO Whitepaper), and to the extent the PsyDAO Commons is developed to further such right. Any potential future right or expectation relating to the provision and receipt of services in the PsyDAO Commons will be subject to any restrictions and limitations set out in these T&Cs and/or the Commons Rules (as applicable).

11.2 You acknowledge and accept that PSY do not represent or constitute:

a) any ownership right or stake, share, equity, security, collective investment scheme, managed fund, financial derivative, futures contract, deposit, commercial paper, negotiable instrument, investment contract, note, commodity, bond, warrant, certificate debt or hybrid instrument or any other financial instrument or investment entitling the holder to interest, dividends or any kind of return or carrying equivalent rights (including in respect of the Company, PsyDAO or the PsyDAO Commons);

b) any right to receive future revenues, shares or any other form of participation or governance right from, in or relating to the Company, PsyDAO and/or the PsyDAO Commons;

c) any form of currency, money, deposit or legal tender, whether fiat or otherwise, in any jurisdiction, nor do they constitute any substitute or representation of currency, money, deposit or legal tender (including electronic money); or

d) right, title, interest or benefit whatsoever in whole or in part, in the PsyDAO Commons, the Company, PsyDAO or any assets related to them, except that PSY may in future be used in connection with transaction on the PsyDAO Commons, subject to these T&Cs and the terms and conditions of the PsyDAO Commons.

11.3 Protections offered by applicable law in relation to the acquisition, storage, sale and/or transfer of the instruments and/or investments of the types referred to in the sub-clauses of clause 11.2 do not apply to any contribution made under these T&Cs for the acquisition of PSY or to your storage, sale and/or transfer of PSY.

11.4 The Company makes no warranties or representations and offers no assurances (in each case whether express or implied) that PSY will confer any actual and/or exercisable rights of use, functionality, features, purpose or attributes in connection with the PsyDAO Commons.

11.5 You acknowledge and agree that:

a) the intended services, features or attributes of the PsyDAO Commons may change significantly or fundamentally between the opening of the Token Sale and the time (if any) at which PSY may be used in connection with the PsyDAO Commons;

b) you have no expectation of obtaining any governance rights over the PsyDAO Commons or of influencing the development of the PsyDAO Commons except as otherwise agreed in writing by the Company;

c) the number of PSY required for any particular transaction in respect of the PsyDAO Commons will be determined by the Company; and

d) there is no guarantee or assurance of the quality, nature or standard of the services, features and/or attributes (if any) that will be made available through the PsyDAO Commons.

12. Contributor's representations and warranties

12.1 By participating in the Token Sale and sending a contribution to the Company, you hereby represent and warrant the matters set out in SCHEDULE 2 of these T&Cs.

12.2 You undertake and agree to notify the Company immediately if any of the representations and warranties set out in SCHEDULE 2 of these T&Cs becomes untrue, incomplete, invalid or misleading in any respect.

12.3 If you cannot make all of the representations and warranties set out in SCHEDULE 2 of these T&Cs, you must not seek to purchase or hold PSY or make a contribution. Any PSY distributed to you or held by you in violation of this clause are deemed void and will not be recognised by nor be binding on the Company.

12.4 The Company reserves the rights to deny and invalidate contributions made by, and/or withhold the distribution of PSY from, any Contributor who has made a false, incomplete or misleading representation, in the opinion of the Company or which may, in the Company's view, otherwise breach applicable law.

13. Risks

13.1 You acknowledge and agree that sending a contribution to the Company, the creation and issue of PSY and the deployment of PSY on the PsyDAO Commons carries significant financial, regulatory and reputational risks, including but not limited to those set out in Schedule 3 of these T&Cs.

13.2 By making a contribution to the Company and accepting these T&Cs, you expressly and finally acknowledge, accept and assume the risks set out in SCHEDULE 3 of these T&Cs and that the risk factors set out in SCHEDULE 3 are not, and are not intended to constitute, a comprehensive or exhaustive list of risk factors.

14. Audit of the Smart Contract System

14.1 The Company will exercise reasonable endeavours to have the Smart Contract System audited and approved by technical experts with regard to both accuracy and security of the underlying code.

14.2 Notwithstanding clause 14.1, smart contract technology is still in an early stage of development and its application is currently of an experimental nature, which carries significant operational, technological, financial, regulatory and reputational risks. Accordingly, while any audit conducted may raise the level of security and accuracy of the Smart Contract System, you acknowledge, understand and accept that the audit does not amount to any form of warranty, representation or assurance (in each case whether express or implied) that the Smart Contract System and/or PSY are fit for a particular purpose or that they are free from any defects, weaknesses, vulnerabilities, viruses or bugs which could cause, inter alia, the complete loss of ETH contributions and/or PSY.

15. Security

15.1 You are responsible for implementing all reasonable and appropriate measures for securing the wallet, vault or other storage mechanism you use to send a contribution to the Company and to receive and store PSY that are issued to you by the Smart Contract System, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). If your private key(s) or other access credentials are lost, you may lose access to your PSY. The Company is not responsible for any security measures relating to your receipt, possession, storage, transfer or potential future use of PSY nor will we be under any obligation to recover or return any PSY.

15.2 The Company excludes (to the fullest extent permitted under applicable law) any and all liability for any security breaches or other acts or omissions which result in your loss of (including your loss of access to) PSY issued to you.

16. Intellectual property

16.1 In this clause 16, "IP Rights" means in relation to the Company, PsyDAO, PSY, the Token Sale, the PsyDAO Commons, PSY Website and the PsyDAO Website, all: (i) patents, inventions, designs, copyright and related rights, database rights, knowhow and confidential information, trademarks and related goodwill, trade names (whether registered or unregistered), and rights to apply for registration; (ii) all other rights of a similar nature or having an equivalent effect anywhere in the world which currently exist or are recognised in the future; and (iii) all applications, extensions and renewals in relation to any such rights.

16.2 Except as expressly set out in these T&Cs, and otherwise voted on and implemented by the Company and the PsyDAO Commons from time to time, you are not entitled, for any purpose, to any of the IP Rights. We and PsyDAO at all times retain ownership, including all rights, title and interests in and to the IP Rights. There are no implied licences under these T&Cs. You understand and accept that by making a contribution for the purchase of PSY pursuant to these T&Cs you will not:

- a) acquire or otherwise be entitled to any IP Rights, except those that may be delegated to you by resolutions of voters in the PsyDAO Commons;
- b) make a claim in respect of any IP Rights or any other equivalent rights. except those that may be delegated to you by resolutions of voters in the PsyDAO Commons; or
- c) use, attempt to use, copy, imitate or modify (whether in whole or in part) any IP Rights, except with our prior written consent.

17. Indemnity

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

- a) your acquisition or use of PSY under these T&Cs;

b) the performance or non-performance of your responsibilities, representations, warranties or obligations under these T&Cs;

c) your breach of any of the terms and conditions set out in these T&Cs; or

d) your breach of any rights of any other person or entity.

17.2 The Company reserves the right to exercise sole control over the defence, at your sole cost and expense, of any claim subject to an indemnity set out in clause 17.1.

17.3 The indemnity set out in this clause 17 is in addition to, and not in lieu of, any other remedies that may be available to the Company under applicable law.

18. Disclaimers

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

a) PSY are sold on an “as is” and “as available” basis, without any warranties or representations of any kind, and we expressly disclaim all warranties and representations relating to PSY (whether express or implied), including, without limitation, any implied warranties of merchantability, fitness for a particular purpose, title and non-infringement;

b) we do not represent or warrant that PSY are reliable, current or defect-free, meet your requirements, or that any defects will be corrected; and

c) we cannot and do not represent or warrant that PSY or the distribution mechanism for PSY are free of viruses or other harmful components.

18.2 Neither these T&Cs nor the Project Documentation constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy any investment or financial instrument in any jurisdiction. PSY should not be acquired for speculative or investment purposes with the expectation of making a profit on immediate or future re-sale.

18.3 No regulatory authority has approved any of the information set out in these T&Cs and/or the Project Documentation. No such action will be taken under the laws, regulatory requirements or rules of any jurisdiction.

19. Limitation of liability

19.1 To the fullest extent permitted by applicable law, in no circumstances will:

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

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

19.2 Without limiting any other disclaimer in these T&Cs or elsewhere, the Company is not liable for any loss, liability, costs or expenses arising in connection with the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right, power or remedy in connection with these T&Cs.

19.3 The limitations and exclusions of liability set out in clause 19.1 do not limit or exclude liability for fraud or wilful misconduct of any Company Indemnified Party, nor will it limit or exclude any losses for which, as a matter of applicable law, it would be unlawful to limit or exclude liability.

20. Assignment and novation

20.1 The Company may assign, transfer, novate or otherwise deal in any manner, all or any part of the benefit of these T&Cs and any of its rights, remedies, powers, duties and obligations under these T&Cs to any person, without your consent and in any way the Company considers appropriate.

20.2 You agree that you may not claim against any assignee, transferee or any other person who has an interest in these T&Cs, any right of set off or other rights that you have against the Company.

21. Termination and right of withdrawal

21.1 Notwithstanding any other provision of these T&Cs, the Company may at any time and for any reason immediately terminate these T&Cs as between you and it without prior notice or need to specify reasons, including if:

- a) you have breached any provision of these T&Cs or acted in a manner which clearly shows that you do not intend to or are unable to comply with any provision in these T&Cs;
- b) the Company reasonably considers it is required to do so by the application of any laws or regulations or by any government, quasi-government, authority or public body (including any regulatory body of any jurisdiction); or
- c) the Company determines that performing its obligations under these T&Cs is no longer commercially viable.

21.2 Subject to these T&Cs, nothing in this clause affects your rights to any PSY of which you are the absolute owner.

22. Survival

The following clauses survive termination of these T&Cs and remain binding and effective at all times:

- a) this clause;
- b) clause 10 (Refunds, refusals, suspension and termination of contributions);
- c) clause 11 (Token utility);
- d) clause 12 (Contributor's representations and warranties);
- e) clause 16 (Intellectual property);
- f) clause 17 (Indemnity);
- g) clause 19 (Limitation of liability);
- h) clause 23 (Waiver of set-off);
- i) clause 25 (Personal Data); and

j) clause 26 (Governing law and dispute resolution).

23. Waiver of set-off

You acknowledge and agree unconditionally and irrevocably to waive any right of set-off, netting, counterclaim, abatement or other similar remedy which you might otherwise have in respect of PSY or under these T&Cs under the laws of any jurisdiction.

24. Taxation

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

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

24.3 You agree not to hold the Company or any of the Company Indemnified Parties liable for any tax liability associated with or arising from the creation, ownership, use or liquidation of PSY or any other action or transaction related to the PsyDAO Commons or the Token Sale.

25. Personal Data

25.1 If we make an information request in accordance with clause 6, we may require you to provide information and documents relating to (without limitation to any other information and documents as may be required to be provided for the purposes of compliance with applicable law):

- a) your identity;
- b) your address;
- c) the source of your wealth;
- d) the source of funds used for the purposes of purchasing PSY; and/or
- e) any other documents or data from which you can be identified; (together, your "Personal Data").

25.2 We will not disclose your Personal Data except as expressly permitted under these T&Cs and otherwise only with your prior consent. However, we may be required to disclose your Personal Data and/or certain other information about you to the extent required by applicable law or by an order of a court or competent governmental or regulatory authority. By accepting these T&Cs, you understand that your Personal Data can be disclosed to third parties to any extent required for the purposes of compliance with applicable law.

25.3 We will process your Personal Data in accordance with the Personal Data Protection Act and Regulation (EU) 2016/679 of the European Parliament and of the Council of

27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), each as may be amended (together, "Data Protection Regulations"), and you agree that we, as the data controller, may directly or through our service providers or agents process your Personal Data for any one or more of the following purposes:

- a) the purchase of PSY and the processing of transactions related to the Token Sale pursuant to these T&Cs;
- b) providing you with information about us and our range of services;
- c) compliance with any requirement imposed by applicable law or by an order of a court or competent governmental or regulatory authority;
- d) management of enquiries and complaints;
- e) opening, maintaining or operating a bank account in the Company's name;
- f) subject to clause 26, resolving any Disputes with you;
- g) producing summary information for statistical, regulatory and audit purposes; and/or
- h) any other reasonable purposes in accordance with applicable law.

25.4 Under the Data Protection Regulations, you have a right to access your Personal Data held by us, and it is your responsibility to inform us of any changes to your Personal Data to ensure such data remains accurate. You also have a right to object to your Personal Data being processed for the purposes of direct marketing. You agree to provide a written request to us should you wish to enforce these rights.

25.5 You agree that we may, for the purposes set out in clause 25.3, permit the transfer of your Personal Data to any jurisdiction with an adequate level of data protection, whether or not inside the European Economic Area, and that by accepting these T&Cs you authorise and expressly consent to the processing of your Personal Data by us, our agents and/or our service providers, provided that where your Personal Data is processed by entities other than us, our agents or our service providers, we shall seek your prior written consent in respect of such processing.

25.6 You acknowledge, accept and understand that these T&Cs, insofar as they relate to the controlling and processing of your Personal Data by the Company, our agents and/or service providers, are only relevant to the processing of your Personal Data for the purposes set out in 25.3. In order to access the PsyDAO Commons and provide or receive services therein or otherwise use and interact with the PsyDAO Commons, you will be required to accept the Commons Rules which shall also set out the terms and conditions under which your Personal Data is collected, stored and processed (as well as your individual rights under applicable data protection laws) in connection with your participation in the PsyDAO Commons.

26. Governing law and dispute resolution

26.1 **Governing law.** These T&Cs, including non-contractual claims arising out of or related to these T&Cs, and any business relationship hereunder shall be governed by and construed in accordance with the laws of Switzerland, excluding the conflict of law rules.

26.2 **Jurisdiction (if you are a Consumer).** If you are a Consumer, you and the Company each irrevocably submit with respect to any Dispute arising out of or related to these T&Cs to the exclusive jurisdiction of the Swiss courts.

27. Miscellaneous

27.1 Amendments. The Company may amend these T&Cs from time to time, including where there are changes to the intended utility of PSY, where adjustments are required to give effect to the intended operation of PSY within the PsyDAO Commons, to make any essential corrections, or as may be otherwise required by any laws or regulatory requirements to which the Company is subject. If the Company makes any amendments to these T&Cs, it will publish a notice together with the updated T&Cs on the PSY Website. Any amended T&Cs become effective immediately upon the publication of notice and updated T&Cs on the PSY Website. It is your responsibility to regularly check the PSY Website for any such notices and updated T&Cs.

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

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

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

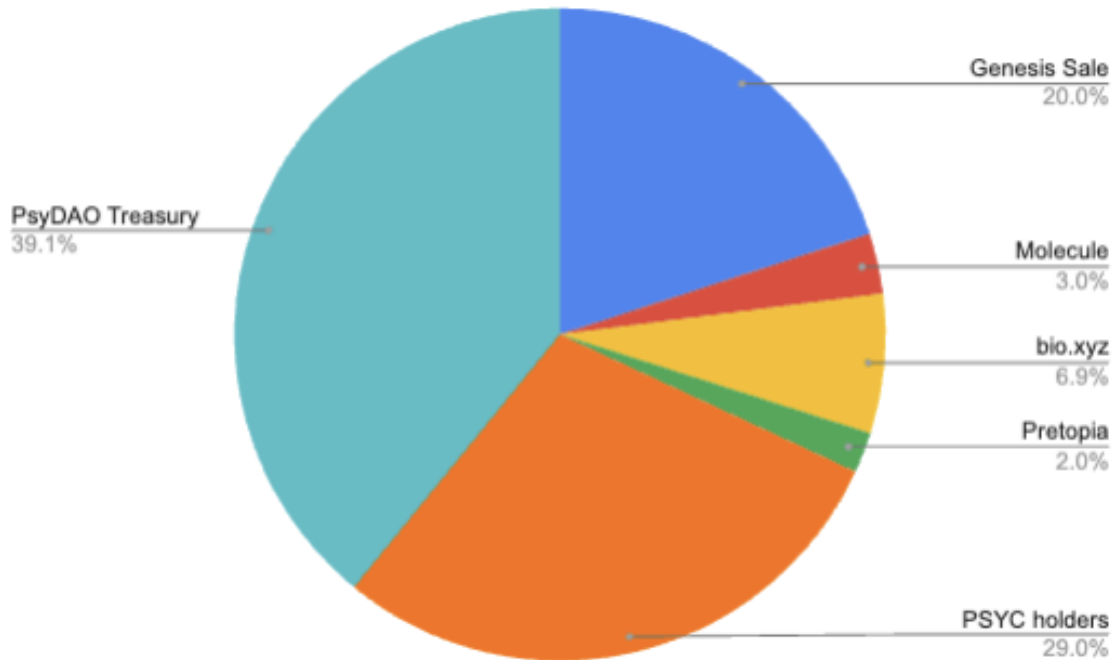
27.5 Independent contractors. Nothing in these T&Cs creates any form of partnership, joint venture or any other similar relationship between you and the Company and/or other individuals or entities involved with the development and deployment of the Smart Contract System and/or the Company Indemnified Parties and/or the PsyDAO Commons.

27.6 Severability. Any term, clause or provision of these T&Cs which is prohibited held invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, invalidity or unenforceability without invalidating the remaining terms, clauses or provisions of these T&Cs, and any such prohibition, invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such term, clause or provision in any other jurisdiction.

27.7 Prevailing language. The English language version of these T&Cs shall be controlling in all respects and shall prevail in case of any inconsistencies with translated versions, if any. Any other language versions of these T&Cs are provided for convenience only.

SCHEDULE 1
PSY CREATION AND INTENDED DISTRIBUTION

A total of 102,334,155.00 (the 40th band of the Fibonacci number sequence) PSY were created, to be distributed in accordance with the following table:



The PsyDAO Association will oversee the distribution of the treasury funds, including the amount of PSY to be used for liquidity after the PSY Token Sale, taking into account the community voice exercised through PSY voting and ratified by PSYC holders. Vesting terms for PSY allocated to Molecule, bio.xyz, Pretopia, and PSYC holders will be determined by community vote exercised through PSY voting and ratified by PSYC holders. PSY purchased during the Genesis Sale will be fully vested and unlocked at the conclusion of the Genesis Sale.

SCHEDULE 2
CONTRIBUTOR'S REPRESENTATIONS AND WARRANTIES

By making a contribution and accepting these T&Cs, you hereby represent and warrant that:

1. You have read and understood these T&Cs (including all the Schedules hereto);
2. You have the necessary authority and consent to accept these T&Cs, to enter into a binding agreement with the Company and to perform the obligations set out herein;
3. You are not a statutory corporation, governmental or semi-governmental authority;
4. The acceptance of these T&Cs and the entry into a binding agreement with the Company will not result in any breach of, be in conflict with, or constitute a material default under: (i) any provision of the Contributor's constitutional or organisational documents (in the case of a corporate entity including, without limitation, any company or partnership); (ii) any provision of any judgement, decree or order imposed on the Contributor by any court or governmental or regulatory authority; and/or (iii) any material agreement, obligation, duty or commitment to which the Contributor is a party or by which the Contributor is bound;
5. You have sufficient understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens (like ETH), token storage facilities (including digital token wallets), blockchain technology and blockchain-based software systems;
6. You have obtained sufficient information about the potential future utility of PSY to make an informed decision to participate in the Token Sale pursuant to these T&Cs;
7. You understand that PSY confers only a limited potential future right or expectation to use and interact with the PsyDAO Commons as more particularly described in the PsyDAO Whitepaper, and that PSY confers no other rights of any kind with respect to the Company and/or the PsyDAO Commons, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property rights), or other financial or legal rights;
8. If you are an individual, you are at least 18 years of age, you have sufficient legal capacity to accept these T&Cs and to enter into a binding agreement with the Company on the terms set out herein;
9. If you are making a contribution for the acquisition of PSY as a corporate entity, such entity is duly incorporated, registered and validly existing under the applicable laws of the jurisdiction in which the entity is established;
10. If you are making a contribution for the purchase of PSY for or on behalf of an entity or person, you are authorised to accept these T&Cs and enter into a binding agreement with the Company on such entity's or person's behalf (and in such circumstances, references in these T&Cs to "Contributor", "your" or "you" is a reference to the entity or person on whose behalf you are authorised to make a contribution);
11. You are making a contribution for the purchase of PSY to potentially use and interact with the PsyDAO Commons at a future point in time. You are not making a contribution under

these T&Cs for any other uses or purposes, including, but not limited to, any investment, speculative or other financial purposes;

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

13. You will not use PSY to finance, engage in, or otherwise support any unlawful activities;

14. The contribution will be transferred to the Company from an Ethereum wallet that: (i) is registered in your name or in the name of a person who is duly authorised by you to send a contribution to the Company; and (ii) is not located in or that is not registered in the name of a person located in or resident of any Prohibited Jurisdiction. In these T&Cs, "Prohibited Jurisdiction" means any of the following:

a) The United States of America;

b) A country or territory (together, "Sanctioned Countries") that is currently the subject of any sanction administered by the United States Office of Foreign Assets Control of the United States Department of the Treasury or any other United States government authority or subject to any similar sanctions or measures imposed or administered by the United Nations Security Council or the European Union including, without limitation, Cuba, Iran, Syria, North Korea, and each of the Crimea, Donetsk, Luhansk, Kherson and Zaporizhzhia regions of Ukraine;

c) A jurisdiction identified by the Financial Action Task Force ("FATF") for strategic AML/CFT deficiencies and included in FATF's listing of Jurisdictions under Increased Monitoring and High-Risk Jurisdictions subject to a Call for Action accessible at <https://www.fatf-gafi.org/en/topics/high-risk-and-other-monitored-jurisdictions.html> (each as may be amended from time to time);

d) A jurisdiction (including, but not limited to, the Sanctioned Countries) in which the token sale is prohibited, restricted or unauthorised in any form or manner whether in full or in part under the laws, regulatory requirements or rules in such jurisdiction;

e) A jurisdiction where the provision or use of information or services provided by Company on the website <https://PSY.com/>, websites powered by, or linked to said website, and related applications or services would be contrary to applicable laws, rules, or regulations of any governmental authority or regulatory or self-regulatory organisation, or where Company is not authorised to provide such information or services, or a jurisdiction that is included within a list of restricted countries and territories pursuant to the Company Terms of Service (as may be amended from time to time);

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

16. You are not a citizen of or resident or domiciled in a Prohibited Jurisdiction or making a contribution for the purchase of PSY from a location in a Prohibited Jurisdiction, nor are you an entity (including, but not limited to, any company or partnership) incorporated, established or registered in or under the laws of a Prohibited Jurisdiction, nor are you making a contribution for the purchase of PSY for or on behalf of any such person or entity;

17. You are not a resident or tax resident of, and do not otherwise have any relevant connection with, any jurisdiction in which entry into or performing your obligations under these T&Cs or the distribution, holding, use or exchange of PSY is unlawful or restricted in any way or requires licensing, registration or approval of any kind;

18. You will observe all applicable laws and regulations in such manner that will, to the best of your knowledge and belief, result in compliance by you and the Company in any jurisdiction in which you directly or indirectly:

- a) Purchase, hold, use, offer, sell, transfer, deliver, re-sell, re-offer or exchange PSY;
- b) Enter into or perform your obligations under these T&Cs; or
- c) Distribute these T&Cs or any advertisement or similar material;

19. You are not the subject of any Sanctions nor are you resident or established (in the case of a corporate entity) in a country or territory that is the subject of any country-wide or territory-wide Sanctions;

20. You will comply with any applicable tax obligations in your jurisdiction arising from your acquisition, storage, sale or transfer of PSY;

21. You will provide us with details of an Ethereum wallet that supports the ERC20 token standard (i.e., technically supports the receipt, storage, holding and transfer of tokens such as PSY);

22. You enter into these T&Cs voluntarily and based on your own independent judgement and on advice from independent advisors as you have considered necessary; and

23. You understand and accept the risks of participating in token sales relating to early stage blockchain start-up businesses and acknowledge that these risks are substantial. You further warrant and represent that your contribution does not represent a meaningful or substantial proportion of your wealth or net worth, and that you are willing to accept the risk of loss associated with the contribution made under these T&Cs;

24. Making a contribution from a Prohibited Jurisdiction by providing false or inaccurate information about your citizenship, residency and/or nationality will mean a breach of these T&Cs, requiring you to indemnify the Company in respect of any damages and losses suffered due to this breach in accordance with the indemnification provisions set out in these T&Cs.

SCHEDULE 3
RISK FACTORS

THE FOLLOWING IS NOT NOR IS IT INTENDED TO BE A COMPREHENSIVE OR EXHAUSTIVE LIST OF RISK FACTORS

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

2. **Regulatory risk:** blockchain technology allows new forms of interaction and it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology-based applications, which may be contrary to the current setup of the Smart Contract System, and which may, inter alia, result in substantial modifications to the Smart Contract System and/or the PsyDAO Commons, including its termination and the loss of PSY for the Contributor. Additionally, regulation of proposed activities of the PsyDAO Commons is currently uncertain. It is not known what regulatory framework the proposed PsyDAO Commons and associated activities will be subject to, the nature and obligations that will be imposed on the Company in order to comply with any such regulatory framework or when/if the Company will even be able to apply to be regulated, or successfully obtain the necessary licences so that it may lawfully carry out its proposed business activities.

3. **Risks associated with uncertain regulations and enforcement actions:** the regulatory status of PSY and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory authorities may apply existing regulation with respect to such technology and its applications, including specifically (but without limitation to) the PsyDAO Commons and PSY. It is likewise difficult to predict how or whether any legislative or regulatory authorities may implement changes to law and regulation affecting distributed ledger technology and its applications, including specifically (but without limitation to) the PsyDAO Commons and PSY. Regulatory actions could negatively impact the PsyDAO Commons, PSY and/or the Company in various ways, including, for purposes of illustration only, through a determination that PSY are a regulated financial instrument that requires registration or licensing. The Company may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or

commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

4. Risk of abandonment / lack of success / business failure: the creation and issue of PSY and the development of the PsyDAO Commons may be abandoned, may suffer from lack of success and may suffer business failure 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 (e.g., caused by competing projects). There is no assurance that, even if PsyDAO Commons is partially or fully developed and launched, you will receive any benefits through PSY that you hold.

5. Risk associated with other applications: the PsyDAO Commons may give rise to other, alternative projects, promoted by unaffiliated third parties, under which PSY will have no intrinsic value. This means that competitors may produce platforms that compete with the PsyDAO Commons and may not accept PSY as payment for services within such platforms; further, such platforms may become more popular and have greater success than the PsyDAO Commons. In addition, the utility of PSY depends in part on the success of the PsyDAO Commons. The PsyDAO Commons may not be popular or widely used. In the long term, the PsyDAO Commons may fail to attract a critical mass of users. The PsyDAO Commons may be merged with other projects. Various circumstances, including technical advancement and competitors, may render the PsyDAO Commons obsolete.

6. Risks associated with markets for PSY: the Company may choose not to enable or otherwise facilitate any secondary speculative trading or any such external valuation of PSY. This may restrict the contemplated avenues for using PSY to the token utility described in the PSY Whitepaper and could therefore create illiquidity risk with respect to PSY you own. Even if secondary trading of PSY is facilitated by third-party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation. Furthermore, to the extent that any third party ascribes an external exchange value to PSY (e.g., as denominated in a virtual or fiat currency), such value may be extremely volatile and diminish to zero. If you are purchasing PSY as a form of investment on a speculative basis or otherwise, or for a financial purpose, with the expectation or desire that their inherent, intrinsic or cash-equivalent value may increase with time, you assume all risks associated with such speculation or actions, and any errors associated therewith, and accept that PSY are not offered by the Company or its affiliates on an investment basis or for any investment purpose whatsoever. You further acknowledge that any contribution that you make under these T&Cs (or you consider to be invested in the Company) will not be protected, guaranteed or reimbursed by any governmental, regulatory or other entity.

7. Risk of losing access to tokens due to loss of private key(s), custodial error or your error: PSY can only be accessed by using an Ethereum wallet with a combination of the Contributor's account information (address), private key and password. The private key is encrypted with a password. You acknowledge, understand and accept that if your private key or password gets lost or stolen, the obtained PSY associated with your Ethereum wallet address

may be unrecoverable and permanently lost. Additionally, any third party that gains access to your private key, including by gaining access to the login credentials relating to your Ethereum wallet, may be able to misappropriate your PSY. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store PSY, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your PSY.

8. Risk of theft and vulnerabilities: the Smart Contract System concept, the underlying software application and software platform (i.e., the Ethereum blockchain) may be exposed to attacks by hackers or other individuals including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Any such successful attacks could result in theft or loss of contributions or PSY, adversely impacting the ability to develop the PsyDAO Commons and derive any usage or functionality from PSY. You must take appropriate steps to satisfy yourself of the integrity and veracity of relevant websites, systems and communications. Furthermore, because the PsyDAO Commons is based on open-source software, there is a risk that a third party or a member of the Company's or PsyDAO Group's team may intentionally or unintentionally introduce weaknesses or defects into the core infrastructure of the PsyDAO Commons, which could negatively affect the PsyDAO Commons and PSY.

9. Risk of Ethereum mining attacks: as with other cryptocurrencies, the blockchain used for the Smart Contract System is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and rare condition attacks. Any successful attacks present a risk to the Smart Contract System, expected proper execution and sequencing of token transactions, and expected proper execution and sequencing of contract computations.

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

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

12. Risk of uninsured losses: unlike bank accounts or accounts at some other financial institutions, PSY are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by us, to offer recourse to you.

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

14. Risk of an unfavourable fluctuation of currency value: the Company intends to use the contributions received to fund the development of PSY and various other operating expenses. The contributions received will be denominated in ETH, and may be converted into other cryptographic assets and fiat currencies.

15. Risk of dissolution of the Company or network: it is possible that, due to any number of reasons, including, but not limited to, an unfavourable fluctuation in the value of ETH, decrease in PSY utility due to negative adoption of the PsyDAO Commons, the failure of commercial relationships, or intellectual property ownership challenges, the PsyDAO Commons may no longer be viable to operate and the Company and/or PsyDAO may dissolve and the development of the PsyDAO Commons may be abandoned.

16. Risks arising from lack of governance rights: because PSY confer no governance rights of any kind with respect to the Company, all decisions involving the Company (including to sell or liquidate the Company) will be made by the Company acting in its sole and absolute discretion, and all decisions involving the PsyDAO Commons including, but not limited to, decisions to discontinue the PsyDAO Commons and to create and issue additional tokens beyond PSY, will be made by PsyDAO, except as expressly specified otherwise in the PsyDAO Whitepaper. These decisions could adversely affect the PsyDAO Commons and/or PSY you hold.

17. Risks arising from the market in which the PsyDAO Commons operates: the crypto- currency exchange market, the token listing and trading market, ICOs, and by extension the PsyDAO Commons, is subject to a variety of federal, state and international laws and regulations, including those with respect to KYC/AML and customer due diligence procedures, privacy and data protection, consumer protection, data security, and others. These laws and regulations, and the interpretation or application of these laws and regulations, could change. In addition, new laws or regulations affecting PSY and/or the PsyDAO Commons could be enacted, which could impact the utility of PSY in the PsyDAO Commons. Additionally, PsyDAO Commons users are subject to or may be adversely affected by industry specific laws and regulations or licensing requirements. If any of these parties fails to comply with any of these licensing requirements or other applicable laws or regulations, or if such laws and regulations or licensing requirements become more stringent or are otherwise expanded, it could adversely impact the PsyDAO Commons and PSY, including its utility to obtain or provide services within the PsyDAO Commons.

18. Risks associated with the development and maintenance of the PsyDAO Commons: the PsyDAO Commons may undergo significant changes over time. Although we

intend for PSY and PsyDAO Commons to function as described in the PsyDAO Whitepaper and intend to take commercially reasonable steps towards those ends, we or PsyDAO may have to make changes to the specifications of PSY or the PsyDAO Commons for any number of legitimate reasons. Moreover, PsyDAO may not be able to retain full and effective control over how other participants will use the PsyDAO Commons, what products or services will be offered through the PsyDAO Commons by third parties, or how third-party products and services will utilise PSY (if at all). This could create the risk that PSY or PsyDAO Commons, as further developed and maintained, may not meet your expectations at the time of purchase. Furthermore, despite PsyDAO's good faith efforts to develop and participate in the PsyDAO Commons, it is still possible that the PsyDAO Commons will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the PsyDAO Commons and PSY, and the potential utility of the PSY, including the utility of the PSY for obtaining services and/or offering rewards and/or being used in the manner intended at the time of the Token Sale.

19. Risks associated with incomplete information regarding the PsyDAO Commons: you will not have full access to all the information relevant to the Company and/or the PsyDAO Commons. The Company is not required to update you on the progress of the PsyDAO Commons. You are responsible for making your own decision in respect of purchasing PSY. The Company does not provide you with any recommendation or advice in respect of the purchase of PSY. You may not therefore rely on the Company to provide you with complete or up-to-date information.

20. Risk of competing platforms: it is possible that alternative platforms could be established that utilize the same open-source code and protocol underlying the PsyDAO Commons and attempt to facilitate services that are materially similar to the services offered by or within the PsyDAO Commons. The PsyDAO Commons may compete with these alternatives, which could negatively impact the PsyDAO Commons and PSY, including the utility of the PSY for obtaining services offered by or within the PsyDAO Commons.

21. Risk of inadequate resources: the Token Sale and the PsyDAO Commons will require intensive computing resources. The demand for these resources may respectively exceed estimates of the Company or PsyDAO. Ultimately, the Company's and/or PsyDAO's resources may prove inadequate to support the Token Sale and/or develop the PsyDAO Commons, which may affect the distribution and/or utility of PSY.

22. Risks associated with third party contractors: development of PSY and the PsyDAO Commons, and the operation of the Token Sale, will require third-party contractors with particular expertise in Ethereum and blockchain technology. The availability of such contractors is limited. There may not be sufficient (or any) such contractors available on terms deemed acceptable by the Company and/or PsyDAO. The costs associated with any such contractors may be significantly greater than currently estimated. Further, the quality, reliability and timely delivery of services by such contractors may vary significantly.

23. Jurisdiction related risks: residents, tax residents or persons having a relevant connection with certain jurisdictions are excluded from the Token Sale. Changes in your place of domicile or the applicable law may result in you violating any legal or regulatory requirements of your applicable jurisdiction. You are responsible for ensuring that the distribution, holding, use or exchange of PSY is, and remains lawful despite changes to applicable laws, your residence and circumstances.

24. Unanticipated risks: cryptographic tokens such as PSY are a new and untested technology. In addition to the risks set out in this SCHEDULE 3, there are other risks associated with your acquisition, storage, transfer and use of PSY, including those that the Company may not be able to anticipate. Such risks may further materialise as unanticipated variations or combinations of the risks set out in this SCHEDULE 3.