



Terms and Conditions of Issuance of Colored Coins

31 MARCH 2016

BACKGROUND INFORMATION

The Terms and Conditions govern the issuance of certificates of IOUs (referred as “colored coins”) by Lykke Corp UK Ltd., full subsidiary of Lykke Corp (referred as “Lykke”). Colored coins are digital financial securities that specify the obligations of Lykke. A holder of a colored coin has the right to return the colored coin to the Lykke and request fulfilment of the obligation (IOU) as specified by the colored coin.

Example of a colored coin:

1 Lykke USD colored coin: commitment to pay 1 USD within one business day.

Lykke issues colored coins for USD, EUR, JPY, GBP, CHF, Lykke shares and other assets as specified in the Appendix.

The time period for the payment begins with the remittance of the coin to Lykke and the request for delivery.

Payment is made to the wallet of the holder. The payment includes an interest payment that reflects the spot interest on one day delivery at time of remittance.

TECHNOLOGICAL NATURE

Lykke is using distributed ledger technology (referred as “blockchain” or “distributed ledger”) for providing the services, including issuance, transfers and exchange of colored coins. The services are based on the Open Assets protocol. Open Assets is a colored coin implementation based on the OP_RETURN operator. Metadata is linked from the blockchain and stored on the web. See www.openassets.org.

For communication with the distributed ledger, client application has been created for mobile iOS operating system. To own and exchange colored coins the Lykke Wallet mobile app needs to be downloaded and installed.

This document might not contain the entire information considered important by the interested parties. Since the blockchain technology is relatively new, Lykke will start testing the new colored coins issue carefully, on a limited scale and by using a design that serves to minimise risks.

LEGAL FRAMEWORK

The precondition for the purchase and redemption of the colored coins is a customer relationship with Lykke. In the establishment of the relationship, Lykke thus adheres, among other things, to the obligations arising from the Money Laundering and Terrorist Financing Prevention Act.

BASIC CONDITIONS FOR THE ISSUANCE

The colored coins shall be freely transferable and exchangeable, subject to the limitations arising from the legal acts of EU and other countries. The issue of the colored coins shall not be registered under the legal acts any other country. The colored coins may not thus be sold or offered for sale in any country, where a previous registration or other formalities are required for the purpose.

Any payments to be made by Lykke and the holder of the colored coin in connection with the colored coins shall be made in bitcoins.

ACQUISITION OF COLORED COINS FROM THE ISSUER

To acquire a colored coin, customer needs to use the Exchange accessible of the Lykke Wallet mobile application. The value of the colored coins is defined by the reference market prices.

Colored coins may be acquired during the entire period of issue.

Lykke may partially or completely cancel the issue at its own discretion.

Lykke shall have the right to decide on the cancellation of the issue or reduction of the volume of the issue.

REDEMPTION OF THE COLORED COINS

Colored coins may only be redeemed/sold back by customers of Lykke.

The redemption payment per colored coin shall be the nominal value of the colored coin converted to bitcoins at the reference market price.

The last redemption date of the colored coins is 1 January 2017. Lykke shall have the right to redeem colored coins at an earlier date.

Lykke shall make the redemption payment to the person who has sought redemption of the colored coin in Lykke during the term of redemption. The holder of the colored coin shall have the right to seek redemption of the colored coin until 1 January 2017.

FINAL PROVISIONS

Lykke shall be liable for breach of an obligation arising from the conditions of issue only if the breach is deliberate or attributable to gross negligence.

The colored coins and any rights and obligations thereof shall be governed by the English Common Law.

APPENDIX.

COLORED COINS ISSUANCES (31 MAR 2016)

Asset Name	Ticker	AssetId	Type	Divisibility	Coins issued
Lykke CHF colored coins	IkeCHF	AHG1gqienL4Gj5kcJhqm5U5LFCMtt8Vfy6	Currency	2	100,000
Lykke EUR colored coins	IkeEUR	AbjAzsV5s5ANrGK3Kf3qbKQVQYSS3McfUH	Currency	2	100,000
Lykke GBP colored coins	IkeGBP	AJZos2d6vHxAYWLCu9xFudm1MDxK6FTk7u	Currency	2	100,000
Lykke USD colored coins	IkeUSD	AJ7wAWbH8Rd5UEHnMC6EoBP5B1gUa7U3cw	Currency	2	100,000
Lykke JPY colored coins	IkeJPY	AUrMzvHTYJ8oQVECCEAXUU4dB M5PvhkP9Z	Currency	2	10,000,000
Lykke Corp Equity	Lykke	ANEjN5ngJJefc8RjKZHeAc37uHKzpwdsc8	Stock	0	1,250,000,000

The colored coins have a last redemption date to 1 January 2017.