

THE PAYCOIN FOUNDATION USER AGREEMENT

Last Updated March 25, 2015

This User Agreement ("Agreement") is a contract between you ("you", "your" or "user") and Paycoin Foundation, Inc., a Texas Corporation ("PayCoin Foundation", "Foundation", "we", "us" or "our") and applies to your use of: (a) the collection of PayCoin Foundation's websites located at PayCoin.com, and any associated PayCoin-hosted websites (collectively, the "Site" or "Sites"), (b) software applications, API, or browser plugins (collectively, the "Applications"), and (c) any services provided to you by The PayCoin Foundation. The PayCoin Foundation Sites, Applications, and services provided by the Foundation shall be known collectively as the "Service" or "Services".

If you do not agree to any of the terms set forth in this Agreement, or any subsequent modification to the Agreement, you may not access or use any of the PayCoin Foundation Services and must cancel your PayCoin Foundation Account, free of charge, in the manner set forth below. You further agree that any disputes between you and the PayCoin Foundation will be resolved by binding, individual arbitration and you waive your right to participate in a class action lawsuit or class-wide arbitration. If you do not agree to any of the terms set forth in this Agreement, you may not access or use any of the PayCoin Sites, Applications, or Services.

We may amend or modify this Agreement by posting on the PayCoin Foundation Site or emailing to you the revised Agreement, and the revised Agreement shall be effective at such time. We may (a) modify or discontinue any portion of the PayCoin Foundation Services, and (b) suspend or terminate your access to the PayCoin Foundation Services, at any time, and from time to time, without notice to you in certain, limited circumstances described herein. You agree that we shall not be liable to you or any third party for any modification or termination of the PayCoin Foundation Services, or suspension or termination of your access to the PayCoin Foundation Services, except to the extent otherwise expressly set forth herein.

To be eligible to use the PayCoin Foundation Services, you must be at least 18 years old (or the applicable age of majority and contractual capacity). By accessing or using the PayCoin Foundation Services you represent and warrant that you are 18 or older.

Please note the following risks of using PayCoin Foundation Services:

- The risk of loss in trading or holding PayCoin can be substantial. You should therefore carefully consider whether trading or holding PayCoin is suitable for you in light of your financial condition. In considering whether to trade or hold PayCoin, you should be aware that the price or value of PayCoin can change rapidly, decrease, and potentially even fall to zero. If you use a PayCoin Foundation Service which allows you and/or third parties to access and hold PayCoin private keys, you acknowledge that the PayCoin Foundation is not responsible for safeguarding such keys and that PayCoin Foundation is not responsible for any loss of PayCoin resulting from theft, loss, or mishandling of PayCoin private keys outside its control.
- While the PayCoin Foundation takes great care in safeguarding funds, the possibility of a security breach is always possible. The PayCoin Foundation is not responsible for loss of your funds in the event of a breach. The PayCoin Foundation has set up a reserve in the event of a small breach, but that reserve may be unable to cover all losses. The PayCoin Foundation encourages use of private wallets and the diversification of the PayCoin network. An always on, large, web hosted wallet is a target and you should carefully consider where and how you store your PayCoins.

1. PAYCOIN SERVICES.

The PayCoin Services include the following:

(i) one or more hosted accounts that allow users to store PayCoin private keys, and to track, transfer, and manage their PayCoin and account information and through which PayCoin Services can facilitate PayCoin Transactions pursuant to instructions submitted by a user or authorized entity to the PayCoin Services (“the PayCoin Wallet”).

2. PayCoin ACCOUNT.

2.1. Creating an Account. In order to use any of the PayCoin Services, you must first register by providing your first and last name, valid email address and password. Upon successful completion of the registration process, PayCoin will establish your PayCoin Account. PayCoin may, in its sole discretion, refuse to establish your PayCoin Account, or limit the number of PayCoin Accounts that a single user may establish and maintain at any time.

- 2.2. Identify Verification.** In order to use certain features of the PayCoin Services, you may be required to provide us with certain personal information, including but not limited to, your name, address, telephone number, email address, date of birth, and social security number. PayCoin may also require you to answer certain questions or take certain actions in order to verify your identity, provide PayCoin Services to you, or comply with applicable law. In submitting this personal information, you verify that the information is accurate and authentic, and you agree to update PayCoin if any information changes. You hereby authorize PayCoin to, directly (i) make any inquiries we consider necessary to verify your identity and/or account information, and (ii) request and obtain any consumer report or similar information relating to you and to take action we reasonably deem necessary based on the results of such inquiries.
- 2.3. Terminating an Account.** PayCoin may (a) suspend or terminate your access to any of the PayCoin Services, and (b) deactivate or cancel your PayCoin Account as required by a valid subpoena or court order, or if PayCoin reasonably suspects you of using your PayCoin Account in furtherance of illegal activity. You will be permitted to transfer PayCoin associated with your PayCoin Wallet for ninety (90) days after Account deactivation or cancellation unless such transfer is otherwise prohibited (i) under the law, or (ii) by a valid subpoena or court order. If any transaction is in a pending state at the time your PayCoin Account is cancelled or suspended, such transaction may be cancelled and/or refunded as appropriate. You may not cancel your PayCoin Account to evade an investigation or avoid paying any amounts otherwise due to PayCoin. Upon cancellation of your PayCoin Account, you authorize PayCoin to cancel or suspend pending Exchange Service transactions and, after providing written notice to the you, return the funds associated with such transactions to the your address or bank account, as applicable. In the event that you or PayCoin terminates this Agreement or your access to the PayCoin Services, or deactivates or cancels your PayCoin Account, you will remain liable for all amounts due hereunder. In the event that a technical problem causes system outage or account errors, PayCoin may temporarily suspend access to your Account until the problem is resolved.

- 3. PayCoin Wallet.** PayCoin may use the information provided during registration to establish a wallet (a "PayCoin Wallet"). Your PayCoin Wallet will be hosted by PayCoin and accessible through the Site.

3.1. Sending and Receiving Bitcoin

- 3.1.1.** As part of the services offered in connection with your PayCoin Foundation Account, the PayCoin Foundation can help you send PayCoin to, and request and receive PayCoin from, third parties pursuant to instructions you provide through the PayCoin Foundation Sites (each such transaction is a "PayCoin Transaction"). You may initiate a PayCoin Transaction by going to a PayCoin Foundation Site, choosing to send or request, and entering the requisite information regarding the sender or recipient and the amount of PayCoin to be transferred. The PayCoin Foundation will then communicate with the PayCoin network on your behalf, as necessary, to facilitate each PayCoin Transaction in accordance with these instructions.
- 3.1.2.** **The PayCoin Foundation reserves the right to refuse to process or to cancel any pending PayCoin Transaction as required by law or in response to a subpoena, court order, or other binding government order. PayCoin Foundation cannot reverse a PayCoin Transaction which has been communicated to and confirmed by the PayCoin network.**
- 3.1.3.** The PayCoin Foundation processes PayCoin Transactions according to the instructions received from its users and we do not guarantee the identity of any user, receiver, requestee or other party. You should verify all transaction information prior to submitting instructions to the PayCoin Foundation as the relevant PayCoin Transaction may not be cancelled or reversed once initiated.
- 3.1.4.** If you initiate a PayCoin Transaction by entering the recipient's PayCoin address, the PayCoin Foundation will confirm that the PayCoin address is valid; however, the PayCoin Foundation cannot confirm that the PayCoin address belongs to the intended recipient.

3.1.5. PayCoin Storage & Transmission Delays. The PayCoin Foundation securely stores 100% of all PayCoin private keys in our control in a combination of online and offline storage. As a result, it may be necessary for PayCoin Foundation to retrieve this information from offline storage in order to facilitate a PayCoin Transaction in accordance with your instructions, which may delay the initiation or crediting of such PayCoin Transaction for 48 hours or more. As a user of the PayCoin Foundation Services, you accept the risk that a PayCoin Transaction facilitated by PayCoin Foundation may be delayed and you agree not to hold PayCoin Foundation responsible for any damages or injury arising out of or related to such delay. In the event of a security breach, a delay may be much longer than 48 hours.

3.1.6. PayCoin Storage & Transmission Limits. The PayCoin Foundation may impose limits for total number of coins in each account and the total number of coins allowed to be transferred over a period of time. These limits may be implemented to protect the users coin from malicious activity.

3.2. Your PayCoin Transactions.

3.2.1. Third Party Transactions. The PayCoin Foundation has no control over, or liability for, the delivery, quality, safety, legality or any other aspect of any goods or services that you may purchase or sell to or from a third party (including other users of PayCoin Foundation Services). PayCoin Foundation is not responsible for ensuring that a buyer or a seller you are dealing with will actually complete the transaction or is authorized to do so. If you experience a problem with any goods or services purchased from, or sold to, a third party in connection with PayCoin transferred using the PayCoin Foundation Services, or if you have a dispute with such third party, you must handle it directly with that third party. Due to the nature of PayCoin, any PayCoin Transaction conducted using the PayCoin Foundation Services is final regardless of any defects in or non-delivery of any goods or services purchased in connection with such PayCoin Transaction, or any other aspect of your transaction or relationship with the relevant third party. If you believe a third

party has behaved in a fraudulent, misleading, or inappropriate manner, or if you cannot adequately resolve a dispute with a third party, you may notify PayCoin Foundation Support at support@PayCoin.com so that we may consider whether to take any action.

- 3.2.2. Refunds.** PayCoin Foundation is not responsible for merchant refund policies. Certain merchants may wish to process a refund to you via a separate PayCoin Transaction having a value equal to the transaction amount being refunded, as expressed in local currency (e.g., U.S. dollars), based on the then current Conversion Rate. As a result, you may receive less (or more) PayCoin via a refund than you initially used to pay the Merchant.
- 3.2.3. Taxes.** It is your sole responsibility to determine whether, and to what extent, any taxes apply to any transactions associated with your receipt or transfer of PayCoin, and/or to the PayCoin Transactions you conduct through the PayCoin Foundation Services, and to withhold, collect, report and remit the correct amounts of taxes to the appropriate tax authorities. Your transaction history is available through your PayCoin Foundation Account.
- 3.2.4. Limits.** PayCoin Foundation reserves the right to change the buy/sell, transfer, trading, storage and velocity limits applicable to your PayCoin Wallet in our sole discretion. We may require you to provide us with information about yourself and/or your PayCoin Transactions if your transactions exceed certain government reporting thresholds, such as thresholds regarding financial recordkeeping and tax reporting.
- 3.2.5. PayCoin Foundation Vault.** You may elect to add heightened controls to your PayCoin Wallet by transferring PayCoin to a special account designated for this purpose (the "PayCoin Foundation Vault"). The basic PayCoin Foundation Vault allows users to set time-delays which prohibit transfer of associated PayCoin within a designated period following a transfer instruction, and/or to require the electronic approval of multiple individuals designated by the user before transfers may be completed. Any

PayCoin associated with the basic PayCoin Foundation Vault cannot be transferred until the time-delay period lapses or the requisite multi-party approval is obtained or both.

An advanced PayCoin Foundation Vault allows users the option to view, control, and distribute private keys of associated PayCoin to multiple third parties whose majority approval will be required to transfer associated PayCoin (the "Multisig Vault"). Although the PayCoin Foundation may, at the user's election, create encrypted backups of such private keys, these backups cannot be restored without a user-generated password. **The PayCoin Foundation cannot restore encrypted private keys or otherwise recover private keys which are not within the PayCoin Foundation 's control. Users of the Multisig Vault acknowledge that the PayCoin Foundation is not responsible for transferring, safeguarding, or maintaining private keys and PayCoin associated with a user's Multisig Vault.** Only the user, with approval of requisite co-signers (if any), can transfer PayCoin associated with a Multisig Vault. If you and/or co-signing authorities lose, mishandle, or have stolen associated PayCoin private keys, or if your cosigners refuse to provide requisite authority, you acknowledge that you may not be able to recover associated PayCoin, and that the PayCoin Foundation is not responsible for such loss.

- 3.2.6. User Generated Private Keys.** The PayCoin Foundation may, at the user's election, allow the use of User Generated private keys, these keys cannot be restored if lost. **The PayCoin Foundation cannot restore encrypted private keys or otherwise recover private keys which are not within the PayCoin Foundation 's control. Users acknowledge that the PayCoin Foundation is not responsible for transferring, safeguarding, or maintaining private keys and PayCoin associated with a user's wallet or account.** Without the private key, you acknowledge that you may not be able to recover associated PayCoin, and that the PayCoin Foundation is not responsible for such loss.

3.3. Advanced Protocols. We do not currently support metacoins, colored coins, or any advanced protocol which supplements the core PayCoin Protocol. PayCoin Foundation does not detect whether PayCoin Transactions associated with your PayCoin Foundation Account may involve any such protocol use. Do not use your PayCoin Foundation Account to effect any instruction or transfer involving an advanced protocol. PayCoin Foundation is not responsible for any loss which may result from such use.

4. USE OF THE PAYCOIN SERVICES.

4.1. License. The PayCoin Foundation grants you a limited, nonexclusive, nontransferable license, subject to the terms of this Agreement, to access and use the Site, and the content, materials, information and functionality available in connection therewith (collectively, the “Content”) solely for information, transactional, or other approved purposes as permitted by The PayCoin Foundation from time to time. Any other use of the Site or Content is expressly prohibited. All other rights in the Site or Content are reserved by us and our licensors. You will not otherwise copy, transmit, distribute, sell, resell, license, de-compile, reverse engineer, disassemble, modify, publish, participate in the transfer or sale of, create derivative works from, perform, display, incorporate into another website, or in any other way exploit any of the Content or any other part of the The PayCoin Foundation Sites or any derivative works thereof, in whole or in part for commercial or non-commercial purposes. Without limiting the foregoing, you will not frame or display the Site or Content (or any portion thereof) as part of any other web site or any other work of authorship without the prior written permission of the PayCoin Foundation. If you violate any portion of this Agreement, your permission to access and use the PayCoin Foundation Services may be terminated pursuant to this Agreement. In addition, we reserve the right to all remedies available at law and in equity for any such violation. “PayCoin.com”, “PayCoin”, and all logos related to the PayCoin Services or displayed on the Site are either trademarks or registered marks of The PayCoin Foundation or its licensor. You may not copy, imitate or use them without the PayCoin Foundation prior written consent.

- 4.2. Third Party Websites.** The Site may contain links to third party websites and resources ("Third Party Material") not controlled by us. You acknowledge and agree that PayCoin is not responsible or liable for (i) availability or accuracy of such Third Party Material, (ii) the content, products or services on or available from such Third Party Material. Links to such Third Party Material do not imply any endorsement by PayCoin of such Third Party Material or the content, products or services available from such Third Party Material. You acknowledge sole responsibility for and assume all risk arising from your use of any such Third Party Material.
- 4.3. Website and Services Accuracy.** Although the PayCoin Foundation intends to provide accurate and timely information on each Service, the Services (including, without limitation, the Content) may not always be entirely accurate, complete or current and may also include technical inaccuracies or typographical errors. In an effort to continue to provide you with as complete and accurate information as possible, information may be changed or updated from time to time without notice, including without limitation information regarding our policies, products and services. Accordingly, you should verify all information before relying on it, and all decisions based on information contained on the PayCoin Foundation Sites and Services are your sole responsibility and we shall have no liability for such decisions.
- 4.4. Application Programming Interface.** Any person or entity who uses the PayCoin Foundation's Application Programming Interface ("API") must comply with the terms of this User Agreement and/or any other conditions as the PayCoin Foundation may put into place in its sole discretion from time to time. The API is owned by the PayCoin Foundation and is licensed to API users on a non-exclusive, non-sublicensable basis. The PayCoin Foundation reserves the right to restrict or limit use when, in its sole discretion, we identify abusive, burdensome, or prohibited use of the API.

4.5. Fiduciary Accounts/Custodial Assets. You hereby certify to us that any funds used by you in connection with the the PayCoin Foundation Services are either owned by you or that you are validly authorized to carry out transactions using such funds. In particular, you acknowledge that PayCoin Foundation Services may not be a qualified custodian under applicable law, and represent that your use of the the PayCoin Foundation Services is in compliance with any applicable requirements governing the maintenance and use of fiduciary accounts and custodial assets.

4.6. Restricted Activity. In connection with your use of the PayCoin Services, you will not:

- Violate or assist any party in violating any law, statute, ordinance, regulation or any rule of any self-regulatory or similar organization of which you are or are required to be a member;
- Engage in a transaction involving the proceeds of any unlawful activity;
- Defraud or attempt to defraud PayCoin;
- Provide false, inaccurate or misleading information;
- Infringe upon PayCoins' or any third party's copyright, patent, trademark, or intellectual property rights;
- Take any action that imposes an unreasonable or disproportionately large load on our infrastructure, or detrimentally interfere with, intercept, or expropriate any system, data, or information;
- Transmit or upload any material to the Site that contains viruses, Trojan horses, worms, or any other harmful or deleterious programs;
- Act as a payment intermediary or aggregator or otherwise resell any of the PayCoin Services, unless expressly authorized by PayCoin in writing;
- Hold yourself out as an agent of PayCoin unless expressly authorized by PayCoin in writing;
- Otherwise attempt to gain unauthorized access to the Site, other PayCoin Accounts, computer systems or networks connected to the Site, through password mining or any other means; or
- Transfer any rights granted to you under this Agreement.

PayCoin reserves the right at all times to monitor, review, retain and/or disclose any information as necessary to comply with any applicable law, regulation, legal process or governmental request.

- 4.7. Export Controls & Sanctions.** The supply of PayCoin and the The PayCoin Foundation Services through the The PayCoin Foundation Site is subject to United States and international export controls and economic sanctions requirements. By acquiring any such items through the The PayCoin Foundation Site, you represent and warrant that your acquisition comports with and your use of the item will comport with those requirements. Without limiting the foregoing, you may not acquire PayCoin or any of the The PayCoin Foundation Services through the The PayCoin Foundation Site if: (1) you are in, under the control of, or a national or resident of Cuba, Iran, North Korea, Sudan or Syria or any other country subject to United States embargo, UN sanctions, HM Treasury's financial sanctions regime, or if you are on the U.S. Treasury Department's Specially Designated Nationals List or the U.S. Commerce Department's Denied Persons List, Unverified List, Entity List HM Treasury's financial sanctions regime; or (2) you intend to supply the acquired PayCoin or The PayCoin Foundation Services to Cuba, Iran, North Korea, Sudan or Syria or any other country subject to United States embargo or UN sanctions (or a national or resident of one of these countries), or to a person on the Specially Designated Nationals List, Denied Persons List, Unverified List, Entity List, or HM Treasury's financial sanctions regime.
- 4.8.** We reserve the right at all times to monitor, review, retain and/or disclose any information as necessary to satisfy any applicable law, regulation, legal process or governmental request. We reserve the right to cancel and/or suspend your PayCoin Foundation Account immediately and without notice if we determine, in our sole discretion, that your Account is associated with Prohibited Use, and/or a Prohibited Business, and or illegal activity in the United States & your legal location.

5. DISPUTES WITH PAYCOIN FOUNDATION SERVICES.

- 5.1. Notice.** If you believe PayCoin committed an error, please contact us at support@PayCoin.com. Please provide us with information sufficient to identify you, your PayCoin Account, your order confirmation code and any other information about the transaction that you can provide. You must contact us within 30 days after the transaction occurred. We will use our best efforts to either correct the error or explain to you why we believe that transaction was correct within 30 days of receiving your request. Any

claim of an error received after 30 days from the date of the alleged error shall be null and void.

5.2. Arbitration. Except for claims for injunctive or equitable relief or claims regarding intellectual property rights (which may be brought in any competent court without the posting of a bond), any dispute arising under this agreement shall be finally settled on an individual basis through confidential, binding arbitration in accordance with the American Arbitration Association's rules for arbitration of consumer-related disputes and you and PayCoin hereby expressly waive trial by jury. The arbitration shall take place in Houston, Texas in the English language and the arbitral decision may be enforced in any court. At your request, hearings may be conducted in person or by telephone and the arbitrator may provide for submitting and determining motions on briefs, without oral hearings. The prevailing party in any action or proceeding to enforce this agreement shall be entitled to costs and attorneys' fees. Additionally, you hereby waive your right to participate in a class action lawsuit or class-wide arbitration.

6. GENERAL TERMS.

6.1. No Warranty. You understand and acknowledge that the PayCoin Services are being provided to you "AS IS" and "AS AVAILABLE" without warranty of any kind. PayCoin SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT. PayCoin DOES NOT GUARANTEE CONTINUOUS, UNINTERRUPTED OR SECURE ACCESS TO ANY PART OF THE PayCoin SERVICES. PayCoin WILL MAKE REASONABLE EFFORTS TO ENSURE THAT TRANSACTIONS ARE PROCESSED IN A TIMELY FASHION, BUT PayCoin MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE AMOUNT OF TIME NEEDED TO PROCESS TRANSACTIONS BECAUSE THE PAYCOIN FOUNDATION SERVICES ARE DEPENDENT UPON MANY FACTORS OUTSIDE OF OUR CONTROL, SUCH AS DELAYS IN THE BITCOIN AND PayCoin NETWORKS.

6.2. Limitation of Liability. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE PAYCOIN FOUNDATION SHALL HAVE NO LIABILITY FOR

ANY DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR TORT DAMAGES, OR LOST PROFITS) IN CONNECTION WITH THIS AGREEMENT, EVEN IF THE PAYCOIN FOUNDATION HAS BEEN ADVISED OR IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL THE PAYCOIN FOUNDATION'S LIABILITY FOR MONEY DAMAGES UNDER THIS AGREEMENT EXCEED THE AMOUNT OF FEES RECEIVED FROM YOU DURING THE PRECEDING THREE (3) MONTH PERIOD.

- 6.3. Indemnification.** You agree to indemnify, defend and hold PayCoin, its affiliates and service providers, and each of their respective officers, directors, agents, joint venturers, employees and representatives, harmless from any claim or demand (including attorneys' fees and costs and any fines, fees or penalties imposed by any regulatory authority) arising out of or related to (i) your breach of this Agreement, (ii) your use of PayCoin Services, or (iii) your violation of any law, rule or regulation, or the rights of any third party.
- 6.4. Force Majeure.** We shall not be liable for delays, failure in performance or interruption of service which result directly or indirectly from any cause or condition beyond our reasonable control, including but not limited to, any delay or failure due to any act of God, act of civil or military authorities, act of terrorism, civil disturbance, war, strike or other labor dispute, fire, interruption in telecommunications of Internet services or network provider services, failure of equipment and/or software, other catastrophe or any other occurrence which is beyond our reasonable control and shall not affect the validity of enforceability of any remaining provisions.
- 6.5. Assignment.** This Agreement, and any rights and licenses granted hereunder, may not be transferred or assigned by you, but may be assigned by PayCoin without restriction, including without limitation to any of its affiliates or subsidiaries, or to any successor in interest of any business associated with the PayCoin Services. Any attempted transfer or assignment in violation hereof shall be null and void. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their successors and permitted assigns.

- 6.6. Severability.** If any provision of this Agreement shall be determined to be invalid or unenforceable under the rule, law or regulation or any governmental agency, local, state, or federal, such provision will be changed and interpreted to accomplish the objectives of the provision to the greatest extent possible under any applicable law and the validity of enforceability of any other provision of this Agreement shall not be affected.
- 6.7. Entire Agreement.** This Agreement sets forth the entire understanding and agreement between you and PayCoin as to the subject matter hereof, and supersedes any and all prior discussions, agreements and understandings of any kind (including without limitation any prior versions of this Agreement), and every nature between and among you and PayCoin.
- 6.8. Governing Law.** This Agreement shall be governed by the laws of the State of Texas, without regard to its conflicts of law principles.