

**STORECOIN INC.**  
**FIRST ICO TERMS AND AGREEMENT**

**BY INVITATION ONLY**

PLEASE READ THESE FIRST ICO TERMS CAREFULLY. NOTE THAT SECTION 18 CONTAINS A BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER, WHICH AFFECT YOUR LEGAL RIGHTS. IF YOU DO NOT AGREE TO THESE TERMS, DO NOT PURCHASE TOKENS.

Your purchase of STORECOIN tokens (“**Tokens**”) during the First ICO (as defined below) from STORECOIN, INC. (the “**Company**,” “**we**,” or “**us**”), a Delaware Company, is subject to these terms of sale (“**Terms**”). Each of you and Company is a “**Party**” and, together, the “**Parties**.”

By purchasing Tokens from us during the First ICO, you will be bound by these Terms and any terms incorporated by reference. If you have any questions regarding these Terms, please contact us at [tokensale@storeco.in](mailto:tokensale@storeco.in)

You and Company agree as follows:

1. **Commencement and Duration of First ICO.** The Company will conduct a public sale of Tokens (the “**First ICO**”), which will begin on Monday, July 24<sup>th</sup> 2017 (the “**Launch Date**”) and end once 3% of the Token Supply (i.e. 3 Million Tokens) has been sold (the “**First ICO End Date**”). The First ICO portal will take place at <http://storeco.in/firstico>.

2. **Eligibility.** In order to be eligible to participate in the First ICO, you will have to provide your email address and then confirm your email address. In order to receive your Token once the Company releases them, you must also have an Ethereum wallet that supports the ERC-20 token standard in order to receive any Tokens you purchase from us and provide the address for that wallet (the “**Token Receipt Address**”). We reserve the right to prescribe additional guidance regarding specific wallet requirements. Finally, if you select bitcoin (“**BTC**”) or Ethereum (“**ETH**”) as your Payment Currency (as defined below) you must provide us with a refund address to receive any necessary refunds (the “**Refund Address**”). For the avoidance of doubt, any refunds will be made in the Payment Currency not in USD. We are not responsible for any delays, losses, costs, non-delivery of refunds or of Tokens, or other issues arising from the failure to provide, or providing an inaccurate or incomplete Refund Address or Token Receipt Address.

3. **Purchase and Sale of Tokens.**

(a) **Price; Payment Currencies.** The USD price per Token in the First ICO is \$0.005 (“**Price Per Token**”). While the Price Per Token is set in USD, you can pay in either ETH, BTC, USD, or a mix of the three (each, a “**Payment Currency**”).

(b) **Payment of Purchase Price.** You must pay the minimum \$2,500 Purchase Price by sending the correct quantity of BT or ETH to the unique addresses sent to you by the

Company through email. For USD online payment, we must receive a confirmation of your Coinbase or PayPal receipt. For USD wire payment, we must receive photo proof of your wire transfer receipt emailed to [team@storeco.in](mailto:team@storeco.in). Your purchase is not guaranteed until we receive the

full amount of the Purchase Price that you have subscribed for. Your purchase opportunity may expire after 24 hours of confirming your purchase in the First ICO portal.

If you pay an amount greater than the Purchase Price you subscribed to on the First ICO portal, then the Company reserves the right to sell you tokens for the amount that you paid. The Company also reserves the right to Refund any part of your payment.

If you pay an amount less than the Purchase Price you subscribed to on the First ICO portal, then the Company reserves the right to sell you tokens for the amount that you paid. The Company also reserves the right to Refund your entire payment.

If you do not pay within 24 hours of confirming your Token Purchase in the First ICO portal, the Company reserves the right to cancel your Token Purchase and refund any payment that comes after the 24 hour period.

(c) **One Purchase Per Confirmed Email Address.** You will only be allowed to make one purchase per confirmed email address during the First ICO.

(d) **Delivery of Tokens.** Company will deliver the quantity of Tokens you purchase within six weeks after the Second ICO (provided, however, that the Company reserves the right to extend the Token delivery deadline for up to eight (8) additional weeks if necessary to address any unanticipated technical difficulties). For the avoidance of doubt, any such extension shall not affect the obligation of the Company and you to make and take delivery, respectively, of Tokens purchased. The Second ICO is currently being planned for the 4<sup>th</sup> quarter of 2017 or the 1<sup>st</sup> quarter of 2018.

#### **4. Purpose and Use of Tokens in the Blockchain Protocol.**

(a) The purpose of the Tokens is to facilitate the provision and receipt of certain apps and services (the “**Services**”) within the Blockchain Protocol Blockchain (the “**Blockchain Protocol**”).

(b) Purchase, ownership, receipt, or possession of Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of and interaction with Apps and Services enabled by the Blockchain Protocol, if successfully completed and deployed. In particular, you understand and accept that Tokens do not represent or confer any ownership right or stake, share, security, or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Blockchain Protocol and/or Company and its corporate affiliates, other than any rights relating to the provision and receipt of Services in the Blockchain Protocol, subject to these Terms.

(c) The Tokens are not intended to be a digital currency, security, commodity, or any kind of financial instrument.

## 5. **Possible Migration of Tokens.**

(a) The Tokens are being created as ERC-20 tokens on the Ethereum protocol. We reserve the right to migrate the ERC-20 based Tokens (the “**Pre-existing Tokens**”) to another protocol, such as Rootstock, EOS, or the Blockchain Protocol itself, and to generate replacement Tokens on the new protocol (the “**Replacement Tokens**”) in the future, should we determine, in our sole discretion, that doing so is necessary or useful to the operation of the Blockchain Protocol.

(b) Should we decide to migrate the Tokens, we may no longer provide support for the Pre-existing Tokens relating to the Blockchain Protocol, the Services, or any other operational matters, except with respect to the migration process. Although Company does not at this time anticipate that it will require any Pre-existing Token holders to convert their Pre-existing Tokens to Replacement Tokens, Company anticipates there will be significant incentives for Pre-existing Token owners to do so, since the practical utility of Pre-existing Tokens will likely diminish rapidly once the Replacement Tokens are created and in use by a significant portion of Blockchain Protocol participants. Accordingly, by accepting these Terms you acknowledge and agree that in order for you to continue to participate in the Blockchain Protocol or obtain utility from the Tokens you may need to convert the Tokens you purchase during the First ICO to Replacement Tokens in the future.

(c) Should we decide to migrate the Tokens, we will notify you via the email address you provided to us at the time of the First ICO. You are solely responsible for updating us should your contact information change.

6. **Scope of Terms.**

(a) Unless otherwise stated herein, these Terms only govern your purchase of Tokens from Company during the First ICO.

(b) Any use of Tokens in connection with providing or receiving Services in the Blockchain Protocol may be governed by other applicable terms and conditions and policies.

7. **Cancellation; Refusal of Purchase Requests.** All purchases of Tokens from us during the First ICO are final, and there are no refunds or cancellations except as set forth herein or as may be required by applicable law or regulation. We reserve the right to refuse or cancel Token purchase requests at any time in our sole discretion.

8. **Token Creation and Allocation.** Important information about the Company's creation and intended use of the Tokens is provided in Exhibit B. By purchasing Tokens, you acknowledge that you have read, understand, and have no objection to Exhibit B.

9. **Acknowledgment and Assumption of Risks.** You acknowledge and agree that there are risks associated with purchasing, owning, and using Tokens for the provision or receipt of Services in the Blockchain Protocol, as disclosed and explained in Exhibit C. BY PURCHASING TOKENS, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME THESE RISKS.

10. **Security.** You are responsible for implementing reasonable measures for securing the wallet, vault, or other storage mechanism you use to receive and hold Tokens purchased from us, 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 Tokens. We are not responsible for any losses, costs, or expenses relating to lost access credentials.

11. **Personal Information.** We may determine, in our sole discretion, that it is necessary to obtain certain information about you in order to comply with applicable laws or regulations in connection with selling Tokens to you. You agree to provide us such information promptly upon request and acknowledge that we may refuse to sell Tokens to you until you provide such requested information and we have determined that it is permissible to sell you Tokens under applicable laws or regulations.

12. **Taxes.** Any amounts that you pay for Tokens are exclusive of all applicable taxes. You are responsible for determining what, if any, taxes apply to your purchase of Tokens, including, for example, sales, use, value added, and similar taxes. It is also your responsibility to withhold, collect, report and remit the correct taxes to the appropriate tax authorities. We are not responsible for withholding, collecting, reporting, or remitting any sales, use, value added, or similar tax arising from the your purchase of Tokens.

13. **Representations and Warranties.** By sending ETH, BTC, or USD to purchase Tokens from us, you represent and warrant that:

(a) You have read and understand these Terms (including all Exhibits);

(b) YOU ACKNOWLEDGE AND AGREE THAT THERE ARE RISKS ASSOCIATED WITH PURCHASING TOKENS, OWNING TOKENS, AND USING TOKENS FOR THE PROVISION OR RECEIPT OF SERVICES IN THE BLOCKCHAIN PROTOCOL INCLUDING (BUT NOT NECESSARILY LIMITED TO) THE RISKS DESCRIBED IN EXHIBIT C;

(c) You have sufficient understanding of technical and business matters (including those that relate to the Services and Blockchain Protocol), cryptographic tokens, token storage mechanisms (such as token wallets), and blockchain technology to understand these Terms and to appreciate the risks and implications of purchasing Tokens;

(d) You understand the restrictions and risks associated with the creation of Tokens as set forth herein, and acknowledge and assume all such risks;

(e) You have obtained sufficient information about the Tokens, the Services and the Blockchain Protocol to make an informed decision to purchase Tokens;

(f) You understand that the Tokens confer only the right to provide and receive Services in the Blockchain Protocol (and potentially contribute to the technical development of the Blockchain Protocol), and confer no other rights of any form with respect to the Blockchain Protocol or the Company, including, but not limited to, any ownership, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights;

(g) You are purchasing Tokens solely for the purpose of receiving Services, participating in the Blockchain Protocol, and supporting the development, testing, deployment and operation of the Blockchain Protocol, being aware of the commercial risks associated with the Company and the Blockchain Protocol. You are not purchasing Tokens for any other purposes, including, but not limited to, any investment, speculative or financial purpose;

(h) Your purchase of Tokens complies with applicable laws and regulations in your jurisdiction, including, but not limited to, (i) legal capacity and any other threshold requirements in your jurisdiction for the purchase of the Tokens and entering into contracts with the Company, (ii) any foreign exchange or regulatory restrictions applicable to such purchase, and (iii) any governmental or other consents that may need to be obtained;

(i) You will comply with any applicable tax obligations in your jurisdiction arising from your purchase of Tokens;

(j) If you are purchasing Tokens on behalf of any entity, you are authorized to accept these Terms on such entity's behalf and that such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity (references to "you" in these Terms refer to you and such entity, jointly);

(k) You are not (i) a citizen or resident of a geographic area in which access to or use of the Services or the acceptance of delivery of the Tokens is prohibited by applicable law,

decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other sovereign country sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals or Blocked Persons Lists, or the U.S. Department of State's Debarred Parties List. You agree that if your country of residence or other circumstances change such that the above representations are no longer accurate, that you will immediately cease using the Services. If you are registering to use the Services on behalf of a legal entity, you further represent and warrant that (i) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization, and (ii) you are duly authorized by such legal entity to act on its behalf.

#### **14. Indemnification.**

(a) 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, affiliates, agents, representatives, predecessors, successors and assigns (the “**Company Parties**”) from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys' fees) that arise from or relate to (i) your purchase or use of the Tokens, (ii) your responsibilities or obligations under these Terms, (iii) your violation of these Terms, or (iv) your violation of any rights of any other person or entity.

(b) Company reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification under Section 14(a). This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between you and the Company.

#### **15. Disclaimers.**

(a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN A WRITING BY US, (A) THE TOKENS ARE SOLD ON AN “AS IS” AND “AS AVAILABLE” BASIS WITHOUT WARRANTIES OF ANY KIND, AND WE EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES AS TO THE TOKENS, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, (B) WE DO NOT REPRESENT OR WARRANT THAT THE TOKENS ARE RELIABLE, CURRENT OR ERROR-FREE, MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN THE TOKENS WILL BE CORRECTED, AND (C) WE CANNOT AND DO NOT REPRESENT OR WARRANT THAT THE TOKENS OR THE DELIVERY MECHANISM FOR TOKENS ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

(b) Some jurisdictions do not allow the exclusion of certain warranties or disclaimer of implied terms in contracts with consumers, so some or all of the exclusions of warranties and disclaimers in this Section 15 may not apply to you.

**16. Limitation of Liability.**

(a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW (I) IN NO EVENT WILL THE COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR USE OF THE TOKENS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE), AND (II) IN NO EVENT WILL THE AGGREGATE LIABILITY OF THE COMPANY AND THE COMPANY PARTIES (JOINTLY), WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS OR THE USE OF OR INABILITY TO USE THE TOKENS, EXCEED THE AMOUNT YOU PAY TO US FOR THE TOKENS.

(b) THE LIMITATIONS SET FORTH IN SECTION 16(a) WILL NOT LIMIT OR EXCLUDE LIABILITY FOR THE GROSS NEGLIGENCE, FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT OF THE COMPANY.

(c) Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this Section 16 may not apply to you.

**17. Release.** To the fullest extent permitted by applicable law, you release the Company and the other Company Parties from responsibility, liability, claims, demands and/or damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between participants in the Blockchain Protocol and the acts or omissions of any third parties. **You expressly waive any rights you may have under California Civil Code § 1542 as well as any other statute or common law principles that would otherwise limit the coverage of this release to include only those claims which you may know or suspect to exist in your favor at the time of agreeing to this release.**

**18. Dispute Resolution; Arbitration.**

(a) **Binding Arbitration.** Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, “**Disputes**”) in which either Party seeks to bring an individual action in small claims court or seeks injunctive or other equitable relief for the alleged unlawful use of intellectual property, including, without limitation, copyrights, trademarks, trade names, logos, trade secrets or patents, you and the Company (i) waive your and

the Company's respective rights to have any and all Disputes arising from or related to these Terms resolved in a court, and (ii) waive your and the Company's respective rights to a jury trial. Instead, you and the Company will arbitrate Disputes through binding arbitration (which is the referral of a Dispute to one or more persons charged with reviewing the Dispute and making a final and binding determination to resolve it instead of having the Dispute decided by a judge or jury in court).

(b) **No Class Arbitrations, Class Actions or Representative Actions.** Any Dispute arising out of or related to these Terms is personal to you and the Company and will be resolved solely through individual arbitration and will not be brought as a class arbitration, class action or any other type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a Dispute as a representative of another individual or group of individuals. Further, a Dispute cannot be brought as a class or other type of representative action, whether within or outside of arbitration, or on behalf of any other individual or group of individuals.

(c) **Federal Arbitration Act.** The enforceability of this Section 18 will be both substantively and procedurally governed by and construed and enforced in accordance with the Federal Arbitration Act, 9 U.S.C. § 1 et seq. (the "FAA"), to the maximum extent permitted by applicable law.

(d) **Notice: Informal Dispute Resolution.** Each Party will notify the other Party in writing of any arbitrable or small claims Dispute within thirty (30) days of the date it arises, so that the Parties can attempt in good faith to resolve the Dispute informally. Notice to the Company shall be sent by e-mail to the Company at [legal@storeco.in](mailto:legal@storeco.in). Notice to you shall be by email to the email address you provide to us. Your notice must include (i) your name, postal address, email address and telephone number, (ii) a description in reasonable detail of the nature or basis of the Dispute, and (iii) the specific relief that you are seeking. If you and the Company cannot agree how to resolve the Dispute within thirty (30) days after the date notice is received by the applicable Party, then either you or the Company may, as appropriate and in accordance with this Section 18, commence an arbitration proceeding or, to the extent specifically provided for in Section 18(a), file a claim in court.

(e) **Process.** Any arbitration will occur in San Francisco County, California. Arbitration will be conducted confidentially by a single arbitrator in accordance with the rules of the Judicial Arbitration and Mediation Services ("JAMS"), which are hereby incorporated by reference. The state and federal courts located in Santa Clara County, California will have exclusive jurisdiction over any appeals and the enforcement of an arbitration award. You may also litigate a Dispute in the small claims court located in the county where you reside if the Dispute meets the requirements to be heard in small claims court.

(f) **Authority of Arbitrator.** As limited by the FAA, these Terms, and the applicable JAMS rules, the arbitrator will have (i) the exclusive authority and jurisdiction to make all procedural and substantive decisions regarding a Dispute, including the determination of whether a Dispute is arbitrable, and (ii) the authority to grant any remedy that would otherwise be available in court; provided, however, that the arbitrator does not have the authority



to conduct a class arbitration or a representative action, which is prohibited by these Terms. The arbitrator may only conduct an individual arbitration and may not consolidate more than one individual's claims, preside over any type of class or representative proceeding or preside over any proceeding involving more than one individual.

(g) **Rules of JAMS.** The rules of JAMS and additional information about JAMS are available on the JAMS website. By agreeing to be bound by these Terms, you either (i) acknowledge and agree that you have read and understand the rules of JAMS, or (ii) waive your opportunity to read the rules of JAMS and any claim that the rules of JAMS are unfair or should not apply for any reason.

19. **Governing Law and Venue.** These Terms will be governed by and construed and enforced in accordance with the laws of the state of California, without regard to conflict of law rules or principles (whether of the state of California or any other jurisdiction) that would cause the application of the laws of any other jurisdiction. Any Dispute between the Parties arising out or relating to these Terms that is not subject to arbitration or cannot be heard in small claims court will be resolved in the state or federal courts of the state of California and the United States, respectively, sitting in Santa Clara County, California.

20. **Severability.** If any term, clause or provision of these Terms is held unlawful, void or unenforceable, then that term, clause or provision will be severable from these Terms and will not affect the validity or enforceability of any remaining part of that term, clause or provision, or any other term, clause or provision of these Terms.

21. **Right to modify an executed contract** Token Buyer in the First ICO will allow the terms and conditions of the Second ICO to supersede this successfully executed token sale contract. They will sign all rights from the First ICO Contracts to the Second ICO Contract once the Second ICO is launched by the Company.

## 22. **Miscellaneous.**

These Terms constitute the entire agreement between you and us relating to your purchase of Tokens from us. We may assign our rights and obligations under these Terms. Our failure to exercise or enforce any right or provision of these Terms will not operate as a waiver of such right or provision. We will not be liable for any delay or failure to perform any obligation under these Terms where the delay or failure results from any cause beyond our reasonable control. Purchasing Tokens from us does not create any form of partnership, joint venture, or any other similar relationship between you and us. Except as otherwise provided in herein, these Terms are intended solely for the benefit of you and us and are not intended to confer third-party beneficiary rights upon any other person or entity. You agree and acknowledge that all agreements, notices, disclosures, and other communications that we provide to you, including these Terms, will be provided in electronic form.

\* \* \* \* \*

## **EXHIBIT A**

### **Description of the Company, Blockchain Protocol, and Tokens**

Blockchain Protocol the Company, a Delaware Corporation founded by Creator and CEO Chris McCoy with the help of CTO Raghavendra Kidiyoor, DevOps Jay Pal, and Blockchain Architect Pablo Yabo, is a subsidiary of Footprint Labs, a Delaware company committed to bringing enterprise chat to franchise, chain stores, and affiliate-based organizations,

STORECOIN will offer a blockchain protocol available worldwide and will introduce a Token of utility for that Blockchain Protocol known as “**STORECOIN**”. The Blockchain Protocol is intended to allow hierarchy-based organizations to privately share revenue across parent and child networks with no fees using smart contracts with a privacy option.

STORECOIN is designed to act as a network incentive for blockchain miners, consensus pools, application developers, hierarchy-based organizations, token holders, users of blockchain-based applications, and more to enable free and private parent-child revenue sharing among other features.

Once created, STORECOIN will be based on the Ethereum protocol and conform to the ERC-20 standard. Prior to the Second ICO, Company will create and deploy an Ethereum-based smart contract, which creates and maintains a ledger that maps Ethereum addresses to Token balances and implements this ERC-20 standard. In the future, the Company may migrate STORECOINs to another protocol.

## **EXHIBIT B**

### **Creation and Allocation of Tokens by Company**

Company will create 1 billion Tokens to be allocated as follows:

(a) 33% (or 330 million) will be made available for sale across up to ten public ICOs (the “**Sale Tokens**”).

- (i) The First ICO will release 3% of available tokens (Thirty Million)
- (ii) The remaining 30% one-third (or 300 Million) of the For Sale Tokens are reserved for future ICOs.
- (iii) The Price Per Token is USD \$0.005 in the First ICO.
- (iv) No discounts of any kind will be offered.

(b) 33% (or 330 million) will be allocated to the Company to reward founders, core developers, and early team members (the “**Company Inventory**”).

(c) 33% (or 330 million) will be used to promote adoption of the Blockchain Protocol via rewards and other incentives for participants (the “**Incentivization Supply**”). Some of the ways in which Company anticipates using the Incentivization Supply may include:

- (i) Early adopters in the form of commercial partners (“**Partners**”) who implement Blockchain Protocol will receive free Tokens from the

Incentivization Supply, enabling them to pay some fees in Tokens and to benefit from any rise in utility brought about by greater adoption of the Blockchain Protocol.

- (ii) Users may also receive Tokens from the Incentivization Supply. For example, at sign up via a Company-supported website, the website owner, a Partner, and new Users may receive a certain number of Tokens, and Users may also receive Tokens for referring new participants to the Blockchain Protocol.
- (iii) Company reserves the right to prescribe lockup requirements regarding the Incentivization Supply Tokens distributed to Partners or Users.

(d) The remaining 1% (or 10 million) will be set aside to pay for the costs of ICO's, with such costs including, but not limited to, legal, consulting, and other professional services fees.

## **EXHIBIT C**

### **Certain Risks Relating to Purchase, Sale, and Use of Tokens**

***Important Note:*** As noted elsewhere in these Terms, the Tokens are not being structured or sold as securities or any other form of investment product. Accordingly, none of the information presented in this Exhibit C is intended to form the basis for any investment decision, and no specific recommendations are intended. The Company expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from: (i) reliance on any information contained in this Exhibit C, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting from such information.

#### **By purchasing, owning, and using Tokens, you expressly acknowledge and assume the following risks:**

##### **1. Risk of Losing Access to Tokens Due to Loss of Private Key(s), Custodial Error or you Error**

A private key, or a combination of private keys, is necessary to control and dispose of Tokens STORECOINS in your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with your digital wallet or vault storing Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet service you use, may be able to misappropriate your Tokens. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and STORECOIN Tokens, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your Tokens. Additionally, your failure to precisely follow the procedures set forth in for buying and receiving Tokens, including, for instance, if you provide an incorrect Token Receipt Address, or provides an address that is not ERC-20 compatible, may result in the loss of your Tokens.

##### **2. Risks Associated with the Ethereum Protocol**

Because Tokens and the Blockchain Protocol are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on the Blockchain Protocol or Tokens. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the Tokens and the Blockchain Protocol, including the utility of the Tokens for obtaining Services, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.

##### **3. Risk of Mining Attacks**

As with other decentralized cryptographic tokens based on the Ethereum protocol, the Tokens are susceptible to attacks by miners in the course of validating Token transactions on the Ethereum blockchain, including, but not limited to, double-spend attacks, majority mining power attacks, and selfish-mining attacks. Any successful attacks present a risk to the Blockchain Protocol and the Tokens, including, but not limited to, accurate execution and recording of transactions involving Tokens.

#### 4. Risk of Hacking and Security Weaknesses

Hackers or other malicious groups or organizations may attempt to interfere with the Blockchain Protocol or the Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Blockchain Protocol is based on open-source software, there is a risk that a third party or a member of the Company team may intentionally or unintentionally introduce weaknesses into the core infrastructure of the Blockchain Protocol, which could negatively affect the Blockchain Protocol and the Tokens, including the utility of the Tokens for obtaining Services.

#### 5. Risks Associated with Markets for Tokens

The Tokens are intended to be used solely within the Blockchain Protocol and the Company will not support or otherwise facilitate any secondary trading or external valuation of Tokens. This restricts the contemplated avenues for using Tokens to the provision or receipt of Services, and could therefore create illiquidity risk with respect to any Tokens you own. Even if secondary trading of Tokens 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 third parties do ascribe an external exchange value to Tokens (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero.

#### 6. Risk of Uninsured Losses

Unlike bank accounts or accounts at some other financial institutions, Tokens 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, such as the Federal Deposit Insurance Corporation, or private insurance arranged by Company, to offer recourse to you.

## 7. Risks Associated with Uncertain Regulations and Enforcement Actions

The regulatory status of the Tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications, including the Blockchain Protocol and the Tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including the Blockchain Protocol and the Tokens. Regulatory actions could negatively impact the Blockchain Protocol and the Tokens in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of the Tokens constitutes unlawful activity or that the Tokens are a regulated instrument that require registration or licensing of those instruments or some or all of the parties involved in the purchase, sale and delivery thereof. 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.

## 8. Risks Arising from Taxation

The tax characterization of Tokens is uncertain. You must seek your own tax advice in connection with purchasing Tokens, which may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements.

## 9. Risk of Competing Blockchain Protocols

It is possible that alternative Blockchain Protocols could be established that utilize the same open source code and protocol underlying the Blockchain Protocol and attempt to facilitate services that are materially similar to the Services. The Blockchain Protocol may compete with these alternatives, which could negatively impact the Blockchain Protocol and Tokens, including the utility of the Tokens for obtaining Services.

## 10. Risk of Insufficient Interest in the Blockchain Protocol or Distributed Applications

It is possible that the Blockchain Protocol will not be used by a large number of individuals, companies and other entities or that there will be limited public interest in the creation and development of distributed Blockchain Protocols (such as the Blockchain Protocol) more generally. Such a lack of use or interest could negatively impact the development of the Blockchain Protocol and therefore the potential utility of the Tokens, including the utility of the Tokens for obtaining Services.

## 11. Risks Associated with the Development and Maintenance of the Blockchain Protocol

The Blockchain Protocol is still under development and may undergo significant changes over time. Although we intend for the Tokens and Blockchain Protocol to function as described in Exhibit A, and intends to take commercially reasonable steps toward those ends, we may have to make changes to the specifications of the Tokens or Blockchain Protocol for any number of

legitimate reasons.

## 12. Risk of an Unfavorable Fluctuation of ETH or BTC Value

If the value of ETH or BTC fluctuates unfavorably during or after the First ICO, we may not be able to fund development, or may not be able to develop or maintain the Blockchain Protocol in the manner that it intended. In addition to the usual market forces, there are several potential events which could exacerbate the risk of unfavorable fluctuation in the value of ETH and/or BTC, including uncertainties created by the lack of resolution to the bitcoin scaling debate, the possibility of a so-called “Hard Fork” of bitcoin if one of the competing camps in the scaling debate decides to force the issue; another DAO-like attack on the Ethereum network; or significant security incidents or market irregularities at one or more of the major cryptocurrency exchanges.

## 13. Risk of Dissolution of the Company or Blockchain Protocol

It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of ETH and/or BTC (or other cryptographic and fiat currencies), decrease in the Tokens’ utility (including their utility for obtaining Services), the failure of commercial relationships, or intellectual property ownership challenges, the Blockchain Protocol may no longer be viable to operate or the Company may dissolve.

## 14. Risks Arising from Lack of Governance Rights

Because Tokens confer no governance rights of any kind with respect to the Blockchain Protocol or the Company, all decisions involving the Company’s products or services within the Blockchain Protocol or the Company itself will be made by the Company at its sole discretion, including, but not limited to, decisions to discontinue its products or services in the Blockchain Protocol, to create and sell more Tokens for use in the Blockchain Protocol, or to sell or liquidate the Company. These decisions could adversely affect the Blockchain Protocol and the utility of any Tokens you owns, including their utility for obtaining Services.

## 15. Risks Arising from the Identity Verification Market

The identity verification industry, and by extension the Blockchain Protocol, 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 the Blockchain Protocol could be enacted, which could impact the utility of the Tokens in the Blockchain Protocol. Additionally, the Blockchain Protocol participants are subject to 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 Blockchain Protocol and the Tokens, including the Tokens' utility for obtaining Services

## 16. Unanticipated Risks

Cryptographic tokens such as the Tokens are a new and untested technology. In addition to the risks included in this Exhibit C, there are other risks associated with your purchase, possession, and use of the Tokens, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this Exhibit C.