

## ZEPPELINOS

### TERMS OF SERVICE

Last Updated: October 21, 2018

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Zeppelin is a group of developers and technology professionals who are passionate about the potential of decentralized applications. Zeppelin provides a set of high-quality on-chain libraries that app developers can use in their projects (the “ZeppelinOS Libraries”). Zeppelin does not own or lead the ZeppelinOS Libraries, but rather supports and develops the free, open-source code and platform that we call ZeppelinOS (the “ZeppelinOS Platform”).

Zeppelin’s mission is to support the development and operation of smart contract systems and related technologies that advance open and financially sound markets, as well as their underlying protocols and toolings.

Zeppelin has no role in the operation of libraries or markets created on the ZeppelinOS Platform, does not control how markets resolve or are created, does not approve or reject transactions on the network, and does not have the ability to modify, cancel, undo, or interact with libraries on the network. Zeppelin has no power to censor, restrict, or curate markets, orders, trades, positions or resolutions on the ZeppelinOS Libraries. Zeppelin has no more control over the content and source code of the ZeppelinOS Libraries than anyone else using the ZeppelinOS Platform.

The ZeppelinOS Platform may provide for the holding of ERC20 blockchain tokens (“ZEP”). **The terms and conditions of ZEP are included in Schedule A attached to these Terms. Schedule A is hereby incorporated into these Terms in its entirety and, in addition to the terms and conditions contained in Schedule A, holders of Zep are also subject to all of these Terms.**

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**PLEASE BE AWARE THAT THE DISPUTE RESOLUTION SECTION OF THESE TERMS, BELOW, CONTAINS PROVISIONS GOVERNING HOW CLAIMS THAT YOU AND WE HAVE AGAINST EACH OTHER ARE RESOLVED, INCLUDING, WITHOUT LIMITATION,**

**ANY CLAIMS THAT AROSE OR WERE ASSERTED PRIOR TO THE EFFECTIVE DATE OF THESE TERMS. IN PARTICULAR, IT CONTAINS AN ARBITRATION CLAUSE WHICH WILL, WITH LIMITED EXCEPTIONS, REQUIRE DISPUTES BETWEEN US TO BE SUBMITTED TO BINDING AND FINAL ARBITRATION.**

**ANY DISPUTE OR CLAIM RELATING IN ANY WAY TO YOUR USE OF THE ZEPPELINOS WEBSITE OR THE SERVICES WILL BE GOVERNED AND INTERPRETED BY AND UNDER THE LAWS OF CAYMAN ISLANDS, WITHOUT GIVING EFFECT TO ANY PRINCIPLES THAT PROVIDE FOR THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION. THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXPRESSLY EXCLUDED FROM THESE TERMS.**

### **Electronic Communications**

Visiting the ZeppelinOS Website constitutes electronic communications. You consent to receive electronic communications and you agree that all agreements, notices, disclosures and other communications that we provide to you electronically, via the ZeppelinOS Website, satisfy any legal requirement that such communications be in writing. The foregoing does not affect your statutory rights.

Zeppelin does not knowingly collect, either online or offline, personal information from any persons, including those under the age of eighteen. If you are under the age of 18, you may not use the ZeppelinOS Website, unless you have the permission of your parent or guardian.

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To the fullest extent permitted by applicable law, you release Zeppelin 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 acts or omissions of any third parties.

### **Prohibited Uses and Intellectual Property**

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### **Indemnification**

You agree to indemnify, defend and hold harmless Zeppelin, its officers, directors, employees, agents and third parties, for any losses, costs, liabilities and expenses (including reasonable attorneys' fees) relating to or arising out of your use of or inability to use the ZeppelinOS Website or the Services, any postings, contributions or submissions made by you or other users, your violation of any these Terms (including without limitation those terms included in Schedule A hereto) or your violation of any rights, including intellectual property rights, of a third party, or your violation of any applicable laws, rules or regulations. Zeppelin reserves the right, at its own cost, to assume the exclusive defense and control of any matter otherwise subject to indemnification by you, in which event you will fully cooperate with Zeppelin in asserting any available defenses.

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#### **Dispute Resolution; Binding Arbitration**

Any dispute, claim, suit, action, cause of action, demand or proceeding arising out or in connection with these Terms (any of the foregoing occurrences, a "Dispute"), or the breach, termination or invalidity thereof shall first be endeavored to be settled through amicable negotiations in good faith by you and Zeppelin. If you and Zeppelin cannot agree how to resolve such Dispute within thirty (30) consecutive calendar days after the date a notice with respect to such Dispute is received by the other party, then either you or Zeppelin may, as appropriate, commence an arbitration proceeding. Such Dispute shall subsequently (and exclusively) be submitted to three arbitrators. The nomination of the arbitrators and the rules of arbitration shall be in accordance with the Rules of Arbitration of Cayman Islands. The seat of the arbitral tribunal shall be Cayman Islands. Language of the proceedings shall be English. The arbitral award is final and binding upon the parties. The arbitration fees will be borne by the losing party except otherwise awarded by the arbitral tribunal. The Parties undertake to carry out the arbitral award in accordance with the modalities of said award. Any Dispute that is not or cannot be subject to arbitration will be resolved by the courts of Cayman Islands.

#### **Termination/Access Restriction**

To the extent it has ability to do so, Zeppelin may terminate your access to a specific portion of the ZeppelinOS Website and the Services or any portion thereof at any time, without notice.

You agree that no joint venture, partnership, employment, or agency relationship exists between you and Zeppelin as a result of these Terms or use of the ZeppelinOS Website or the Services. Zeppelin's performance of these Terms is subject to existing laws and legal process, and nothing contained in these Terms is in derogation of Zeppelin's right to comply with governmental, court and law enforcement requests or requirements relating to your use of the ZeppelinOS Website or the Services, or information provided to or gathered by Zeppelin with respect to such use. If any part of these Terms is determined to be invalid or unenforceable pursuant to applicable law including, but not limited to, the warranty disclaimers and liability limitations set forth above, then the invalid or unenforceable provision will be deemed superseded by a valid, enforceable provision that most closely matches the intent of the original provision and the remainder of these Terms shall continue in effect.

Unless otherwise specified herein, these Terms constitute the entire agreement between you and Zeppelin with respect to the ZeppelinOS Website and the Services and these Terms supersede all prior or contemporaneous communications and proposals, whether electronic, oral or written, between you and Zeppelin with respect to the ZeppelinOS Website and the Services. A printed version of these Terms and of any notice given in electronic form shall be admissible in judicial or administrative proceedings based upon or relating to these Terms to the same extent and subject to the same conditions as other business documents and records originally generated and maintained in printed form. It is the express wish to the parties that these Terms and all related documents be written in English.

### **Assignment**

The Terms, and your rights and obligations hereunder, may not be assigned, subcontracted, delegated or otherwise transferred by you without Zeppelin's prior written consent, and any attempted assignment, subcontract, delegation, or transfer in violation of the foregoing will be null and void. Zeppelin shall be free to assign these Terms without notice or consent in connection with an acquisition of stock or assets, merger, or other corporate reorganization.

### **Changes to Terms**

Zeppelin reserves the right, in its sole discretion, to change these Terms. The most current version of these Terms will supersede all previous versions. Zeppelin encourages you to periodically review these Terms to stay informed of our updates.

### **NOT BOILERPLATE**

These Terms are not boilerplate. If you disagree with any of them, believe that any should not apply to you, or wish to negotiate these terms, please contact us at [legal@zeppelinos.org](mailto:legal@zeppelinos.org) and immediately navigate away from the ZeppelinOS Website. Do not use the ZeppelinOS Website or the Services until you and Zeppelin have agreed upon new terms of service.

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## Schedule A

PLEASE READ THESE TERMS CAREFULLY. IF YOU DO NOT AGREE TO THESE TERMS, DO NOT ACQUIRE ZEP. Terms used and not defined in this Schedule A (this “Schedule”) shall have the meanings ascribed to such terms in those certain Terms of Service to which this Schedule is attached (the “Terms of Service”). All of the terms and conditions of the Terms of Service apply to this Schedule.

In the event that you are acquiring ZEP directly from Zeppelin your acquisition of ZEP is subject to the terms and conditions of this Schedule A and the Terms of Service. **You agree not to hold Zeppelin and any of its Affiliates, liable for any tax liability associated with or arising from the acquisition, possession or use of ZEP or any other action or transaction related to the Project.**

### Definitions

“Affiliate” means in relation to Zeppelin; respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, subsidiaries, affiliates, agents, representatives, predecessors, successors, and assigns.

“ERC20” means the Ethereum Request for Comment No. 20 smart contract standard setting the initial guidelines for a blockchain token that can be offered through, and available on, the Ethereum network in a standardized format to be tradable with other blockchain tokens on Ethereum.

“Ethereum” means the smart contract protocol, virtual machine and decentralized network including all its related components and protocol-related projects both present and future, which began operation (Genesis Block) on July 30th, 2015.

“Project” means the project which is described in Annex A.

“Smart Contract System” means the smart contract system as described in Annex A.

“Wallet” means software that enables and facilitates the sending and the receipt of cryptocurrencies.

“Wallet Service Provider” means a Wallet provided as a service by a provider instead of a standalone software operated and maintained solely by its user.

### Representations and Warranties

By acquiring ZEP, you represent and warrant that you:

- 1) have read, and understand and accept all of the terms and conditions of the Terms of Service and this Schedule (including all Annexes);
- 2) understand the restrictions and risks (as listed in, but not limited to Annex B) associated with the acquisition, possession and use of ZEP as set forth in this Schedule, and acknowledge and assume all such restrictions and risks;
- 3) have a deep understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens and blockchain-based software systems;
- 4) have obtained sufficient information about ZEP, the Project and Zeppelin to make an informed decision to acquire ZEP;
- 5) understand and accept that none of the information contained in this Schedule or the Terms of Service is intended to form the basis for a solicitation or recommendation for an investment of any kind whatsoever;
- 6) are acquiring ZEP primarily to participate in the Project and Smart Contract System;
- 7) understand and accept that ZEP 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 Project and/or Zeppelin and its Affiliates, other than those described in this Schedule and subject to this Schedule and that ZEP are not and are not intended to be a security, commodity, or any kind of financial instrument or investment product;
- 8) are not acquiring ZEP for any illegal purposes;

9) will comply with any applicable tax obligations in your jurisdiction arising from your acquisition, possession or use of ZEP;

10) do not have your habitual residence or your seat of incorporation in any country listed on OFAC sanctions lists; and

11) understand that this Schedule does not constitute a prospectus of any sort, nor a solicitation or recommendation for investment, nor an initial public offering, nor an offering of shares or equity, nor do they pertain to an offering of securities in any form or manner.

In addition, your acquisition, possession and use of ZEP and related software does not violate but complies with all applicable laws, regulations, and judicial acts applicable in your jurisdiction and to you, including, but not limited to, (i) legal capacity and any other requirements in your jurisdiction for the acquisition of ZEP and entering into this agreement with Zeppelin, (ii) any value transfer, foreign exchange and/or regulatory restrictions applicable to the acquisition of ZEP or transfer of fiat currency, Ether, or Bitcoin; and (iii) any governmental or other consents that may need to be obtained.

Further, your actions comply with applicable law and regulation in your jurisdiction, including, but not limited to, (i) legal capacity and any other threshold requirements in your jurisdiction (ii) any foreign exchange or regulatory restrictions applicable to such actions.

### **Smart Contract System**

You understand and accept that smart contract technology is still in an early development stage and its application is of an experimental nature which carries significant operational, technological, financial, regulatory, and reputational risks.

### **Exclusion of Warranties**

To the full extent permitted by law, no warranty, guarantee or similar assurance whatsoever is expressed or implied with regard to ZEP, the Smart Contract System or the Project. The Smart Contract System is used and ZEP are acquired at the sole risk of the Acquirer and on an 'as is', 'under development' and 'as available' basis. Accordingly, you understand and accept that Zeppelin does not provide any form of warranty, including direct or indirect warranties that the Smart Contract System and ZEP are fit for a particular purpose or do not contain any weaknesses, vulnerabilities, or bugs which could cause, inter alia, the complete loss of the fiat currency, Ether, Bitcoin, other digital asset and/or ZEP.

### **Pilot Testing Restrictions**

If you are involved in the initial pilot test launch of ZEP, you will have the opportunity to register up to twenty (20) digital wallets with the prior approval of Zeppelin (together with wallets registered by other Testers (as defined below), "Validated Wallets"), which will be capable of holding and transferring ZEP by and among you and other testers of ZEP (each a "Tester"). You will be able to transfer ZEP between and among your Validated Wallets and Validated Wallets of other Testers. You will only use ZEP tokens for purposes identified by Zeppelin, which could include activity such as curating existing libraries by staking and proposing extensions or bug fixes. You will observe the following rules:

- You will not transfer ZEP to any wallet that is not controlled by you or another Tester,
- You confirm that you are not an organization or person subject to the jurisdiction of the United States of America, Canada, Singapore, South Korea, North Korea, The People's Republic of China, Cuba, Syria, Iran, or Iraq (collectively, the "Restricted Countries"), you will not become subject to the jurisdiction of any of the Restricted Countries, and you will under no circumstances transfer ZEP to an organization or person subject to the jurisdiction of any of the Restricted Countries,
- Without limiting the generality of the immediately preceding rule, in the event that you are an entity, you will also not engage the services of any person in any of the Restricted Countries

for purposes of exchanging ZEP or managing any software associated with ZEP if such person holds an ownership interest in you and/or controls you,

- You will not sell or transfer ZEP to any wallet that is not a Validated Wallet,
- You will not use ZEP directly or indirectly for any purpose that is illegal under applicable law, and
- You accept that Zeppelin reserves the right to remove validation from, and freeze the contents of, any wallet if Zeppelin believes, in its sole discretion, that such wallet is being used outside the scope of the testing parameters described herein and in any other communication from Zeppelin to you.

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## ANNEX A

### *Project and Smart Contract System*

Project	
About ZeppelinOS	<p>Zeppelin is building ZeppelinOS, a development platform for secure smart contract applications. ZeppelinOS provides an on-chain set of upgradeable standard libraries and an incentive structure to continually upgrade and patch itself.</p> <p>For more, non-binding details, please refer to the whitepaper located at: <a href="https://zeppelinos.org/zeppelin_os_whitepaper.pdf">https://zeppelinos.org/zeppelin_os_whitepaper.pdf</a>. Such whitepaper may be updated and revised by Zeppelin from time to time.</p>

Project Token and Smart Contract System Description	
Technical description	<p>An ERC20 blockchain token.</p> <p>The smart contract can be found here:  <a href="https://github.com/zeppelinos/zos/blob/fa4d01b803f6c59827a948e53d42cbb197eb5520/packages/vouching/contracts/ZEPToken.sol">https://github.com/zeppelinos/zos/blob/fa4d01b803f6c59827a948e53d42cbb197eb5520/packages/vouching/contracts/ZEPToken.sol</a></p> <p>The issuance contract is:  0xa77545ef8064e1b5d4857b393bec630ad7021b0c</p> <p>The address of the token is:  0x00fdae9174357424a78afaad98da36fd66dd9e03</p> <p>The code can be verified independently, as done by the Etherscan service:  <a href="https://etherscan.io/token/0x00fdae9174357424a78afaad98da36fd66dd9e03">https://etherscan.io/token/0x00fdae9174357424a78afaad98da36fd66dd9e03</a></p>

Symbol of Project Token	ZEP
Functionality of the Project Token	<p>ZEP is an initially Ethereum-based token that powers ZeppelinOS.</p> <p>On ZeppelinOS, ZEP tokens are used:</p> <ol style="list-style-type: none"> <li>1. as a mechanism to curate ZeppelinOS Libraries by rewarding developers to submit and review new code libraries;</li> <li>2. as a unit of account to schedule smart contract transactions and to abstract complexity and foster interoperability when paying for smart contract services; and</li> <li>3. for governance of the ZeppelinOS Platform.</li> </ol>

## **ANNEX B**

### **RISKS RELATED TO THE ACQUISITION, POSSESSION AND USE OF ZEP**

The risks presented and listed herein are to no extent exhaustive. In addition to the risks included in this Annex, there are other unknown, unanticipated and unforeseeable risks associated with your acquisition, possession, and use of ZEP. Zeppelin expressly disclaims any and all responsibility for any loss or damage of any kind whatsoever arising directly or indirectly from or in relation to any information contained or not contained in this Annex.

#### **Risk of losing access to ZEP due to loss of private key(s), custodial error or your Error**

You will use own your account (your “Address”) on the Ethereum network (or other applicable network), with a private key associated with this Address and a password. This password is used to encrypt your private key. ZEP will be transferred to your Address. You understand and accept that you must keep this password and private key safe. You further understand and accept that, if your private key and/or password is lost or stolen, you will not be able to generate a new password or recover your private key, and if you also lose your private keys and password, ZEP associated with the Address cannot be recovered and will be permanently lost. Furthermore, you understand and accept that there is no recovery mechanism for lost keys and passwords, so no one will be able to help you retrieve or reconstruct a lost password or private keys and provide you with access to any lost ZEP.

#### **Risk of incompatible wallet service**

You will contribute Ether (ETH) from a Wallet or Wallet Service Provider that technically supports the Ether (ETH) and ZEP. You understand and accept, that failure to do so may result in you not gaining access to your acquired ZEP.

#### **Risk of mining attacks**

You understand and accept that 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 race condition attacks. Every successful attack constitutes a risk to the Smart Contract System, to the expected proper execution and sequencing of Token transactions, and to the expected proper execution and sequencing of contract computations.

#### **Risk of hacking and security weaknesses**

Third parties may attempt to maliciously interfere with the Project and ZEP in a variety of ways, which may have material adverse consequences on ZEP or which may result in theft or loss of ZEP or which may impact Zeppelin’s ability to develop the Project.

You understand and accept that the Smart Contract System, the underlying software applications and software platform (e.g. the Ethereum blockchain) may be exposed to attacks by malicious third parties which could result in theft or loss of your ZEP or your other digital assets, or ZEP or other digital assets owned by Zeppelin and therefore negatively affect Zeppelin’s ability to develop the Project.

#### **Risk of similar projects**

It is possible that third parties may utilize the same or similar open source code and protocol underlying the Project and attempt to replicate, duplicate or mimic the Project. Such an action could negatively impact the Project and ZEP.

#### **Risks associated with markets for ZEP**

Neither Zeppelin nor the Project will provide, facilitate or guarantee any trading or valuation for ZEP. Any third-party exchange mechanisms or exchange platforms may be new and unproven, subject to little or no regulatory oversight, and more susceptible to fraud or manipulation. Any third-party valuations may be extremely volatile and change to zero.

**Risks associated with software weakness**

You understand and accept that the underlying software application and software platform (“Software”) (e.g. the Ethereum blockchain) for ZEP and the Project is still in an early development stage. As Tokens are initially based on the Ethereum protocol, any malfunction, breakdown and abandonment of the Ethereum protocol may have material adverse consequences for ZEP. As such, ZEP are subject to technical advances which could present risks to ZEP and the Project.

**Regulatory risk**

You understand and accept that the blockchain technology allows new forms of interaction and that it is possible that certain jurisdictions will apply existing regulations to, or introduce new regulations applicable to, blockchain technology based applications (e.g. KYC/AML regulations, data protection laws, etc.), which may make the current setup of the Smart Contract System untenable and/or illegal and which may, inter alia, result in substantial modifications of the Smart Contract System and/or the Project, including its termination and the loss of ZEP.

**Risk of abandonment / lack of success and risk of dissolution of the Company**

You understand and accept that the creation of ZEP and the development of the Project may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects).

You therefore understand and accept that there is no assurance that, even if the Project is partially or fully developed and launched, you will receive any benefits through acquisition of ZEP.

In addition, you understand and accept that following abandonment of the Project it may no longer be viable for Zeppelin or its affiliates to operate and that it and they therefore may dissolve.

**Risks Arising from Taxation**

The tax laws, regulations and mechanics applicable on the acquisition, possession and use of ZEP are uncertain. Your acquisition, possession and use of ZEP, may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements. You therefore must seek your own tax advice.

In addition, the distribution of ZEP by Zeppelin and use of ZEP by you and other parties, may result in adverse tax consequences to Zeppelin and/or its affiliates. These adverse tax consequences may negatively impact the success and viability of the Project.

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