Agreement on Sale of Tokens

PLEASE READ CAREFULLY THIS AGREEMENT ON SALE OF TOKENS BEFORE PURCHASING TOKENS, AS IT AFFECTS YOUR OBLIGATIONS AND LEGAL RIGHTS, INCLUDING, BUT NOT LIMITED TO, WAIVERS OF RIGHTS AND LIMITATION OF LIABILITY. IF YOU DO NOT AGREE TO THIS AGREEMENT ON SALE OF TOKENS, YOU SHALL NOT PURCHASE TOKENS

TOKENS ARE NOT BEING OFFERED OR DISTRIBUTED TO, AS WELL AS CAN NOT BE RESOLD OR OTHERWISE ALIENATED BY THEIR HOLDERS TO, CITIZENS OF, NATURAL AND LEGAL PERSONS, PARTNERSHIPS, HAVING THEIR HABITUAL RESIDENCE OR DOMICILE, LOCATION OR THEIR SEAT OF INCORPORATION (I) IN THE UNITED STATES OF AMERICA (INCLUDING ITS STATES AND THE DISTRICT OF COLUMBIA), PUERTO RICO, THE VIRGIN ISLANDS OF THE UNITED STATES, ANY OTHER POSSESSIONS OF THE UNITED STATES OF AMERICA, OR (II) IN THE COUNTRY OR TERRITORY WHERE TRANSACTIONS WITH DIGITAL TOKENS ARE PROHIBITED, IN ANY MANNER RESTRICTED BY APPLICABLE LAWS OR REGULATIONS

IF SUCH RESTRICTED PERSON PURCHASES TOKENS, SUCH RESTRICTED PERSON HAS DONE SO ON AN UNLAWFUL, UNAUTHORIZED AND FRAUDULENT BASIS AND IN THIS REGARD SHALL BEAR NEGATIVE CONSEQUENCES CONTEMPLATED IN THIS AGREEMENT ON SALE OF TOKENS

TOKENS MAY HAVE NO VALUE. BUYER MAY LOSE ALL AMOUNTS PAID

Last updated: March 26, 2018

This Agreement on Sale of Tokens ("**Agreement**") constitutes the legal relationship and an agreement between you or the entity that you represent ("**Buyer**") and TokenStars Group Limited, a company registered in British Virgin Islands with the company number 1953160 and registered office at Geneva Place, Waterfront Drive, PO Box 3469, Road Town, Tortola, British Virgin Islands ("**Company**"), and governs *(i)* acquisition of ERC20 compatible TEAM tokens distributed on the Ethereum blockchain ("**Tokens**") and *(ii)* holding and use of the Tokens.

The Company and the Buyer hereby agree as follows:

1.   DEFINITIONS

1.1.   In addition to the definitions contained elsewhere in the text of this Agreement, the following terms and expressions shall have the meaning ascribed to them here below:

"**ACE Token**" means a token sold under the Agreement on Sale of Tokens available on the Website (as may be amended from time to time).

"**Bonus Tokens**" has the meaning, set out in Article 4.1 of Exhibit 1.

"**Company Parties**" means the Company and its respective past, present and future employees, officers, directors, contractors, consultants, attorneys, accountants, financial advisors, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns. "**Company Party**" means one of the foregoing, as the case may be.

"**Cryptocurrency**" means Bitcoin (BTC), Ether (ETH), Litecoin (LTC), Bitcoin Cash (BCH), and Neo (NEO), as the case may be.

"**Damages**" means damages, losses, liabilities, costs or expenses of any kind, whether direct or indirect, consequential, compensatory, incidental, actual, exemplary, punitive or special and including, without limitation, any loss of business, revenues, profits, data, use, goodwill or other intangible losses.

"**Disbursement Date**" has the meaning, set out in Article 2.3 of Exhibit 1.

"**Disputes**" has the meaning, set out in Article 11.2.

"**Ethereum**" means an open-source, public, blockchain-based distributed computing platform featuring smart contract (scripting) functionality.

"**Ethereum ERC20 Wallet**" has the meaning, set out in Article 5.1.2 of Exhibit 1.

"**Hard Cap**" has the meaning, set out in Article 7.4.1 of Exhibit 1.

"**Intellectual Property**" has the meaning, set out in the Terms of Use.

"**Notices**" has the meaning, set out in Article 12.7.

"**Platform**" means the community-based system described in the White Paper and to be developed and deployed by the Company.

"**Privacy Policy**" means the document describing the methods how the Company collects, uses and releases information collected from the Buyer and available on the Website (as may be amended from time to time).

"**Refund Receiver**" has the meaning, set out in Article 10.1 of Exhibit 1.

"**Restricted Persons**" has the meaning, set out in Article 4.7.

"**Retained Tokens**" has the meaning, set out in Article 7.4.4 of Exhibit 1.

"**Sale Expiration Date**" means the calendar date when the Token Sale expires as it is set out in Article 1.1.2 of Exhibit 1.

"**Sale Launch Date**" means the calendar date when the Token Sale launches as it is set out in Article 1.1 of Exhibit 1.

"**Services**" means the services which the Company provides to the holders of the Tokens via the Platform and which are more specifically described in the White Paper.

"**Soft Cap**" has the meaning, set out in Article 3.7 of Exhibit 1.

"**Terms of Use**" means the document describing the terms of use of the Website and available on the Website (as may be amended from time to time).

"**Token Sale**" has the meaning, set out in Article 1.1 of Exhibit 1.

"**Token Smart Contract**" means the Ethereum smart contract representing the mechanism of creation and distribution of the Tokens.

"**US Dollars**" means the legal tender currency in the United States of America.

"**User Account**" has the meaning, set out in Article 6.2.1 of Exhibit 1.

"**Web Application**" means a web application made by the Company to facilitate the procedure of purchase and receipt of the Tokens.

"**Website**" means http://tokenstars.com/ and all subdomains and all their respective pages.

"**White Paper**" means the document describing the Platform, the Tokens, the Services, and other matters related to the Platform, and available on the Website (as may be amended from time to time).

2. ACCEPTANCE OF THIS AGREEMENT

§1. Entrance into Agreement, Terms of Use and White Paper

2.1. This Agreement shall be effective and binding on the parties hereof when the both of the following conditions are satisfied:

2.1.1. the Buyer clicks the check box on the Website to indicate that the Buyer has read, understands and agrees to the terms of this Agreement; and

2.1.2. the Company receives the payment for the Tokens from the Buyer as it is specified in Article 2.3 of Exhibit 1.

2.2. The Company has established the Terms of Use, as may be amended from time to time at a Company's sole discretion, which are hereby incorporated by reference. The Buyer has read, understands and agrees to those terms.

2.3. The Company has prepared the White Paper, as may be amended from time to time at a Company's sole discretion, which is hereby incorporated by reference. The Buyer has read and understands the White Paper and its contents (in particular, version 0.1.5 beta, of the White Paper and all its later versions). The content of the White Paper is not binding for the Company Parties and is subject to change in line with ongoing research and development of the Platform.

§2. No Partner Relationship between the Buyer and the Company Parties

2.4.   The Company and the Buyer are independent contractors, and neither party hereto, nor any of their respective affiliates, is an agent of the other for any purpose somehow related to this Agreement or has the authority to bind the other.

2.5.   Purchasing of the Tokens from the Company does not create any form of partnership, joint venture or any other similar relationship between the Buyer and a Company Party.

3.   LEGAL STATUS OF TOKENS

§1. Restricted Use of Tokens

3.1.   The Tokens are intended to be used only:

3.1.1.   to enable usage of and interaction with the Platform and to support its development, testing, deployment, and operation;

3.1.2.   to obtain the Services by a community of the Platform as it is strictly described in the White Paper; and

3.1.3.   as a means to power the Platform's reward system.

3.2.   Hereby the Buyer accepts explicitly and agrees that:

3.2.1.   it is the responsibility of solely the Buyer to determine if the Buyer can legally purchase the Tokens in his jurisdiction and whether the Buyer can then resell the Tokens to another purchaser in any given jurisdiction;

3.2.2.   he is not acquiring the Tokens for any other uses or purposes, except for as specified in Article 3.1;

3.2.3.   the Tokens are not securities, are not registered with any government entity as the security, shall not be considered as such, are not intended to be a digital currency, commodity or any other kind of financial instrument, do not represent any share, stake or security or equivalent rights including, but not limited to, any right to receive future revenue shares and intellectual property rights, and do not represent any ownership right; and

3.2.4.   none of the Company Parties has other obligations, except as expressly stated in this Agreement.

3.3.   Important additional details regarding the Tokens, the Services, and the Platform are provided in the White Paper.

§2. No Rights Created by Tokens

3.4.   Ownership of the Tokens carries no rights, express or implied, other than the right to use the Tokens as specified in Article 3.1. In particular, the Tokens:

3.4.1.   do not provide the Buyer with rights of any form with respect to any of the Company Parties or its revenues or assets, including any voting, distribution, redemption, liquidation, proprietary (including all forms of Intellectual Property), or other financial or legal rights;

3.4.2.   do not represent a loan to any of the Company Parties; and

3.4.3.   do not provide the Buyer with any ownership or other interest in any of the Company Parties.

3.5.   Acquisition of the Tokens from the Company does not present an exchange of payment (Cryptocurrencies or money) for any form of shares in any of the

Company Parties or the Intellectual Property. For the avoidance of doubt and irrespective of the provisions of the White Paper, the Buyer is not entitled to any guaranteed form of dividends, revenue distributions, and voting rights.

3.6. For the purpose of this Agreement, the Tokens shall be viewed as software with cryptographic elements that is sold out as a utility appliance for the Platform. The Company may from time to time launch various incentive programs, including the one specified in Article 3.1, for the holders of the Tokens to encourage and promote their attention to the Platform.

§3. Not for Investment Purposes

3.7. Although the Tokens may be tradable, they are not an investment, currency, security, commodity, a swap on a currency, security or commodity or any other kind of financial instrument. The Tokens are not intended to be marketed, offered for sale, purchased, sold, or traded in any jurisdiction where they are prohibited by applicable laws or require further registration with any applicable governmental authorities.

3.8. The Tokens may be exchangeable on cryptographic token exchanges. However, none of the Company Parties give warranties or representations that the Tokens will be exchangeable on such exchanges.

3.9. This Agreement does not constitute a prospectus of any sort, is not a solicitation for investment and does not pertain in any way to an initial public offering or a share/equity offering and does not pertain in any way to an offering of securities in any jurisdiction.

§4. Funds Collected through Token Sale

3.10. Funds collected through the Token Sale will be utilized by the Company at its sole discretion.

4.   TOKEN SALE PROCEDURE

§1. General Provisions on Token Sale Procedure

4.1. The substantial information about the procedures and material specifications of the Token Sale are provided in Exhibit 1, including details regarding the timing, pricing of the Token sale, and the number of Tokens to be sold and distributed. The information about specific procedures on how the Buyer should purchase the Tokens may also be provided on the Website.

4.2. By sending the payment for the Tokens, the Buyer acknowledges that he understands and has no objection to these procedures and material specifications. Failure to follow such procedures may result in the Buyer not receiving any Tokens.

4.3. Buyer's purchase of the Tokens from the Company during the Token Sale period is final, and there are no refunds or cancellations except as may be required by applicable law or regulation.

4.4. By sending the payment for the Tokens, the Buyer acknowledges that none of the Company Parties are required to provide a refund for any reason and that the Buyer will not receive money or other compensation in lieu of a refund.

4.5. The Company reserves the right to refuse or cancel the Token purchase requests at any time at the Company's sole discretion.

4.6. The Buyer shall provide an accurate digital wallet address to the Company for receipt of any Tokens distributed to the Buyer pursuant to this Agreement.

§2. Persons Who Are Restricted to Purchase Tokens

4.7. The Tokens are not being offered or distributed to, as well as can not be resold or otherwise alienated by their holders to the following restricted persons ("**Restricted Persons**"):

4.7.1. citizens of, natural and legal persons, partnerships, having their habitual residence or domicile, location or their seat of incorporation in the United States of America (including its states and the District of Columbia), Puerto Rico, the Virgin Islands of the United States, or any other possessions of the United States of America; and

4.7.2. citizens of, natural and legal persons, having their habitual residence, location or their seat of incorporation in the country or territory where transactions with digital tokens are prohibited or in any manner restricted by applicable laws or regulations, or will become so prohibited or restricted at any time after this Agreement becomes effective.

4.8. The Restricted Persons are strictly prohibited and restricted from purchasing and using the Tokens and the Company Parties are not soliciting purchases and usage by Restricted Persons in any way.

4.9. It is solely Buyer's obligation to verify at the time of entering into this Agreement:

4.9.1. whether or not the Buyer or a person he represents is a Restricted Person;

4.9.2. whether or not the Buyer is allowed to purchase the Tokens under the applicable laws and regulations; and

4.9.3. whether or not the Buyer is allowed by applicable laws and regulations to use the Tokens in the manner specified on the Website.

4.10. If a Restricted Person purchases the Tokens, such Restricted Person has done so on an unlawful, unauthorized and fraudulent basis. In such a case, any transactions and operations entered into by the Restricted Person in respect of the Tokens shall be null and void, including, but not limited to, the following:

4.10.1. transactions resulting from acceptance of this Agreement;

4.10.2. any transaction resulting from the acquisition of the Tokens; and

4.10.3. any payment operation.

4.11. None of the Company Parties shall be bound by a transaction or an operation specified in Article 4.10, and respective Company Party may, at its sole discretion:

4.11.1. take all necessary and appropriate actions to apply and enforce the consequences of the void transactions and operations specified above;

4.11.2. notify the relevant authorities on the transaction or the operation in question; and

4.11.3. retain all the funds paid by the Restricted Person and either freeze them until the situation is resolved by the respective authority or transfer to the account specified by the relevant financial authority, or apply to cover inflicted losses or discharge liabilities, or refund to the payer of the funds in accordance with the applicable legislation.

4.12. Any Restricted Person purchasing the Tokens shall be solely liable for Damages caused to the Company Parties and shall indemnify, defend and hold harmless the

Company Parties from any Damages and expenses incurred by the Company Parties that arise from or are the result of such Restricted Person's purchase of the Tokens.

4.13. The Company doesn't carry on a business (activity) in any regulated activity in Republic of Singapore, Republic of Korea, in People's Republic of China or in other countries and territories where transactions in respect of, or with use of, digital tokens fall under the restrictive regulations or require from the Company to be registered or licensed with any applicable governmental authorities.

5. ACKNOWLEDGMENT AND ASSUMPTION OF RISKS

5.1. The Buyer acknowledges and agrees that there are risks associated with purchasing the Tokens, holding the Tokens, and using the Tokens for receiving the Services, as disclosed and explained in Exhibit 2.

By sending the payment for the Tokens, the Buyer expressly acknowledges and assumes these risks.

6. SECURITY OF BUYER'S TOKENS

6.1. The Buyer shall implement reasonable measures for securing the wallet address, vault or other storage mechanism utilized to receive and hold the purchased Tokens, including any requisite private keys or other credentials necessary to access such storage mechanisms.

6.2. In the event that the Buyer is no longer in possession of the Buyer's private keys or any device associated with the Buyer's account or is not able to provide the Buyer's login or identifying credentials, the Buyer may lose all of Buyer's Tokens and/or access to Buyer's account. Company Parties are under no obligation to recover any Tokens and are not liable for such loss of Buyer's Tokens.

7. BUYER'S PERSONAL INFORMATION

7.1. The Company may determine, at its sole discretion, that it is necessary to obtain certain information about the Buyer in order to comply with applicable laws or regulations in connection with selling the Tokens to the Buyer.

7.2. The Buyer agrees to provide the Company or any person appointed by the Company with such information promptly upon request and acknowledges that the Company may refuse to sell the Tokens to the Buyer until he provides such requested information and the Company has determined that it is permissible to sell the Tokens to the Buyer under applicable laws or regulations.

7.3. Providing of personal data to the Company shall be subject to the Privacy Policy and applicable laws on personal data protection.

8. BUYER'S RESPONSIBILITY FOR THE TAXES

8.1. The purchase price that the Buyer pays for the Tokens is exclusive of all applicable taxes. The Buyer is solely responsible for determining what, if any, taxes apply to the purchase of the Tokens, including sales, use, value added, and similar taxes.

8.2. The Buyer is responsible for withholding, collecting, reporting and remitting the correct taxes arising from the purchase of the Tokens to the appropriate tax authorities.

8.3. None of the Company Parties bear liability or responsibility with respect to any tax consequences to the Buyer arising from the purchase of the Tokens.

9. REPRESENTATIONS AND WARRANTIES

§1. Buyer's Representations and Warranties

9.1. By sending the payment for the Tokens, the Buyer represents and warrants to each of the Company Parties that each of the following representations and warranties is true, accurate and not misleading on the date when such sending has occurred:

(A) Buyer's Awareness of Transaction, Technology, and Risks

9.1.1. The Buyer has read and understood this Agreement, the White Paper, the Terms of Use and the Privacy Policy.

9.1.2. The Buyer has read and understood the risks related to the Tokens and usage of the Platform specified in Exhibit 2.

9.1.3. The Buyer has sufficient understanding of the functionality, usage, storage, transmission mechanisms and other material characteristics of cryptographic tokens, token storage mechanisms (such as token wallets), blockchain technology and blockchain-based software systems to understand this Agreement and to appreciate the risks and implications of purchasing the Tokens.

9.1.4. The Buyer has obtained sufficient information about the Tokens to make an informed decision to purchase the Tokens.

9.1.5. The Buyer understands that the value of the Tokens over time may experience extreme volatility or depreciate in full.

(B) Authority to Enter into Agreement

9.1.6. The Buyer has all requisite power and authority to execute and deliver this Agreement, to purchase the Tokens, and to carry out and perform his obligations under this Agreement.

9.1.7. If an individual, the Buyer is at least 18 years old and of sufficient legal age and capacity to purchase the Tokens.

9.1.8. If a legal entity, the Buyer is duly organized, validly existing and in good standing under the laws of its domiciliary jurisdiction and each jurisdiction where it conducts business. The person purchasing the Tokens on behalf of the legal entity is duly authorized to accept this Agreement on such entity's behalf and that such entity will be responsible for breach of this Agreement.

(C) Buyer is not a Restricted Person

9.1.9. The Buyer is not a Restricted Person and does not represent a Restricted Person.

9.1.10. None of the Buyer's owners or beneficiaries are Restricted Persons.

(D) Compliance with Applicable Laws and Regulations

9.1.11. The entering into and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a material default under, with or without the passage of time or the giving of notice:

(i) any provision of the Buyer's constituent documents, if applicable;

(ii) any provision of any judgment, decree or order to which the Buyer is a party, by which it is bound, or to which any of its material assets are subject;

(iii) any material agreement, obligation, duty or commitment to which the Buyer is a party or by which it is bound;

(iv) any foreign exchange, anti-money laundering or regulatory restrictions applicable to purchase of the Tokens; or

(v) any laws, regulations or rules applicable to the Buyer.

9.1.12. It is the Buyer's obligation to monitor the amendments to laws applicable to the Buyer.

9.1.13. The Buyer will comply with any applicable tax obligations in the Buyer's jurisdiction arising from the respective purchase of the Tokens.

9.1.14. The execution and delivery of, and performance under, this Agreement require no approval or other action from any governmental authority or person other than the Buyer.

(E) Legal Source of the Funds used for the Purchase

9.1.15. The funds, including any digital assets, fiat currency, virtual currency or Cryptocurrency, the Buyer uses to purchase the Tokens are not derived from or related to any unlawful activities, including but not limited to money laundering or terrorist financing, and the Buyer will not use the Tokens to finance, engage in, or otherwise support any unlawful activities.

9.2. The Buyer agrees that if his country of residence or other circumstances change (including, but not limited to, any change in applicable legislation) such that any of the representations and warranties specified in Article 9.1 hereof are no longer accurate, that the Buyer will immediately cease using the Platform.

§2. No Company Parties' Representations and Warranties

9.3. The Buyer hereby acknowledges and agrees that the Tokens are sold on an "as is", "as available" and "with all faults" basis and Buyer purchases the Tokens exclusively at his own risk without any express or implied representations and/or warranties of any kind by the Company Parties.

9.4. The Company and other Company Parties (if applicable) expressly disclaim all express and implied warranties and representations as to the Tokens and the Platform. None of the Company Parties makes any representations or warranties, express or implied, including:

9.4.1. any warranties or representations of title;

9.4.2. any warranties or representations of merchantability or fitness for a particular purpose with respect to the Platform, the Tokens or their utility, or the ability of anyone to purchase or use the Tokens;

9.4.3. the suitability, reliability, availability, timeliness, and accuracy of the Platform, the Tokens, information, software, products, Services and related graphics contained on the Website for any purpose.

9.5. Without limiting the specified in Articles 9.3-9.4 herein, none of the Company Parties represent or warrant that the process of payment of the Tokens or receiving the Tokens will be uninterrupted, error-free, free or shall remain free of viruses or

other harmful components, or that the Tokens are reliable and error-free. As a result, the Buyer acknowledges and understands that the Buyer may lose the entire amount the Buyer paid to the Company.

10.   LIMITATION OF LIABILITY

§1. Limitation of Company Parties' Liability

10.1.   To the fullest extent permitted by applicable law:

10.1.1.   in no event will any of the Company Parties be liable for any Damages arising out of or in any way related to the sale or use of the Tokens, use of the Platform or otherwise related to this Agreement, regardless of the form of action, whether based in contract, tort (including 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

10.1.2.   in no event will the aggregate liability of 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 this Agreement or the use of or inability to use the Tokens or the Platform, exceed the amount the Buyer pays to the Company for the Tokens.

10.2.   To the fullest extent permitted by applicable law, the Buyer disclaims any right or cause of action against any of the Company Parties of any kind in any jurisdiction that would give rise to any Damages whatsoever, on the part of any Company Party.

10.3.   The Company will not be liable for any delay or failure to perform any obligation under this Agreement where the delay or failure results from any cause beyond Company's reasonable control.

10.4.   If applicable law does not allow all or any part of the above limitation of liability, such limitations will be applicable only to the extent permitted by applicable law.

10.5.   The Buyer understands and agrees that it is the Buyer's obligation to ensure compliance with any legislation relevant to his country of domicile concerning purchase and use of the Tokens and that the Company Parties should not accept any liability for any illegal or unauthorized purchase or use of the Tokens.

§2. Indemnification for Losses Incurred by a Company Party

10.6.   To the fullest extent permitted by applicable law, the Buyer will indemnify, defend and hold harmless and reimburse Company Parties from and against any and all claims, demands, actions, Damages, costs and expenses (including attorneys' fees) incurred by a Company Party arising from or relating to:

10.6.1.   the Buyer's purchase or use of the Tokens or the Platform;

10.6.2.   the Buyer's responsibilities or obligations under this Agreement, the Terms of Use or the Privacy Policy;

10.6.3.   the Buyer's violation of this Agreement, the Terms of Use or the Privacy Policy;

10.6.4.   any inaccuracy in any representation or warranty of the Buyer;

10.6.5.   the Buyer's violation of any rights of any other person or entity; and/or

      10.6.6. any act or omission of the Buyer that is negligent, unlawful or constitutes willful misconduct.

10.7.   The Company reserves the right to exercise sole control over the defense, at the Buyer's expense, of any claim subject to indemnification under Article 10.6 herein. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between the Buyer and the Company.

§3. Force Majeure

10.8.   The Company Parties shall not be liable and disclaims all liability to the Buyer in connection with any force majeure event, including acts of God, labour disputes or other industrial disturbances, electrical, telecommunications, hardware, software or other utility failures, software or smart contract bugs or weaknesses, earthquakes, storms, or other nature-related events, blockages, embargoes, riots, acts or orders of government, acts of terrorism or war, technological change, changes in interest rates or other monetary conditions, and, for the avoidance of doubt, changes to any blockchain-related protocol.

10.9.   If an event of force majeure occurs, the party injured hereto by the other's inability to perform may elect to suspend this Agreement, in whole or part, for the duration of the force majeure circumstances. The party hereto experiencing the force majeure circumstances shall cooperate with and assist the injured party in all reasonable ways to minimize the impact of force majeure on the injured party.

§4. Release

10.10. To the fullest extent permitted by applicable law, the Buyer releases the 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 the Buyer and the Company Parties and the acts or omissions of third parties.

10.11. The Buyer expressly waives any statute or common law principles that would otherwise limit the coverage of this release to include only those claims which the Buyer may know or suspect to exist in favor of the Buyer at the time of agreeing to this release.

11.   GOVERNING LAW AND DISPUTE RESOLUTION

§1. Applicable Law

11.1.   This Agreement will be governed by and construed and enforced in accordance with the laws of the British Virgin Islands, without regard to conflict of law rules or principles (whether of the British Virgin Islands or any other jurisdiction) that would cause the application of the laws of any other jurisdiction.

§2. Informal Dispute Resolution

11.2.   The Buyer and the Company shall cooperate in good faith to resolve any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity, interpretation, breach or termination, and any non-contractual obligation or other matter arising out of or in connection with it ("**Disputes**"). If the parties hereto are unable to resolve a Dispute within 90 days after a notice of such Dispute being received by all parties hereto, such Dispute shall be finally settled in an arbitration proceeding as stipulated in Articles 11.4-11.8 herein.

§3. No Class Arbitrations, Class Actions or Representative Actions

11.3.　Any Dispute is personal to the Buyer 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 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.

§4. Arbitration Proceedings

11.4.　Any Dispute shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration in force on the date on which the arbitration is commenced, which Rules are deemed to be incorporated by reference into this Article.

11.5.　The tribunal shall consist of three arbitrators. Each party hereto shall nominate one arbitrator. In the event that either of the two parties hereto fails to nominate an arbitrator within 30 days after the commencement of the arbitration proceedings, then the London Court of International Arbitration shall nominate an arbitrator on behalf of the party or parties hereto which have failed to nominate an arbitrator. The third arbitrator, who shall be the presiding arbitrator, shall be nominated by the two party-nominated arbitrators within 30 days of the last of their appointments.

11.6.　The seat of the arbitration shall be London, the United Kingdom. The language of the arbitration shall be English.

11.7.　Any award of the tribunal shall be final and binding from the day it is made.

11.8.　The parties hereto agree to keep confidential all matters relating to the arbitration, including related court proceedings, to the greatest extent practicable.

12.　MISCELLANEOUS

§1. Entire Agreement

12.1.　This Agreement constitutes the entire agreement between the Buyer and the Company relating to purchase of the Tokens from the Company. This Agreement supersedes all prior or contemporaneous representations, understandings, agreements, or communications between the Buyer and any of the Company Parties, whether written or verbal, regarding the subject matter of this Agreement.

§2. Severability

12.2.　Should any provision of this Agreement, or any provision incorporated into this Agreement in the future, be or become illegal, invalid or unenforceable under the laws of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the other provisions of this Agreement shall not be affected thereby.

§3. Amendments to Agreement

12.3.　The Company reserves the right to change, modify, add, or remove portions of this Agreement for any reason at any time during the Token Sale and afterward by posting the amended Agreement on the Website. The revised version will be effective at the time the Company posts it unless indicated otherwise. If the Buyer does not agree to be bound by the amended or modified Agreement, the Buyer must cease accessing or using the Platform.

§4. Assignment of Rights and Obligations

12.4. The Company may assign the Company's rights and obligations under this Agreement.

§5. No Company's Waiver of Rights

12.5. The Company's failure to exercise or enforce any right or provision of this Agreement will not operate as a waiver of such right or provision.

§6. Third Party Rights

12.6. Except as otherwise provided herein, this Agreement is intended solely for the benefit of the Buyer and the Company and is not intended to confer third-party beneficiary rights upon any other person or entity.

§7. Notices

12.7. All notices, requests, claims, demands and other communications concerning this Agreement ("**Notices**") that the Company Party provides to the Buyer, including this Agreement, will be provided in electronic form by:

12.7.1. posting a Notice on the Website; or

12.7.2. sending an email to the email address then associated with Buyer's account.

12.8. Notices provided by posting on the Website will be effective upon posting and Notices provided by email will be effective when the Company Party sends the email. It is the Buyer's responsibility to keep his email address current. The Buyer will be deemed to have received any email sent to the email address associated with his account when the Company Party sends the email, whether or not Buyer actually receives or reads the email.

12.9. Notices that the Buyer provides to the Company Party must be in the English language and delivered to the Company Party by email (ask@tokenstars.com). Such Notices will be effective two business day after they are sent.

§8. Possibility to Negotiate Agreement

12.10. Each party hereto has had an unlimited and real opportunity to influence the terms of this Agreement as well as to propose, exclude and add any provisions of this Agreement. All the terms of this Agreement are agreed by parties hereto jointly. The circumstances of the preparation of this Agreement should not affect the interpretation of its terms and the sharing of the burden of proof between the parties hereto. If the Buyer has any proposals to amend, correct or add this Agreement, he can contact the Company by email (ask@tokenstars.com).

§9. Interpretation

12.11. The Exhibits form part of this Agreement and any reference to this Agreement includes the Exhibits. In this Agreement, references to "**Articles**" or "**Exhibits**" are references to Articles of, and Exhibits to, this Agreement.

12.12. In this Agreement, unless the context indicates otherwise or the contrary is expressly stated:

12.12.1. references to the singular include references to the plural and *vice versa*;

12.12.2. references to the male include references to the female and *vice versa*;

12.12.3. a reference to a person includes a reference to any individual, body corporate (wherever or however incorporated or established), association, partnership, government, state agency, public authority, joint venture, works council or other employee representative body in any jurisdiction and whether or not having a separate legal personality;

12.12.4. a reference to a person includes a reference to that person's legal personal representatives, successors, permitted assigns and permitted nominees in any jurisdiction and whether or not having separate legal personality;

12.12.5. a reference to a company shall be construed so as to include any company, corporation or other body corporate or other legal entity, wherever and however incorporated or established;

12.12.6. a reference to a "**business day**" implies a day which starts at 12:00 PM PDT of the respective date and ends at 11:59 PM PDT of the following date; and

12.12.7. except as otherwise provided in this Agreement, when referring to time, time in PDT timezone shall apply.

12.13. The headings in this Agreement are inserted for convenience and reference purposes only and do not affect its interpretation.

12.14. The words "**hereof**", "**herein**", "**hereto**", "**hereunder**" and "**hereby**" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

Wherever the word "**include**," "**includes**," or "**including**" is used in this Agreement, it shall be deemed to be followed by the words "without limitation".

EXHIBIT 1. TOKEN SALE PROCEDURES

1.   Token Sale Periods

1.1.   The Company will conduct a sale of the Tokens ("**Token Sale**"), which will begin at 12:00 PM PDT on December 11, 2017 ("**Sale Launch Date**") and end:

    1.1.1.   when the Hard Cap as described in Article 7.4.1 hereof achieved; or

    1.1.2.   at the end of the last Tier as described in Article 1.2 hereunder, whichever is earlier ("**Sale Expiration Date**").

1.2.   The Company will conduct the Token Sale by several tiers ("**Tier**"):

    1.2.1.   Tier 1: from December 20, 2017, until January 10, 2018;

    1.2.2.   Tier 2: from January 10, 2018, until January 27, 2018;

    1.2.3.   Tier 3: from January 27, 2018, until February 5, 2018;

    1.2.4.   Tier 4: from February 5, 2018, until February 22, 2018;

    1.2.5.   Tier 5: from February 22, 2018, until March 8, 2018;

    1.2.6.   Tier 6: from March 8, 2018, until March 15, 2018;

    1.2.7.   Tier 7: from March 15, 2018, until March 22, 2018;

    1.2.8.   Tier 8: from March 22, 2018, until March 28, 2018.

    1.2.9.   Additional Tiers may be introduced in accordance with Article 7.9 hereof.

2.   Token Price and Payment for Tokens

2.1.   During the Token Sale, the price per Token will be 0.0001 Bitcoin (BTC).

2.2.   Payment for the Tokens shall be made, at Buyer's discretion:

    2.2.1.   in Ether (ETH) by transfer to the Ethereum wallet address the details of which will be available in the Web Application; and/or

    2.2.2.   in Litecoin (LTC) by transfer to the Litecoin wallet address the details of which will be available in the Web Application; and/or

    2.2.3.   in Bitcoin Cash (BCH) by transfer to the Bitcoin Cash wallet address the details of which will be available in the Web Application; and/or

    2.2.4.   in Neo (NEO) by transfer to the NEO wallet address the details of which will be available in the Web Application; and/or

    2.2.5.   in Bitcoins (BTC) by transfer to the Bitcoin wallet address the details of which will be available in the Web Application; and/or

    2.2.6.   in ACE Tokens to the Ethereum wallet address the details of which will be available in the Web Application.

Without prejudice to the Sale Launch Date the payments are accepted by the Company since October 27, 2017.

2.3.   Without prejudice to the provisions set out in Articles 3.1 – 3.3 hereof, a transaction on payment for the Tokens is considered to be made on the time and date when Company receives from an intermediary payment service through which the transaction has been effected a notification confirming that such transaction has not been canceled or reversed by the respective blockchain ledger ("**Disbursement Date**").

2.4. Not confirmed as it is described in Article 2.3 hereof, the transaction on payment for the Tokens will be deemed canceled and reversed by the respective blockchain ledger. In this case, the respective amount of payment made by the Buyer will be refunded to such Buyer without distribution to him of any Tokens.

2.5. In any case, the Disbursement Date shall occur within the Token Sale period if the Buyer initiates the payment within the Token Sale period, however, for whatever reason, the Disbursement Date occurs on the date after the expiration of the Token Sale period, then the Company will have the right, at its sole discretion, to:

2.5.1. refund the respective amount of payment to the Buyer without distribution to him of any Tokens; or

2.5.2. accept the respective amount of payment partially or in full as if it was received on the last day of the Token Sale period and to distribute to the Buyer the respective number of Tokens.

2.6. In case of payment in Ethers (ETH), the respective exchange rate set on Kraken Bitcoin Exchange (https://www.kraken.com/) at 12:00:00 PDT of the respective Disbursement Date shall apply.

2.7. In case of payment in ACE Tokens, the exchange rate set out in the Web Application will apply.

2.8. The Company reserves the right at any time at its sole discretion to refuse acceptance of any payment currency specified in Articles 2.2.1 – 2.2.6.

3. Tokens Purchased

3.1. Within one purchase request during the Tier 1 and Tier 2, at least 1 000 Tokens shall be paid. If the amount of first payment made by the Buyer during the Tier 1 and Tier 2 is not sufficient to pay for the said number of Tokens, the Buyer is entitled to make additional payments during the Tier 1 and Tier 2. The aggregate amount of the first payment and all of the additional payments shall be enough to pay for 1 000 or more Tokens. The Disbursement Date within the Tier 1 and Tier 2 is deemed to occur when the aggregate amount of all payments within one purchase request becomes sufficient to pay for at least 1 000 Tokens.

The rules of the preceding paragraph shall apply to each of the subsequent purchase requests made within the Tier 1 and Tier 2.

3.2. Should as of the end of Tier 2 the aggregate amount paid by the Buyer for the Tokens within one purchase request be not sufficient to pay for all 1 000 Tokens, such amount will be counted towards the payment for the Tokens as if they were paid during the subsequent Tiers and the Buyer will receive the Tokens in the number calculated in accordance with rules as in effect within the relevant Tiers. In such case, the Disbursement Date in respect of such Tokens is deemed to occur within such subsequent Tiers.

3.3. Within one purchase request during the Tiers from Tier 3 to the last Tier, at least 100 Tokens shall be paid. If the amount of first payment made by the Buyer during the relevant Tier is not sufficient to pay for the said number of Tokens, the Buyer is entitled to make additional payments by the end of Token Sale. The aggregate amount of the first payment and all of the additional payments shall be enough to pay for 100 or more Tokens. The Disbursement Date within the said Tiers is deemed to occur when the aggregate amount of all payments within one purchase request becomes sufficient to pay for at least 100 Tokens.

The rules of the preceding paragraph shall apply to each of the subsequent purchase requests made within the Tiers from Tier 3 to the last Tier.

3.4.   Should as of the Sale Expiration Date the aggregate amount paid by the Buyer for the Tokens within one purchase request be not sufficient to pay for all 100 Tokens then the Company will have the right, at its sole discretion, to:

   3.4.1.   refund the respective amount of payment to the Buyer without distribution to him of any Tokens; or

   3.4.2.   accept the respective amount of payment partially or in full as if it was received on the last day of the Token Sale period and to distribute to the Buyer the respective number of Tokens.

3.5.   The Token is divisible, therefore the fractional share of a Token may be purchased, which, however, can not less than 0.0001 of the Token. In each case when the amount paid by the Buyer for the Token is not sufficient to purchase 0.0001 of the Token the following mathematical rounding rules shall apply:

   3.5.1.   if the paid amount is less than 0.000000005 Bitcoin (BTC), then in each case such amount will not be refunded to the Buyer and the Buyer will not receive any 0.0001 of the Token; and

   3.5.2.   if the paid amount is 0.000000005 Bitcoin (BTC) and more, then in each case the Buyer will receive 0.0001 of the Token.

3.6.   In the case the total amount of payments for the Tokens received by the Company from different Buyers, exceeds the maximum amount calculated with due regard for the restriction on number of Tokens established in Article 7.5.1 hereof, Buyers the payments from whom was received on the last business day of the Token Sale period will receive the Tokens in number calculated proportional to the amount of their payments, subject to the mathematical rounding rules specified in Article 3.5 hereof.

3.7.   In order Token Sale to be successful, the total amount in the Cryptocurrency equivalent or equal to at least 1 000 000 US Dollars have to be paid during the period from the Sale Launch Date to the Sale Expiration Date in accordance with the terms set out herein ("**Soft Cap**"). If the Soft Cap is not achieved, then all payments made by the Refund Receivers shall be refunded to them in accordance with Article 10 hereof, and the respective Refund Receivers shall not receive any Tokens. For the purpose of calculation of the Soft Cap, as well as in cases, specified in Articles 7.4.1 and 6.4 hereof, the respective exchange rates set on Kraken Bitcoin Exchange (https://www.kraken.com/) at 12:00:00 PDT of the respective date shall apply.

4.   Bonus Programs

4.1.   Depending on the date when the Disbursement Date occurs, the Buyer may receive additional Tokens ("**Bonus Tokens**"). The Company may launch different bonus programs enabling different persons to receive the Bonus Tokens. Different bonus programs may be launched for the benefit of different persons.

4.2.   In some cases, Bonus Tokens may be accrued when applying referral bonus codes. The same person can not use the referral bonus code which he has received as a result of the Token purchase, even if he uses different User Account. The identity of each Buyer will be verified through the KYC ("Know Your Customer") procedure as specified in Articles 6.3.3 and 6.3.4 herein.

4.3. Bonus programs stated in Articles 4.1-4.2 hereof may be additive, however, to the extent that applies to the Buyers, the Bonus Tokens to be due within each such bonus program can be accrued only depending on the number of Tokens that was actually paid by respective Buyer.

4.4. The Bonus Token is divisible, therefore the fractional share of the Bonus Token may be accrued, which, however, can not less than 0.0001 of the Bonus Token. In each case when the number of paid Tokens is not sufficient to accrue 0.0001 of the Bonus Token the following mathematical rounding rules shall apply:

4.4.1. if accrued less than 0.00005 of the Bonus Token, then the Buyer in each case will not receive 0.0001 of the Bonus Token; and

4.4.2. if accrued 0.00005 of the Bonus Token, and more, then the Buyer in each case will receive 0.0001 of the Bonus Token.

4.5. The Company reserves the right to amend the terms and conditions of bonus programs, at its sole discretion, at any time during the Token Sale.

5. Buyer's Wallet Addresses

5.1. To purchase the Tokens, the Buyer must have certain token wallets addresses established and operational. Specifically, the Buyer must have:

5.1.1. one of the Cryptocurrencies wallets addresses depending on how the Buyer pays for the Tokens; and

5.1.2. an Ethereum wallet address that supports the ERC20 token standard in order to receive the Tokens ("**Ethereum ERC20 Wallet**").

5.2. The Company reserves the right to prescribe additional guidance regarding specific wallet addresses requirements.

6. Procedure for Buying and Receiving Tokens

6.1. The Buyer must ensure that the URL of the Buyer's web browser indicates that it is using a hypertext transport protocol secure connection ("https") and that the domain name is correct.

6.2. To purchase the Tokens through the Web Application, the Buyer shall:

6.2.1. undergo a registration procedure and obtain a personal user account available on the Website ("**User Account**"). The registration procedure, as well as terms and conditions of use of the User Account, are in more detail specified in the Terms of Use;

6.2.2. enter the Web Application using his User Account; and

6.2.3. follow the on-screen instructions.

6.3. The Web Application will guide the Buyer through the procedure of purchase and receipt of the Tokens, in particular:

6.3.1. it will ask the Buyer to check the boxes in order to confirm his consent on terms and conditions of sale of the Tokens and other terms that may be applicable;

6.3.2. it will guide the Buyer through the whole procedure on payment for the Tokens;

6.3.3. it will ask the Buyer to provide the information required for carrying out KYC ("Know Your Customer") procedure, that may include but not limited

to government-issued photo ID, proof of address and, if an entity, constituent documents; and

6.3.4. if the Company and/or the Company's agents approve the validity, sufficiency, and accuracy of the information referred to in Article 6.3.3 hereof, Buyer will be asked to provide to the Web Application the address of his Ethereum ERC20 Wallet for the delivery of the Tokens due to him.

6.4. In cases when the amount paid by the single Buyer for the Tokens in Cryptocurrency exceeds one hundred thousand (100 000) Euro, the Company reserves the right to ask the Buyer to provide the information verifying the legitimate source of funds used to purchase the Tokens. The Buyer further agrees to, and shall, provide the Company at any time with such information as the Company determines to be necessary and appropriate to verify compliance with the anti-money laundering regulations (Anti-Money Laundering procedure).

6.5. The Company reserves the right to refuse or cancel the Token purchase requests at any time at the Company's sole discretion, including cases when the information provided by the Buyer is not sufficient, inaccurate or misleading, the Buyer is deemed to be a Restricted Person, or the Buyer has not complied with any of the requirements of the Web Application.

6.6. In the cases specified in Articles 6.4 and/or 6.5 hereof, the Company may, at its sole discretion, either:

6.6.1. retain all the funds paid by the respective payer; or

6.6.2. refund to the payer of the funds in accordance with the Article 10 hereof.

7. Creation and Distribution of Tokens

7.1. Following the results of the Token Sale, the Company will make a register containing the information on the number of Tokens paid by all Buyers during the Token Sale, and the number of the Bonus Tokens accrued in accordance with the terms and conditions hereof.

7.2. The information specified in Article 7.1 will be downloaded to the Token Smart Contract, which will then create the Tokens and distribute them among all interested parties.

7.3. Company anticipates that distribution of the Tokens from the Token Smart Contract to the Buyer will start on March 07, 2018, 12:00 PM PDT (this date may be adjusted in case if new Tiers are introduced or the dates of existing Tiers are changed), but reserves the right to delay distribution up to eight weeks after the termination of the Token Sale period.

7.4. The total number of Tokens which will be created by the Token Smart Contract shall be equal to the sum of the following:

7.4.1. the total number of Tokens paid in Cryptocurrency (where ACE Tokens are not included and not counted) in accordance with the terms and conditions hereof, which amount, in any case, shall not exceed 15 000 000 US Dollars ("**Hard Cap**");

7.4.2. the total number of Tokens paid in ACE Tokens in accordance with the terms and conditions hereof;

7.4.3. the total number of the Bonus Tokens accrued to all interested parties in accordance with the bonus programs specified in Articles 4.1 – 4.3 hereof; and

7.4.4. the total number of the additional Tokens distributed to the Company ("**Retained Tokens**") which will be created in a number of 2 Tokens for every 3 Tokens specified in Articles 7.4.1 - 7.4.3 hereof.

7.5. The Company anticipates that:

7.5.1. the number of Tokens specified in Articles 7.4.1 - 7.4.3 hereof will be 45 000 000;

7.5.2. the total number of Tokens created by the Token Smart Contract will be 75 000 000.

These numbers may be adjusted at Company's sole discretion for any reasons, including but limited to, reflection of the market changes.

7.6. The Tokens specified in Articles 7.4.1 – 7.4.3 herein will be distributed by the Token Smart Contract to the address of respective Buyer's Ethereum ERC20 Wallet.

7.7. The Retained Tokens will be distributed by the Token Smart Contract to the Company. The Company anticipates to use the Retained Tokens, at its sole discretion, for the following purposes:

7.7.1. 50% of the Retained Tokens will be distributed to the Company's team, partners and advisors, as remuneration for services provided for the benefit of the Company; and

7.7.2. 50% of the Retained Tokens will be distributed for the Platform growth.

7.8. Although it has no plans to do so, the Company reserves the right to burn the Retained Tokens at any point after the Token Sale.

7.9. In case if the Hard Cap is not achieved by the end of the last Tier specified in Article 1.2 hereof, the Company may at its sole discretion decide to introduce new Tiers. The Company may terminate the Token Sale during any Tier at any time prior to achieving the Hard Cap. The dates of any Tier may be adjusted by the Company at its sole discretion.

7.10. The Company reserves the right to adjust the Soft Cap and the Hard Cap at Company's sole discretion.

7.11. All Tokens will be of equal value and functionality.

8. Passing of Title and Risks

8.1. The Token Smart Contract is deployed by the Company from the British Virgin Islands and is programmed so that all transactions it executes will be executed in the British Virgin Islands. As such, title to, and risk of loss of, the Tokens delivered by the Token Smart Contract passes from the Company to the Buyer in the British Virgin Islands.

9. Stop of Distribution Process

9.1. The Company reserves a right to an emergency to stop the process of distribution of the Tokens in situations, such as, but not limited to:

9.1.1. serious security issue detected;

9.1.2. serious network performance issue, depriving all users of equal treatment;

9.1.3. any type of material attack on the Tokens, the Platform, the Website or Ethereum network.

10. Refund of Payments

10.1. In the cases specified in the Agreement and/or in this Exhibit, as well as in other cases at the Company's sole discretion, the Company can perform a refund of payment (partially or in full) made by a person in favor of the Company in order to acquire the Tokens ("**Refund Receiver**").

10.2. The Company reserves the right to choose, at its sole discretion, the form of payment for the refund (US Dollars, ACE Tokens, Bitcoin (BTC) or Ether (ETH)). The form of payment for the refund may not be the same as the Refund Receiver used when made a respective payment in favor of the Company.

10.3. If initially paid by the Refund Receiver in the Cryptocurrency, the Company, at its sole discretion, may:

10.3.1. refund to the Refund Receiver the same amount in the same Cryptocurrency, subject to deductions set out in Article 10.6 hereof; or

10.3.2. refund to the Refund Receiver the amount in any Cryptocurrency adjusted as it is set out in Article 10.4 hereof, subject to deductions set out in Article 10.6 hereof; or

10.3.3. refund to the Refund Receiver the amount translated into US Dollars at respective Cryptocurrency/US Dollar exchange rate set on Kraken Bitcoin Exchange (https://www.kraken.com/) at 12:00:00 PDT either of the Disbursement Date or of the date when the Company makes the refund (at the Company's sole discretion), subject to deductions set out in Article 10.6 hereof.

10.4. In order to mitigate risks of exchange rates fluctuations, the Company reserves the right to make adjustments to the amounts in Cryptocurrency refunded to the Refund Receivers. For such purposes, the following formula shall apply:

$R = Cr \times r_1 \div r_2$, where:

R – amount refunded to the Refund Receiver, in Cryptocurrency;

Cr – amount received by the Company from the respective Refund Receiver, in Cryptocurrency;

r_1 – respective Cryptocurrency/US Dollar exchange rate set on Kraken Bitcoin Exchange (https://www.kraken.com/) at 12:00:00 PDT of the respective Disbursement Date, in US Dollars; and

r_2 – respective US Dollars/Cryptocurrency exchange rate set on Kraken Bitcoin Exchange (https://www.kraken.com/) at 12:00:00 PDT of the date when the Company makes the refund, in Cryptocurrency.

10.5. Each Refund Receiver shall, at the Company's request, within 7 calendar days from such request, provide the Company with details of his account for the funds transfer/remittance. Failure of the Refund Receiver to provide the Company with the requested information will result in non-receiving or delay in receiving the refund. The Company will not be liable for any delay or failure to perform the refund where the delay or failure results from failure of the Refund Receiver to provide the Company with the requested information.

10.6. Any refunds made in favor of the Refund Receiver will be reduced by an amount of any expenses that the Company has incurred or may incur in future in this regard, including any exchange fees, bank fees, agency and brokerage fees, taxes, charges, fees for blockchain transactions, etc.

EXHIBIT 2. LIST OF RISKS

An acquisition of the Tokens involves a high degree of risk. Buyer should carefully consider the following information about these risks before he decides to buy the Tokens. If any of the following risks actually occurs, the Company Parties' business, the Platform, the value of the Tokens could be materially adversely affected.

The Company has described the risks and uncertainties that its management believes are material, but these risks and uncertainties may not be the only ones Company Parties face. Additional risks and uncertainties, including those the Company currently is not aware of or deem immaterial, may also materially adversely affect on the Company Parties' business, the Platform, the value of the Tokens.

1. RISKS CONNECTED TO THE VALUE OF TOKENS

1.1. **No Rights, Functionality or Features.** The Tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied, including, without limitation, any uses, purpose, attributes, functionalities or features on the Platform. The Company Parties do not guarantee and are not representing in any way to Buyer that the Tokens have any rights, uses, purpose, attributes, functionalities or features.

1.2. **Lack of Development of Market for Tokens.** Because there has been no prior public trading market for the Tokens, the Token sale may not result in an active or liquid market for the Tokens, and their price may be highly volatile. Even if the Tokens are tradable in a secondary market, in practice, there may not be enough active buyers and sellers or the bid-ask spreads may be too wide. The Token holders may not be able to exit their token investments easily. In the worst case scenario where no secondary market develops, a Token holder may not be able to liquidate his/her token holdings at all. The exchanges or platforms that facilitate secondary trading of the Tokens may not be regulated by the applicable laws.

1.3. **Risks Relating to Highly Speculative Traded Price.** The valuation of digital tokens in a secondary market is usually not transparent, and highly speculative. The Tokens do not hold any ownership rights to the Company's assets and, therefore, are not backed by any tangible asset. Traded price of the Tokens can fluctuate greatly within a short period of time. There is a high risk that a Token holder could lose his/her entire contribution amount. In the worst case scenario, the Tokens could be rendered worthless.

1.4. **Tokens May Have No Value.** The Tokens may have no value and there is no guarantee or representation of liquidity for the Tokens. The Company Parties are not and shall not be responsible for or liable for the market value of the Tokens, the transferability and/or liquidity of the Tokens and/or the availability of any market for the Tokens through third parties or otherwise.

1.5. **Tokens are Non-Refundable.** The company is not obliged to provide the Token holders with a refund related to the Tokens for any reason, and the Token holders will not receive money or other compensation in lieu of the refund. No promises of future performance or value are or will be made in respect to the Tokens, including no promise of inherent value, no promise of continuing payments, and no guarantee that the Tokens will hold any particular value. Therefore, the recovery of invested assets may be impossible or may be subject to foreign laws or regulations, which may not be the same as the private law of the Token holder.

2. BLOCKCHAIN AND SOFTWARE RISKS

2.1. **Blockchain Delay Risk.** On the Bitcoin and Ethereum blockchain, the timing of block production is determined by proof of work so block production can occur at random times. For example, the Cryptocurrency transferred in the final seconds of a distribution period during the Token Sale may not get included for that period. Buyer acknowledges and understands that the Bitcoin or Ethereum blockchain may not include the Buyer's transaction at the time Buyer expects and Buyer may not receive the Tokens in this regard.

2.2. **Blockchain Congestion Risk.** The Bitcoin and Ethereum blockchains are prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the respective network in an attempt to gain an advantage in purchasing cryptographic tokens. Buyer acknowledges and understands that Bitcoin or Ethereum block producers may not include Buyer's transaction when Buyer wants or Buyer's transaction may not be included at all.

2.3. **Risk of Software Weaknesses.** The Token Smart Contract concept, the underlying software application and software platform (i.e. the Ethereum blockchain) are still in an early development stage and unproven. There is no representation and warranty that the process for creating the Tokens will be uninterrupted or error-free. There is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of the Cryptocurrency and/or the Tokens.

2.4. **Risk of New Technology.** The Platform, the Tokens and all of the matters set forth in the White Paper are new and untested. The Platform and the Tokens might not be capable of completion, creation, implementation or adoption. It is possible that no blockchain utilizing the Platform will be ever launched. Buyer should not rely on the Platform, the Token Smart Contract or the ability to receive tokens associated with the Platform in the future. Even if the Platform is completed, implemented and adopted, it might not function as intended, and any Tokens may not have functionality that is desirable or valuable. Also, technology is changing rapidly, so the Platform and the Tokens may become outdated.

3. SECURITY RISKS

3.1. **Risk of Loss of Private Keys.** The Tokens purchased by Buyer may be held by Buyer in Buyer's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private keys associated with Buyer's digital wallet or vault storing the Tokens will result in loss of such Tokens, access to Buyer's Token balance and/or any initial balances in blockchains created by third parties. Moreover, any third party that gains access to such private keys, including by gaining access to login credentials of a hosted wallet or vault service Buyer uses, may be able to misappropriate Buyer's Tokens. The Company Parties are not responsible for any such losses.

3.2. **Lack of Token Security.** The Tokens may be subject to expropriation and or/theft. Hackers or other malicious groups or organizations may attempt to interfere with the Token Smart Contract 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 Ethereum platform rests on open source software, there is the risk that Ethereum smart contracts may contain intentional or unintentional bugs or weaknesses which may negatively affect the Tokens or result in the loss of Buyer's Tokens, the loss of Buyer's ability to access or control Buyer's Tokens. In the event of such a software bug or weakness, there may

be no remedy and holders of the Tokens are not guaranteed any remedy, refund or compensation.

3.3. **Risk of Ethereum Mining Attacks**. The blockchain used for the Token Smart Contract is susceptible to mining attacks, including double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks. Any successful attacks present a risk to the Token Smart Contract, expected proper execution and sequencing of the Token transactions, and expected proper execution and sequencing of contract computations.

3.4. **Failure to Map a Public Key to Buyer's Account.** Failure of Buyer to map a public key to Buyer's account may result in third parties being unable to recognize Buyer's Token balance on the Ethereum blockchain when and if they configure the initial balances of a new blockchain based upon the Platform of which the Company makes no representation or guarantee.

3.5. **Risk of Incompatible Wallet Service.** The wallet or wallet service provider used for the acquisition and storage of the Tokens has to be technically compatible with the Tokens. The failure to assure this may have the result that Buyer will not gain access to his Tokens.

4. RISKS RELATING TO PLATFORM DEVELOPMENT

4.1. **Risk Related to Reliance on Third Parties.** Even if completed, the Platform will rely, in whole or partly, on third parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, all of might have a material adverse effect on the Platform.

4.2. **Dependence of Platform on Senior Management Team.** The ability of the Company Parties which are responsible for maintaining the competitive position of the Platform is dependent to a large degree on the services of a respective senior management team. The loss or diminution in the services of members of the respective senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Platform. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this situation seriously affects the Company Parties' ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Platform.

4.3. **Dependence of Platform on Various Factors.** The development of the Platform may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects, or departure of key personnel.

4.4. **Lack of Interest to the Platform.** Even if the Platform is finished and adopted and launched, the ongoing success of the Platform relies on the interest and participation of third parties like developers. There can be no assurance or guarantee that there will be sufficient interest or participation in the Platform.

4.5. **Changes to the Platform.** The Platform is still under development and may undergo significant changes over time. Although the Company Parties intend for the Platform to have the features and specifications set forth in the White Paper, the Company Parties may make changes to such features and specifications for any number of reasons, and any party that adopts the Platform and launches the Platform also may

make changes, any of which may mean that the Platform does not meet Buyer's expectations.

4.6. **Risk associated with Other Applications.** The Platform may give rise to other, alternative projects, promoted by unaffiliated third parties, under which the Token will have no intrinsic value.

4.7. **Risk of an Unfavorable Fluctuation of Cryptocurrency Value.** The proceeds of the sale of the Tokens will be denominated in cryptocurrency and may be converted into other cryptographic and fiat currencies. If the value of cryptocurrencies fluctuates unfavorably during or after the Token Sale, the Company Parties may not be able to fund development, or may not be able to develop or maintain the Platform in the manner that it intended.

5.   RISKS ARISING IN COURSE OF COMPANY PARTIES' BUSINESS

5.1. **Risk of Conflicts of Interest.** Any Company Party may be engaged in transactions with related parties, including respective majority shareholder, companies controlled by him or in which he owns an interest, and other affiliates, and may continue to do so in the future. Conflicts of interest may arise between any Company Party's affiliates and respective Company Party, potentially resulting in the conclusion of transactions on terms not determined by market forces.

5.2. **Risks Related to Invalidation of Company Parties Transactions.** The Company Parties have taken a variety of actions relating to its business that, if successfully challenged for not complying with applicable legal requirements, could be invalidated or could result in the imposition of liabilities on respective Company Party. Since applicable legislation may subject to many different interpretations, respective Company Party may not be able to successfully defend any challenge brought against such transactions, and the invalidation of any such transactions or imposition of any such liability may, individually or in the aggregate, have a material adverse effect on the Platform.

5.3. **Risk Arising from Emerging Markets.** The Company Parties or some of them may operate on emerging markets. Emerging markets are subject to greater risks than more developed markets, including significant legal, economic and political risks.

Emerging markets are subject to greater risk than more developed markets, including in some cases significant legal, economic and political risks. Emerging economies are subject to rapid change and that the information set out in this Agreement or on the Website may become outdated relatively quickly.

6.   GOVERNMENTAL RISKS

6.1. **Uncertain Regulatory Framework.** The regulatory status of cryptographic tokens, digital assets, and blockchain technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether governmental authorities will regulate such technologies. It is likewise difficult to predict how or whether any governmental authority may make changes to existing laws, regulations and/or rules that will affect cryptographic tokens, digital assets, blockchain technology and its applications. Such changes could negatively impact the Tokens in various ways, including, for example, through a determination that the Tokens are regulated financial instruments that require registration. The company may cease the distribution of the Tokens, the development of the Platform or cease operations in a jurisdiction in the event that governmental actions make it unlawful or commercially undesirable to continue to do so. Such changes may cause the loss of Tokens purchased by the Buyer.

6.2. **Failure to Obtain, Maintain or Renew Licenses and Permits.** Although there is the risk that some statutory requirements obliging the Company to receive any licenses and permits necessary for carrying out of its activity may be adopted in the future and may relate to any of the Company Parties. In this case, the Company Parties' business will depend on the continuing validity of such licenses and permits and its compliance with their terms. Regulatory authorities will exercise considerable discretion in the timing of license issuance and renewal and the monitoring of licensees' compliance with license terms. Requirements which may be imposed by these authorities and which may require any of the Company Party to comply with numerous standards, recruit qualified personnel, maintain necessary technical equipment and quality control systems, monitor our operations, maintain appropriate filings and, upon request, submit appropriate information to the licensing authorities, may be costly and time-consuming and may result in delays in the commencement or continuation of operation of the Platform. Further, private individuals and the public at large possess rights to comment on and otherwise engage in the licensing process, including through intervention in courts and political pressure. Accordingly, the licenses any the Company Party may need may not be issued or renewed, or if issued or renewed, may not be issued or renewed in a timely fashion, or may involve requirements which restrict any the Company Party's ability to conduct its operations or to do so profitably.

6.3. **Risk of Government Action.** The industry in which the Company Parties operate is new and may be subject to heightened oversight and scrutiny, including investigations or enforcement actions. There can be no assurance that governmental authorities will not examine the operations of the Company Parties and/or pursue enforcement actions against them. All of this may subject Company Parties to judgments, settlements, fines or penalties, or cause Company Parties to restructure their operations and activities or to cease offering certain products or services, all of which could harm Company Parties' reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on the Tokens and/or the development of the Platform.

6.4. **Risk of Burdensomeness of Applicable Laws, Regulations, and Standards.** Failure to comply with existing laws and regulations or the findings of government inspections, or increased governmental regulation of Company Parties operations, could result in substantial additional compliance costs or various sanctions, which could materially adversely affect the Company Parties business and the Platform. Company Parties operations and properties are subject to regulation by various government entities and agencies, in connection with ongoing compliance with existing laws, regulations and standards. Regulatory authorities exercise considerable discretion in matters of enforcement and interpretation of applicable laws, regulations, and standards. Respective authorities have the right to, and frequently do, conduct periodic inspections of any Company Party's operations and properties throughout the year. Any such future inspections may conclude that any Company Party has violated laws, decrees or regulations, and it may be unable to refute such conclusions or remedy the violations. Any Company Party's failure to comply with existing laws and regulations or the findings of government inspections may result in the imposition of fines or penalties or more severe sanctions or in requirements that respective Company Party cease certain of its business activities, or in criminal and administrative penalties applicable to respective officers. Any such decisions, requirements or sanctions, or any increase in governmental regulation of our operations, could increase Company Parties costs and materially adversely affect Company Parties business and the Platform.

6.5. **Unlawful or Arbitrary Government Action.** Governmental authorities may have a high degree of discretion and, at times, act selectively or arbitrarily, without hearing

or prior notice, and sometimes in a manner that is contrary a law or influenced by political or commercial considerations. Moreover, the government also has the power in certain circumstances, by regulation or government act, to interfere with the performance of, nullify or terminate contracts. Unlawful, selective or arbitrary governmental actions have reportedly included the denial or withdrawal of licenses, sudden and unexpected tax audits, criminal prosecutions and civil actions. Federal and local government entities have also used common defects in matters surrounding the Token sale as pretexts for court claims and other demands to invalidate or to void any related transaction, often for political purposes. In this environment, the Company Parties competitors may receive preferential treatment from the government, potentially giving them a competitive advantage over the Company Parties.