

# TOKEN PURCHASE TOKEN SALE AGREEMENT

Last Updated: 18.03.2019

You are strongly encouraged to read and carefully consider the White Paper (as defined below) and this token purchase or sale agreement ("**Token Sale Agreement**") before proceeding.

This Token Sale Agreement is a contractual agreement between you, or the entity you represent, and PrepayWay Systems Estonia OÜ. It relates to the acquisition of Tokens by Purchaser from Token Generator.

You agree that by clicking the checking the box "I Accept Token Sale Agreement", you accept and agree to be bound by this Token Sale Agreement, and any terms incorporated by reference herein. Such terms will constitute a binding agreement between Token Generator and you, the Purchaser. If you have any questions please contact [tokensale@prepayway.com](mailto:tokensale@prepayway.com).

## I. DEFINITIONS

1. **Administrator** – Token Generator and/or any third party service provider contracted by Token Generator in connection with the Token Sale;
2. **Beneficial Owner** – a natural person who, taking advantage of their influence, makes a transaction, act, action, operation or step or otherwise exercises control over a transaction, act, action, operation or step or over another person and in whose interests or favour or on whose account a transaction or act, action, operation or step is made. In the case of companies, a beneficial owner is the natural person who ultimately owns or controls a legal person through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in that person, including through bearer shareholdings, or through control via other means;
3. **Eligible Purchasers** – explained in Schedule 1 of this Token Sale Agreement;
4. **EcoSystem** – cluster of services provided by PrepayWay AG, the owner of PrepayWay Systems Estonia OÜ, as well as any affiliates of PrepayWay AG and/or other partners;
5. **ER Source Time** – 1:00 pm UTC;
6. **General Availability Sale** – general public sale of Tokens;
7. **General Sale End Time** – a date and time published on the Website, when the sale of Tokens to the general public ends;
8. **General Sale Period** – the period of time between the General Sale Start Time and the General Sale End Time;
9. **General Sale Start Time** – a date and time published on the Website, when the sale of Tokens to the general public begins;
10. **KYC** – Know Your Customer;
11. **Maximum Threshold** – 12,8 billion Tokens;
12. **Payment Currency** – Ether, Bitcoin, various fiat currencies;
13. **Pre-Sale** – early access to the sale of Tokens for certain registered and approved early Purchasers;
14. **Pre-Sale End Time** – a date and time published on the Website, when the Pre-Sale ends;
15. **Pre-Sale Period** – the period of time between the Pre-Sale Start Time and the Pre-Sale End Time;

16. **Pre-Sale Start Time** – a date and time published on the Website, when the Pre-Sale starts;
17. **Prohibited Persons** – natural and legal persons explained in Schedule 1 of this Token Sale Agreement who are not eligible to purchase Tokens because of restrictive laws and regulations in their home country;
18. **Purchase Price** – price per Token multiplied by the number of Tokens acquired in a particular transaction by a particular Purchaser;
19. **Purchased Tokens** – Tokens acquired by the Purchaser;
20. **Resident** – a person who (i) is a citizen or entity of; (ii) is formed in; (iii) resides in; (iv) located in; (v) has a place of business or domicile in; and/or (vi) is conducting business in a specific country is that country's resident;
21. **Restricted Territory** – Afghanistan, Bosnia and Herzegovina, Central African Republic, Cuba, Democratic Republic of the Congo, Democratic People's Republic of Korea (North Korea), Eritrea, Ethiopia, Guinea-Bissau, Iran, Iraq, Libya, Lebanon, Somalia, South Sudan, Sudan, Syria, Uganda, Vanuatu, Yemen and the Crimea region or any of their respective states, provinces, territories and possessions or any other nation subject to countrywide or territory wide sanctions authorised or imposed by the United Nations;
22. **Sale Period** – the period of time including the Pre-Sale Period and the General Sale Period;
23. **Service Provider** – PrepayWay AG or/and an affiliate of PrepayWay AG or PrepayWay AG partners;
24. **Services** – the services that will be offered within the PrepayWay Ecosystem;
25. **Tier** – a period of time during which a certain quantity of Tokens will be offered at a certain price; available quantities and prices may vary from one Tier to another;
26. **Token** – cryptographically secured digital tokens generated by software code in the form of a token smart contract („Token Smart Contract“) which has been developed and/or executed by the Token Generator, and is based upon a mathematical proof and comprised of two numbers or keys: a public key that encrypts certain details and a private key that decrypts it; the Token is sometimes also referred to as „InBit Token“;
27. **Token Allocation and Distribution Policy** – quantitative limits and/or tiered pricing imposed by PrepayWay for the optimal distribution of Tokens;
28. **Token Delivery Date** – the date when Token Generator will deliver the purchased quantity of Tokens to a Purchaser;
29. **Token Generator** – PrepayWay Systems Estonia OÜ;
30. **Token Generator Parties** – Token Generator Parties collectively;
31. **Token Generator Party** – the Token Generator, PrepayWay AG, any Service Provider and Administrator, and each of their respective past, present and future advisors, employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, licensors, attorneys, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assignees;
32. **Token Purchase Instructions** – instructions in the Token Sale Agreement and on the Website;
33. **Token Sale** – acquisition of Tokens by Purchaser from Token Generator; includes the Pre-Sale and the General Availability Sale;
34. **Token Sale Agreement** – this agreement for the purchase or sale of tokens;
35. **Token Smart Contract** – a contract in the form of a software program that executes automatically if and when the agreed upon conditions are met; in the present case, the Token Smart Contract executes the Token Sale at the Token Delivery Date by creating Tokens and transferring them to the Purchaser;

36. **United States person** – a natural or legal person as defined in Section 902(k)(1) of the United States Securities Act;
37. **User Credentials** – information requested by Token Generator from the Purchaser for KYC purposes;
38. **Website** - [www.prepayway.com](http://www.prepayway.com);
39. **White Paper** – non-binding PrepayWay white paper, which describes matters relating to the InBit Tokens and the PrepayWay Ecosystem (as amended or supplemented from time to time);
40. **You or Purchaser** - you, or the entity you represent;

## II. GENERAL

### 1. Background

- 1.1. The PrepayWay White Paper, which describes matters relating to the InBit Tokens and the PrepayWay Ecosystem (as amended or supplemented from time to time), is available at [www.prepayway.com](http://www.prepayway.com). Purchaser acknowledges that he/she or it has read and understands the White Paper and has no objection to its contents. Information in the White Paper is of a descriptive nature only and does not, unless explicitly incorporated herein, form a part of this Token Sale Agreement. Purchaser acknowledges and agrees that the White Paper may change, if amended or supplemented from time to time (see also 4.2).
- 1.2. The InBit Token is a cryptographically secured digital token generated by software code in the form of a token smart contract (**Token Smart Contract**), which has been developed and/or executed by the Token Generator, and is based upon a mathematical proof and comprised of two numbers or keys: a public key that encrypts certain details and a private key that decrypts it. The Tokens are intended to have the functions and features set out in this Token Sale Agreement and on the Website. Most importantly, Tokens represent the right to access services to be provided by the Service Provider within the PrepayWay Ecosystem. Purchaser's acquisition of Tokens is subject to the terms herein. Tokens have no rights, uses or attributes outside of the executory functions of the Token Smart Contract and future uses developed within the EcoSystem.

### 2. Ecosystem and Services

- 2.1. The PrepayWay Ecosystem is a cluster of services provided by PrepayWay AG, any affiliates of PrepayWay AG, and/or other partners (the **Ecosystem**).
- 2.2. The Token Generator intends for the Tokens to be used *in the EcoSystem*.
- 2.3. The Token Generator's intended purpose of the Tokens is to facilitate the provision and receipt of services that will be offered within the PrepayWay Ecosystem (collectively, the **Services**).
- 2.4. Tokens are designed for the particular use of paying for services provided within the Ecosystem; they are not necessarily otherwise tradeable (there might not be other Service Providers accepting them), and they do not necessarily have any other use or value. Tokens are designed and sold as consumable virtual goods, without any specific outlook or expectation on their merchantability or market price.
- 2.5. The Ecosystem will be initially developed and operated by PrepayWay AG or/and an affiliate of PrepayWay AG or PrepayWay AG partners (collectively the **Service Provider**).
- 2.6. The purchase, ownership, receipt or possession of Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of Services in accordance with the then applicable terms of use relating to the Services offered within the Ecosystem.

- 2.7. In particular, Purchaser understands and agrees that Tokens do not represent or confer any ownership right or stake, share, security, or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Ecosystem, Token Generator, Service Provider or any of their corporate affiliates, other than any rights relating to the provision and receipt of Services, subject to this Token sale agreement and any other applicable terms, conditions or policies that may be adopted by participants in the Ecosystem or otherwise.
- 2.8. The Tokens are not intended to be a security, commodity, or any kind of financial instrument. Purchaser is purchasing Tokens solely for the purpose of receiving Services and is not purchasing Tokens for any other purpose, including, but not limited to, any investment, speculative or other financial purpose.

### **3. Development of the Ecosystem**

Purchaser acknowledges and agrees that the Ecosystem and Services are in an early stage of development and may undergo significant changes over time. Token Generator may develop certain applications and software for use in the Ecosystem, but Token Generator does not develop or maintain the Ecosystem. Token Generator is not responsible or liable for the Ecosystem or any third-party uses of the Ecosystem.

### **4. Scope of Token Sale Agreement**

- 4.1. Unless otherwise stated in this Token Sale Agreement, this agreement only governs Purchaser's acquisition of Tokens. Any potential future use of Tokens in connection with providing or receiving Services may be governed by other applicable terms, conditions and policies (Service Terms of Use) which will be made available on the Service Providers website and/or through other means from time to time in the sole discretion of Service Provider. Any obligations or covenants of Token Generator in this Token Sale Agreement are obligations or covenants to Purchaser as a purchaser of Tokens in the Token Sale. Such obligations or covenants may not attach or transfer with the transfer of any Token.
- 4.2. Token Generator may add new terms or policies to this Token Sale Agreement in their respective sole and absolute discretion, and may update each of such terms from time to time according to modification procedures set forth therein. It shall be Purchaser's responsibility to regularly check the **Website** for the latest version of the Token Sale Agreement. Token Generator will also notify registered Purchasers regarding any changes via the e-mail provided by these Purchasers. In such notifications, Purchasers will be asked to consent to the modifications of the terms. If a Purchaser does not consent, this Purchaser may withdraw from the Token Sale Agreement. Alternatively, in the sole discretion of Token Generator, the original terms or policies may continue to apply with regard to specific Purchasers who have been notified of and did not consent to the changes.

## **III. Offer and Sale**

### **5. Offer**

Purchaser agrees to purchase Tokens from Token Generator in accordance with this Token Sale Agreement up to the total amount of Purchase Price received from or set by Token Generator for Purchaser.

### **6. Acceptance**

Purchaser's offer to purchase Tokens will be considered as duly accepted upon the completion of the following steps:

- 6.1. Purchaser registers an account with Token Generator on the online token purchase and sale web-portal accessible on the Website;

- 6.2. Purchaser transfers, and Token Generator receives, the Purchase Price in accordance with the Token purchase procedures set out below; and
- 6.3. the conclusion of the Sale Period and the recording of the generation of Tokens on the Ethereum Blockchain.

## 7. **Sale Period**

- 7.1. In these Terms and Conditions, the term **Token Sale** includes the Pre-Sale and the General Availability Sale. The Token Generator reserves the right, in its sole discretion, to change the time periods of each phase of the Token Sale due to, among other things, technical challenges.

### 7.2. *Pre-Sale*

- 7.2.1. During several Pre-Sale Tiers or time periods, Token Generator will provide early access purchase opportunities to certain registered and approved early purchasers (**Pre-Sale**). The dates and times and others details regarding every separate Pre-Sale Tier will be published on the Website. The Tiers may have different quantitative limits and prices for the Tokens, to reward early Purchasers or implement other policy goals of the Token Generator.
- 7.2.2. The period between the Pre-Sale Start Time and the Pre-Sale End Time is referred to as the **Pre-Sale Period**. Participation in the Pre-Sale is limited to certain qualified purchasers who may lawfully purchase Tokens in the Pre-Sale in accordance with and without breaching applicable securities laws.

### 7.3. *General Availability Sale*

- 7.3.1. The general sale of Tokens (**General Availability Sale**) will begin on a date and time published on the Website and notified to the users (**General Sale Start Time**). It will end either (i) at a date and time published on the Website or (ii) at the date and time at which 12 billion Tokens (**Maximum Threshold**) have been sold in the Pre-Sale and General Availability Sale combined (collectively, the **General Sale End Time**), whichever is earlier. The period between the General Sale Start Time and the General Sale End Time is referred to as the **General Sale Period**, and the period including both the Pre-Sale Period and the General Sale Period is referred to as the **Sale Period**.
- 7.3.2. Token Generator reserves the right to change the sale dates or extend the duration of the Pre-Sale Period and/or the General Sale Period for any reason.
- 7.4. If a natural or legal person would like to invest in equity or otherwise acquire rights that may qualify as securities, a different contract has to be made, e.g. a SAFE, SAFT or private sale of equity contract.

## 8. **Token Allocation and Distribution Policy**

- 8.1. Token Generator intends to hold, allocate, distribute and/or sell all Tokens mined to the proposed persons, or class of persons, set out on the Website at <https://prepayway.com/en/token>
- 8.2. Purchaser acknowledges and agrees that certain of Token Generator's past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors and service providers will receive a limited number of Tokens in recognition of their services.

## 9. **Price Per Token and Other Terms**

The price per Token will be as defined on Website at <https://prepayway.com/en/token> and may vary depending on the Tier.

## 10. **Payment Currencies**

- 10.1. The Price Per Token is set in Euros. However Purchasers may pay for Tokens in one (and not a combination) of the following cryptocurrencies: Ether (ETH) or Bitcoin (BTC), or with bank transfer or with bank card with different Fiat currencies (each referred to as a **Payment Currency**);

10.2. In case the Purchaser pays with a currency other than Euro, the Token Generator is not liable for changes in currency exchange rates between the time of payment and the time when Tokens are generated and distributed.

10.3. **Exchange Rate**

The Price Per Token equivalent in the selected Payment Currency will be determined using an exchange rate between Euros and the selected Payment Currency sourced by Token Generator from the index prices for such Payment Currency published by cryptocompare.com (or a similar service). The Token Generator will source an exchange rate daily at 1:00 pm UTC (the **ER Source Time**) using an average of the prices published by cryptocompare.com for the applicable Payment Currency for the 24-hour period immediately preceding such ER Source Time. The exchange rate set at the ER Source Time most recently preceding the time of the purchase request will be used for such purchase of Tokens, unless this Token Sale Agreement provides otherwise. For certainty, where a Purchaser pays for the Tokens in Euros, the exchange rate used to determine the Price Per Token will be 1:1 as the Payment Currency is set in Euros.

10.4. **Exchange Rate Volatility**

In the event that Token Generator, in its sole discretion, determines that the volatility in the rate of a Payment Currency during any time period may be disruptive to the Token Sale, Token Generator reserves the right (i) to suspend, at any time or from time to time, the acceptance of purchase requests offering the specific Payment Currency, until Token Generator determines, in its sole discretion, to resume the receipt of such purchase requests or (ii) to set an exchange rate for the respective Payment Currency determined by Token Generator to be reasonable, in its sole discretion, until Token Generator determines, in its sole discretion, to resume the use of cryptocompare.com exchange rates as described above.

11. **Purchase Price**

The "**Purchase Price**" for the purposes of this Token Sale Agreement is the Price Per Token multiplied by the number of Tokens that Purchaser acquires in a particular Token Sale (the **Purchased Tokens**).

**IV. Token Sale Procedures**

12. **Modification of Procedures**

The Token Generator reserves the right, in its sole discretion, to modify any of the Token Sale procedures or any of the timelines described in this Token Sale Agreement due to, among other things, network congestion or other technical challenges.

13. **Registration of Account**

The Token Generator has set up the Portal to administer the Token Sale. In order to acquire Tokens, Purchaser must first create an account on the Portal.

14. **User Credentials**

14.1. To participate in the Token Sale and to log into the Portal, Purchaser must provide Token Generator or an Administrator with Purchaser's email that will be validated and subsequently will be required to provide name, address, date of birth, email address, telephone number and certain know-your-customer (**KYC**) information requested by Token Generator (**User Credentials**). Token Generator and/or Administrators are required by law to collect the KYC information.

14.2. Purchaser agrees not to allow anyone to use Purchaser's Portal sign-in information or to share Purchaser's User Credentials with any other person for the purpose of facilitating their unauthorized access to the Token Sale. If Purchaser does share

it's User Credentials with anyone, that person's activities will be deemed to have been authorized by Purchaser. Purchaser is responsible for any acts or omissions that occur during the Token Sale with the use of Purchaser's User Credentials. Token Generator and any Administrator reserve the right to suspend or block Purchaser's access to the Token Sale upon suspicion of any unauthorized access or use, or any attempt thereof, associated with Purchaser's User Credentials. Purchaser agrees to maintain and promptly update its User Credentials and KYC information to keep such information accurate, complete and current. Purchaser shall use its reasonable best efforts to keep its User Credentials and KYC information private and secure from unauthorised access.

15. **Wallet Requirements**

To participate in the Token Sale and to receive Tokens, Purchaser must have an ERC-20 compatible wallet. It is Purchaser's responsibility to keep the private key to its wallet secure. In particular, Purchaser shall not share the private key with Token Generator or Administrator.

16. **Payment of Purchase Price**

Purchaser must pay the Purchase Price by sending the correct quantity of one Payment Currency, but not a combination of different Payment Currencies, to the Token Generator Receiving Address. Alternatively, the Purchase Price can be sent from a fiat bank account in Euros according to the wire transfer instructions below. The Purchaser's purchase is not guaranteed until Token Generator receives the full amount of the Purchase Price and the Token Sale has concluded. When the Payment Price is a cryptocurrency, the Purchase Price will be deemed not received until Token Generator receives six (6) network confirmations of the transaction on the applicable network of that cryptocurrency. It is the Purchaser's responsibility to send the exact Purchase Price, net of all applicable gas, miners and transaction fees.

17. **Mining, Gas and Transactional Fees**

The Purchaser will be responsible for, and pay in addition to the Purchase Price, all gas, mining and other transactional fees associated with the transfer of the Purchase Price and the purchase of Tokens. In the event that, due to the deduction of gas or other transfer fees, the amount of the Purchase Price that Token Generator receives from Purchaser is greater or smaller than the amount of the Purchase Price associated with the number of Purchased Tokens selected by Purchaser in the Portal, Token Generator will increase or decrease Purchaser's number of Purchased Tokens in accordance with the amount actually received by Token Generator and Purchaser agrees to any such adjustment of the number of Purchased Tokens.

18. **Token Purchase Instructions**

In addition to the instructions above, the Website includes further procedures and instructions regarding the purchase and delivery of Tokens (**Token Purchase Instructions**). The Token Purchase Instructions will set out the applicable gas limit and the field Purchaser should insert in the sending data field. By accepting these Terms and Conditions, Purchaser acknowledges and agrees and has no objection to the Token Purchase Instructions. Failure to follow the exact procedures described in the Token Purchase Instructions may result in the incorrect transmission and/or the total loss of Purchaser's Tokens. The receipt or purchase of Tokens through any other means other than the means described in the Token Purchase Instructions are not sanctioned or agreed to in any way by Token Generator.

19. **Delivery of Tokens**

Subject to this Token Sale Agreement, Token Generator will deliver the quantity of Tokens Purchaser is to receive for conversion or purchase by the **Token Delivery Date**, which is the later of (i) thirty (30) days after the General Sale End Time (provided, however, that Token Generator reserves the right to extend the Token Delivery Date for up to two (2) additional weeks if necessary to address any technical difficulties), and (ii) one (1) week after Purchaser provides a complete and accurate Purchaser Receiving Address, and (iii) one (1) week after Purchaser provides complete and accurate KYC information and documentation requested by Token Generator (provided, however, that Token Generator reserves the right to extend the Token Delivery Date if Token Generator determines, in its sole discretion, that additional time is advisable to analyse KYC information and documentation and conduct related compliance). For the avoidance of doubt, any extension pursuant to this Token Sale Agreement shall not affect the obligation of Token Generator and Purchaser to make and take delivery, respectively, of Tokens purchased.

20. **Purchaser Agrees to Accept the Number of Tokens Allotted**

The Purchaser agrees with Token Generator to accept the number of Tokens that Token Generator allots to it for the Purchase Price tendered in accordance with this Token Sale Agreement.

21. **Rejection and Refund Policy**

21.1. In the event Token Generator decides to not complete the Token Sale, the Purchase Price will be returned to Purchaser by Token Generator, less all reasonable transaction costs (for example bank fees for the transaction) incurred by Token Generator during the Token Sale. All cryptocurrencies submitted by Purchaser will be returned to Purchaser Receiving Address used to originally send such cryptocurrency. If Token Generator completes the Token Sale, Purchaser's purchase of Tokens during the Token Sale is final. Purchaser cannot cancel the purchase and Purchaser's purchase cannot be refunded, except as provided in this Token Sale Agreement or as may be required by applicable law.

21.2. Notwithstanding the foregoing, the Token Generator reserves the right to refuse or cancel any request(s) to purchase Tokens at any time in the Token Generator's sole and absolute discretion (without giving reasons), including without limitation the following:

21.2.1. in connection with any failure to complete know-your-customer (KYC), anti-money laundering (AML) and counter terrorist financing checks prescribed by the Token Generator in compliance with applicable law; or

21.2.2. in connection with an adverse change of the regulatory environment.

21.2.3. In such event, the price paid by Purchaser shall be rejected or refunded (as applicable) in accordance with this Token Sale Agreement and the Token Generator's internal policies and procedures, less all reasonable transaction costs incurred by Token Generator during the Token Sale.

21.2.4. Purchaser's failure to provide accurate and complete information required for passing the KYC or AML procedures may result in delays, losses, costs, non-delivery of refunds of Tokens, or other issues.

V. **Purchaser's Representations, Warranties and Covenants**

22. Purchaser acknowledges, understands and agrees that:

22.1. PURCHASER IS AWARE OF THE RISKS ASSOCIATED WITH PURCHASING, OWNING AND USING TOKENS (AS DEFINED BELOW), INCLUDING THE INHERENT RISK OF THE POTENTIAL TO LOSE ALL AMOUNTS PAID FOR TOKENS. PURCHASER ACKNOWLEDGES THE RISKS DESCRIBED IN



SCHEDULE 2 HEREOF. BY PURCHASING TOKENS, PURCHASER EXPRESSLY ACKNOWLEDGES AND ASSUMES THESE RISKS.

- 22.2. Tokens do not represent a debt or equity interest in Token Generator or Service Provider and a purchase of Tokens is not akin to making an investment in or with either such entity. As a purchaser of Tokens, Purchaser's rights are limited to those specifically described in this Token Sale Agreement. Specifically, Tokens have no rights, uses or attributes outside of their use within the PrepayWay Ecosystem and accordingly may have no value outside of the value of their use in the Ecosystem or for the future purchase of PrepayWay Services.
- 22.3. Purchaser is subject to and bound by this Token Sale Agreement by virtue of Purchaser's purchase of Tokens.
- 22.4. Unless set out herein, purchases of Tokens are non-refundable and cannot be cancelled by Purchaser. To the extent allowed by law, Token Generator does not allow a withdrawal right provided in some jurisdictions to consumers making purchases for personal consumption. The value of the Tokens will fluctuate on the exchanges, which makes it difficult, if not impossible, to honor a cancellation at a time when a different exchange rate will govern. The Tokens are for professional services and, therefore, generally not for personal consumption in the ordinary course of trade. This is also reflected in the level of expertise required for Purchasers to create Crypto Currency Wallets and participate in Token Sales, which are not activities commonly engaged in by consumers in need of protection.
- 22.5. Before a Token Sale is completed, Token Generator reserves the right to refuse or cancel purchase requests at any time in its sole discretion.
- 22.6. Purchaser has sufficient understanding of cryptographic tokens, token and cryptocurrency storage mechanisms (such as hot and cold wallets) and Blockchain technology generally, to understand this Token Sale Agreement and to appreciate the risks and implications of purchasing, using and storing Tokens.
- 22.7. Certain persons, including persons who purchase Tokens earlier than Purchaser, may receive more Tokens for the same amount paid.
- 22.8. This Token Sale Agreement includes a disclaimer, limitation of liability, and limitation of indemnity.
- 23.** Nothing in this Token Sale Agreement shall be deemed to constitute a prospectus of any sort, or a solicitation for investment or investment advice; nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction.
- 24. Purchaser Agrees to Purchaser's Acknowledgements**

The Purchaser acknowledges to Token Generator that:

  - 24.1. it has received and considered this Token Sale Agreement, its annexes and the additional information in the White Paper and on the Website; and that
  - 24.2. its application for Tokens includes the acknowledgement on the part of Purchaser of the terms set out in this Token Sale Agreement, the White Paper, and on Website.
- 25. Purchaser understands** this Token Sale Agreement, its annexes, the White Paper, and the Website **and has carefully evaluated the terms before proceeding to purchase Tokens.**

The Purchaser acknowledges to Token Generator that:

  - 25.1. it has read and fully considered this Token Sale Agreement, its annexes, the White Paper, and the Website **in their most recent versions** in connection with its application for Tokens;
  - 25.2. it understands the terms of this Token Sale Agreement, its annexes, the White Paper, and the Website **and agrees to all terms.**

- 25.3. it has evaluated its proposed purchase of Tokens **in light of its financial condition and resources.**
- 25.4. It acknowledges that adverse fluctuations in exchange rates could reduce the return to it upon the return of the Tokens.
  
26. **Purchaser Is Aware of Risks and Material Information**  
The Purchaser confirms that:
  - 26.1. PURCHASER IS FULLY AWARE OF THE RISKS ASSOCIATED WITH PURCHASING, OWNING AND USING TOKENS, INCLUDING THE INHERENT RISK OF THE POTENTIAL TO LOSE ALL AMOUNTS PAID FOR TOKENS AND THE RISKS DESCRIBED AND/OR REFERENCED HEREIN AND IN THE WHITE PAPER. BY PURCHASING TOKENS, PURCHASER EXPRESSLY ACKNOWLEDGES AND ASSUMES THESE RISKS.
  - 26.2. Purchaser has sufficient understanding of technical and business matters (including those that relate to Services being developed by PrepayWay and its Ecosystem), cryptocurrency storage mechanisms (such as token wallets) and blockchain technology, to understand this Token Sale Agreement and to appreciate the risks and implications of purchasing Tokens.
  - 26.3. Purchaser understands that the Tokens confer no ownership or property rights of any form with respect to the Ecosystem, Service Providers or Token Generator, including, but not limited to, any ownership, distribution, redemption, liquidation, proprietary (including all forms of Intellectual property), or other financial or legal rights.
  - 26.4. Purchaser is purchasing Tokens solely for the purpose of receiving Services, participating in the Ecosystem, and supporting the development, testing, deployment and operation of the Ecosystem, if applicable, being aware of the commercial risks associated with Token Generator and the Ecosystem. Purchaser is not purchasing Tokens for any other purposes, including, but not limited to, any investment, speculative or financial purpose.
  
27. **Purchaser Is an Eligible Purchaser**  
The Purchaser represents and warrants to Token Generator that:
  - 27.1. it is an Eligible Purchaser as defined in Schedule 1; and
  - 27.2. it is not acting on behalf of, or for the benefit of, nor does it intend to transfer any Tokens it may purchase to, any person who is not an Eligible Purchaser.
  
28. **Restricted Territory**
  - 28.1. Purchaser (i) is not a citizen or entity of; (ii) was not formed in; (iii) does not reside in; (iv) is not located in; (v) does not have a place of business in; and (vi) is not conducting business in (any of which makes the Purchaser a “**Resident**”) the United States of America, or any of the following; Afghanistan, Bosnia and Herzegovina, Central African Republic, Cuba, Democratic Republic of the Congo, Democratic People's Republic of Korea (North Korea), Eritrea, Ethiopia, Guinea-Bissau, Iran, Iraq, Libya, Lebanon, Somalia, South Sudan, Sudan, Syria, Uganda, Vanuatu, Yemen and the Crimea region or any of their respective states, provinces, territories and possessions or any other nation subject to countrywide or territory wide sanctions authorised by the United Nations (each a **Restricted Territory**). Purchaser also did not acquire any Tokens within a Restricted Territory and will not transfer any Tokens to a Resident of a Restricted Territory or within a Restricted Territory. The Purchaser is also not a Resident of any state or jurisdiction that requires the Token Generator to obtain a money services business, money transmitter or virtual currency business license or registration. You confirm that you are entering into this Token Sale Agreement on an unsolicited basis and are not aware of and are in no way relying on, and did not become aware of the

Tokens through or as a result of, from or in any Restricted Territory pursuant to any form of general solicitation or general advertising including, without limitation, any article, notice, advertisement or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or electronic mail over the internet, and you are not entering into this Token Sale Agreement and did not become aware of the Tokens through or as a result of, in any Restricted Territory, any seminar or meeting to which you were invited by, or any solicitation of a subscription by, any person.

28.2. Purchaser (i) is not a citizen or entity of; (ii) was not formed in; (iii) does not reside in; (iv) is not located in Switzerland.

29. **Purchaser Knows That Its Application May Be Rejected**

The Purchaser acknowledges to Token Generator that:

29.1. Token Generator and/or any third party service provider contracted by Token Generator in connection with the Token Sale (each, an **Administrator**) has the right to reject Purchaser's application for Tokens, in whole or in part, without giving a reason for that rejection;

29.2. Token Generator and Administrator may require verification that Purchaser is an Eligible Purchaser; and

29.3. in the circumstances described above, in the case the Payment Currency is a cryptocurrency, the full amount of cryptocurrencies transferred, or the excess in respect of a scaled down subscription, minus reasonable transactional costs, will be refunded, without interest, to Purchaser Receiving Address from which the original cryptocurrency subscription amounts were remitted or to another digital wallet receiving address whitelisted by the Administrator.

29.4. in such circumstances, in the case of a cash subscription, the full amount of funds tendered, or the excess in respect of a scaled down subscription, minus reasonable transactional costs, will be refunded, without interest, to the bank account from which the original subscription funds were remitted.

30. **Purchaser Consents to AML Verification**

30.1. Due to anti-money laundering requirements, Purchaser acknowledges to Token Generator that:

30.1.1. the Administrator and Token Generator (as the case may be) may require further verification of the identity of Purchaser and source of Purchaser's funds before the application for Tokens can be processed; and

30.1.2. if the verification evidence supplied is not satisfactory, Token Generator or Administrator will, at Purchaser's expense, return the subscription funds tendered, without interest, to the bank account or Purchaser Receiving Address from which they were remitted and section 29 of this Token sale agreement will apply.

30.2. The Purchaser hereby releases Token Generator and the Administrator from all claims for any loss that it may suffer as a result of that action, and it hereby waives all such claims.

30.3. The Purchaser indemnifies the Administrator and Token Generator, and each of them, against all loss arising out of, or in connection with, a failure to process its application for Tokens.

30.4. To the extent that the foregoing release, waiver and indemnity inures to the benefit of the Administrator, Purchaser acknowledges, and by accepting this Token Sale Agreement Token Generator agrees, that Token Generator holds the benefit of that undertaking in trust for the Administrator.

31. **Purchaser Is Aware of AML Reporting Obligations**

31.1. Under the Proceeds of Crime Law (Revised) of Estonia and applicable EU Laws:

31.1.1. if any person who is resident in Estonia knows or suspects that another person is engaged in criminal conduct or has a suspicion that a payment to Token Generator

- (by way of subscription or otherwise) is criminal property, that person is required to report such information or other matter pursuant to that Law; and
- 31.1.2.that report is not treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.
- 31.2. By subscribing for Tokens, Purchaser consents to the disclosure by or on behalf of Token Generator and Administrator of any information about Purchaser and its Beneficial Owner(s) to regulators and others upon request in connection with anti-money laundering and similar matters, both in Estonia and in other jurisdictions.
32. **Purchaser Acting as Trustee, Agent or the Like, Trust Representations etc.** If Purchaser acts as trustee, agent, representative or nominee for another person (**Beneficial Owner**):
- 32.1. Purchaser shall notify Token Generator and Administrator that it is acting for the Beneficial Owner and provide all information and documentation required or requested relating to that Beneficial Owner;
- 32.2. Purchaser understands and acknowledges to Token Generator that the representations, warranties and agreements made in this Token Sale Agreement are made by Purchaser both (1) with respect to Purchaser and (2) with respect to the Beneficial Owner;
- 32.3. Purchaser represents and warrants to Token Generator that it has all requisite power and authority from the Beneficial Owner to execute and perform the obligations under this Token Sale Agreement;
- 32.4. Purchaser indemnifies Token Generator, the Administrator and their respective directors, members, partners, officers, employees, delegates, advisors, subcontractors and agents (whether existing or in the future) against all costs, fees and expenses (including legal fees and disbursements) in connection with any damages arising out of, or in connection with:
- 32.4.1.any misrepresentation or misstatement by Purchaser in the context of the execution of this Token Sale Agreement; or
- 32.4.2.the improper assertion of Purchaser's proper authorisation from the Beneficial Owner to enter into this Token Sale Agreement or to perform its obligations.
- 32.5. To the extent that the foregoing indemnity inures to the benefit of the Administrator or for the benefit of any director, officer, employee, delegate, advisors, agent or subcontractor (whether existing or in the future) of Token Generator or the Administrator, Purchaser acknowledges, and by accepting this Token Sale Agreement, Token Generator agrees, that Token Generator holds the benefit of that indemnity in trust for that person.
33. **Use of Purchaser's Personal Data**  
The Purchaser (other than a Purchaser resident in the EU) acknowledges to, and agrees with Token Generator that its personal data (as set out under "**Data Protection**") will be used in the manner set out herein. Purchasers resident in the EU should refer to the Privacy Policy enclosed in Schedule 2.
34. **Purchaser to Notify of Changes**
- 34.1. The Purchaser undertakes to Token Generator to notify the Administrator or Token Generator immediately if:
- 34.2. Purchaser becomes aware that it or any person for whom it holds the Tokens has ceased to be an Eligible Purchaser; or
- 34.3. any of the representations, declarations or statements in this Token Sale Agreement are no longer accurate and complete in all respects.
35. **Purchaser to Substantiate Representations etc. if Requested**  
The Purchaser agrees with Token Generator:

- 35.1. that it shall be deemed to make the representations, warranties and covenants set out in this Token Sale Agreement to Token Generator as of the time of Purchaser's request and receipt of Tokens;
- 35.2. to provide to Token Generator these representations, warranties, acknowledgements, undertakings and agreements at any time Token Generator requests; and
- 35.3. to provide on request such certifications, documents or other evidence as Token Generator may reasonably require to substantiate these representations, warranties, acknowledgements, undertakings and agreements.
36. **No Conflict**

Purchaser is legally permitted to hold and make use of Tokens in its relevant jurisdiction. The execution, delivery and performance of this Token Sale 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:
- 36.1. any provision of its organizational documents, if applicable;
- 36.2. any provision of any judgment, decree or order to which it is a party, by which it is bound, or to which any of its material assets are subject;
- 36.3. any material agreement, obligation, duty or commitment to which it is a party or by which it is bound; or
- 36.4. any laws, regulations or rules applicable to it.
37. **No Consents or Approvals**

The execution and delivery of, and performance under, this Token Sale Agreement require no approval or other action from any governmental authority or person other than Purchaser.
38. **Taxes**

The purchase and receipt of Tokens may have tax consequences for Purchaser. Purchaser is solely responsible for compliance with its tax obligations and Token Generator bears no liability or responsibility with respect to any tax consequences to Purchaser. Purchaser agrees to comply with all applicable tax obligations arising from its purchase and ownership of Tokens in all applicable jurisdictions.
39. **No Advice**

The Token Generator has not provided Purchaser with any advice regarding whether purchasing Tokens is a suitable purchase from the perspective of Purchaser and his or her goals and intentions.
40. **Anti-Money Laundering (AML)**
- 40.1. **Purchasers' AML Representations etc**
- 40.1.1. The Purchaser represents and warrants to Token Generator that:
- 40.1.2. it is not a Prohibited Person (as defined at the end of Schedule I);
- 40.1.3. no person or entity that controls, is controlled by or under common control with, Purchaser a Prohibited Person; and
- 40.1.4. to the extent Purchaser has any Beneficial Owners:
- 40.1.4.1. it has carried out thorough due diligence to establish the identities of those Beneficial Owners;
- 40.1.4.2. based on that due diligence, Purchaser reasonably believes that no Beneficial Owner is a Prohibited Person;
- 40.1.4.3. it holds evidence as to those identities and their status and will maintain all of that evidence for at least five years from the date Purchaser's Tokens are fully returned to Token Generator or otherwise no longer in Purchaser's possession; and
- 40.1.4.4. it will make available that evidence and any additional evidence that Token Generator may require upon request in accordance with applicable regulations.
- 40.2. For these purposes, **Beneficial Owners** include, but are not be limited to the following: (i) shareholders of a corporation; (ii) partners of a partnership; (iii)

members of a limited liability company; (iv) investors in a fund of funds; (v) the grantor of a revocable or grantor trust; (vi) the beneficiaries of an irrevocable trust; (vii) the individual who established an IRA; (viii) the participant in a self-directed pension plan; (ix) the sponsor of any other pension plan; and (x) any person represented by Purchaser in an agency, representative, intermediary, nominee or similar capacity. If the Beneficial Owner is itself an entity, the information and representations set forth in this Token Sale Agreement must also be given with respect to its individual Beneficial Owners. If Purchaser is a publicly-traded company, it need not conduct due diligence as to its Beneficial Owners.

**41. Token Generator's Power to Take Action Under Applicable AML Regulations**

The Purchaser acknowledges to Token Generator that if any of the representations and warranties in the preceding clause ceases to be true or if Token Generator no longer reasonably believes that it has satisfactory evidence as to their truth, despite any other agreement to the contrary, Token Generator may, in accordance with applicable regulations, be obligated to do one or more of the following:

- 41.1. to take certain actions relating to Purchaser's holding of Tokens;
- 41.2. to report that action; and
- 41.3. to disclose Purchaser's identity to competent authorities.

**42. Release by Purchaser if Token Generator Takes Such Action**

- 42.1. If Token Generator is required to take any of the actions referred to in the preceding clause, Purchaser understands, and agrees with Token Generator, that it has no claim against Token Generator, the Administrator, and their respective affiliates, directors, members, partners, shareholders, officers, employees, advisors, delegates, subcontractors and agents (current or future) for any of damages as a result of any of those actions.
- 42.2. To the extent that the foregoing release inures to the benefit of the Administrator, or for the benefit of any director, officer, employee, member, partner, shareholder, delegate, advisor, agent or subcontractor (whether existing or in the future) of Token Generator or the Administrator, Purchaser acknowledges, and by accepting this Token Sale Agreement Token Generator agrees, that Token Generator holds the benefit of release on trust for that person.

**43. Compliance with Applicable AML Regulations**

In order to comply with the anti-money laundering regulations applicable to Token Generator and the Administrator, Purchaser acknowledges to Token Generator that:

- 43.1. Tokens will not be issued until the Administrator or Token Generator is satisfied that evidence regarding the source of the subscription amounts, the identity of Purchaser and the payment instructions for Token returns, is satisfactory;
- 43.2. wire confirmations for subscriptions from Purchaser must match Purchaser Receiving Address whitelisted by the Administrator or Token Generator; and
- 43.3. Token Return proceeds will only be made to a Purchaser Receiving Address whitelisted by the Administrator or Token Generator.

**VI. Purchaser's Power and Authority**

**44. If Purchaser Is a Corporation or Other Legal Entity**

- 44.1. This clause applies if Purchaser is not an individual/natural person.
- 44.2. The individual executing this Token Sale Agreement on behalf of Purchaser represents and warrants to Token Generator that:
  - 44.2.1. he or she is duly authorised to do so; and

- 44.2.2. Purchaser has the full power and authority under its governing instruments to acquire Tokens of Token Generator.
- 44.3. The Purchaser further represents and warrants to Token Generator that it is duly organised, validly existing and in good standing under the laws of its jurisdiction of organisation; and that the execution and delivery of this Token Sale Agreement and the performance by it of its terms:
- 44.3.1. are within Purchaser's powers, have been duly authorised by all necessary actions on its behalf;
- 44.3.2. require no action by or in respect of, or filing with, any governmental body, agency or official (except as disclosed in writing to Token Generator) in order to make this purchase; and
- 44.3.3. does not contravene, or constitute a breach of or default under any provision of (1) applicable law or governmental rule, regulation or policy statement, or (2) its certificate of incorporation or other comparable organisational documents, or (3) any agreement, judgment, injunction, order, decree or other instrument binding upon it; and
- 44.4. the terms of this Token Sale Agreement constitute a valid and binding agreement of Purchaser and are enforceable against Purchaser in accordance with its terms.
45. **If Purchaser Is an Individual**  
If Purchaser is an individual, Purchaser represents and warrants to Token Generator that the terms of this Token Sale Agreement constitute a valid and binding agreement of Purchaser and are enforceable against Purchaser in accordance with its terms; and that Purchaser has legal competence and capacity to execute this Form.
46. **If Purchaser Acts as Trustee etc. for Another**  
In addition to clauses 44 and 45, if Purchaser is acting as trustee, agent, representative or nominee for another person or entity, Purchaser understands, and agrees with Token Generator, that the representations, warranties, acknowledgements, undertakings and agreements in this Token Sale Agreement are made by Purchaser (1) with respect to Purchaser and (2) with respect to that other person or entity.
47. **Future Exchange or Migration of Tokens**  
The Tokens issued and sold to Purchaser in connection with the Token Sale are being created as ERC20 and/or ERC223 compliant tokens on the Ethereum protocol. Following completion of the Token Sale, Token Generator reserves the right to exchange and/or migrate all Tokens generated in connection with the Token Sale (**Pre-Existing Tokens**) to another Ethereum smart contract or blockchain network protocol or otherwise replace the Pre-Existing Tokens with another digital token (the **Replacement Tokens**) should Token Generator determine, in its sole discretion, that doing so is necessary or useful for the operation of the Ecosystem, legal compliance reasons, or for the purposes of achieving technical and operational efficiencies. Should Token Generator decide to exchange and/or migrate the Pre-Existing Tokens, Token Generator and/or Service Providers may no longer provide support for the Pre-Existing Tokens relating to the Ecosystem, the Services or any other operational matters, except with respect to the exchange or migration process. If the Tokens are exchanged or migrated to another protocol, the practical utility of Pre-Existing Tokens will likely diminish rapidly once Replacement Tokens are created. Purchaser acknowledges and agrees that for it to participate in the Ecosystem or obtain future utility from the Tokens following the creation of Replacement Tokens, certain actions and efforts may be required from Purchaser in order for it to receive Replacement Tokens.

## **VII. Proper Instructions**

### **48. Individuals Authorised to Give/Receive Instructions for Purchaser**

On the Website, Purchaser has provided names of individuals authorised by Purchaser to give and receive instructions between Token Generator (or the Administrator) and Purchaser. Those individuals are the only individuals so authorised until further written notice is given to the Administrator executed by one or more of these individuals.

### **49. How Can Purchaser Give Instructions?**

49.1. The Purchaser authorises and instructs the Administrator and the Token Generator to accept and execute any instructions in respect of the Tokens to which this Token Sale Agreement relates, given by Purchaser in writing or by electronic mail, and Purchaser agrees to indemnify Token Generator and Administrator against whatever loss either of them suffers as a result of acting on such instructions.

49.2. The Purchaser acknowledges that the Administrator and the Token Generator may rely conclusively upon, and incur no liability in respect of, any action taken upon any notice, consent, request, instructions or other instrument either of them believe, in good faith, is genuine or is executed by properly authorised individuals purportedly acting for Purchaser.

### **50. Security**

#### **50.1. Appropriate Measures**

Purchaser will implement reasonable and appropriate measures designed to secure access to: (a) any device associated with it and/or utilised in connection with its purchase of Tokens, (b) private keys to its wallet or account and (c) email address, account and its username, password and any other login or identifying credentials.

#### **50.2. Access to Purchaser's Account**

In the event that Purchaser is no longer in possession of its private keys or any device associated with its account or is not able to provide its login or identifying credentials, it may lose all of its Tokens and/or access to its account, and Token Generator may, in its sole discretion, grant access to Purchaser's account to any party providing additional credentials to Token Generator. Token Generator explicitly reserves the right to determine the additional credentials required, which may include, without limitation, a sworn, notarized statement of identity.

#### **50.3. Security Breach**

Purchaser will promptly notify Token Generator if it discovers or otherwise suspects any security breaches related to its account.

### **51. Data Protection**

Data protection is required by law and explained and regulated in the Token Generator Privacy Policy, which can be found at Website <https://prepayway.com>

### **52. Intellectual Property**

Token Generator and Service Provider each retain all rights, title and interest in all of Token Generator's and Service Provider's ideas, concepts, discoveries, processes, code, compositions, formulae, methods, techniques, information, data, patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trademarks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether patentable, copyrightable or protectable in trademark,



registered or unregistered, and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which currently exist or will exist now or in the future in any part of the world (**Intellectual Property**). Purchaser may not use any of Token Generator's or Service Provider's Intellectual Property for any reason without Token Generator's or Service Provider's prior written consent.

## **VIII. Indemnification, Disclaimer, Limitation of Liability and Releases**

### **53. Indemnification**

- 53.1. To the fullest extent permitted by applicable law, Purchaser will indemnify, defend and hold harmless and reimburse Token Generator, PrepayWay AG, Service Provider and Administrator, and each of their respective past, present and future advisors, employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, licensors, attorneys, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (each a **Token Generator Party**, and collectively **Token Generator Parties**), from and against any and all actions, proceedings, claims, damages, demands and actions (including, without limitation, fees and expenses of legal counsel), incurred by such parties arising from or relating to: (i) Purchaser's purchase or use of Tokens; (ii) Purchaser's responsibilities or obligations under this Token Sale Agreement; (iii) Purchaser's breach of or violation of this Token Sale Agreement; (iv) any inaccuracy in any representation or warranty of Purchaser; (v) Purchaser's violation of any rights of any other person or entity; and/or (vi) any act or omission of Purchaser that is negligent, unlawful or constitutes wilful misconduct.
- 53.2. Token Generator reserves the right to exercise sole control over the defense, at Purchaser's expense, of any claim subject to indemnification under this Section. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between Purchaser and Token Generator.

### **54. Disclaimer and Limitation of Liability**

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

54.2. THE LIMITATIONS SET FORTH IN THIS SECTION WILL NOT LIMIT OR EXCLUDE LIABILITY FOR FRAUD OR INTENTIONAL, WILFUL OR RECKLESS MISCONDUCT.

54.3. Some jurisdictions (for example Estonia) do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this Section may not apply to certain Purchasers.

55. **Claim Period**

The Token Generator Parties shall not be liable in any way or in any event in respect of any claim under this Token Sale Agreement if such claim was not made in the period commencing from the completion of the Token Sale to the date falling six (6) months after the date of the completion of the Token Sale (such period being the Claim Period). Any claim which has been made before the expiration of the Claim Period shall, if it has not been previously satisfied in full, settled or withdrawn, be deemed to have been withdrawn and shall become fully barred and unenforceable on the expiry of the period of six (6) months commencing from the date on which such claim was made, unless proceedings in respect thereof shall have been commenced against the applicable Token Generator Party and for this purpose proceedings shall not be deemed to have been commenced unless they shall have been issued and served upon the applicable Token Generator Party.

56. **Release**

Purchaser expressly waives any rights it may have under any statute or common law principles that would otherwise limit the coverage of this release to include only those claims which Purchaser may know or suspect to exist in its favour at the time of agreeing to this release.

57. **Mitigation**

For the avoidance of doubt, nothing in this Token Sale Agreement shall limit the Purchaser's obligation (at law or otherwise) to mitigate its loss in respect of any claim under this Token Sale Agreement, and the Purchaser shall not be entitled to recover damages in respect of any claim (as the case may be) if, and to the extent that, the Purchaser has already recovered damages in respect of the same fact or subject matter.

## **IX. Miscellaneous**

58. **Interpretation**

58.1. In this Token Sale Agreement, unless the contrary intention appears:

58.1.1.a reference to statutes, legislation, laws, or regulations includes references to that legislation as amended or re-enacted and to other legislation that modify its application as well as references to any subordinate legislation made or to be made under that statute;

58.1.2.a reference to the singular includes the plural and vice versa;

58.1.3.a reference to a gender includes the other genders;

58.1.4.a reference to persons includes individuals, companies, firms, limited liability companies, trusts, partnerships, government bodies or agencies, and corporations, sole and aggregate;

58.1.5.obligations entered into by more than one person in this Token Sale Agreement bind all of those persons jointly and each of them severally; and

58.1.6.the headings do not affect the interpretation of this Token Sale Agreement.

58.2. The Schedules annexed to or referenced in this Token Sale Agreement are hereby incorporated by reference and form a part of this Token Sale Agreement.

59. **Entire Agreement**

- 59.1. This Token Sale Agreement (and any pre-sale agreement the Purchaser has entered into with the Token Generator) comprise the entire agreement between the parties and there are not any agreements, understandings, promises or conditions, oral or written, express or implied, concerning the subject matter which are not merged into this Token Sale Agreement (or such pre-sale agreement (if any)) and superseded hereby.
- 59.2. The Purchaser acknowledges and agrees that the development of the Ecosystem and the offering of Services is made in an environment in which there are frequent changes and rapid market pivots, and that the premises of Token Generator and/or Service Provider may be updated frequently and corrected when tested. For that reason, Purchaser must not rely on any statements outside of this Token Sale Agreement in connection with the subject matter of this Token Sale Agreement.
60. **Amendments**  
The Token Generator may make changes to this Token Sale Agreement from time to time (in its sole discretion) and the amended Token Sale Agreement will become effective between Token Generator and Purchaser pursuant to paragraph 4.2. above.
61. **Multiple Purchasers**  
If there is more than one Purchaser entering into this Token Sale Agreement, all representations, warranties, acknowledgements, undertakings and agreements by Purchaser bind those persons jointly and each of them individually, and all benefits in favour of Purchaser benefits those persons jointly and each of them individually.
62. **Successors and Assignees**  
This Token Sale Agreement is binding on Purchaser and its successors, assignees, heirs, executors, administrators and legal representatives and inures to the benefit of Token Generator's successors and assignees.
63. **Termination and Survival of This Token Sale Agreement**
- 63.1. This Token Sale Agreement shall terminate upon the completion of all sales in the Token Sale, except obligations in parts of the Agreement which shall be valid also after the termination of this Agreement. Token Generator reserves the right to terminate this Token Sale Agreement, in its sole discretion, in the event that Purchaser breaches this Token Sale Agreement.
- 63.2. Upon termination of this Token Sale Agreement:
- 63.2.1. all of Purchaser's rights under this Token Sale Agreement immediately terminate;
- 63.2.2. Purchaser is not entitled to a refund of any amount paid;
- 63.2.3. Obligations and articles which nature require's it will continue to apply in accordance with this Token Sale Agreement.
64. **Assignment of the Rights and Obligations Under This Agreement – Sale and Transfer of Tokens**
- 64.1. Any assignment or transfer in violation of this Section will be void.
- 64.2. Token Generator may assign this Token Sale Agreement to an affiliated entity at any time without Purchaser's prior consent.
- 64.3. Subject to the foregoing, this Token Sale Agreement, and the rights and obligations of the parties hereunder, as well as the rights represented by the Tokens, will be binding upon and inure to the benefit of their respective successors, assignees, heirs, executors, administrators and legal representatives.
65. **Severance**  
If any provision of this Token Sale Agreement is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable under any law of any jurisdiction for any reason, the provision shall be modified to make it valid and, to the extent possible, effectuate the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated

hereby be consummated as originally contemplated to the fullest extent possible. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision pursuant to this section shall not affect or impair the validity and enforceability of the rest of this Token Sale Agreement, nor the validity and enforceability of such provision or part-provision under the law of any other jurisdiction.

66. **Waivers**

The failure by Token Generator to exercise or enforce any right or provision of this Token Sale Agreement will not constitute a present or future waiver of such right or provision, nor limit Token Generator's right to enforce such right or provision at a later time. All waivers by Token Generator must be unequivocal and in writing to be effective.

67. **Electronic Communications**

Purchaser agrees and acknowledges that all agreements, notices, disclosures and other communications that Token Generator provides pursuant to this Token Sale Agreement or in connection with or related to Purchaser's purchase of Tokens, may be provided by Token Generator and Administrator by e-mail.

68. **Irrevocability**

Unless otherwise set out herein, this Token Sale Agreement is irrevocable.

69. **Governing law**

This Token Sale Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the laws of the Republic of Estonia,. All disputes or claims arising out of or in connection with this Token Sale Agreement, including disputes relating to its validity, breach, termination or nullity, shall be finally settled in the Harju Maakohus (county court) in Estonia.

70. **Force Majeure**

The Token Sale and the performance of Token Generator's or Platform Operators' activities set out in the White Paper's development roadmap (if any) may be interrupted, suspended or delayed due to force majeure events. For the purposes of this Token Sale Agreement, a force majeure event shall mean any extraordinary event or circumstances which which could not reasonably be foreseen and prevented by Token Generator or Platform Operator and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies, or other circumstances beyond Token Generator's or Platform Operator's control, which were not in existence at the time of Token Sale. Purchaser understands and agrees that Token Generator and Platform Operator shall not be liable and disclaims all liability to Purchaser in connection with a force majeure event.

71. **English**

Only English versions of the Token Sale Agreement and Token Generator's communications shall be considered official. The English version shall prevail in case of differences in translation.

72. **Execution**

By checking the "Token Sale Agreement" button, Purchaser agrees to comply with and be bound by this Token Sale Agreement. Purchaser acknowledges and accepts that all purchases of rights to Tokens from the Token Generator are final, and there are no refunds or cancellations, except as expressly provided for in this Token Sale Agreement or as may be required by applicable law or regulation. Purchaser further acknowledges and accepts that the Token Generator reserves

the right to refuse or cancel this Token Sale Agreement at any time in its sole discretion.

## 72.1. Notes

- 72.1.1. To be valid, this Token Sale Agreement must be consented to and executed (including by digital signature) by each applicant, including all joint holders.
- 72.1.2. If this Token Sale Agreement is entered into by a corporation, it must be executed (including by digital signature) by an individual authorised to sign it on the corporation's behalf who must state his/ her capacity.
- 72.1.3. If this Token Sale Agreement is by a firm or partnership (not a corporation), the following applies:
  - 72.1.3.1. For a limited partnership, it must be in the name of the limited partnership and executed by or on behalf of the general partner, bearing in mind that if the general partner is a corporation, paragraph 2 applies.
  - 72.1.3.2. For any other type of partnership, it must be in the name of and executed by all partners.
- 72.1.4. If this Token Sale Agreement is entered into or executed under a power of attorney, that power of attorney or a duly certified copy of it must be sent to the Token Generator.
- 72.1.5. In respect of joint Applicants or Purchasers, on the death of one, the Tokens will be held in the name of and to the order of the survivor or survivors or the executor or administrator of the last survivor.

## SCHEDULE 1

### Eligible Purchasers

From time to time, Token Generator may amend the criteria for determining who is an Eligible Purchaser for the purpose of any purchase of Tokens.

Initially, all Purchasers are **Eligible Purchasers** except the following:

- 1) a Purchaser whose acquisition of Tokens would cause a breach of the law or requirements of any country or governmental authority, including anti-money laundering regulations or conventions, that apply to the Token Generator, the Administrator, and/or the Purchaser;
- 2) a Purchaser who is acting on behalf of terrorists or terrorist organisations, including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the US Treasury Department's Office of Foreign Asset Control<sup>1</sup> (**OFAC**), or on the sanctions lists adopted by the United Nations and the European Union, or to such extent such sanctions are extended by the UK Government to its Overseas Territories. These lists may be amended from time to time;
- 3) a Purchaser who acts, directly or indirectly, for a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure<sup>2</sup> unless Token Generator, after being specifically notified by

---

<sup>1</sup> The OFAC list may be accessed on the web at <http://www.treas.gov/ofac>.

<sup>2</sup> Senior foreign political figure means a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party or a senior executive of a foreign government-owned corporation. In addition, a senior foreign

Purchaser in writing that it is such a person, conducts further due diligence, and determines that the purchase of Tokens is permitted;

4) a Purchaser or an entity acting as trustee, agent, representative or nominee for a Purchaser that is a foreign shell bank;<sup>3</sup>

5) a Purchaser who makes representations or warranties in this Token Sale Agreement that are not true when given, or have ceased to be true;

6) a Purchaser whose circumstances are such that, in the opinion of Token Generator's directors, its continued ownership of Tokens would cause an undue risk of adverse tax or other consequences to Token Generator. Those circumstances include those that affect that Purchaser directly or indirectly, whether taken alone or in conjunction with another person or persons, connected or not, or any other circumstance that appears to the directors to be relevant;

7) a Purchaser, or a Purchaser that is an entity acting as trustee, agent, representative or nominee for a person, who is a **United States person** (within the meaning of Regulation S of the United States Securities Act) or is otherwise a resident of a Restricted Territory. The Purchaser must notify Token Generator immediately if Purchaser becomes a United States person, a resident of a Restricted Territory or becomes aware that any person for whom Purchaser holds shares as trustee, agent, representative or nominee has become a United States person or resident of a Restricted Territory.

8) for a Purchaser, or a Purchaser that is an entity acting as trustee, agent, representative or nominee a person, from the following states and territories:

- Switzerland

9) a Purchaser, or a Purchaser that is an entity acting as trustee, agent, representative or nominee for a person, from the following states and territories: Afghanistan, Bosnia and Herzegovina, Central African Republic, Cuba, Democratic Republic of the Congo, Democratic People's Republic of Korea (North Korea), Eritrea, Ethiopia, Guinea-Bissau, Iran, Iraq, Libya, Lebanon, Somalia, South Sudan, Sudan, Syria, Uganda, Vanuatu, Yemen and the Crimea region or any other nation subject to countrywide or territory wide sanctions authorised by the United Nations.

All persons who do come within any of these categories are known, collectively, as **Prohibited Persons**.

## SCHEDULE 2

---

political figure includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure. The immediate family of a senior foreign political figure typically includes the political figure's parents, siblings, children, and spouse, and the parents, siblings and children of the spouse. A close associate of a senior foreign political figure is a person who is widely and publicly known internationally to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

<sup>3</sup> Foreign shell bank means a foreign bank without a physical presence in any country, but does not include a regulated affiliate.

## Certain Risks and Disclosures

### 1 IMPORTANT NOTICE

PLEASE READ THIS SECTION CAREFULLY. YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE TAKING ANY ACTION IN CONNECTION WITH THE WHITE PAPER.

The White Paper is intended to present relevant information to potential Purchasers in connection with the proposed generation and sale of Tokens by the Token Generator under the Token Sale (together, the **Token Generation**), including information about the Token Smart Contract and the proposed Ecosystem.

#### 1.1 Reliance

The Tokens are offered solely on the basis of the information contained in the White Paper and this Token Sale Agreement. Potential Purchasers should disregard, and not rely upon, any other information or representations given or made by any dealer, broker or other person. No person is authorised to give any information or to make any representations in connection with the offering of Tokens apart from those contained in the this Token Sale Agreement. A potential Purchaser to whom such information or representations are given or made must not rely on them as having been authorised by the Token Generator or Service Provider.

Statements in the White Paper are based on the law and practice in Estonia current at the date it was issued. Those statements are therefore subject to change should that law or practice change. Under no circumstance does the delivery of the White Paper or the sale of Tokens imply or represent that the affairs of the Token Generator have not changed since the date of the White Paper.

#### 1.2 Purchaser Responsibility

Nothing contained in the White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Token Generator. The Token Generator does not make representations or warranties of any kind with respect to the economic return from, or the tax consequences of a purchase of Tokens. Prospective Purchasers should carefully review the whole of the White Paper and this Token Sale Agreement. They should also consult with their legal, tax and financial advisors in relation to the following: (i) the legal and regulatory requirements within their own countries for purchasing, holding and disposing of Tokens; (ii) any foreign exchange restrictions to which they may be subject in their own countries in relation to purchasing, holding or disposing of Tokens; and (iii) the legal, tax, financial and other consequences of subscribing for, purchasing, holding or disposing of Tokens.

The White Paper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors. To the maximum amount permitted by applicable law, each of the Token Generator and Service Provider expressly disclaim and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) Purchaser's acceptance of or reliance

on any information contained in the White Paper, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

### 1.3 Distribution and Selling Restrictions

The distribution of the White Paper and the offering or purchase of Tokens may be restricted in certain jurisdictions. Neither the White Paper nor Tokens qualify for offer, sale or distribution under the laws of any jurisdiction governing the offer or sale of securities.

The receipt of the White Paper and the Token Sale Agreement does not constitute an invitation to a recipient to subscribe for Tokens in a jurisdiction where it is necessary to comply with some registration or other legal requirement to make that invitation, or the use of the Terms and Conditions, lawful. No such recipient may treat the White Paper or the accompanying Token Sale Agreement as an invitation to subscribe for Tokens, nor may such recipient use the Terms and Conditions. More particularly, the White Paper does not constitute an offer or solicitation:

(a) by anyone in a jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so; or

(b) to anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of every person in possession of the White Paper and every person wishing to apply for Tokens to inform himself, herself or itself of, and to observe all applicable laws and regulations of, any relevant jurisdiction.

## 2 DISCLOSURE SCHEDULE

The acquisition of Tokens involves a high degree of risk. Before acquiring Tokens, it is recommended that each Purchaser conduct its own careful examination of all relevant information and risks about the Token Generator, Services and Tokens and, specifically, the disclosures and risk factors set out below. If any of the following risks actually occurs, the Protocol, Tokens and Purchaser's Tokens may be materially and adversely affected, including the Purchaser's Tokens being rendered worthless or unusable.

### 3 Disclosures Regarding the White Paper

#### 3.1 Accuracy of information, no consent of parties referenced in White Paper

The White Paper includes references to market and industry information and forecasts that have been obtained from surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

Save for the Token Generator and its respective directors, executive officers and employees, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in the White Paper and no representation, warranty or undertaking



is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same.

Neither the Token Generator nor any of the Token Generator Parties has conducted any independent review of the information extracted from third party sources, verified the accuracy or completeness of such information or ascertained the underlying economic assumptions relied upon therein. Consequently, neither Token Generator nor its directors, executive officers and employees acting on its behalf make any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same

### 3.2 Terms Used

To facilitate a better understanding of Tokens being offered for purchase by the Token Generator, and the businesses and operations of the Token Generator, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in the White Paper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and any other gender.

### 3.3 Forward Looking Statements

All statements, estimates and financial information contained in the White Paper, made in any press releases, or in any place accessible by the public, as well as any oral statements that may be made by Token Generator or any Token Generator Parties that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding the Token Generator's financial position, business strategies, plans and prospects, and the future prospects of the industry which the Token Generator is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Token Generator's revenue and profitability, prospects, future plans, other expected industry trends and other matters discussed in the White Paper regarding Token Generator, are matters that are not historic facts, but only predictions.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements. These factors include, amongst others:

- changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which the Token Generator conducts its respective businesses and operations;
- the risk that the Token Generator may be unable to execute or implement their respective business strategies and future plans;

- changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
- changes in the anticipated growth strategies and expected internal growth of the Token Generator;
- changes in the availability and fees payable to the Token Generator in connection with their respective businesses and operations;
- changes in the availability and salaries of employees who are required by the Token Generator to operate their respective businesses and operations;
- changes in preferences of customers of the Token Generator;
- changes in competitive conditions under which the Token Generator operates, and the ability of the Token Generator to compete under such conditions;
- changes in the future capital needs of the Token Generator and the availability of financing and capital to fund such needs;
- war or acts of international or domestic terrorism;
- occurrences of catastrophic events, natural disasters, and acts of God that affect the businesses and/or operations of the Token Generator;
- other factors beyond the control of the Token Generator; and
- any risk and uncertainties associated with the Token Generator and its business and operations, Tokens, the Token Generation and the underlying assets (each as referred to in the White Paper).

Nothing contained in the White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Token Generator or Service Provider

Further, the Token Generator disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

### 3.4 No Further Information or Update

No person has been or is authorised to give any information or representation not contained in the White Paper in connection with the Token Generator and its business and operations, Tokens, the Token Generation (each as referred to in the White Paper) and, if given, such information or representation must not be relied upon as having been authorised by or on behalf of the Token Generator. The Token Generation (as referred to in the White Paper) shall not, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change, or development reasonably likely to involve a material change in the affairs, conditions and prospects of Token Generator or in any statement of fact or information contained in the White Paper since the date hereof.

### 3.5 Restrictions on Distribution and Dissemination of White Paper

The distribution or dissemination of the White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of the White Paper or such part thereof (as the case may be) at your own expense and without liability to the Token Generator.

Persons to whom a copy of the White Paper has been distributed or disseminated, provided access to, or who otherwise have the White Paper in their possession, shall not circulate it to any other persons, reproduce or otherwise distribute the White Paper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur, without first verifying whether the other persons and/or the jurisdictions where they may be circulating or distributing or reproducing the information permit such dissemination.

### 3.6 Language of White Paper

The White Paper may have been prepared in multiple languages. In the event of any inconsistencies between one version and another, the English language version shall prevail.

## **4 Disclosures Regarding Tokens**

### 4.1 Tokens are Utility Tokens

Tokens are digital utility tokens that afford Token holders access to the Services provided by or for the Token Generator. In particular, the Tokens are intended to activate or execute certain functions of the Token Smart Contract in accordance with the terms of an open-source license agreement further described on the Website. Tokens do not represent a loan to Token Generator nor do they provide Purchaser with any ownership or other interest in or to Token Generator. For greater certainty, the purchase of Tokens does not provide Purchaser with any form of ownership right or other interest in or to Token Generator or its present or future assets and revenues, including, but not limited to, any voting, distribution, redemption, liquidation, revenue sharing, proprietary (including all forms of intellectual property), or other financial or legal rights.

### 4.2 Tokens are Non-Refundable

Token Generator is not obliged to provide Token holders with a refund for any reason, and Token holders will not receive money or other compensation in lieu of a refund. Statements set out in the White Paper are merely expressions of the Service Provider's and Token Generator's objectives and desired work plan to achieve those objectives. No promises of future performance or price are or will be made in respect of Tokens. In particular, the Token Generator Parties do not make any promise of inherent value, and do not make any guarantee that Tokens will hold any particular value.

### 4.3 Tokens Are Provided on an "as is" Basis

Tokens are provided on "as is" basis. The Token Generator Parties and each of their respective directors, officers, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding Tokens, including any warranty of title, merchantability or fitness for a particular purpose or any warranty that Tokens and Ecosystem will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the Token Generator Parties and each of their respective directors, officers, employees, shareholders, affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non-infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

#### 4.4 Not an Offering of Securities, Commodities or Swaps

The sale of Tokens and the Tokens themselves are not securities, commodities, swaps on either securities or commodities, or a financial instrument of any kind. Purchases and sales of Tokens are not subject to the protections of any laws governing those types of financial instruments. The White Paper and all other documents referred to in the White Paper, including this Token Sale Agreement do not constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy an investment, a security, commodity, or a swap on either a security or commodity.

#### 4.5 Non-Investment Purposes

Purchaser acknowledges and agrees that Purchaser is not purchasing Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes. Instead, Purchaser acquires the Tokens to obtain access to Services provided by Token Generator in the future. Tokens are not designed for investment purposes and should not be considered as a type of investment.

#### 4.6 Force Majeure

The Token Generation and the performance of the Token Generator's activities set out in the development roadmap on the Website may be interrupted, suspended or delayed due to force majeure events. For the purposes of the White Paper, a force majeure event shall mean any extraordinary event or circumstances which could not be prevented by Token Generator and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies or other circumstances beyond Token Generator's control, which were not in existence at the time of Token Generation. Purchaser understands and agrees that Token Generator shall not be liable and disclaims all liability to Purchaser in connection with a force majeure event.

#### 4.7 Insurance

Unlike bank accounts or accounts at financial institutions, Tokens are uninsured unless Purchaser specifically obtains private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Token Generator to offer recourse to Purchaser. Purchaser bears all risk in respect of the insurable and uninsurable losses.

### **5 Government Disclosures**

#### 5.1 Risk of Unfavorable Regulatory Action in one or more Jurisdictions

The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum network, or restricting the right to acquire, own, hold, sell, convert, trade, or use Tokens. Developments in laws,

regulations, policies or rules may alter the nature of the operation of the blockchain network upon which Tokens are dependent.

There can be no assurance that governmental authorities will not examine the operations of Token Generator Parties and/or pursue enforcement actions against Token Generator Parties. All of this may subject Token Generator Parties to judgments, settlements, fines or penalties, or cause Token Generator Parties to restructure their operations and activities or to cease offering certain products or services in some or all jurisdictions, all of which could harm Token Generator Parties' reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on Tokens and/or the development of the Ecosystem.

## 5.2 Purchaser Bears Responsibility of Legal Categorisation

There is a risk that Tokens might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future. The Token Generator does not provide any warranty or guarantee as to whether Tokens will be a security in the jurisdiction of the Purchaser. Each Purchaser will bear all consequences of Tokens being considered a security in their respective jurisdiction. Every Purchaser is responsible to confirm if the acquisition and/or disposal of Tokens is legal in its relevant jurisdiction, and by accepting this Token Sale Agreement, each Purchaser undertakes not to use Tokens in any jurisdiction where doing so would be unlawful. If a Purchaser establishes that the purchase or use of Tokens is not legal in its jurisdiction, it should not acquire Tokens and must immediately stop using or possessing Tokens.

Acquiring Tokens in exchange for cryptocurrencies will most likely continue to be scrutinized by various regulatory bodies around the world, which may impact the usage of Tokens. The legal ability of the Token Generator to provide or support Tokens in some jurisdictions may be eliminated by future regulation or legal actions. In the event the Token Generator determines that the purchase or usage of Tokens is illegal in a certain jurisdiction, the Token Generator may cease operations in that jurisdiction, or adjust Tokens or the Protocol in a way to comply with applicable law.

## 5.3 Purchaser Bears Responsibility for Complying with Transfer Restrictions

Tokens may be placed on third-party exchanges, giving future purchasers and users an opportunity to openly buy Tokens. Existing or future laws on the circulation of securities may treat Tokens like securities in certain jurisdictions and prohibit the sale of Tokens to the residents of those countries. When buying Tokens, Purchaser must be aware of existing restrictions on their subsequent sale and remain aware of any changes of laws applicable to it for the entire time while it is holding Tokens.

# 6 General Security Risks

## 6.1 Risk of theft and Hacking

Token generation events and initial coin offerings are often targeted by hackers and other bad actors. Hackers may attempt to interfere with the Purchaser's digital wallet, the Token Smart Contract, or the availability of Tokens, in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. Any such attack may result in theft of Purchaser's Tokens.

## 6.2 Private Keys

Tokens purchased by Purchaser may be held by Purchaser in Purchaser's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Purchaser's digital wallet or vault storing Tokens will most likely result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Purchaser uses, may be able to misappropriate Purchaser's Tokens. Token Generator is not responsible for any such losses.

## 6.3 Failure to Map a Public Key to Purchaser's Digital Wallet

Failure of the Purchaser to map a public key to Purchaser's digital wallet 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 Protocol. This may affect the usability of Purchaser's Tokens temporarily or even permanently.

## 6.4 Exchange Risks

If Purchaser sends Ether to the Token Generator from an exchange or an account that Purchaser does not control, Tokens will be allocated to the account that has sent Ether. Therefore, Purchaser may never receive or be able to recover Purchaser's Tokens. Furthermore, if Purchaser chooses to maintain or hold Tokens through a cryptocurrency exchange or other third party, Purchaser's Tokens may be stolen or lost if that exchange or third party should be hacked or otherwise affected by fraudulent or criminal or incompetent actions.

## 6.5 Risk of Incompatible Wallet Services

The wallet or wallet service provider used for the acquisition and storage of Tokens has to be technically compatible with the Tokens. Failure to assure compatibility may result in the Purchaser not being able to gain access to its Tokens.

## 6.6 Risk of Weaknesses or Exploitable breakthroughs in the Field of Cryptography

Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum and Tokens, which could result in the theft or loss of Tokens.

## 6.7 Internet Transmission Risks

There are risks associated with using Tokens including, but not limited to, the failure of hardware, software, and internet connections. The Token Generator shall not be responsible for any communication failures, disruptions, errors, distortions or delays Purchaser may experience when using its Ecosystem and Tokens, howsoever caused. Transactions in cryptocurrencies may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. Cryptocurrency transactions are deemed to be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

## **7 Protocol and Token Smart Contract Disclosures**

### **7.1 No Guarantee that the Ecosystem or Token Smart Contract Will Be Developed**

Purchaser acknowledges, understands and agrees that Purchaser should not expect, and there is no guarantee or representation or warranty by Token Generator or Service Provider that: (a) the Ecosystem and Token Smart Contract will ever be adopted; (b) the Ecosystem and Token Smart Contract will be adopted as developed and not in a different or modified form; (c) a final blockchain utilizing or adopting the Token Smart Contract will ever be launched; and (d) a final blockchain will ever be launched with or without changes to the Token Smart Contract and with or without a distribution of tokens matching the fixed initial balances of Tokens recorded on the Token Smart Contract. Furthermore, Tokens issued under the Token Smart Contract may not have any functionality on the final blockchain and holding Tokens is not a guarantee, representation or warranty that the holder will be able to use such final blockchain, or receive any tokens actually utilized on the Ecosystem with the final blockchain created, even if the Ecosystem is launched and the Token Smart Contract is adopted, of which there is no guarantee, representation or warranty made by Token Generator.

### **7.2 Risks Associated with the Token Smart Contract and Associated Software and/or Infrastructure.**

#### **(a) Malfunctions**

The Token Smart Contract is based on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause Tokens and/or the Ecosystem to malfunction or function in an unexpected or unintended manner.

#### **(b) Bugs and Weaknesses**

The Ethereum blockchain rests on open source software, and accordingly there is the risk that the Token Smart Contract may contain intentional or unintentional bugs or weaknesses which may negatively affect Tokens or result in the loss or theft of Tokens or the loss of ability to access or control Tokens. In the event of such a software bug or weakness, there may be no remedy and Token holders are not guaranteed any remedy, refund or compensation.

#### **(c) Delays and Congestions**

On the Ethereum blockchain, timing of block production is determined by proof of work. Thus block production can occur at random times. For example, Ether contributed to the Token Smart Contract in the final seconds of a distribution period may not get included for that period. Purchaser acknowledges and understands that the Ethereum blockchain may not include the Purchaser's transaction at the time Purchaser expects and Purchaser may not receive Tokens the same day Purchaser sends Ether. The Ethereum blockchain is prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the Ethereum network in an attempt to gain an advantage in purchasing cryptographic tokens. Purchaser acknowledges and understands that Ethereum block producers may not include Purchaser's transaction when Purchaser wants or Purchaser's transaction may not be included at all.

#### (d) Value of Ether

Ether, the native unit of account of the Ethereum blockchain, may itself lose value in ways similar to Tokens, and also other ways. More information about Ethereum is available at <http://www.ethereum.org>.

#### 7.3 Irreversible Nature of Blockchain Transactions

Transactions involving Tokens that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Tokens, the transaction is not reversible. Further, at this time, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies and Tokens. Consequently, the Token Generator may be unable to replace missing Tokens or seek reimbursement for any erroneous transfer or theft of Tokens.

#### 7.4 Amendments to Protocol

The development team and administrators of the source code for Ethereum blockchain or the Token Smart Contract could propose amendments to such network's protocols and software that, if accepted and authorized, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Tokens.

#### 7.5 Risk of Mining Attacks

As with other decentralized cryptocurrencies, the Ethereum blockchain, which is used for Tokens, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks. Any successful attack presents a risk to Tokens, including the expected proper execution and sequencing of Tokens and Ethereum contract computations in general. Despite the efforts of the Token Generator and the Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which Tokens interact. Consequently Tokens may be impacted also in that way to the extent described above.

### **8 Token Generator and Service Provider Disclosures**

#### 8.1 Legal Structure of Token Generator and Service Provider

The Token Generator is a company incorporated in Estonia pursuant to the Companies Law (Revised). As holders of Tokens, Purchasers are not entitled to any shares of Token Generator nor to any other right or interest in or to Token Generator (including any debt or equity interest therein) and will have no rights to appoint or remove the board of directors or operators of Token Generator.

The Service Provider is PrepayWay AG or/and an affiliate of PrepayWay AG or PrepayWay AG partners, providing Services within the Ecosystem. As holders of Tokens, Purchasers are not entitled to any shares of Service Provider nor to any other right or interest in or to Service Provider (including any debt or equity interest therein) and will have no rights to appoint or remove the board of directors of Service Provider.



Because Tokens confer no governance rights of any kind with respect to the Token Generator, Service Provider or the Ecosystem, all decisions involving the Token Generator's and Service Provider's products or services, including the services provided within the Ecosystem, will be made by Token Generator and/or Service Provider in their sole discretion. These decisions could adversely affect the Ecosystem and the utility of any Tokens you own.

## 8.2 Relationship Between Token Generator and Service Provider

The Token Generator and Service Provider are not partners under any partnership arrangement and, accordingly, neither party may contractually bind the other as its partner.

## 8.3 Dependence on Management Team

The ability of each of the Token Generator's and Service Provider's project teams, which are respectively responsible for maintaining the competitive position of the Tokens and Protocol, is dependent to a large degree on the services of their management teams. The loss or diminution in the services of members of such senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Tokens and the Ecosystem. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this competition may seriously affect such entity's ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Tokens and the Ecosystem.

## 8.4 Risks related to Reliance on Third Parties

Even if completed, the Ecosystem 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, any of which might have a material adverse effect on the Ecosystem.

## 8.5 Insufficient Interest in the Ecosystem and Tokens

It is possible that the Ecosystem or Tokens will not be used by a large number of individuals, businesses and organizations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Tokens and Ecosystem.

## 8.6 Protocol Development Risks

The development of the Token Smart Contract and/or Ecosystem may be abandoned for a number of reasons, including lack of interest from the public, insufficient funding, insufficient commercial success, or prospects or departure of key personnel.

## 8.7 Changes to Ecosystem

The Ecosystem is still under development and may undergo significant changes over time. Although Service Provider intends for the Ecosystem to have the features and

specifications set forth in the White Paper, changes to such features and specifications may be made for any number of reasons, any of which may mean that the Ecosystem does not meet expectations of the Purchaser.

## 8.8 Other Projects

The Token Smart Contract and Ecosystem may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with the Token Generator Parties, and such projects may provide no benefit to the Tokens or Ecosystem.

## 8.9 Disclosures Relating to conflicts of Interest

Any of the Token Generator Parties may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.

## 9 Other Disclosures

Purchases of Tokens should be undertaken only by individuals, entities, or companies that have significant experience with, and understanding of, the usage and intricacies of cryptocurrencies, including cryptographically secured digital tokens, and blockchain based software systems. Purchaser should have a functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. While the Token Generator will be available to assist purchasers of Tokens during the sale, the Token Generator will not be responsible in any way for loss of BTC, ETH, other cryptocurrencies, or Tokens resulting from actions taken by, or omitted by purchasers. If you do not have such experience or expertise, you should not purchase Tokens or participate in the sale of Tokens.

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