



TOKEN SALE AGREEMENT

Last updated: 24 February, 2018

FROSHFEEL (PTY) LTD., a company duly incorporated and registered in accordance with laws of the Republic of South Africa, with the registration number 2015/310253/07 and registered office at 53 Jorissen Street, Braamfontein, Johannesburg, South Africa (the "**Company**" or "**Froshfeel**")

HEREBY INVITES any person who wants to participate in the Platform (as defined in clause 1.2.21 below), provided that such person is not a Restricted Person (as defined in clause 1.2.25 below) ("**Invitees**")

to make an offer addressed to the Company in order to enter into this Agreement (as defined in clause 1.2.1 below) under the terms and conditions set out below (the "**Buyer**").

*If you meet the criteria of being an Invitee, you are entitled to make an offer on an acquisition of ERC20 compatible tokens "**FROINS**" distributed on the Ethereum blockchain ("**Tokens**") in the amount you want by sending the respective amount of payment via the independent escrow agent (in case of payment in Fiat Currencies for private sales) or via the cryptocurrency wallet controlled by the independent escrow agent (in case of payment in Cryptocurrency). To do this, you should follow the instructions screened in your User Account on the Website.*

Your transfer of the payment for the Tokens will constitute your willingness to enter into the Agreement with the Company under the terms and conditions set out therein.

If the Company agrees to your offer made in a specified manner, it will distribute the Tokens to you subject to the terms and conditions set out in the Agreement. Your receipt of the Tokens on your Ethereum ERC20 Wallet address (as defined in 1.2.12 below) shall constitute due conclusion of the Agreement in respect of such Tokens.

If Company for whatever reason rejects your offer, the Agreement shall not be deemed as concluded and your funds will be refunded by the independent escrow agent or by Company, as the case may be. In this case, any refunds made in your favor will be reduced by an amount of any expenses that escrow agent or Company has incurred or may incur in future in this regard, including any exchange fees, bank fees, agency and brokerage fees, remunerations, taxes, charges, fees for blockchain transactions, etc.

The Company is free to reject any of your offers, even if it is made in a proper manner.

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WHEREBY IT IS AGREED AS FOLLOWS –

1. INTERPRETATION

The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof. Unless a contrary intention clearly appears -

1.1. words importing -

1.1.1. any one gender include the other two genders;

1.1.2. the singular include the plural and *vice versa*; and

1.1.3. natural persons include created entities (corporate or unincorporate) and the state and *vice versa*;

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

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

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

1.1.7. except as otherwise provided in this Agreement, when referring to time, time in Coordinated Universal Time (UTC) time zone shall apply;

1.2. the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely -

1.2.1. "**Agreement**" means this sale of tokens agreement, together with all annexures hereto , as may be amended, revived, replaced and/or reinstated from time to time;

1.2.2. "**Bonus Tokens**" has the meaning, set out in clause 4.1 of Annexure A;

- 1.2.3. "**Bounty, Partnerships and Advisors Tokens**" has the meaning, set out in clause 6.4.1 of Annexure A;
- 1.2.4. "**Buyer**" means any person who wants to participate in the Platform, provided that such person is not a Restricted Person, and who has made an offer addressed to the Company in order to enter into this Agreement;
- 1.2.5. "**Company**" means Froshfeel (Pty) Ltd (Registration No. 2015/310253/07), a company duly incorporated and registered in accordance with laws of the Republic of South Africa, and registered office at 53 Jorissen Street, Braamfontein, Johannesburg, South Africa, and includes reference to any one or more of the "**Company Affiliates**", as the context may require;
- 1.2.6. "**Company Affiliates**" means in respect of the Company –
- 1.2.6.1. any person who is related or inter-related to the Company;
- 1.2.6.2. any other person who directly or indirectly through one or more intermediaries controls or is controlled by, or is under common control with, such first-mentioned person and includes any subsidiary of any such person. For the purposes of this definition, "**control**" when used in respect to any person means the power to direct or cause the direction of or influence the board, the management and the policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" shall have a corresponding meaning; including any person who directly or indirectly through one or more intermediaries;
- 1.2.6.3. any respective past, present and future employees, officers, directors, contractors, consultants, attorneys, accountants, financial advisors, equity holders, suppliers, vendors, service providers, affiliates, agents, representatives, predecessors, successors and assigns, and includes an individual reference to any one or more of them as the context may require;
- 1.2.7. "**Conversion Date**" has the meaning, set out in clause 3.4 of Annexure A;
- 1.2.8. "**Cryptocurrency**" means Bitcoin (BTC), Ether (ETH), KickCoins (KICK) and other cryptocurrency which the Company will accept as the payment for Tokens;

- 1.2.9. **"Damages"** means damages, losses, liabilities, costs or expenses of any kind, whether direct or indirect, consequential, compensatory, incidental, actual, exemplary, punitive or special and including, without limitation, any loss of business, revenues, profits, data, use, goodwill or other intangible losses;
- 1.2.10. **"Disputes"** has the meaning as set out in clause 13.1;
- 1.2.11. **"Ethereum"** means an open-source, public, blockchain-based distributed computing platform featuring smart contract (scripting) functionality;
- 1.2.12. **"Ethereum ERC20 Wallet"** has the meaning, set out in clause 5.1.2 of Annexure A;
- 1.2.13. **"Fiat Currencies"** means the legal tender currency circulated in specific country or region, such as Russian rubles, US dollars, Euro, etc., which the Company will accept as the payment for the Tokens for private sales;
- 1.2.14. **"Founders Tokens"** has the meaning, set out in clause 6.4.3 of Annexure A
- 1.2.15. **"Intellectual Property Rights"** means any right, title or interest, throughout the world, to any patents, rights to inventions, copyright and related rights, moral rights, trade-marks, trade names and domain names, rights in get-up, rights in goodwill or to sue for passing off, rights in designs, rights in models, rights in computer software, rights in smart contract, database rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which may now or in the future subsist in any part of the world;
- 1.2.16. **"KICKICO"** means Kickonomy Pte. Ltd (Registration No. 201724444D), a company duly incorporated and registered in accordance with the laws of the Republic of Singapore;
- 1.2.17. **"KICKICO Platform"** means an online blockchain technology-based crowdfunding platform, which shall provide its users, among other services, the opportunity to launch ICOs, pre-ICOs and crowdfunding campaigns;
- 1.2.18. **"Minimum Threshold"** has the meaning, set out in clause 3.7 of Annexure A;
- 1.2.19. **"Notices"** has the meaning, set out in clause 21;

- 1.2.20. **"Parties"** means the parties to this Agreement, being the Company and the Buyer and includes an individual reference to either of them as the context may require;
- 1.2.21. **"Platform"** means the decentralized student network as described in the White Paper and to be developed and deployed by the Company Affiliates;
- 1.2.22. **"Public Tokens"** has the meaning, set out in clause 6.4.4 of Annexure A;
- 1.2.23. **"Refund Receiver"** has the meaning, set out in clause 9.1 of Annexure A;
- 1.2.24. **"Reserve Tokens"** has the meaning, set out in clause 6.4.2 of Annexure A;
- 1.2.25. **"Restricted Persons"** has the meaning, set out in clause 4.8;
- 1.2.26. **"Reserve Tokens"** has the meaning, set out in clause 6.4.2 of Annexure A;
- 1.2.27. **"Sale Launch Date"** means the calendar date when the Token Sale launches as it is set out in clause 1.1 of Annexure A;
- 1.2.28. **"Sale Expiration Date"** means the calendar date when the Token Sale expires as it is set out in clause 1.2 of Annexure A;
- 1.2.29. **"Services"** means the services and other use cases which the Company Affiliates provide to the holders of the Tokens via the Platform and which are more specifically described in the White Paper;
- 1.2.30. **"Social Media"** means the additional platforms used by the Company, at its sole discretion, to provide information regarding the Platform, the Token Sale and any other relevant information. Such platforms may include, but are not limited to, Facebook, Twitter, Instagram, Medium, Telegram, Reddit;
- 1.2.31. **"Tokens"** means the ERC20 compatible tokens "FROINS" created by the Company and distributed on the Ethereum blockchain;
- 1.2.32. **"Token Smart Contract"** means the Ethereum smart contract representing the mechanism of creation and distribution of the Tokens;
- 1.2.33. **"Token Sale"** has the meaning, set out in clause 1.1 of Annexure A;
- 1.2.34. **"Token Value"** has the meaning, set out in clause 3.1 of Annexure A;
- 1.2.35. **"User Account"** has the meaning, set out in clause 2.2.1 of Annexure A;
- 1.2.36. **"Web Application"** has the meaning, set out in clause 2.1 of Annexure A;

1.2.37. **"Website"** means <https://www.froshfeel.com> and all subdomains and all their respective pages;

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

1.3. the headings in this Agreement are inserted for convenience and reference purposes only and do not affect its interpretation;

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

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

1.6. to the extent that this Agreement, the White Paper any other document that might be published from time to time on the Website conflict with translated copies, the English version prevails.

2. **ACCEPTANCE OF THIS AGREEMENT**

2.1. This Agreement shall be effective and binding on the Parties when the Buyer receives the Tokens on the Buyer's Ethereum ERC20 Wallet address in the amount calculated in accordance with the provisions of Annexure A hereto.

2.2. The Company Affiliates have prepared the White Paper, as may be amended from time to time upon the Company Affiliates' sole discretion, which is hereby incorporated by reference. The Buyer has read and understands the White Paper and its contents. The content of the White Paper is not binding for the Company Affiliates and is subject to change in line with ongoing research and development of the Platform.

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

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

3. **LEGAL STATUS OF TOKENS**

3.1. The Tokens are intended to be used only:

- 3.1.1. to enable usage of and interaction with the Platform and to support its development, testing, deployment, and operation as it is strictly described in the White Paper;
 - 3.1.2. as a means to obtain the Services as it is strictly described in the White Paper; and
 - 3.1.3. as a means to power the Platform's point system.
- 3.2. The Buyer hereby accepts explicitly and agrees that:
- 3.2.1. it is the responsibility of solely the Buyer to determine if the Buyer can legally purchase the Tokens in his jurisdiction and whether the Buyer can then resell the Tokens to another purchaser in any given jurisdiction; and
 - 3.2.2. he is not acquiring the Tokens for any other uses or purposes, except for as specified in clause 3.1; and
 - 3.2.3. none of the Company Affiliates have other obligations, except as expressly stated in this Agreement.
- 3.3. Important additional details regarding the Tokens, the Services, and the Platform are provided in the White Paper.
- 3.4. Ownership of the Tokens carries no rights, express or implied, other than the right to use the Tokens as specified in clause 3.1. In particular, the Tokens:
- 3.4.1. do not provide the Buyer with rights of any form with respect to any of the Company Affiliates or its revenues or assets, including any voting, distribution, redemption, liquidation, proprietary (including all forms of Intellectual Property Rights), or other financial or legal rights;
 - 3.4.2. do not represent a loan to any of the Company Affiliates; and
 - 3.4.3. do not provide the Buyer with any ownership or other interest in any of Company Affiliates.
- 3.5. Acquisition of the Tokens from the Company does not present an exchange of payment (Cryptocurrencies or Fiat Currencies) for any form of shares in any of Company or the Company's Intellectual Property Rights. For the avoidance of doubt and irrespective of the provisions of the White Paper, the Buyer is not entitled to any guaranteed form of dividends, revenue distributions, and voting rights.

- 3.6. For the purpose of this Agreement, the Tokens shall be viewed as software with cryptography elements that is sold out as a utility appliance for the Platform. The Company may from time to time launch various incentive programs, including the one specified in clause 3.1, for the holders of the Tokens to encourage and promote their attention to the Platform.
- 3.7. Although the Tokens may be tradable, they are not an investment, currency, security, commodity, a swap on a currency, security or commodity or any other kind of financial instrument. The Tokens are not intended to be marketed, offered for sale, purchased, sold, or traded in any jurisdiction where they are prohibited by applicable laws or require further registration with any applicable governmental authorities.
- 3.8. The Tokens may be exchangeable on cryptography token exchanges. However, none of Company Affiliates give warranties or representations that the Tokens will be exchangeable on such exchanges.
- 3.9. This Agreement does not constitute a prospectus of any sort, is not a solicitation for investment and does not pertain in any way to an initial public offering or a share/equity offering and does not pertain in any way to an offering of securities in any jurisdiction. It is a description of the functionality of a Token Smart Contract.
- 3.10. Funds collected through the Token Sale will be utilized by Company and other Company Affiliates in their sole discretion according to the plan specified in the White Paper.
- 3.11. The Company Affiliates are in the process of undertaking a legal and regulatory analysis of the functionality of the Tokens. Following the conclusion of this analysis, the Company Affiliates may decide to amend the intended functionality of the Tokens in order to ensure compliance with any legal or regulatory requirements to which the Tokens are subject. The Company Affiliates shall publish a notice on Website of any changes to the functionality of Tokens and it is the Buyer's responsibility to regularly check the Website for any such notices.

4. **TOKEN SALE PROCEDURE**

- 4.1. The substantial information about the procedures and material specifications of the Token Sale are provided in Annexure A, including details regarding the timing, pricing of the Token sale, and the number of Tokens to be sold and distributed. The information about specific procedures on how the Buyer should purchase the Tokens shall be provided by the Company on the Website and/or communicated to the public through Social Media.

- 4.2. By sending the payment for the Tokens, the Buyer acknowledges that he understands and has no objection to these procedures and material specifications. Failure to follow such procedures may result in the Buyer not receiving any Tokens.
- 4.3. The Buyer's purchase of the Tokens from Company during the Token Sale period is final, and there are no refunds or cancellations except as provided in the binding legal documentation published on the Website.
- 4.4. The Company reserves the right, at the Company's sole discretion, to refuse or reject the offers on acquisition of the Tokens at any time, especially in scenarios where the information provided by the Buyer (Invitee) upon any requests is insufficient, inaccurate or misleading, the Buyer (Invitee) is deemed to be a Restricted Person, or the Buyer (Invitee) has not complied with any of the requirements of the Web Application.
- 4.5. To the extent that Company refuses or rejects the offers on acquisition of the Tokens, Company will exercise reasonable endeavors to procure that the transferred payment is refunded to the Buyer (Invitee) in the amount defined in accordance with this Agreement and an agreement with the escrow agent. However, Company does not warrant, represent or offer any assurances that Company will successfully be able to recover and/or return any such transfers.
- 4.6. At any time prior to the expiration of the Token Sale, Company may either temporarily suspend or permanently abort the Token Sale for security reasons. Any suspension or abort of the Token Sale shall be deemed to commence from the moment that Company publishes a notice to that effect on the Website.
- 4.7. The Buyer shall provide an accurate digital wallet address to Company for receipt of any Tokens distributed to the Buyer pursuant to this Agreement.
- 4.8. The Tokens are not being offered or distributed to, as well as cannot be resold or otherwise alienated by their holders to citizens of, natural and legal persons, having their habitual residence, location or their seat of incorporation in the country or territory where transactions with digital tokens are prohibited or in any manner restricted by applicable laws or regulations, or will become so prohibited or restricted at any time after this Agreement becomes effective ("**Restricted Persons**").
- 4.9. The Restricted Persons are strictly prohibited and restricted from purchasing and using the Tokens and Company Affiliates are not soliciting purchases and usage by Restricted Persons in any way.
- 4.10. It is solely the Buyer's obligation to verify at the time of making payment for the Tokens:

- 4.10.1. whether or not the Buyer or a person he represents is a Restricted Person;
 - 4.10.2. whether or not the Buyer is allowed to purchase the Tokens under the applicable laws and regulations; and
 - 4.10.3. whether or not the Buyer is allowed by applicable laws and regulations to use the Tokens in the manner specified at the Website.
- 4.11. If a Restricted Person purchases the Tokens, such Restricted Person has done so on an unlawful, unauthorized and fraudulent basis. In such a case, any transactions and operations entered into by the Restricted Person in respect of the Tokens shall be null and void, including, but not limited to, the following:
- 4.11.1. transactions resulting from acceptance of this Agreement;
 - 4.11.2. any transaction resulting from the acquisition of the Tokens; and
 - 4.11.3. any payment operation.
- 4.12. None of the Company Affiliates shall be bound by a transaction or an operation specified in clause 4.11, and respective Company Affiliates may, in its sole discretion:
- 4.12.1. take all necessary and appropriate actions to apply and enforce the consequences of the void transactions and operations specified above;
 - 4.12.2. notify the relevant authorities on the transaction or the operation in question; and
 - 4.12.3. retain all the funds paid by the Restricted Person and either freeze them until the situation is resolved by the respective authority or transfer to the account specified by the relevant financial authority, or apply to cover inflicted losses or discharge liabilities, or refund to the payer of the funds in accordance with the applicable legislation and provisions of this Agreement.
- 4.13. Any Restricted Person purchasing the Tokens shall be solely liable for Damages caused to Company Affiliates and shall indemnify, defend and hold harmless Company Affiliates from any Damages, losses, and expenses incurred by Company Affiliates that arise from or are the result of such Restricted Person's purchase of the Tokens.

5. **ACKNOWLEDGMENT AND ASSUMPTION OF RISK**

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

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

6. SECURITY OF THE BUYER'S TOKENS

- 6.1. The Buyer shall implement reasonable measures for securing the wallet, vault or other storage mechanism utilized to receive and hold the purchased Tokens, including any requisite private keys or other credentials necessary to access such storage mechanisms.
- 6.2. In the event that the Buyer is no longer in possession of the Buyer's private keys or any device associated with the Buyer's account or is not able to provide the Buyer's login or identifying credentials, the Buyer may lose all of the Buyer's Tokens and/or access to the Buyer's account. The Company Affiliates are under no obligation to recover any Tokens and are not liable for such loss of the Buyer's Tokens.

7. KNOW YOUR CUSTOMER AND ANTI-MONEY LAUNDERING

- 7.1. The Company reserves the right to conduct "Know Your Customer" and "Anti-Money Laundering" checks on the Buyers (Invitees) if deemed necessary or it becomes required by the applicable laws.
- 7.2. Upon any Company Affiliates' request, the Buyer shall immediately provide to respective Company Affiliates information and documents that such Company Affiliates, in its sole discretion, deems necessary or appropriate to conduct "Know Your Customer" and "Anti-Money Laundering" checks. Such documents may include, but are not limited to, passports, driver's licenses, utility bills, photographs of associated individuals, government identification cards or sworn statements. The Company may, in its sole discretion, refuse to distribute Tokens to the Buyer (Invitee) until such requested information is provided.
- 7.3. The Company reserves the right to refuse or reject the offer on acquisition of the Tokens from the Buyer (Invitee) that, according to the information available to Company Affiliates, is suspected in receiving the funds used for the Token purchase or in using the Tokens or the Platform, with the aim of money laundering, terrorism financing, or any other illegal activity. In addition, Company has the right to use any possible efforts for preventing the money laundering and terrorism financing, including blocking of the Buyer's (Invitee's) Ethereum ERC20 Wallet, disclosing any information about such the Buyer (Invitee) to the state authorities on their request, etc.
- 7.4. All payments by the Buyer (Invitee) under this Agreement shall be made only in the Buyer's name, from a digital wallet or bank account not located in a country or territory that has been designated as a "non-cooperative country or territory" by the Financial Action Task Force, and is not a "foreign shell bank" within the meaning of the U.S. Bank Secrecy Act (31 U.S.C.

§ 5311 et seq.), as amended, and the regulations promulgated thereunder by the Financial Crimes Enforcement Network, as such regulations may be amended from time to time.

8. TAXATION

- 8.1. The purchase price that the Buyer pays for the Tokens is exclusive of all applicable taxes. The Buyer is solely responsible for determining what, if any, taxes apply to the purchase of the Tokens, including sales, use, value added, and similar taxes.
- 8.2. The Buyer is responsible for withholding, collecting, reporting and remitting the correct taxes arising from the purchase of the Tokens to the appropriate tax authorities.
- 8.3. None of Company Affiliates bear liability or responsibility with respect to any tax consequences to the Buyer arising from the purchase of the Tokens.

9. THE BUYER'S REPRESENTATIONS AND WARRANTIES

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

- 9.1. the Buyer's Awareness of Transaction, Technology, and Risks -
 - 9.1.1. the Buyer has read and understand this Agreement and the White Paper;
 - 9.1.2. the Buyer has read and understands the risks related to the Tokens and usage of the Platform specified in Annexure B;
 - 9.1.3. the Buyer has sufficient understanding of the functionality, usage, storage, transmission mechanisms and other material characteristics of cryptography tokens, token storage mechanisms (such as token wallets), blockchain technology and blockchain-based software systems to understand this Agreement and to appreciate the risks and implications of purchasing the Tokens;
 - 9.1.4. the Buyer has obtained sufficient information about the Tokens to make an informed decision to purchase the Tokens;
 - 9.1.5. the Buyer understands that the value of the Tokens over time may experience extreme volatility or depredate in full.
- 9.2. Authority to Enter into Agreement -

- 9.2.1. the Buyer has all requisite power and authority to execute and deliver this Agreement, to purchase the Tokens, and to carry out and perform his obligations under this Agreement;
 - 9.2.2. if an individual, the Buyer is at least 18 (eighteen) years old and of sufficient legal age and capacity to purchase the Tokens;
 - 9.2.3. if a legal entity, the Buyer is duly organized, validly existing and in good standing under the laws of its domiciliary jurisdiction and each jurisdiction where it conducts business. The person purchasing the Tokens on behalf of the legal entity is duly authorized to accept this Agreement on such entity's behalf and that such entity will be responsible for breach of this Agreement.
- 9.3. The Buyer will not forge, or otherwise manipulate any personal or non-personal data requested by the Company in the process of the Buyer's registration (will not use the VPN or other means of distorting the data), or after its completion, will provide all necessary personal or non-personal data in the form and formatted requested by the Company in the event when such necessity arises in connection within the requirements of "Know Your Customer" and "Anti-Money Laundering" frameworks of the Company or in accordance with the applicable law and clause 7 above.
- 9.4. The Buyer is not a Restricted Person and does not represent a Restricted Person.
- 9.5. Compliance with Applicable Laws and Regulations -
- 9.5.1. the entering into and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a material default under, with or without the passage of time or the giving of notice:
 - 9.5.1.1. any provision of the Buyer's constituent documents, if applicable;
 - 9.5.1.2. any provision of any judgment, decree or order to which the Buyer is a party, by which it is bound, or to which any of its material assets are subject;
 - 9.5.1.3. any material agreement, obligation, duty or commitment to which the Buyer is a party or by which it is bound;
 - 9.5.1.4. any foreign exchange, anti-money laundering or regulatory restrictions applicable to purchase of the Tokens; or
 - 9.5.1.5. any laws, regulations or rules applicable to the Buyer;

- 9.5.2. the Buyer will comply with any applicable tax obligations in the Buyer's jurisdiction arising from the respective purchase of the Tokens;
 - 9.5.3. the Buyer will comply with all applicable anti-money laundering and counter-terrorism financing requirements;
 - 9.5.4. the execution and delivery of, and performance under, this Agreement require no approval or other action from any governmental authority or person other than the Buyer.
- 9.6. Purpose of Purchasing Tokens - the Buyer agrees and certifies that the Buyer is acquiring the Tokens for its own personal use and utility, to participate in the Platform and not for investment or financial purposes.
- 9.7. Legal Source of the Funds used for the Purchase -
- 9.7.1. the funds, including any digital assets, Fiat Currencies, virtual currency or Cryptocurrency, the Buyer uses to purchase the Tokens are not derived from or related to any unlawful activities, including but not limited to money laundering or terrorist financing, and the Buyer will not use the Tokens to finance, engage in, or otherwise support any unlawful activities and does not intend to hind, delay or defraud the Company or any other users of the Platform;
 - 9.7.2. the Buyer agrees that if his country of residence or other circumstances change such that any of the representations and warranties specified in clause 9.1 are no longer accurate, that the Buyer will immediately cease using the Platform.

10. **NO COMPANY REPRESENTATIONS AND WARRANTIES**

- 10.1. The Buyer hereby acknowledges and agrees that the Tokens are sold on an "as is", "as available" and "with all faults" basis and the Buyer purchases the Tokens exclusively at his own risk without any express or implied representations and/or warranties of any kind by the Company Affiliates.
- 10.2. The Company and other Company Affiliates (if applicable) expressly disclaim all express and implied warranties and representations as to the Tokens and the Platform. None of the Company Affiliates makes any representations or warranties, express or implied, including:
- 10.2.1. any warranties or representations of title;
 - 10.2.2. any warranties or representations of merchantability or fitness for a particular purpose with respect to the Platform, the Tokens or their utility, or the ability of anyone to purchase or use the Tokens;

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

10.3. None of the Company Affiliates represent or warrant that the process of payment of the Tokens or receiving the Tokens will be uninterrupted, error-free, free or shall remain free of viruses or other harmful components, or that the Tokens are reliable and error-free. As a result, the Buyer acknowledges and understands that the Buyer may lose the entire amount the Buyer paid to Company.

11. **LIMITATION OF LIABILITY**

11.1. The Buyer understands and agrees that the Platform and the Tokens are provided "as is" as contemplated in clause 10.1 above.

11.2. To the fullest extent permitted by applicable law:

11.2.1. in no event will any of Company Affiliates be liable for any Damages arising out of or in any way related to the sale or use of the Tokens, use of the Platform or otherwise related to this Agreement, regardless of the form of action, whether based in contract, tort (including simple negligence, whether active, passive or imputed), delict, or any other legal or equitable theory (even if the party has been advised of the possibility of such Damages and regardless of whether such Damages were foreseeable); and

11.2.2. in no event will the aggregate liability of the Company Affiliates (jointly), whether in contract, warranty, tort (including negligence, whether active, passive or imputed), or other theory, arising out of or relating to this Agreement or the use of or inability to use the Tokens or the Platform, exceed the amount you pay to Company for the Tokens.

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

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

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

- 11.6. The Buyer understands and agrees that it is the Buyer's obligation to ensure compliance with any legislation relevant to his country of domicile concerning purchase and use of the Tokens and that Company Affiliates should not accept any liability for any illegal or unauthorized purchase or use of the Tokens.
- 11.7. To the fullest extent permitted by applicable law, the Buyer will indemnify, defend and hold harmless and reimburse Company Affiliates from and against any and all Claims, demands, actions, Damages, losses, costs and expenses (including attorneys' fees) incurred by a Company Affiliates arising from or relating to:
- 11.7.1. the Buyer's purchase or use of the Tokens or the Platform;
 - 11.7.2. the Buyer's responsibilities or obligations under this Agreement;
 - 11.7.3. the Buyer's violation of this Agreement;
 - 11.7.4. any inaccuracy in any representation or warranty of the Buyer;
 - 11.7.5. the Buyer's violation of any rights of any other person or entity; and/or
 - 11.7.6. any act or omission of the Buyer that is negligent, unlawful or constitutes willful misconduct.
- 11.8. The Company reserves the right to exercise sole control over the defense, at the Buyer's expense, of any claim subject to indemnification under clause 11.7. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between the Buyer and the Company.
- 11.9. The Company Affiliates shall not be liable and disclaims all liability to the Buyer in connection with any force majeure event, including acts of God, labor disputes or other industrial disturbances, electrical, telecommunications, hardware, software or other utility failures, software or smart contract bugs or weaknesses, earthquakes, storms, or other nature-related events, blockages, embargoes, riots, acts or orders of government, acts of terrorism or war, technological change, changes in interest rates or other monetary conditions, and, for the avoidance of doubt, changes to any blockchain-related protocol.
- 11.10. If an event of force majeure occurs, the party injured hereto by the other's inability to perform may elect to suspend this Agreement, in whole or part, for the duration of the force majeure circumstances. The party hereto experiencing the force majeure circumstances shall cooperate with and assist the injured party in all reasonable ways to minimize the impact of force majeure on the injured party.

- 11.11. To the fullest extent permitted by applicable law, the Buyer releases the Company Affiliates from responsibility, liability, claims, demands, and/or Damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, Claims of negligence), arising out of or related to disputes between the Buyer and Company Affiliates and the acts or omissions of third parties.
- 11.12. The Buyer expressly waives any Statute or common law principles that would otherwise limit the coverage of this release to include only those Claims which the Buyer may know or suspect to exist in favor of the Buyer at the time of agreeing to this release.

12. **GOVERNING LAW AND SUBMISSION TO JURISDICTION**

This Agreement shall be governed in all respects by and shall be interpreted in accordance with the laws of South Africa and, subject to clause 13, the Parties hereby consent and submit to the non-exclusive jurisdiction of High Court of South Africa, Gauteng Local Division, Johannesburg for all purposes of and in connection with this Agreement.

13. **DISPUTE RESOLUTION**

- 13.1. The Buyer and Company shall cooperate in good faith to resolve any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity, interpretation, breach or termination, and any non-contractual obligation or other matter arising out of or in connection with it ("**Disputes**"). If the parties hereto are unable to resolve a Dispute within 30 (thirty) days of notice of such Dispute being received by all parties hereto, such Dispute shall be finally settled in arbitration proceeding as stipulated below.
- 13.2. Save in respect of those provisions of the Agreement which provide for their own remedies which would be incompatible with arbitration, a dispute which arises in regard to -
- 13.2.1. the interpretation of; or
 - 13.2.2. the carrying into effect of; or
 - 13.2.3. any of the Parties' rights and obligations arising from; or
 - 13.2.4. the termination or purported termination of or arising from the termination of; or
 - 13.2.5. the invalidity or purported invalidity of; or
 - 13.2.6. the rectification or proposed rectification of this Agreement,
- or out of or pursuant to this Agreement (other than where an interdict is sought or urgent relief may be obtained from a court of competent jurisdiction), shall be submitted to and decided by arbitration.

- 13.3. That arbitration shall be held -
- 13.3.1. with only the Parties and their legal representatives present thereat; and
 - 13.3.2. at Sandton, South Africa.
- 13.4. It is the intention that the arbitration shall, where possible, be held and concluded as soon as reasonably possible after it has been demanded. The Parties shall use their best endeavours to procure the expeditious completion of the arbitration.
- 13.5. Save as expressly provided in this Agreement to the contrary, the arbitration shall be subject to the commercial arbitration rules of AFSA for the time being in force in South Africa.
- 13.6. There shall be 1 (one) arbitrator who shall, if the question in issue is:
- 13.6.1. primarily an accounting matter, an independent chartered accountant with not less than 10 (ten) years' experience as a chartered accountant;
 - 13.6.2. primarily a legal matter, a practising senior counsel or, alternatively, a retired judge; or
 - 13.6.3. any other matter, a suitably qualified person.
- 13.7. The nomination of the arbitrator shall be agreed upon between the Parties in writing or, failing agreement by the Parties within 5 (five) business days after the arbitration has been demanded, at the request of any of the Parties shall be nominated by the Chairman for the time being of AFSA who, in making his nomination, shall have regard to the nature of the dispute. Upon the aforesaid nomination, the Parties shall forthwith appoint such person as the arbitrator. If the aforesaid Chairman fails or refuses to make the nomination, any Party may approach the High Court of South Africa to make such an appointment. To the extent necessary, the court is expressly empowered to do so.
- 13.8. The Parties shall keep the evidence in the arbitration proceedings and any order made by any arbitrator confidential.
- 13.9. The arbitrator shall be obliged to give his award in writing fully supported by reasons.
- 13.10. The Parties irrevocably agree that the decision of the arbitrator shall (subject to clause 13.11) be final and binding on the Parties to the dispute, shall be carried into effect and may be made an order of any court of competent jurisdiction.
- 13.11. Any Party to the arbitration may appeal the decision of the arbitrator to a panel of 3 (three) arbitrators in terms of the AFSA "*Commercial Rules for Arbitration*" (as may be amended from time to time), which arbitrators shall be nominated and appointed in accordance with clause 13.7, *mutatis mutandis*. The Parties irrevocably agree that the decision of the panel of arbitrators shall be final and binding on the Parties to the dispute, shall be carried into effect and may be made an order of any court of competent jurisdiction.

- 13.12. The provisions of this clause are severable from the rest of this Agreement and shall remain in effect even if this Agreement is terminated or declared invalid for any reason.

14. **TERMINATION OF AGREEMENT**

- 14.1. This Agreement shall terminate upon the performance of all obligations of the parties hereof. In addition to the cases stated herein, Company reserves the right to terminate this Agreement at any time in its sole discretion, including in the event that the Buyer breaches this Agreement.

- 14.2. Upon termination of this Agreement:

- 14.2.1. all of the Buyer's rights under this Agreement immediately terminate;
- 14.2.2. the Buyer is not entitled to a refund of any amount paid, unless otherwise strictly provided herein; and
- 14.2.3. clause 5 (Acknowledgment and Assumption of Risks), clause 8 (Taxation), clause 9 (The Buyer's Representations and Warranties) clause 11 (Limitation of Liability), clause 12 (Governing Law and Submission to Jurisdiction), clause 13 (Dispute Resolution), clause 14 (Termination of Agreement) shall continue to apply in accordance with their terms.

15. **BREACH**

- 15.1. Subject to any other provision of this Agreement expressly providing for the remedy of any breach of any provision hereof, should any of the Parties commit any breach of any term, condition, undertaking, representation or warranty contained in this Agreement ("**Defaulting Party**") and –

- 15.1.1. should such breach be incapable of being remedied; or
- 15.1.2. should such breach be capable of being remedied and should the Defaulting Party fail to remedy such breach within 14 (fourteen) days after receipt of written notice to that effect from the non-defaulting Party, requiring the breach to be remedied,

then the non-defaulting Party shall be entitled, without prejudice to any other right which it may have in terms of this Agreement or under any applicable law, either –

- 15.1.3. to claim specific performance of the Defaulting Party's obligations in terms of this Agreement with or without damages accruing to the non-defaulting Party

arising from such breach, without prejudice to the non-defaulting Party's rights to claim damages; alternatively

15.1.4. to cancel this Agreement and claim restitution and/or damages.

16. ENTIRE AGREEMENT

- 16.1. This Agreement together with the White Paper and other documents that might be published from time to time on the Website constitutes the entire agreement between the Buyer and Company relating to purchase of the Tokens from Company and supersedes any other prior or contemporaneous representations, discussions, understandings, agreements, or communications regarding the subject matter hereof.
- 16.2. To the extent this Agreement conflicts with the Website or any other document published from time to time on the Website (including but not limited to the White Paper), this Agreement prevails.
- 16.3. The Company reserves the right to change, modify, add, or remove portions of this Agreement for any reason at any time during the Token Sale and afterwards by posting the amended Agreement on the Website. The revised version will be effective at the time Company posts it unless indicated otherwise. If you do not agree to be bound by the amended or modified Agreement, you must cease accessing or using the Platform.
- 16.4. No extension of time or waiver or relaxation of any of the provisions or terms of this Agreement or any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this Agreement, shall operate as an estoppel against any Party in respect of its rights under this Agreement, nor shall it operate so as to preclude such Party (save as to any extension, waiver or relaxation actually given) thereafter from exercising its rights strictly in accordance with this Agreement.
- 16.5. To the extent permissible by law no Party shall be bound by any express or implied or tacit term, representation, warranty, promise or the like not recorded herein, whether it induced the contract and/or whether it was negligent or not.

17. SEVERABILITY

Any provision in this Agreement which is or may become legal, invalid or unenforceable in any jurisdiction effected by this Agreement shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be treated as if it had never been written and severed

by the balance of this Agreement, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

18. **ASSIGNMENT OF RIGHTS AND OBLIGATIONS**

18.1. The Company may assign the Company's rights and obligations under this Agreement without the Buyer's consent.

18.2. The Buyer may not assign its rights and obligations under this Agreement without prior written consent by the Company.

19. **NO COMPANY'S WAIVER OF RIGHTS**

The Company's failure to exercise or enforce any right or provision of this Agreement will not operate as a waiver of such right or provision and will not limit Company's right to enforce such right or provision at a later time. All waivers by Company must be unequivocal and in writing to be effective.

20. **THIRD PARTY RIGHTS**

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

21. **NOTICES**

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

21.1.1. posting a Notice on the Website; or

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

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

21.3. Notices that the Buyer provides to a Company Affiliates must be in the English language and delivered to the Company Affiliates by email (legal@froshfeel.com). Such Notices will be effective 1 (one) business day after they are sent.

22. **FORWARD-LOOKING STATEMENTS**

This Agreement, the White Paper, and any other information provided by the Company or its' representatives in writing or orally may include forward looking statements. In general, forward looking statements can be identified by the use of words such as "believes", "expects", "does not expect", "is expected", "targets", "outlook", "plans", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or variations of such words and phrases or statements in different languages that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Although the Company believes it has a reasonable basis for making these forward-looking statements, the Buyer must not place undue reliance on such forward-looking information. By its nature, forward looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predictions, forecasts and other forward-looking statements will not occur.

Annexure A TOKEN SALE PROCEDURE**1. Token Sale Period**

- 1.1. The Company will conduct a sale of the Tokens ("**Token Sale**"), which will begin at 00:00 AM UTC on 1 March, 2018 ("**Sale Launch Date**").
- 1.2. The Token Sale will end:
 - 1.2.1. at 23:59 PM UTC on 30 April, 2018; or
 - 1.2.2. at the moment when the aggregate amount of payments for the Tokens received from all purchasers will have achieved 80 000 (eighty thousand) Ethers (ETH); or
 - 1.2.3. at the end of the business day when the aggregate number of the paid Tokens and the Bonus Tokens will have achieved 185 000 000 (one hundred and eighty five million) Tokens (as described in clause 6.4.4 hereof),whichever is earlier ("**Sale Expiration Date**").

2. Procedure for Buying and Receiving Tokens

- 2.1. The Company will make available at the Website a web application to facilitate the procedure of purchase and receipt of the Tokens ("**Web Application**"). The Buyer must ensure that the URL of the Buyer's web browser indicates that it is using a hypertext transport protocol secure connection ("https") and that the domain name is correct.
- 2.2. To purchase the Tokens through the Web Application, the Buyer shall:
 - 2.2.1. undergo a registration procedure and obtain a personal user account available on the Website ("**User Account**"). The registration procedure, as well as terms and conditions of use of the User Account;
 - 2.2.2. enter the Web Application using his User Account; and
 - 2.2.3. follow the on-screen instructions.

3. Token Price and Payment for Tokens

- 3.1. During the Token Sale, the Token exchange rate will be as follows: 1 (one) Ether (ETH) = 1000 (one thousand) Tokens ("**Token Value**").
- 3.2. Payment for the Tokens shall be made:

- 3.2.1. in Fiat Currency for private sales, by wire transfer to the account the details of which the Company shall make available to investors at its sole discretion; and
- 3.2.2. in Cryptocurrency by transfer to the unique Cryptocurrency wallet address the details of which will be available in the Web Application as specified in clause 2.2 hereof.
- 3.3. There is a minimal amount of payment for the Tokens that the Buyer will be able to make. At any specific time, such minimal amount may be different for different Fiat Currencies/Cryptocurrencies, depending on the applicable exchange rate between the payment currency and Ether (ETH). The information on such minimal amount will be available in the Web Application at any specific time.
- 3.4. To fix the number of Tokens which will be distributed to the Buyer in exchange for the payment he made, the Buyer shall click the button "Convert to Tokens" in the Buyer's User Account. The time and date when the Buyer clicks such button shall hereinafter refer to as "**Conversion Date**".
- 3.5. In the case the Buyer makes payment for the Tokens in Fiat Currency/Cryptocurrency other than Ether (ETH), the exchange rate between the payment currency and Ether (ETH) published on the CoinPayments website (<https://www.coinpayments.net/>) as of the Conversion Date shall apply.
- 3.6. Token is divisible, therefore fractional share of a Token may be purchased.
- 3.7. In order for the Token Sale to be successful, during the Token Sale period at least 1000 (one thousand) Ethers (ETH) shall be paid for the Tokens in accordance with the terms set out herein ("**Minimum Threshold**"). If the Minimum Threshold is not achieved, then all payments made by Refund Receivers shall be refunded to them in accordance with clause 9 hereof, and the respective Refund Receivers shall not receive any Tokens.

4. **Bonus Programs**

- 4.1. Depending on the date when the Conversion Date occurs, the Buyer may receive additional Tokens ("**Bonus Tokens**") in the number calculated in accordance with the following rules:

Conversion Date	Number of Bonus Tokens	
from March 01 2018 00:00 AM UTC till March 31 2018 23:59 PM UTC	25% of the total number of Tokens fixed by the Buyer for the Tokens purchased in ETH as of the Conversion Date	50% of the total number of Tokens fixed by the Buyer for the tokens purchased in KickCoins as of the Conversion Date

Conversion Date	Number of Bonus Tokens as per contributed amount			Discounts
	If the sum of conversion is equivalent to more than 100 Ethers (ETH)	If the sum of conversion is equivalent to the sum between Ethers (ETH) and 100 Ethers (ETH)	If the sum of conversion is equivalent to less than 10 Ethers (ETH)	Flat rate discounts
Day 1 - 7 from April 01, 2018, 00:00 AM UTC till April 07, 2018, 23:59 PM UTC	20% of the total number of Tokens fixed by the Buyer as of the Conversion Date	15% of the total number of Tokens fixed by the Buyer as of the Conversion Date	10% of the total number of Tokens fixed by the Buyer as of the Conversion Date	30% discount on Token Value
Day 8 - 14 from April 08, 2018, 00:00 AM UTC till April 14, 2018, 23:59 PM UTC	15% of the total number of Tokens fixed by the Buyer as of the Conversion Date	10% of the total number of Tokens fixed by the Buyer as of the Conversion Date	5% of the total number of Tokens fixed by the Buyer as of the Conversion Date	20% discount on Token Value
Day 15 - 21 from April 15, 2018, 00:00 AM UTC till April 21, 2018, 23:59 PM UTC	10% of the total number of Tokens fixed by the Buyer as of the Conversion Date	5% of the total number of Tokens fixed by the Buyer as of the Conversion Date	2.5% of the total number of Tokens fixed by the Buyer as of the Conversion Date	10% discount on Token Value
Day 22 – 30 from April 22, 2018, 00:00 AM UTC till the Sale Expiration Date	5% of the total number of Tokens fixed by the Buyer as of the Conversion Date	2.5% of the total number of Tokens fixed by the Buyer as of the Conversion Date	0% of the total number of Tokens fixed by the Buyer as of the Conversion Date	0% discount on Token Value

- 4.2. Other than as stated in clause 4.1 hereof, the Company may launch different bonus programs enabling different persons to receive the Bonus Tokens. Different bonus programs may be launched for the benefit of different persons.
- 4.3. In some cases, Bonus Tokens may be accrued when applying referral bonus codes. The same person cannot use the referral bonus code which he has received as a result of the Token purchase, even if he uses different User Account.
- 4.4. Only one bonus program stated in clause 4.2 hereof can be additive to a bonus program stated in clause 4.1 hereof. To the extent that applies to the Buyers, the Bonus Tokens to be due within each such bonus program can be accrued only depending on the number of Tokens that was actually paid by a respective Buyer.
- 4.5. Bonus Token is divisible, therefore fractional share of a Bonus Token may be accrued.
- 4.6. Company reserves the right to amend the terms and conditions of bonus programs, at its sole discretion, at any time during the Token Sale.

5. The Buyer's Wallets

- 5.1. To purchase the Tokens, the Buyer must have certain token wallets established and operational. Specifically, the Buyer must have:
 - 5.1.1. a respective Cryptocurrency wallet if the Buyer wishes to purchase the Tokens using any Cryptocurrency; and/or
 - 5.1.2. and an Ethereum wallet that supports the ERC20 token standard in order to receive the Tokens due to the Buyer ("**Ethereum ERC20 Wallet**").
- 5.2. The Company reserves the right to prescribe additional guidance regarding specific wallet requirements.

6. Creation and Distribution of Tokens

- 6.1. Following the results of the Token Sale, the Company will make a register containing the information on the number of Tokens paid by all Token purchasers during the Token Sale, and the number of the Bonus Tokens accrued in accordance with the terms and conditions hereof.
- 6.2. The information specified in clause 6.1 hereof will be downloaded to the Token Smart Contract, which will then create the Tokens and distribute them among all interested parties.
- 6.3. The Company anticipates that distribution of the Tokens from the Token Smart Contract to Token purchasers will occur from 15 May 2018 onwards.
- 6.4. The total number of Tokens which will be created by the Token Smart Contract amounts to 250 000 000 (two hundred and fifty million) Tokens and shall be equal to the sum of the following:
 - 6.4.1. 6% (six percent) of the total number of Tokens shall be distributed towards early investors and advisors as well as a bounty program. The aggregate number of such Tokens, in any case, shall not exceed 15 000 000 (fifteen million) Tokens ("**Bounty, Partnerships and Advisors Tokens**");
 - 6.4.2. 10% (ten percent) of the total number of Tokens shall be kept within a reserve fund. The aggregate number of such Tokens, in any case, shall not exceed 25 000 000 (twenty five million) ("**Reserve Tokens**");
 - 6.4.3. 10% (ten percent) of the total number of Tokens shall be kept in reserve for the Company Affiliates. The aggregate number of such Tokens, in any case, shall not exceed 25 000 000 (twenty five million) ("**Founders Tokens**");

- 6.4.4. 74% (seventy four percent) of the total number of Tokens shall be made available to the public during its Token Sale period. The aggregate number of such paid Tokens, in any case, shall not exceed 185 000 000 (one hundred and eighty five million), which amount shall be inclusive of the Bonus Tokens ("**Public Tokens**").

For the avoidance of doubt, the maximum number of Tokens that may be created following the results of the Token Sale is 250 000 000 (two hundred and fifty million) Tokens. However, if, subject to due calculations performed in accordance with provisions of this clause 6.4, the Company initiates the creation of less Tokens, afterwards, it will not initiate the creation of the balance of Tokens to reach the said maximum number.

- 6.5. The Tokens specified in clause 6.4.4 hereof in the number due to each the Buyer or the third party (if any), will be distributed by the Token Smart Contract to the address of respective person's Ethereum ERC20 Wallet.
- 6.6. The Reserve Tokens in full will be distributed by the Token Smart Contract to the Company. The Company anticipates to use the Reserve Tokens, at its sole discretion, for the purposes indicated in the White Paper.
- 6.7. All Tokens will be of equal value and functionality.

7. **Passing of Title and Risks**

The Token Smart Contract is deployed by the Company from the Republic of South Africa and is programmed so that all transactions it executes will be executed in the Republic of South Africa. As such, title to, and risk of loss of, the Tokens delivered by the Token Smart Contract passes from the Company to purchasers in the Republic of South Africa.

8. **Stop of Distribution Process**

- 8.1. The Company reserves a right to an emergency to stop the process of distribution of the Tokens in limited situations, such as, but not limited to:
- 8.1.1. serious security issue detected;
 - 8.1.2. serious network performance issue, depriving all users of equal treatment;
 - 8.1.3. any type of material attack on the Tokens, the Platform, the Website or Ethereum network.

9. Refund of Payments

- 9.1. In the cases specified in the Agreement and/or in this Annexure A, as well as in other cases at Company's sole discretion, Company can perform a refund of payment (partially or in full) made by a person in order to acquire the Tokens ("**Refund Receiver**").
- 9.2. The form of payment for the refund will be the same as the Refund Receiver used when made a respective payment for the Tokens.
- 9.3. If initially paid by the Refund Receiver in the Cryptocurrency, Company, at its sole discretion, may:
- 9.3.1. refund to the Refund Receiver the same amount in the same Cryptocurrency, subject to deductions set out in clause 9.6 hereof; or
- 9.3.2. refund to the Refund Receiver the amount in the same Cryptocurrency adjusted as it is set out in clause 9.4 hereof, subject to deductions set out in clause 9.6 hereof.
- 9.4. In order to mitigate risks of exchange rates fluctuations, Company reserves the right to make adjustments to the amounts in Cryptocurrency refunded to the Refund Receivers. For such purposes, the following formula shall apply:
- $R = Cr \times r1 + r2$, where:
- R - amount refunded to the Refund Receiver, in Cryptocurrency;
- Cr - amount received by Company from the respective Refund Receiver, in Cryptocurrency;
- r1 - respective Cryptocurrency/US Dollar exchange rate published on the CoinPayments website <https://www.coinpayments.net/>) as of the Conversion Date, in US Dollars; and
- r2 - respective US Dollars/Cryptocurrency exchange rate published on the CoinPayments website <https://www.coinpayments.net/> at 00:00:00 AM UTC of the date when Company makes the refund, in Cryptocurrency.
- 9.5. Each Refund Receiver shall, at Company's request, within 7 (seven) calendar days from such request, provide Company with details of his account for the funds transfer / remittance. Failure of the Refund Receiver to provide Company with the requested information will result in non-receiving or delay in receiving of the refund. Company will not be liable for any delay or failure to perform the refund where the delay or failure results from failure of the Refund Receiver to provide Company with the requested information.

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

Annexure B RISKS

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

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

1. RISKS CONNECTED TO THE VALUE OF TOKENS

- 1.1. **No Rights, Functionality or Features Other than Strictly Provided Herein.** The Tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied, including, without limitation, any uses, purpose, attributes, functionalities or features on the Platform, other than strictly provided in the White Paper.
- 1.2. **Lack of Development of Market for Tokens.** Because there has been no prior public trading market for the Tokens, the sale of the Tokens may not result in an active or liquid market for the Tokens, and their price may be highly volatile. Although applications have been made to the cryptographic token exchanges for the Tokens to be admitted to trading, an active public market may not develop or be sustained after the Token sale. If a liquid trading market for the Tokens does not develop, the price of the Tokens may become more volatile and token holder may be unable to sell or otherwise transact in the Tokens at any time.
- 1.3. **Risks Relating to Highly Speculative Traded Price.** The valuation of digital tokens in a secondary market is usually not transparent, and highly speculative. The Tokens do not hold any ownership rights to the Company's assets and, therefore, are not backed by any tangible asset. Traded price of the Tokens can fluctuate greatly within a short period of time. There is a high risk that a token holder could lose his/her entire contribution amount. In the worst-case scenario, the Tokens could be rendered worthless.
- 1.4. **Tokens May Have No Value.** The Tokens may have no value and there is no guarantee or representation of liquidity for the Tokens. The Company Affiliates are not and shall not be responsible for or liable for the market value of the Tokens, the transferability and/or liquidity of the Tokens and/or the availability of any market for the Tokens through third parties or otherwise.
- 1.5. **Tokens are Non-Refundable.** Except for the cases strictly provided by the applicable legislation or in the legally binding documentation on the Tokens sale, the Company Affiliates are not obliged to provide the Token holders with a refund related to the Tokens for

any reason, and the Token holders will not receive money or other compensation in lieu of the refund. No promises of future performance or price are or will be made in respect to the Tokens, including no promise of inherent value, no promise of continuing payments, and no guarantee that the Tokens will hold any particular value. Therefore, the recovery of spent resources may be impossible or may be subject to foreign laws or regulations, which may not be the same as the private law of the Token holder.

- 1.6. **Risks of Negative Publicity.** Negative publicity involving the Company, the Platform, the Tokens or any of the Company's Parties may materially and adversely affect the market perception or market price of the Tokens, whether or not it is justified.
- 1.7. **Use of Tokens in Restricted Activities by Third Parties.** Programs or websites banned or restricted in certain jurisdictions, such as gambling, betting, lottery, sweepstake, pornography and otherwise, could accept different crypto-currencies or tokens in their operation. The regulatory authorities of certain jurisdictions could accordingly take administrative or judicial actions against the such programs or websites or even the developers or users thereof. The Company neither intends nor is able to act as a censor to scrutinize to any extent any program or website that uses Tokens with such goals. Therefore, any punishment, penalty, sanction, crackdown or other regulatory effort made by any governmental authority may more or less frighten or deter existing or potential users away from using and holding the Tokens, and consequently bring material adverse impact on the prospect of the Tokens.
- 1.8. **Risks Arising from Taxation.** The tax characterization of the Tokens is uncertain. The Buyer shall seek his own tax advice in connection with acquisition, storage, transfer and use of the Tokens, which may result in adverse tax consequences to the Buyer, including, without limitation, withholding taxes, transfer taxes, value added taxes, income taxes and similar taxes, levies, duties or other charges and tax reporting requirements.

2. **BLOCKCHAIN AND SOFTWARE RISKS**

- 2.1. **Blockchain Delay Risk.** On the most blockchains used for cryptocurrencies' transactions (e.g., Ethereum, Bitcoin blockchains), timing of block production is determined by proof of work so block production can occur at random times. For example, the cryptocurrency sent as a payment for the Tokens in the final seconds of the Token sale may not get included into that period. The respective blockchain may not include the purchaser's transaction at the time the purchaser expects and the payment for the Tokens may reach the intended wallet address not in the same day the purchaser sends the cryptocurrency.
- 2.2. **Blockchain Congestion Risk.** The most blockchains used for cryptocurrencies' transactions (e.g., Ethereum, Bitcoin blockchains) are prone to periodic congestion during

which transactions can be delayed or lost. Individuals may also intentionally spam the network in an attempt to gain an advantage in purchasing cryptographic tokens. That may result in a situation where block producers may not include the purchaser's transaction when the purchaser wants or the purchaser's transaction may not be included at all.

- 2.3. **Risk of Software Weaknesses.** The token smart contract concept, the underlying software application and software platform (i.e. the Ethereum, Bitcoin blockchains) are still in an early development stage and unproven. There are no representations and warranties that the process for creating the Tokens will be uninterrupted or error-free. There is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of the cryptocurrency and/or the Tokens.
- 2.4. **Risk of New Technology.** The Platform, the Tokens and all of the matters set forth in the White Paper are new and untested. The Platform and the Tokens might not be capable of completion, creation, implementation or adoption. It is possible that no blockchain utilizing the Platform will be ever launched. Purchaser of the Tokens should not rely on the Platform, the token smart contract or the ability to receive the Tokens associated with the Platform in the future. Even if the Platform is completed, implemented and adopted, it might not function as intended, and any Tokens may not have functionality that is desirable or valuable. Also, technology is changing rapidly, so the Platform and the Tokens may become outdated.

3. SECURITY RISKS

- 3.1. **Risk of Loss of Private Keys.** The Tokens may be held by token holder in his digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private keys associated with such token holder's digital wallet or vault storing the Tokens will result in loss of such Tokens, access to token holder's Token balance and/or any initial balances in blockchains created by third parties. Moreover, any third party that gains access to such private keys, including by gaining access to login credentials of a hosted wallet or vault service the token holder uses, may be able to misappropriate the token holder's Tokens.
- 3.2. **Lack of Token Security.** The Tokens may be subject to expropriation and or/theft. Hackers or other malicious groups or organizations may attempt to interfere with the token smart contract which creates the Tokens or the Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Ethereum platform rests on open source software, there is the risk that Ethereum smart contracts may contain intentional or unintentional bugs or weaknesses which may negatively affect the Tokens or result in the loss of Tokens, the loss of ability to access or control the Tokens. In the event of such a

software bug or weakness, there may be no remedy and holders of the Tokens are not guaranteed any remedy, refund or compensation.

- 3.3. **Attacks on Token Smart Contract.** The blockchain used for the token smart contract which creates the Tokens is susceptible to mining attacks, including double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks. Any successful attacks present a risk to the token smart contract, expected proper execution and sequencing of the Token transactions, and expected proper execution and sequencing of contract computations.
- 3.4. **Failure to Map a Public Key to Purchaser's Account.** Failure of a purchaser of the Tokens to map a public key to such purchaser's account may result in third parties being unable to recognize purchaser's Token balance on the Ethereum blockchain when and if they configure the initial balances of a new blockchain based upon the Platform.
- 3.5. **Risk of Incompatible Wallet Service.** The wallet or wallet service provider used for the acquisition and storage of the Tokens, has to be technically compatible with the Tokens. The failure to assure this may have the result that purchaser of the Tokens will not gain access to his Tokens.
- 3.6. **Risks of Theft of the Funds Raised in the Token Sale.** The Company will make every effort to ensure that the funds received from the Token Sale will be securely held through the implementation of security measures. Notwithstanding such security measures, there is no assurance that there will be no theft of the cryptocurrencies as a result of hacks, sophisticated cyber-attacks, distributed denials of service or errors, vulnerabilities or defects on the Website, in the smart contract(s), on the Ethereum or any other blockchain, or otherwise. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. In such event, even if the Token Sale is completed, the Company may not be able to receive the cryptocurrencies raised and to use such funds for the development of the Platform and/or for launching any future business line. In such case, the launch of the Platform might be temporarily or permanently curtailed. As such, distributed Tokens may hold little worth or value, and this would impact its trading price.
- 3.7. **Risks Relating to Escrow Wallet.** The private keys to the escrow wallet may be compromised and the cryptocurrencies may not be able to be disbursed. The escrow wallet is designed to be secure. Each of the holders of the three (3) private keys to the escrow wallet will use all reasonable efforts to safeguard their respective keys, but in the unlikely event that any two (2) of the three (3) keys to the escrow wallet are, for any reason whatsoever, lost, destroyed or otherwise compromised, the funds held by the escrow wallet may not be able to be retrieved and disbursed, and may be permanently unrecoverable. In such event, even if the Token Sale is successful, the Company will not be able to receive the

funds raised and to use such funds for the development of the Platform. As such, distributed Tokens may hold little worth or value, and this would impact its trading price.

4. RISKS RELATING TO COMPANY

- 4.1. **Risks relating to Ineffective Management.** The Company and Company Affiliates may be materially and adversely affected if they fail to effectively manage their operations as their business develops and evolves, which would have a direct impact on the Company's ability to maintain the Platform and/or launch any future business lines.
- 4.2. **Risks Related to Highly Competitive Environment.** The financial technology and cryptocurrency industries, and the markets in which the Company competes are highly competitive and have grown rapidly over the past years and continue to evolve in response to new technological advances, changing business models and other factors. As a result of this constantly changing environment, the Company may face operational difficulties in adjusting to the changes, and the sustainability of the Company will depend on its ability to manage its operations and ensure that it hires qualified and competent employees, and provides proper training for its personnel. As its business evolves, the Company must also expand and adapt its operational infrastructure. The Company cannot give any assurance that the Company will be able to compete successfully.
- 4.3. **Risks Relating to General Global Market and Economic Conditions.** Challenging economic conditions worldwide have from time to time may continue to contribute to slowdowns in the information technology industry at large. Weakness in the economy could have a negative effect on the Company's business, operations and financial condition, including decreases in revenue and operating cash flows, and inability to attract future equity and/or debt financing on commercially reasonable terms. Additionally, in a down-cycle economic environment, the Company may experience the negative effects of a slowdown in trading and usage of the Platform.
- 4.4. **Risks of Non-Protection of Intellectual Property Rights.** The Company relies on patents and trademarks and unpatented proprietary know-how and trade secrets and employ commercially reasonable methods, including confidentiality agreements with employees and consultants, to protect know-how and trade secrets. However, these methods may not afford complete protection and the Company cannot give any assurance that third parties will not independently develop the know-how and trade secrets or develop better production methods than the Company.
- 4.5. **Risks of Infringement Claims.** The competitors of the Company, other entities and individuals, may own or claim to own intellectual property relating to products and solutions of the Company. Third parties may claim that products and solutions and underlying

technology of the Company infringe or violate their intellectual property rights. The Company may be unaware of the intellectual property rights that others may claim cover some or all of products or technology of the Company.

5. RISKS RELATING TO PLATFORM DEVELOPMENT

- 5.1. **Risk Related to Reliance on Third Parties.** Even if completed, the Platform will rely, in whole or partly, on third parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, all of which might have a material adverse effect on the Platform.
- 5.2. **Dependence of Platform on Senior Management Team.** Ability of the senior management team which is responsible for maintaining competitive position of the Platform is dependent to a large degree on the services of each member of that team. The loss or diminution in the services of members of respective senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Platform. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this situation seriously affects the ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Platform.
- 5.3. **Dependence of Platform on Various Factors.** The development of the Platform may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects, or departure of key personnel.
- 5.4. **Lack of Interest to the Platform.** Even if the Platform is finished and adopted and launched, the ongoing success of the Platform relies on the interest and participation of third parties like developers. There can be no assurance or guarantee that there will be sufficient interest or participation in the Platform.
- 5.5. **Changes to the Platform.** The Platform is still under development and may undergo significant changes over time. Although the project management team intends for the Platform to have the features and specifications set forth in the White Paper, changes to such features and specifications can be made for any number of reasons, any of which may mean that the Platform does not meet expectations of holder of the Tokens.
- 5.6. **Ability to Introduce New Technologies.** The blockchain technologies industry is characterized by rapid technological change and the frequent introduction of new products, product enhancements and new distribution methods, each of which can decrease demand for current solutions or render them obsolete.

- 5.7. **Risk Associated with Other Applications.** The Platform may give rise to other, alternative projects, promoted by unaffiliated third parties, under which the Token will have no intrinsic value.
- 5.8. **Risk of an Unfavorable Fluctuation of Cryptocurrency Value.** The proceeds of the sale of the Tokens will be denominated in cryptocurrency, and may be converted into other cryptographic and fiat currencies. If the value of cryptocurrencies fluctuates unfavorably during or after the Token sale, the project management team may not be able to fund development, or may not be able to develop or maintain the Platform in the manner that it intended.
- 5.9. **Risk of Dissolution of Company or Platform.** It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of Ethereum, Bitcoin or other cryptographic and fiat currencies, decrease in the Tokens utility due to negative adoption of the Platform, the failure of commercial relationships, or intellectual property ownership challenges, the Platform may no longer be viable to operate and the Company may dissolve.

6. RISKS ARISING IN COURSE OF COMPANY'S BUSINESS

- 6.1. **Risk of Conflicts of Interest.** Company Affiliates may be engaged in transactions with related parties, including respective majority shareholder, companies controlled by him or in which he owns an interest, and other affiliates, and may continue to do so in the future. Conflicts of interest may arise between the Company and respective Company Affiliates, potentially resulting in the conclusion of transactions on terms not determined by market forces.
- 6.2. **Risks Related to Invalidation of Company Affiliates Transactions.** The Company Affiliates have taken a variety of actions relating to their business that, if successfully challenged for not complying with applicable legal requirements, could be invalidated or could result in the imposition of liabilities on respective Company Affiliates. Since applicable legislation may subject to many different interpretations, respective Company Affiliates may not be able to successfully defend any challenge brought against such transactions, and the invalidation of any such transactions or imposition of any such liability may, individually or in the aggregate, have a material adverse effect on the Platform.
- 6.3. **Risk Arising from Emerging Markets.** Company Affiliates or some of them may operate on emerging markets. Emerging markets are subject to greater risks than more developed markets, including significant legal, economic and political risks. Emerging economies are subject to rapid change and that the information set out in the White Paper may become outdated relatively quickly.

7. GOVERNMENTAL RISKS

- 7.1. **Uncertain Regulatory Framework.** The regulatory status of cryptographic tokens, digital assets and blockchain technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether governmental authorities will regulate such technologies. It is likewise difficult to predict how or whether any governmental authority may make changes to existing laws, regulations and/or rules that will affect cryptographic tokens, digital assets, blockchain technology and its applications. Such changes could negatively impact the tokens in various ways, including, for example, through a determination that the tokens are regulated financial instruments that require registration. Company may cease the distribution of the Tokens, the development of the Platform or cease operations in a jurisdiction in the event that governmental actions make it unlawful or commercially undesirable to continue to do so.
- 7.2. **Failure to Obtain, Maintain or Renew Licenses and Permits.** Although as of the date of starting of the Token sale there are no statutory requirements obliging Company to receive any licenses and permits necessary for carrying out of its activity, there is the risk that such statutory requirements may be adopted in the future and may relate to any of Company Affiliates. In this case, Company Affiliates' business will depend on the continuing validity of such licenses and permits and its compliance with their terms. Regulatory authorities will exercise considerable discretion in the timing of license issuance and renewal and the monitoring of licensees' compliance with license terms. Requirements which may be imposed by these authorities and which may require any of Company Affiliates to comply with numerous standards, recruit qualified personnel, maintain necessary technical equipment and quality control Systems, monitor our operations, maintain appropriate filings and, upon request, submit appropriate information to the licensing authorities, may be costly and time-consuming and may result in delays in the commencement or continuation of operation of the Platform. Further, private individuals and the public at large possess rights to comment on and otherwise engage in the licensing process, including through intervention in courts and political pressure. Accordingly, the licenses any Company Affiliates may need may not be issued or renewed, or if issued or renewed, may not be issued or renewed in a timely fashion, or may involve requirements which restrict any Company Affiliates' ability to conduct its operations or to do so profitably.
- 7.3. **Risk of Government Action.** The industry in which Company Affiliates operate is new, and may be subject to heightened oversight and scrutiny, including investigations or enforcement actions. There can be no assurance that governmental authorities will not examine the operations of Company Affiliates and/or pursue enforcement actions against them. AN of this may subject Company Affiliates to judgments, Settlements, fines or penalties, or cause Company Affiliates to restructure their operations and activities or to cease offering certain

products or services, all of which could harm Company Affiliates' reputation or lead to higher operational costs, which may in turn have a material adverse effect on the Tokens and/or the development of the Platform.

- 7.4. **Risk of Burdensomeness of Applicable Laws, Regulations and Standards.** Failure to comply with existing laws and regulations or the findings of government inspections, or increased governmental regulation of the Company Affiliates operations, could result in substantial additional compliance costs or various sanctions, which could materially adversely affect Company Affiliates business and the Platform. The Company Affiliates operations and properties are subject to regulation by various government entities and agencies, in connection with ongoing compliance with existing laws, regulations and standards. Regulatory authorities exercise considerable discretion in matters of enforcement and interpretation of applicable laws, regulations and standards. Respective authorities have the right to, and frequently do, conduct periodic inspections of any Company Affiliates' operations and properties throughout the year. Any such future inspections may conclude that any Company Affiliates has violated laws, decrees or regulations, and it may be unable to refute such conclusions or remedy the violations. Any Company Affiliates' failure to comply with existing laws and regulations or the findings of government inspections may result in the imposition of fines or penalties or more severe sanctions or in requirements that respective Company Affiliates cease certain of its business activities, or in criminal and administrative penalties applicable to respective officers. Any such decisions, requirements or sanctions, or any increase in governmental regulation of respective operations, could increase the Company Affiliates' costs and materially adversely affect the Company Affiliates business and the Platform.
- 7.5. **Unlawful or Arbitrary Government Action.** Governmental authorities may have a high degree of discretion and, at times, act selectively or arbitrarily, without hearing or prior notice, and sometimes in a manner that is contrary a law or influenced by political or commercial considerations. Moreover, the government also has the power in certain circumstances, by regulation or government act, to interfere with the performance of, nullify or terminate contracts. Unlawful, selective or arbitrary governmental actions have reportedly included the denial or withdrawal of licenses, sudden and unexpected tax audits, criminal prosecutions and civil actions. Federal and local government entities have also used common defects in matters surrounding the Token sale as pretexts for court claims and other demands to invalidate or to void any related transaction, often for political purposes. In this environment, Company Affiliates' competitors may receive preferential treatment from the government, potentially giving them a competitive advantage over Company Affiliates.

8. ANTICIPATED RISKS

Blockchain technologies and cryptography tokens such as the Tokens are a relatively new and dynamic technology. In addition to the risks included above, there are other risks associated with your purchase, holding and use of the Tokens, including those that the Company cannot anticipate. Such risks may further appear as unanticipated variations or combinations of the risks discussed above.