

CROWDSALE TERMS HUBII NETWORK

IMPORTANT INFORMATION: THESE CROWDSALE TERMS SHOULD BE READ CAREFULLY. YOU SHOULD PAY PARTICULAR ATTENTION TO THE RISKS RELATING TO PURCHASE, SALE, AND USE OF TOKENS AS FURTHER DESCRIBED IN EXHIBIT B). YOU SHOULD ALSO NOTE THAT SECTION 21 AND 22 CONTAINS A BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER, WHICH AFFECT YOUR LEGAL RIGHTS. IF YOU DO NOT AGREE TO THESE TERMS, DO NOT PURCHASE TOKENS.

Your purchase of Hubii tokens/Hubiits/HBT (“Tokens”) during the Crowdsale (as defined below) from Hubii Pte. Ltd. (the “Company,” “we,” or “us”) is subject to these terms of sale (“Terms”). Each of you and Company is a individually referred to as a “Party” and, together, the “Parties.”

By purchasing Tokens from us during the Crowdsale, you will be bound by these Terms and any terms incorporated by reference. If you have any questions regarding these Terms, please contact us at info@hubii.com.

WHEREAS

- a. Company is Norwegian startup with headquarters in Bergen and subsidiaries in the United States and Singapore. The Company is established as a location-based news aggregator with established global partnerships with leading companies across the world;
- b. Whereas the Company has built a distribution network reaching out to 50M users every day. The Company has 560 publishers and syndication partners around the globe.
- c. The Company has interacted with blockchains since mid-2011, and now has has the right business model and technology to aggressively deliver its ambition of building a blockchain-based decentralised content marketplace (specifically Ethereum-based) called Hubii Network, extending its content offering from text to include still images, audio and video;
- d. Hubii Network is a blockchain-based decentralised marketplace that facilitates transactions between creators, distributors and consumers by leveraging the power of smart contracts. Kickstarting this marketplace is Company’s existing distribution network.

NOW, THEREFORE THE PARTIES AGREE:

1 Purpose

The purpose of the Tokens is to facilitate the provision and receipt of key functionalities within the Hubii Network (the “Ecosystem”), including but not limited to, providing as means of payment between content creators and users and distributors, utility for intellectual property verification systems, utility for mitigating exchange rate risk and means to providing real time information and analytics about on the content trade (the “Services”) within the Ecosystem as further explained out in the whitepaper (the “Whitepaper”) published at <https://hubii.network> (the “Website”).

While we are developing certain applications, services and software for use in the Ecosystem, we will not operate or control the Ecosystem. We are not responsible or liable for the Ecosystem or any third-party uses of the Ecosystem.

Unless otherwise stated herein, these Terms only govern your purchase of tokens from Company during the Crowdsale. Any use of Tokens in connection with providing or receiving Services in the Ecosystem once developed may be governed by other applicable terms and conditions and policies.

2 Limitation of rights

Purchase, ownership, receipt, or possession of Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of and interaction with Services enabled by the Ecosystem, if successfully

completed and deployed. In particular, you understand and accept that Tokens do not represent or confer any ownership right or stake, share, security, or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Ecosystem and/or Company and its corporate affiliates, other than any rights relating to the provision and receipt of Services in the Ecosystem, subject to these Terms. The Tokens are not intended to be a digital currency, security, commodity, or any kind of financial instrument.

3 Commencement and Duration of Crowdsale

The Company will conduct a public sale of Tokens (the “Crowdsale”), which will begin approximately at 16:00 CET (3:00 pm UTC) on 24 August 2017 (the “Launch Date”) and end at 16:00 CET (3:00 pm UTC) on 07 September 2017. The exact timing of the sale will be determined by a block number. The exact block number will be visible when the Crowdsale smart contract is deployed to the network for public audit. We will also publish this on the website before the sale begins.

4 Legal Conditions for Participation

In order to participate in the Crowdsale and to log into the Crowdsale portal to make a purchase, you must be an individual over 18 years old or a legal entity. Further, you cannot be a resident of or domiciled in the United States or Singapore or purchasing Tokens from a location in the United States or Singapore. Neither can you be (i) a citizen or resident of a geographic area in which access to or use of the Services or the acceptance, use or delivery of the Tokens is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other sovereign country sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce’s Denied Persons or Entity List, the U.S. Department of Treasury’s Specially Designated Nationals or Blocked Persons Lists, or the U.S. Department of State’s Debarred Parties List. You agree that if your country of residence or other circumstances change such that the above representations are no longer accurate, that you will immediately cease using the Services. If you are registering to use the Services on behalf of a legal entity, you further represent and warrant that (i) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization, and (ii) you are duly authorized by such legal entity to act on its behalf.

5 Technical Conditions for Participation

You must have an Ethereum Wallet that supports the ERC-20 token standard in order to receive any Tokens you purchase from us and provide the address for that wallet (the “Token Receipt Address”). Additional descriptions on how to participate in the Crowdsale will be published on the Website prior to the sale. We reserve the right to include additional wallet requirements.

6 Purchase price and Purchase Procedure

The Ether (“ETH”) price per Token is 0.0010 (“Price Per Token”). You will receive 1,000 Tokens per ETH. You must pay for Tokens in ETH (“Payment Currency”).

You must purchase Tokens by sending a desired quantity of ETH using the Ethereum network to the unique address of the Crowdsale Smart Contract made available by the Company. Your purchase is not guaranteed until we receive the full amount of ETH.

Payment must be received in Full Within Six Hours. If we have not received the payment of the full in accordance with these Terms within six (6) hours of the time since broadcasting your transaction in the Ethereum network, we reserve the right to void your purchase request and refuse to accept your payment of Tokens. For the avoidance of doubt, the Purchase of Tokens will be deemed to be paid in full once we have received three (3) network confirmations of the transaction. We reserve the right, in our sole discretion, to modify any of the timelines described herein to account for network congestion or other technical challenges.

The Tokens will be distributed to the same address that the ETH was sent from. For this purpose, the purchase must be made from an address over which you have full and exclusive control of the private keys. If you for example submit your purchase request from an exchange account, we cannot guarantee that the exchange will credit the tokens we send.

(g) **Delivery of Tokens.** Company will deliver the quantity of Tokens you purchase by the later of (i) three (3) weeks after the Crowdsale End Date (provided, however, that the Company reserves the right to extend the Token delivery deadline for up to two (2) additional weeks if necessary to address any unanticipated technical difficulties). For the avoidance of doubt, any such extension shall not affect the obligation of the Company and you to make and take delivery, respectively, of Tokens purchased.

7 Possible Migration of Tokens.

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

Should we decide to migrate the Tokens, we 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 migration process. Although Company does not at this time anticipate that it will require any Pre-existing Token holders to convert their Pre-existing Tokens to Replacement Tokens, Company anticipates there will be significant incentives for Pre-existing Token owners to do so, since the practical utility of Pre-existing Tokens will likely diminish rapidly once the Replacement Tokens are created and in use by a significant portion of Ecosystem participants. Accordingly, by accepting these Terms you acknowledge and agree that in order for you to continue to participate in the Ecosystem or obtain utility from the Tokens you may need to convert the Tokens you purchase during the Crowdsale to Replacement Tokens in the future.

You are solely responsible for obtaining information about possible migration of Tokens..

8 Cancellation; Refusal of Purchase Requests

All purchases of Tokens from us during the Crowdsale are final, and there are no refunds or cancellations except as set forth herein or as may be required by applicable law or regulation. Any Token purchases made before the Crowdsale smart contract begins or after the Crowdsale target has been reached will be rejected, excluding any transaction gas. Furthermore, if Token purchases do not reach the minimum funding cap set by the Company transactions will be refunded, excluding any transaction gas. Company cannot be held accountable for gas used for transactions. We reserve the right to refuse or cancel Token purchase requests at any time in our sole discretion.

9 Token Creation and Allocation

Important information about the Company’s creation and intended use of the Tokens is provided in Exhibit A. By purchasing Tokens, you acknowledge that you have read, understand, and have no objection to Exhibit A.

10 Acknowledgment and Assumption of Risks

IMPORTANT INFORMATION: You acknowledge and agree that there are risks associated with purchasing, owning, and using Tokens for the provision or receipt of Services in the Ecosystem, including but not limited to the risks disclosed and explained in Exhibit B. **BY PURCHASING TOKENS, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME THESE RISKS.**

11 Security

You are responsible for implementing reasonable measures for securing the wallet, vault, or other storage mechanism

you use to receive and hold Tokens purchased from us, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). If your private key(s) or other access credentials are lost, you will lose access to your Tokens. We are not responsible for any losses, costs, or expenses relating to lost access credentials.

12 Unauthorized use

If your User Credentials such as private key(s) or other are shared with anyone we will consider their activities to have been authorized by you. You alone are responsible for any acts or omissions that occur through the use of your User Credentials. We reserve the right to suspend or block your access to the Crowdsale upon suspicion of any unauthorized access or use, or any attempt thereof, by anyone associated with your User Credentials.

13 Personal Information

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

14 Taxes

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

15 Refunds

Any refunds will be made in the Payment Currency only to the same address the ETH was sent from. We are not responsible for any delays, losses, costs, non-delivery of refunds or of Tokens, should we for technical or other practical reasons not be able to execute this, including but not limited due to failure of the crowdsale smart contract or the Ethereum network functioning as intended.

16 Representations and Warranties

By participating in the purchase of Tokens from us, you represent and warrant that:

- (a) You have read and understand these Terms (including all Exhibits)
- (b) **YOU ACKNOWLEDGE AND AGREE THAT THERE ARE RISKS ASSOCIATED WITH PURCHASING TOKENS, OWNING TOKENS, AND USING TOKENS INCLUDING (BUT NOT LIMITED TO) THE RISKS DESCRIBED IN EXHIBIT B;**
- (c) You have sufficient understanding of technical and business matters (including those that relate to the Services and Ecosystem), cryptographic tokens, token storage mechanisms (such as token wallets), and blockchain technology to understand these Terms and to appreciate the risks and implications of purchasing Tokens;
- (d) You understand the restrictions and risks associated with the creation of Tokens as set forth herein, and acknowledge and assume all such risks;
- (e) You have obtained sufficient information about the Tokens, the Services and the Ecosystem to make an informed

decision to purchase Tokens;

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

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

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

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

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

(k) You are not resident or domiciled in the United States or Singapore or purchasing Tokens from a location in the United States or Singapore; and

(l) You are not (i) a citizen or resident of a geographic area in which access to or use of the Services or the acceptance of delivery of the Tokens is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other sovereign country sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals or Blocked Persons Lists, or the U.S. Department of State's Debarred Parties List. You agree that if your country of residence or other circumstances change such that the above representations are no longer accurate, that you will immediately cease using the Services. If you are registering to use the Services on behalf of a legal entity, you further represent and warrant that (i) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization, and (ii) you are duly authorized by such legal entity to act on its behalf.

17 Indemnification

(a) To the fullest extent permitted by applicable law, you will indemnify, defend and hold harmless the Company and our respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the "Company Parties") from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys' fees) that arise from or relate to (i) your purchase or use of the Tokens, (ii) your responsibilities or obligations under these Terms, (iii) your violation of these Terms, or (iv) your violation of any rights of any other person or entity.

(b) Company reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification under Section 17(a). This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between you and the Company.

18 Disclaimers

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

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

19 Limitation of Liability

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW (I) IN NO EVENT WILL THE COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR USE OF THE TOKENS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE), AND (II) IN NO EVENT WILL THE AGGREGATE LIABILITY OF THE COMPANY AND THE COMPANY PARTIES (JOINTLY), WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS OR THE USE OF OR INABILITY TO USE THE TOKENS, EXCEED USD 1 (ONE US DOLLAR).

The aforementioned limitations set forth will not limit or exclude liability for the gross negligence, fraud or intentional, willful or reckless misconduct of the company. Also, as some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages, some of the limitations of this Section may not apply to you.

20 Release

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

21 Governing Law and Dispute Resolution

These Terms will be governed by and construed and enforced in accordance with the laws of the state of Singapore, without regard to conflict of law rules or principles (whether of the state of Singapore or any other jurisdiction) that would cause the application of the laws of any other jurisdiction. Any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, “Disputes”) between the Parties arising out or relating to these Terms,

including its existence, validity or termination, shall be referred to and exclusively and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause. The parties agree that any arbitration commenced pursuant to this clause shall be conducted in accordance with the Expedited Procedure set out in Rule 5.2 of the SIAC Rules. The seat of the arbitration shall be Singapore. The Tribunal shall consist of one arbitrator and the language of the arbitration shall be English. The existence of the Dispute, the proceedings related to it and the arbitration award itself, including its premises, shall be kept confidential by both Parties unless otherwise agreed.

22 Waiver of class action law suits

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

23 Severability

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

24 Miscellaneous

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

EXHIBIT A

Creation and Allocation of Tokens by Company

Company will generate a number of Tokens depending on the amount of ETH raised. Tokens are to be allocated as follows:

(a) The fraction of total generated tokens that are for sale is 70% (the “Sale Tokens”).

The exchange rate of Tokens to ETH will be at 1,000. No discounts will be offered, however a 5% bonus airdrop will be made after the Crowdsale closes to early token purchases made first week of the Crowdsale, up to a specific block number to be announced and determined by Company. There will be no presale or guaranteed allocations.

(b) 10% of the generated tokens will be reserved for key team members and advisors.

(c) 5% of the tokens will be held as a liquidity pool for the platform.

(d) 5% of the tokens will be used in the first year in building partnerships which will be critical for the success of the platform.

(e) The remaining 10% of tokens will have vesting periods attached to them and will be used as further platform funding as well as for building partnerships.

(i) 5% will be locked up for exactly one year from the date of the sale.

(ii) 5% will be locked up for 2 years from the sale date.

EXHIBIT B

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

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

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

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

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

2. Risks Associated with the Ethereum Protocol

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

3. Risks Associated with Ethereum

Because the Company intends that some of the smart contracts in the Ecosystem will be based on the Ethereum protocol, any malfunction, breakdown, or abandonment of the Ethereum protocol may have a material adverse effect on the Ecosystem or the utility of the Tokens within the Ecosystem. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the Tokens and the Ecosystem, including the utility of the Tokens for obtaining Services, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol. Additionally, Ethereum, including all necessary features of the Ethereum platform, may not be complete in a timely fashion for its use in the growth and development of the Ecosystem, which could also have an adverse effect of the utility of the Tokens in the Ecosystem.

4. Risk of Mining Attacks

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

5. Risk of Hacking and Security Weaknesses

Hackers or other malicious groups or organizations may attempt to interfere with the Ecosystem 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 Ecosystem is based on open-source software, there is a risk that a third party or a member of the Company team may intentionally or unintentionally introduce weaknesses into the core infrastructure of the Ecosystem, which could negatively affect the Ecosystem and the Tokens, including the utility of the Tokens for obtaining Services.

6. Risks Associated with Markets for Tokens

The Tokens are intended to be used solely within the Ecosystem and the Company will not support or otherwise facilitate any secondary trading or external valuation of Tokens. This restricts the contemplated avenues for using Tokens to the provision or receipt of Services, and could therefore create illiquidity risk with respect to any Tokens you own. Even if secondary trading of Tokens is facilitated by third-party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation. Furthermore, to the extent that third parties do ascribe an external exchange value to Tokens (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero.

7. Risk of Uninsured Losses

Unlike bank accounts or accounts at some other financial institutions, Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer, such as the Federal Deposit Insurance Corporation, or private insurance arranged by Company, to offer recourse to you.

8. Risks Associated with Uncertain Regulations and Enforcement Actions

The regulatory status of the Tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications, including the Ecosystem and the Tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including the Ecosystem and the Tokens. Regulatory actions could negatively impact the Ecosystem and the Tokens in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of the Tokens constitutes unlawful activity or that the Tokens are a regulated instrument that require registration or licensing of those instruments or some or all of the parties involved in the purchase, sale and delivery thereof. The Company may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

9. Risks Arising from Taxation

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

10. Risk of Competing Ecosystems

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

11. Risk of Insufficient Interest in the Ecosystem or Distributed Applications

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

12. Risks Associated with the Development and Maintenance of the Ecosystem

The Ecosystem is still under development and may undergo significant changes over time. Although we intend for the Tokens and Ecosystem to function as described in the Whitepaper, and intends to take commercially reasonable steps toward those ends, we may have to make changes to the specifications of the Tokens or Ecosystem for any number of legitimate reasons. Moreover, we have no control over how other participants will use the Ecosystem, what products or services will be offered through the Ecosystem by third parties, or how third-party products and services will utilize Tokens (if at all). This could create the risk that the Tokens or Ecosystem, as further developed and maintained, may not meet your expectations at the time of purchase. Furthermore, despite our good faith efforts to develop and participate in the Ecosystem, it is still possible that the Ecosystem will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the Ecosystem and Tokens, and the potential utility of the Tokens, including the utility of the Tokens for obtaining Services.

13. Risk of an Unfavorable Fluctuation of ETH or BTC Value

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

14. Risk of Dissolution of the Company or Ecosystem

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

15. Risks Arising from Lack of Governance Rights

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

16. Risks Arising from the Content Market

The content industry, and by extension the Ecosystem, is subject to a variety of federal, state and international laws and regulations, including those with respect to customer due diligence procedures, privacy and data protection, consumer protection, data security, and others. These laws and regulations, and the interpretation or application of these laws and regulations, could change. In addition, new laws or regulations affecting the Ecosystem could be enacted, which could impact the utility of the Tokens in the Ecosystem. Additionally, the Ecosystem participants are subject to industry specific laws and regulations or licensing requirements. If any of these parties fails to comply

with any of these licensing requirements or other applicable laws or regulations, or if such laws and regulations or licensing requirements become more stringent or are otherwise expanded, it could adversely impact the Ecosystem and the Tokens, including the Tokens' utility for obtaining Services

17. Unanticipated Risks

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