

Terms and Conditions of the MyBit Token Distribution

IMPORTANT: You must read the following before continuing.

MYBIT TOKENS ARE OFFERED FOR Distribution ONLY TO SWISS RESIDENTS. IF A PROSPECTIVE PURCHASER IS A CITIZEN, TAX RESIDENT, GREEN CARD HOLDER OR EQUIVALENT OF A COUNTRY OTHER THAN SWITZERLAND, IN PARTICULAR THE UNITED STATES OF AMERICA, CANADA, HONG KONG, JAPAN, AUSTRALIA OR UNITED KINGDOM (OR ANY OTHER MEMBER STATE OF THE EUROPEAN UNION OR THE EEA), HE OR SHE MAY NOT PARTICIPATE IN THE MYBIT TOKEN Distribution.

NOTHING IN THIS ELECTRONIC TRANSMISSION SHALL BE DEEMED TO CONSTITUTE AN OFFER FOR Distribution OF MYBIT TOKEN IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. IN PARTICULAR, THE MYBIT TOKEN IS NOT INTENDED BY THE MYBIT FOUNDATION TO BE A "SECURITY" IN ANY JURISDICTION AND IS BEING OFFERED FOR Distribution ONLY TO SWISS RESIDENTS. ACCORDINGLY, ANY MYBIT TOKEN TO BE ISSUED (I) HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES OR SIMILAR LAWS OF ANY JURISDICTION, WHETHER OR NOT SUCH JURISDICTION CONSIDERS THE MYBIT TOKEN TO BE A SECURITY OR SIMILAR INSTRUMENT OR NOT, AND SPECIFICALLY, HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA OR OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, CANADA, HONG KONG, JAPAN, AUSTRALIA, UNITED KINGDOM, ANY OTHER MEMBER STATE OF THE EUROPEAN UNION OR THE EEA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION. YOU ARE NOT AUTHORISED TO, AND YOU MAY NOT, FORWARD OR DELIVER THE TERMS SET FORTH HEREINAFTER, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH TERMS IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE TERMS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF APPLICABLE LAWS ANY OTHER JURISDICTIONS OTHER THAN SWITZERLAND.

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The materials relating to this token offering are for use only in Switzerland and do not constitute, and may not be used in connection with, an offer, distribution or solicitation in any other jurisdiction. No action has been or will be taken by the MyBit Foundation in any jurisdiction (including Switzerland) that would or is intended to, permit a public distribution or offering of the MyBit Tokens, or possession or distribution of the Terms (in preliminary, proof or final form) or any other distribution, offering or publicity material relating to the MyBit Tokens, in any country or jurisdiction where action for that purpose is required. You are reminded that you have received the Terms below on the basis that you are a person into whose possession this Terms may be lawfully delivered in accordance with the laws

of Switzerland and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. If you have gained access to this document contrary to the foregoing restrictions, you will not be permitted to purchase any of the MyBit Tokens described therein. If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The MyBit Tokens (also referred to as MYB) **are assets that are subject to significant risks and therefore not suitable for all purchasers.** Each prospective purchaser should (i) have **sufficient knowledge and experience to make a meaningful evaluation of the MYB**, the merits and **risks of purchasing MYB** and the information contained in these Terms; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of the purchaser's particular financial situation, a purchase of MyB and the **risk to lose the entire amount designated to purchase MYB (see in particular Sections 5 and 18 of these Terms)**; (iii) have sufficient financial resources and liquidity to bear all of the risks of purchasing and holding of MYB and (iv) be able to evaluate (either alone or with the help of an adviser) possible scenarios for economic, technological and other factors that may affect the purchaser's holding of MYB and the risks relating to such purchase/holding.

Before acquiring any MYB, each prospective purchaser should have understood the Terms and be familiar with them, the MyBit Platform, the MyBit Network, the MyBit Project and the MyBit Foundation. By participating in the distribution of MYB, you expressly acknowledge and represent that you have carefully reviewed the Terms and fully understand the risks, costs, and benefits of purchasing MYB and agree to be bound by these Terms.

1. Introduction

- 1.1. The following terms and conditions (**Terms**) govern the distribution (**MyBit Token Distribution**) of the cryptographic fuel – the **MyBit Tokens (MYB)** – that is required to run distributed applications and may only be used on the MyBit network (**MyBit Network**) to purchasers of MYB (**Purchasers** collectively and **Purchaser** individually). The MyBit Token Distribution is conducted by the MyBit Foundation in formation (*MyBit Stiftung*, **MyBit Foundation (Seller)**).

This document is not a solicitation for investment and does not pertain in any way to an offering of securities in any jurisdiction.

MyBit Tokens are **exclusively offered for distribution to Swiss residents** (whose citizenship does not preclude them from a purchase). If a Purchaser is a citizen, tax resident, green card holder or equivalent **of a country other than Switzerland**, in particular the United States of America, Canada, Hong Kong, Japan, Australia or a member state of the European Union or the EEA, **he or she shall not participate in the MyBit Token Distribution.** By participating in the distribution of MYB, you expressly acknowledge and represent that you have **carefully reviewed the Terms** and fully understand the risks, costs, and benefits of purchasing MYB and agree to be bound by these Terms.

As set forth further below, you further represent and warrant that, to the extent permitted by law, that you are authorized to purchase MYB, are of a legal age to be bound by these Terms, and will not hold the Seller, MyBit AG (**MyBit Ltd**), any of

their affiliates, officers, directors, agents, joint ventures, employees, advisors, attorneys and suppliers, now or in the future and any other member of the MyBit Team (collectively the **MyBit Parties**) liable for any losses or any special, incidental, or consequential damages arising out of, or in any way connected to the distribution of MYB.

Only these Terms apply to the MyBit Token Distribution. All other sources of information, including but not limited to any whitepapers and the like shall neither be binding nor taken into account when considering purchasing MyBit Tokens.

- 1.2. The MyBit Network is being developed by a volunteer contributor team and will continue to be developed on a volunteer basis by some developers as well as under a more formalized contracting or employment relationship for other developers. The group of developers and other personnel that is now, or will be, employed by, or contracted with MyBit Ltd and/or the MyBit Foundation, which both are currently being established, is termed the **MyBit Team**.
- 1.3. As described further below, distributed applications on the MyBit Network require MyBit Tokens. In order not to create unnecessary entry barriers, it is intended, to the extent technically feasible and permitted under any applicable laws and regulations, to accept various means of payment (both, fiat currencies and cryptocurrencies) to settle transaction fees on the MyBit Network (it being understood that, on the back-end, computational steps will still require MyBit Tokens to fuel the operations).

It is to be noted that ownership of MyBit Tokens gives no right or claim express or implied to receive any fee, profit and/or revenue share, be it against the Seller or any other person or legal entity.

As of today, it remains unclear whether the MyBit Network will ever be fully functional and whether there will ever be operations carried out on the MyBit Network. Hence, it is unclear as to whether the MyBit Token will ever become functional. Any Purchasers should therefore carefully consider the significant risk to lose the entire amount used to purchase MyBit Tokens (see in particular Sections 5 and 18 of these Terms).

- 1.4. Parties may be interested in purchasing MYB (the cryptofuel) in the MyBit Token Distribution to power distributed application services on the MyBit Network or to support the development of the MyBit Network.

It is to be noted, though, that MyBit Tokens may only be used on the MyBit Network for specific applications provided on this network. It is therefore no currency or money, be it fiat or not.

Individuals, businesses, and other organizations should carefully weigh the risks, costs, and benefits of acquiring the cryptofuel early in the MyBit Token Distribution versus waiting to purchase MyBit Tokens once the system is

operational and when they or their businesses actually require the cryptofuel to operate.

2. WARNING: MYBIT TOKENS ARE OF A NON-FINANCIAL NATURE

2.1. Being merely the virtual fuel for running the MyBit Network, by nature MyBit Tokens **are not and shall in no case be understood, deemed, interpreted or construed as:**

- a. any kind of currency or money, whether fiat or not;
- b. equity interest, voting or non-voting securities (or its like) in, or claims against, the Seller or any other entity or person in any jurisdiction;
- c. equity or debt investment of any kind in any venture;
- d. any securities having intrinsic value or market price;
- e. any form of financial derivatives;
- f. any commercial paper or negotiable instrument;
- g. any form of investment contract between the relevant holder and any other person;
- h. any commodity or asset that any person is obliged to redeem or purchase; or
- i. any note, bond, warrant or other certificate that entitles the to interest, dividend or any kind of return from any person.

2.2. Ownership of MYB carries **no rights express or implied**. Purchases of MYB are **non-refundable**. Purchasers should have **no expectation of influence over governance of the MyBit Network**, the MyBit Ltd, the MyBit Foundation or any of the MyBit Parties or any other part of the MyBit project.

2.3. MYB is not, and is not intended and/or expected to become, a crypto currency. In particular, MYB (i) cannot be, and are not meant to be exchanged for goods or services (other than on the MyBit Network) and (ii) has no known uses and is not intended to have any use outside the contemplated MyBit Network. The Seller takes no responsibility that the MyBit can, now or in the future, be acquired, sold or traded on any known exchange or similar platform.

3. WARNING: DO NOT PURCHASE MYBIT TOKENS IF YOU ARE NOT AN EXPERT IN DEALING WITH CRYPTOGRAPHIC TOKENS AND BLOCKCHAIN-BASED SOFTWARE SYSTEMS

3.1. Purchases of MYB, the MyBit Network's cryptofuel, should be undertaken only by individuals, entities, or companies that have significant experience with, and understanding of, the usage and intricacies of cryptographic tokens and blockchain-based software systems.

3.2. While the MyBit Team will provide general guidelines for user usage and storage of MYB before the MyBit Network becomes operational, Purchasers should have

functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. While the MyBit Team will be available to assist Purchasers of MYB during and after the distribution, the Seller will not be responsible for lost MYB resulting from actions taken by, or omitted by Purchasers. Note, in particular, that MYB Purchasers should take great care to write down their wallet password and not lose it so as to be sure that they will be able to access their MYB when it becomes available after the MyBit Token Distribution.

- 3.3. If you do not have such experience or expertise, then you should not purchase MYB or participate in the distribution of MYB.

4. WARNING: CRYPTOGRAPHIC TOKENS OF VALUE MAY EXPERIENCE EXTREME VOLATILITY IN PRICING

- 4.1. Cryptographic tokens that have been assigned a certain value in public markets, such as bitcoin (**BTC**) or Ether, just to name two well known tokens with – contrary to MYB – a currency function, have demonstrated extreme fluctuations in price over short periods of time on a regular basis, in particular sharp losses of value within a very short period of time. A Purchaser of MYB should be prepared to expect similar or even bigger fluctuations, both down and up, in the price of MYB, in particular in view of the limited purpose of MYB as cryptographic fuel. Such fluctuations are due to market forces and represent changes in the balance of supply and demand. The Seller cannot and does not guarantee any functioning market or any liquidity for MYB and therefore there may be periods of time in which it will be difficult or impossible to buy or sell MYB or to exchange it into other assets, be it other cryptographic fuels, a cryptocurrency such as BTC or other (physical or digital) assets. Additionally, due to different regulatory dictates in different jurisdictions and the inability of citizens of certain countries to open accounts at exchanges located elsewhere in the world, the possibility to use, buy sell or trade MYB may be significantly different in different countries and this would likely be reflected in significant price discrepancies.

- 4.2. By purchasing MYB, you expressly acknowledge and represent that you fully understand that MYB may experience volatility in pricing and will not seek to hold any of the MyBit Parties liable for any losses or any special, incidental, or consequential damages arising from, or in any way connected to the distribution of MYB.

5. WARNING: THE PURCHASE OF MYBIT TOKENS IS EXTREMELY RISKY

- 5.1. The purchase of MYB carries with it a number of risks. The following list is not exhaustive, and potential purchasers should, prior to purchasing MYB, inter alia, carefully consider the more detailed description of the risks listed below in Section 18 and, to the extent necessary, consult an appropriate lawyer, accountant, or tax professional. If any of the following risks are unacceptable to you, you should not purchase MYB.

- **Risk of Failure of The MyBit Project Due To a Diminishment in the Value of the Ether Distribution Revenue**
- **Risk of Losing Access to MYB Due to Loss of Wallet**
- **Risk of Unauthorized Access to a Downloaded Wallet**
- **Risk of Regulatory Action in One or More Jurisdictions**
- **Risk of Alternative, Unofficial MyBit Networks**
- **Risk of Insufficient Interest in the MyBit Network or Distributed Applications**
- **Risk Associated With the Development of Other Platforms For Decentralized Applications**
- **Risk that the MyBit Network, As Developed, Will Not Meet the Expectations of Purchaser**
- **Risk that the MyBit Network May Never be Completed or Released**
- **Risk of Theft**
- **Risk of Security Weaknesses in the MyBit Network Core Infrastructure Software**
- **Risk of Weaknesses or Exploitable Breakthroughs in the Field of Cryptography**
- **Risk of Rapid Adoption and Increased Demand for MyBit Tokens**
- **Risk of Need of Additional Liquidity or Capital**
- **Risk of Additional Competition**
- **Risk of Regulatory Changes/Violations of Law and Regulations**
- **Risks Relating to Technologies Employed**
- **Risks Relating to Adverse Publicity, Opposition and Regulatory Inquiries**

5.2. By purchasing MYB, and to the extent permitted by law, you are agreeing not to hold any of the MyBit Parties liable for any losses or any special, incidental, or consequential damages arising from, or in any way connected, to the distribution of MYB, including losses associated with the risks set forth below.

6. What is the MyBit Network?

- 6.1. The MyBit Network is designed to enable the rapid building, testing, and deployment of decentralized wealth management applications on the Ethereum Blockchain (**MyBit Projects**). Since it relies on smart contract technology its main intended benefit is the ability to connect transacting parties without the need for a broker, money transmitter or other form of intermediary.
- 6.2. Payouts for MyBit Projects (dividends, revenue sharing, etc.) shall also be governed and executed directly by the smart contracts so a third-party service is not needed to determine, process and/or settle payments to investors.
- 6.3. The MyBit Network is, to the extent technically feasible and permissible under any applicable laws and regulations, intended to be deployed initially to facilitate the building of decentralized wealth management applications on Ethereum's Blockchain, but might be applied across many businesses later on.

7. MyBit Token Distribution

- 7.1. A limited amount of thirty-six and a half (36.5) million MyBit Tokens shall be available for distribution for a maximum period of up to 365 calendar days, with one-hundred (100) thousand tokens allocated per 24 hour period (day) (the **Token Distribution Period**)).
- 7.2. Purchasers in the MyBit Token Distribution will acquire MYB in exchange for Ether as follows
 - a) Each 24 hour period (day), for the total duration of the distribution lasting a maximum of 365 days, one-hundred (100) thousand MYB will be allocated to contributors. The amount of MYB received varies based on the total Ether contributed during each period. The formula to determine how much a Purchaser will receive is as follows: $(\text{your Ether contribution} / \text{total Ether contributed}) * 100,000$
- 7.3. In order to purchase MyBit Tokens, one option shall be available to Purchasers.
- 7.4. Purchasers must have the Metamask browser extension and access to an internet connection. They must navigate to td.mybit.io and follow the instructions to contribute in the token distribution. At the end of each period, allocated tokens are available for manual withdrawal. **Purchasers should be aware that participation in the MyBit Token Distribution by contribution of Ether to the Ethereum Smart Contract is only possible from the token distribution dashboard (td.mybit.io) with the Metamask browser extension. Other wallets will not accept / be able to store the MyBit Tokens sent to such wallet by the Ethereum Smart Contract.**
- 7.6. As the MyBit Network is not yet fully functional, the **MYB might have to be exchanged in order to be compatible with the MyBit Network currently being developed**. In such case, the MYB will be redeemed in the future on a 1 to 1 basis

(or equal/proportionate amount if the total supply of MYB shall be changed in the future for any reason, as the Seller may think fit) for the actual MyBit network token necessary to fuel the operations on the MyBit Network once fully developed.

8. Previous MyBit Token Distribution

Purchasers should note that the Seller has offered, as of August 17, 2017, other selected purchasers to acquire MYB in exchange for 10,044 Ether. (**Previous MyBit Token Distribution**).

9. Timing of Distribution

- 9.1. The MyBit Token Distribution will begin at 12:00 UTC on 1 January 2019.
- 9.2. It is the Seller's current intention that the MyBit Token Distribution shall run for a maximum period of 365 days.
- 9.3. The **Seller reserves the right to change the date when the MyBit Token Distribution will begin and further reserves the right to extend** the distribution duration for any reason, including the unavailability of the website <https://td.mybit.io> or other unforeseen security or procedural issues. Though it does not currently anticipate doing so, the **Seller also reserves the right to shorten the distribution duration for any reason.**

10. Number of MyBit Tokens

- 10.1. A maximum of One-hundred and eighty (180) million MYB will be created, up to thirty-six and one-half (36.5) million of which are available during this MyBit Token Distribution.

11. Purchase of MyBit Tokens from the MyBit Website

- 11.1. The Seller will maintain a store interface, which can be used to purchase MYB. The store interface will be available on the MyBit website (<https://td.mybit.io>). Instructions for purchasing MyB with <https://td.mybit.io> using the store interface will be embedded and available for review on the MyBit website during the duration of the MyBit Token Distribution.
- 11.2. Failure to follow these instructions may limit, delay, or prevent a Purchaser from obtaining MYB. Any questions about these instructions should be directed to Email info@mybit.io.

12. Obligation to Determine If Purchaser Can Purchase MYB in Purchaser's Jurisdiction

- 12.1. The MyBit Token Distribution constitutes the distribution of a software product under Swiss law. This product distribution is conducted by the Seller, operating under Swiss law.

- 12.2. It is the responsibility of each potential Purchaser of MYB to determine if the Purchaser can legally purchase MYB in the Purchaser's jurisdiction.

13. **Acceptance of Terms and Conditions of the MYB Distribution**

- 13.1. As a first step in the purchase process, the Seller will present the Purchaser with these Terms, and associated documents, along with a checkbox. By clicking the checkbox and/or transferring the purchase price for any purchased MYB, the Purchaser:
- a. consents and **agrees to the Terms**;
 - b. represents and warrants that the Purchaser is legally permitted to purchase MYB (in particular, that **he is not subject** to any of the **limitations** set forth at the beginning of these Terms and in Section 18 (*Distributions Restrictions*);
 - c. represents and warrants that the Purchaser is of a **sufficient age** to legally purchase MYB or has received permission from a legal guardian who has reviewed and agreed to these Terms;
 - d. represents and warrants that the Purchaser will take **sole responsibility** for any restrictions and risks associated with the purchase of MYB as set forth below;
 - e. represents and warrants that Purchaser is **not** exchanging Ether (ETH) or other tokens or currencies for MYB for the purpose of **speculative investment**;
 - f. represents and warrants that the Purchaser is acquiring MYB for the use of **decentralized application services** or the purchase of tokens specific to forthcoming decentralized applications on the **MyBit Network**, or to facilitate development, testing, deployment and operation of decentralized applications on the MyBit Network; and
 - g. represents and warrants that the Purchaser has an understanding of the usage and intricacies of cryptographic tokens and blockchain-based software systems and understands the risks involved in a purchase of MyBit Tokens, in particular the **risk to lose the full amount** disbursed for the **purchase of the MYB**.

14. **Purchaser's Loss of the Purchase Wallet Will Cause the Loss of the Purchased MyBit Tokens**

- 14.1. As part of the purchase process, the Purchaser will need to receive and store with Metamask (**Purchase Wallet**).
- 14.2. Purchaser must keep the Purchase Wallet safe and not share it in any way or with anybody. Purchaser must make copies of the Purchase Wallet and securely store backup copies of the Purchase Wallet in multiple locations. The Purchase Wallet is essential for accessing the Purchaser's MYB. Purchaser's loss of the Purchase

Wallet will cause the loss of the purchased MYB. Unauthorized access by any party to a Purchaser's Purchase Wallet, will enable that unauthorized party to access the purchased MYB and the MYB will be lost.

- 14.3. By purchasing MYB, and to the extent permitted by applicable law, the Purchaser agrees not to hold any of the MyBit Parties liable for any losses or any special, incidental, or consequential damages arising out of, or in any way connected to, Purchaser's failure to properly store, secure and keep private the Purchase Wallet.

15. MyBit Tokens Will Only Be Available For Distribution on the MyBit Website

- 15.1. The Seller will only sell MYB through the MyBit website, available at <https://mybit.io/>. To the extent that any third-party website or service offers MYB for distribution during the MyBit Token Distribution or facilitates the distribution or transfer of MYB in any way during the MyBit Token Distribution or at any time up to the MyBit Token Distribution, such third-party websites or services are not sanctioned by the Seller or its parents and affiliates and have no relationship in any way with the MyBit Parties. As a result, the Seller prohibits the use of these third-party websites or services for the purchase of MYB prior to the end of the MyBit Token Distribution.
- 15.2. Purchasers should take great care that the site used to purchase MyB has the following universal resource locator (**URL**): <https://mybit.io/>.
- 15.3. Please ensure that the URL of your web browser indicates that it is using a hypertext transport protocol secure connection ("*https*") as depicted above and that the domain name is correct.
- 15.4. By purchasing MYB, and to the extent permitted by applicable law, the Purchaser agrees not hold any of the MyBit Parties liable for losses incurred by any person, entity, corporation, or group individuals or groups who uses a third party service to purchase MYB.
- 15.5. The only official and authorized MYB distribution website URL is https://mybit.io.

16. The Seller Will Not Purchase MYB During MyBit Token Distribution

- 16.1. The Seller warrants that it will not purchase MYB in its own distribution. Any of the Seller's (or MyBit Ltd's) employee's, directors, agents, board members of members of the trustee board, may, however, purchase MYB.
- 16.2. The Seller warrants that it will not purchase MYB from any third party, or acquire MYB in any manner, or acquire future control of MYB, during the period of the MyBit Token Distribution.

17. Certain Risks Associated with the Purchase of MyBit Tokens

The purchase of MYB carries with it significant risk. Prior to purchasing MYB, the Purchaser should carefully consider the below risks and, to the extent necessary, consult a lawyer, accountant, and/or tax professionals prior to determining whether to purchase MYB.

17.1. Risk of Dissolution of The MyBit Project Due To a Diminishment in the Value of the Ether Distribution Revenue

All Purchasers are paying Ether to purchase MYB. It is possible that the value of Ether will drop significantly in the future, depriving the Seller of sufficient resources to continue to operate. In order to guard against this risk, the Seller might, at its sole discretion, periodically convert (partially, or in full, as the Seller may think fit) proceeds from the distribution of MYB into fiat currencies instead of Ether.

17.2. Risk of Losing Access to MYB Due to Loss of Wallet

17.2.1. As noted above, MYB will be stored in a wallet, which can only be accessed with a password selected by the Purchaser. If a Purchaser of MYB does not maintain an accurate record of the Purchaser's password or loses its wallet file, this will lead to the loss of MYB.

17.2.2. As a result, Purchasers must safely store their password and the wallet file each in one or more backup locations that are well separated from the primary location. Additionally the password and the wallet should never be stored together.

17.3. Risk of Unauthorized Access to a Downloaded Wallet

17.3.1. Any third party that gains access to the Purchaser's wallet may potentially access the wallet by deciphering or cracking the Purchaser's password. To guard against any improper access to the wallet, the Purchaser should select a highly secure password for the Purchaser's MYB wallet.

17.3.2. Purchaser must take care not to respond to any inquiry regarding their purchase of MYB, including but not limited to, email requests purportedly coming from the <https://mybit.io> or similar looking domain.

17.4. Risk of Regulatory Action in One or More Jurisdictions

Cryptographic tokens and cryptocurrencies have been the subject of regulatory scrutiny by various regulatory bodies around the globe. The MyBit Network and MYB could be impacted by one or more regulatory inquiries or regulatory action, which could impede or limit the ability of the Seller or the MyBit Parties to continue to develop the MyBit Network.

17.5. Risk of Alternative, Unofficial MyBit Networks

Following the MyBit Token Distribution, and the development of the initial version of the MyBit Network, it is possible that alternative unofficial MyBit-based networks could be established, which utilize the same open source source code and open source protocol underlying the MyBit Network. The official MyBit Network may compete with these alternative, unofficial MyBit-based networks, which could potentially negatively impact the MyBit Network and MYB. MyBit Parties may gain a competitive advantage being the party that developed the MyBit Network, but such advantages are far from absolute.

17.6. Risk of Insufficient Interest in the MyBit Network or Distributed Applications

It is possible that the MyBit Network will not be used by a large number of external businesses, individuals, and other organizations and that there will be limited public interest in the creation and development of distributed applications. Such a lack of interest could impact the development of the MyBit Network and potential uses of MYB. The Seller has contracted with developers to help build the MyBit Network and is working with other third-party developers around the world to create an interest in the MyBit Network. However, it cannot predict the success of its own development efforts or the efforts of other third parties.

17.7. Risk Associated With the Development of Other Platforms For Decentralized Applications

17.7.1. The Seller is one of several organizations, companies, and groups, attempting to build a platform which would facilitate the creation and deployment of decentralized applications. It is possible that different technical paradigms than the ones being used in the current MyBit Network implementation are optimal.

17.7.2. Competition from these alternative platforms for decentralized applications may impact success of the MyBit project and the ability of the Seller to operate and sell MYB in the future.

17.8. Risk that the MyBit Network, As Developed, Will Not Meet the Expectations of potential clients

The Purchaser recognizes that the MyBit Network is presently under development and may undergo significant changes before release. Purchaser acknowledges that any expectations regarding the form and functionality of the MyBit Network may not be met upon release of the MyBit Network, for any number of reasons including a change in the design and implementation plans and execution of the implementation of the MyBit Network.

17.9. Risk that the MyBit Network May Never be Completed or Released

Purchaser understands that while the MyBit Team will make reasonable efforts to complete the MyBit software, it is possible that an official completed version of the

MyBit Network may not be released for technical or other reasons or that the functionality of the MyBit Network is significantly limited due to bugs, technical flaws, lack of system integrity or other reasons and there may never be a partially or fully operational MyBit Network.

17.10. Risk of Theft

- 17.10.1. Hackers or other groups or organizations may attempt to steal the Ether revenue from the MyBit Token Distribution, thus potentially impacting the ability of the Seller to develop the MyBit Network. To account for this risk, the Seller has and will continue to implement comprehensive security precautions to safeguard the Ether obtained from the distribution of MYB.
- 17.10.2. Multi-factor security measures will be taken to protect Ether and MYB including physical elements, Shamir's Secret Sharing Algorithm, multi signature keys, BIP 32, anti-spear-phishing procedures, splitting of funds, hot/cold wallet partitioning and diversification. Moreover, regular security audits of hot and cold wallets will be conducted by internal and external teams.

17.11. Risk of Security Weaknesses in the MyBit Network Core Infrastructure Software

- 17.11.1. The MyBit Network rests on open-source software, and there is a risk that the MyBit Team, or other third parties not directly affiliated with the MyBit Parties, may introduce weaknesses or bugs into the core infrastructural elements of the MyBit Network causing the system to lose MYB stored in one or more Purchaser accounts or other accounts or lose sums of other valued tokens issued on the MyBit Network.
- 17.11.2. The Seller has taken steps to build, maintain, and secure, to the extent possible, the infrastructure of the MyBit Network, and will continue to do so after the MyBit Token Distribution. For example, the Seller intends to hire external consultants on a periodic basis to assess and audit the security of the MyBit Network and will work with cryptography and security experts to develop and employ best practices to audit the Platform.

17.12. Risk of Weaknesses or Exploitable Breakthroughs in the Field of Cryptography

- 17.12.1. Cryptography is an art, not a science. And the state of the art can advance over time advances in code cracking, or technical advances such as the development of quantum computers, could present risks to cryptocurrencies and the MyBit Network, which could result in the theft or loss of MYB.
- 17.12.2. To the extent possible, the Seller intends to update the protocol underlying the MyBit Network to account for any advances in cryptography and to incorporate additional security measures, but cannot it cannot predict the future of cryptography or the success of any future security updates.

17.13. Risk of Rapid Adoption and Increased Demand for MyBit Tokens

If the MyBit Network is rapidly adopted, the demand for MYB could rise dramatically. Under such a scenario, the entire MyBit Network could become destabilized, due to the increased cost of running distributed applications. In turn, this could dampen interest in the MyBit Project and MYB.

17.14. Risks associated with the Ethereum protocol

MYB and the MyBit Network are based upon the Ethereum protocol. As such, any malfunction, breakdown, abandonment, unintended function or unexpected functioning of the Ethereum protocol may have a material adverse effect on the MyBit Network and/or MYB.

17.15. Risk of Need of Additional Liquidity or Capital

The MYB offering may not be completed for various reasons and/or might be terminated which may lead to a shortage of available financial means for the MyBit Project, the MyBit Foundation and/or the MyBit Network. In addition, the MyBit Project, the MyBit Foundation and/or the MyBit Network may need additional liquidity and/or capital in the future which may not be available on favorable terms or at all.

17.16. Risk of Additional Competition

The markets in which the MyBit Network intends to operate are highly competitive and some of its potential future competitors may have substantially greater financial, technical, marketing or development resources than the MyBit Network and, in some cases, greater name recognition, more experience or better customer reach.

17.17. Risk of Regulatory Changes/Violations of Law and Regulations

Changes in applicable laws and regulations in various jurisdictions, violations of such laws and regulations or future changes could cause the MyBit Project to incur significant costs and adversely affect its development and/or operations. Further, the MyBit Project, the MyBit Foundation and/or the MyBit Network may be subject to unexpected tax burdens which could cause the MyBit Project to incur significant additional costs and adversely affect its development and/or operations or its attractiveness to future customers or users.

17.18. Risks Relating to Technologies Employed

The technologies employed by the MyBit Network are still evolving and the MyBit Network may face unexpected challenges in the development, deployment and operation of its service offerings. Further, the operations the MyBit Network will rely on complex IT systems and networks, which can be susceptible to malfunctions and interruptions. The MyBit Project will use open source software that may subject its

products and services to lawsuits by parties claiming ownership of what it believes to be open source software or source code release requirements. Changes to data protection laws and regulations and their interpretation may impact the development and operations of its services. The growth of its business and potential revenue, if any, will depend on the uncertain development of new markets for newly developed products, solutions and services, which are still evolving, and it is uncertain whether its products and solutions will achieve and/or sustain high levels of demand and market acceptance.

17.19. Risks Relating to Adverse Publicity, Reputation and Regulatory Inquiries

Adverse publicity about, political opposition to, reputational issues relating to, or regulatory inquiries into, blockchain technology, crypto fuels and/or token distributions could inhibit the growth of the overall market in general and the MyBit Project in particular.

18. All Purchases of MyBit Tokens Are Non-Refundable

All purchases of MYB are final. Purchases of MYB are non-refundable. By purchasing MYB, the purchaser acknowledges that neither the Seller nor any other of the MyBit Parties are required to provide a refund for any reason, and that the Purchaser will not receive money or other compensation for any MYB that is not used as cryptofuel or remains unused.

19. Taxation of MyBit Tokens and Taxation Related to the MyBit Token Distribution

- 19.1. The Seller makes no representations concerning the tax implications of the distribution of MYB or the possession or use of MYB. The Purchaser bears the sole responsibility to determine if the purchase of MYB with Ether or cryptocurrencies such as BTC or the potential appreciation or depreciation in the value of MyB over time has tax implications for the Purchaser in the Purchaser's home jurisdiction.
- 19.2. purchasing MYB, and to the extent permitted by law, the Purchaser agrees not hold any of the MyBit Parties liable for any tax liability associated with or arising from the purchase of MYB.

20. Privacy

- 20.1. Although the Seller requires that Purchasers provide an email address, the Seller will not publish any identifying information related to a MYB purchase, without the prior written consent of the Purchaser.
- 20.2. Purchasers may be contacted by email by the Seller regarding a purchase. Such emails will be informational only. The Seller Co will not request any information from Purchasers in an email.

21. Disclaimer of Warranties

- 21.1. The Purchaser expressly agrees that the Purchaser is purchasing MYB at the purchaser's sole risk and that MYB is provided on an "as is" basis without warranties of any kind, either express or implied, including, but not limited to, warranties of title or implied warranties, merchantability or fitness for a particular purpose (except only to the extent prohibited under applicable law with any legally required warranty period to the shorter of thirty days from first use or the minimum period required).
- 21.2. Without limiting the foregoing, none of the MyBit Parties warrant that the process for purchasing MYB will be uninterrupted or error-free.

22. Limitations Waiver of Liability

- 22.1. The Purchaser acknowledges and agrees that, to the fullest extent permitted by any applicable law, the disclaimers of liability contained herein apply to any and all damages or injury whatsoever caused by or related to use of, or inability to use, MYB or the MyBit Network under any cause or action whatsoever of any kind in any jurisdiction, including, without limitation, actions for breach of warranty, breach of contract or tort (including negligence) and that none of the MyBit Parties shall be liable for any indirect, incidental, special, exemplary or consequential damages, including for loss of profits, goodwill or data, in any way whatsoever arising out of the use of, or inability to use, or purchase of, or inability to purchase, MYB.
- 22.2. The purchaser further specifically acknowledges that MyBit Parties are not liable, and the purchaser agrees not to seek to hold any of the MyBit Parties liable, for the conduct of third parties, including other purchasers of MYB, and that the risk of purchasing and using MYB rests entirely and exclusively with the Purchaser.
- 22.3. To the extent permissible under applicable laws, under no circumstances will any of the MyBit Parties be liable to any purchaser for more than the amount the Purchaser have paid to the Seller for the purchase of MYB.
- 22.4. Some jurisdictions do not allow the exclusion of certain warranties or the limitation or exclusion of liability for certain types of damages. Therefore, some of the above limitations in this section and elsewhere in the Terms may not apply to a Purchaser. In particular, nothing in these Terms shall affect the statutory rights of any Purchaser or exclude injury arising from any willful misconduct or fraud of the MyBit Parties.

23. Jurisdiction of the Distribution

The legal entity conducting the MyBit Token Distribution, the MyBit Foundation in formation, shall be organized and established in the Canton of Zug, under the laws of Switzerland and registered in the commercial register of the Canton of Zug.

24. Applicable Law and Jurisdiction

- 24.1. The construction, validity and performance of the Terms is governed by **the laws of Switzerland**.
- 24.2. Place of jurisdiction for all disputes, controversies or claims arising out of, relating to, or in connection with the Terms, including, without limitation, disputes on its conclusion, binding effect, amendment and termination, and/or the MyBit Token Distribution in general shall be the **ordinary courts of Zug, Switzerland**.

25. Force Majeure

- 25.1. The Seller is not liable for failure to perform solely caused by:
- a. unavoidable casualty;
 - b. delays in delivery of materials;
 - c. embargoes;
 - d. government orders;
 - e. acts of civil or military authorities;
 - f. acts by common carriers, emergency conditions (including weather conditions) incompatible with safety or good quality workmanship; or
 - g. any similar unforeseen event that renders performance commercially implausible.
- 25.2. If an event of force majeure occurs, the party injured by the other's inability to perform may elect to suspend the distribution according to these Terms, in whole or part, for the duration of the force majeure circumstances. The party 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.

27. Distribution Restrictions

- 27.1. The MyBit Tokens are exclusively offered for distribution to Swiss residents (whose citizenship does not preclude them from a purchase). If a Purchaser is a citizen, tax resident, green card holder or equivalent of a country other than Switzerland, he/she/it shall not participate in the MyBit Token Distribution.
- 27.2. Applicable laws may restrict the distribution of these Terms (and the distribution or offering of any The MyBit Tokens) in certain other jurisdictions, in particular the United States of America, member states of the EU and the EEA, Canada, Hong Kong, Japan or Australia. No action has been taken by the Seller that would permit any offer of the MYB or possession or distribution of these Terms or any other publicity material or documentation regarding the MYB in any jurisdiction where action for that purpose is required. Persons into whose possession these Terms come must inform themselves about and observe any such restrictions. **Any failure**

to comply with these restrictions may constitute a violation of the laws of any such jurisdiction.

28. Complete Agreement

- 28.1. These Terms set forth the entire understanding between each Purchaser and the Seller with respect to the purchase and distribution of MYB.
- 28.2. For facts relating to the distribution and purchase, the Purchaser agrees to rely only on this document in determining purchase decisions and understands that this document governs the distribution of MYB and supercedes any public statements about the MyBit Token Distribution made by third parties or by the MyBit Team or individuals associated with any MyBit Parties, past and present and during the MyBit Token Distribution.

29. Severability

The Purchaser and the Seller agree that if any portion of these Terms is found illegal or unenforceable, in whole or in part, such provision shall, as to such jurisdiction, be ineffective solely to the extent of such determination of invalidity or unenforceability without affecting the validity or enforceability thereof in any other manner or jurisdiction and without affecting the remaining provisions of the Terms which shall continue to be in full force and effect.

30. No Waiver

- 30.1. The failure of the Seller to require or enforce strict performance by the Purchaser of any provision of these Terms or the Seller's failure to exercise any right under these agreements shall not be construed as a waiver or relinquishment of the Seller's right to assert or rely upon any such provision or right in that or any other instance.
- 30.2. The express waiver by the Seller of any provision, condition, or requirement of these Terms shall not constitute a waiver of any future obligation to comply with such provision, condition or requirement.
- 30.3. Except as expressly and specifically set forth in this these Terms, no representations, statements, consents, waivers, or other acts or omissions by the Seller shall be deemed a modification of these Terms nor be legally binding, unless documented in physical writing, hand signed by the Purchaser and a duly appointed officer, employee, or agent of the Seller.

31. Updates to the Terms and Conditions of the MyBit Token Distribution

- 31.1. The Seller reserves the right, at its sole discretion, to change, modify, add, or remove portions of the Terms at any time during the distribution by posting the amended Terms on the MyBit website (<https://mybit.io>). Any Purchaser will be deemed to have accepted such changes by purchasing MYB.

- 31.2. The Terms may not be otherwise amended except in a signed writing executed by both the Purchaser and the Seller. For purposes of this agreement, “writing” does not include an e-mail message and a signature does not include an electronic signature.
- 31.3. If at any point you do not agree to any portion of the then-current version of the Terms, you should not purchase MYB.

32. Cooperation with Legal Authorities

The Seller will cooperate with all law enforcement inquiries, subpoenas, or requests provided they are fully supported and documented by the law in the relevant jurisdictions. In accord with one of the core principles of the MyBit project – transparency – the Seller will endeavor to publish any legal inquiries upon receipt.

33. Further Information

For further information regarding the MyBit Token Distribution, please contact via info@mybit.io.