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## **TERMS AND CONDITIONS OF TOKEN SALE**

Last Updated: 25 Nov 2018

PLEASE READ THESE TERMS AND CONDITIONS OF TOKEN SALE CAREFULLY. IF YOU DO NOT AGREE TO OR UNDERSTAND THESE TERMS AND CONDITIONS OF TOKEN SALE (OR ANY PART THEREOF), PLEASE DO NOT PURCHASE HASHBYTE TOKENS. BY USING THE SERVICES, YOU REPRESENT AND WARRANT THAT YOU MEET ALL OF THE ELIGIBILITY REQUIREMENTS IN THESE TERMS AND CONDITIONS.

Your purchase of HashByte Tokens (“HSB”) from HashByte Limited a company incorporated in United Kingdom (“Company,” “we,” or “us”) is subject to these Terms and Conditions of Token Sale (“Terms”). Each of you and Company is a “Party,” and together the “Parties.” By purchasing

HSB from us and/or using HSB in connection with the Services (as defined below), you will be bound by these Terms and all terms incorporated by reference. If you have any questions regarding these Terms, please contact us at support@hashbyte.io You and Company agree as follows:

### 1. Purpose and Use of HSB

The HSB is a utility token. HSB is a digital product issued by the Company for the use by token holders within the HashByte ecosystem (“Token Holders”) as a means of payment for the services fee for trading and to transfer tradable assets as the unit of trading. HSB are therefore intended to function as a means to access the HashByte service and technology (the “Services”). HSB may be purchased from the Company as part of the sale of tokens by way of the Initial Coin Offering, Pre-Initial Coin Offering or from a third-party seller on an exchange. Further details regarding the Services are provided in Schedule 1 and the White Paper issued by the Company and as amended from time to time.

By using the Services, you acknowledge that:

- Ownership of HSB carries no rights, express or implied, other than as a means to access the Services. In particular, you understand and accept that HSB do not represent or confer any ownership right or stake, share or security or equivalent rights in any jurisdiction, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Company and its corporate affiliates or its property, other than rights relating to the receipt of Services, subject to limitations and conditions in these Terms and applicable HashByte Terms and Policies (as defined below).
- HSB are not and in no case shall be understood, deemed, interpreted or construed as any kind of financial instrument including but not limited to (i) any kind of currency or money, whether fiat or not; (ii) equity interest, voting or non-voting securities (or its like) in, or claims against, the Company, including its members, shareholders, consultants, directors or any other entity in any jurisdiction; (iii) equity or debt investment of any kind in any venture; (iv) any securities having intrinsic value or market price; (v) any form of financial derivative; (vi) any commercial paper or negotiable instrument; (vii) any form of

investment contract between the relevant holder and any other person; (viii) any commodity or asset that any person is obliged to redeem or purchase; or (ix) any note, bond, warrant or other certificate that entitles the holder to interest, dividend or any kind of return from any person.

- We provide no assurance (whether express or implied) that HSB may be traded on any known exchange, have any utility outside of the Services or may be exchanged for goods, currency or services.
- The Company reserves the right to reject your offer to purchase HSB for any reason, at its absolute, unfettered discretion.

## 2. Scope of Terms

The use of HSB in connection with the Services may be governed by other applicable terms and policies (collectively, the “HashByte Terms and Policies”). Any HashByte Terms and Policies we issue will be available on our website [tge.HashByte.io](https://tge.HashByte.io) (the Website). You understand that we may add to or amend the HashByte Terms and Policies in our sole discretion, and may update each of the HashByte Terms and Policies from time to time according to modification procedures set forth therein. You agree that we may notify you of any update to the HashByte Terms and Policies by posting them on the Services (for example, on the Website), and that your use of the Services after the effective date of the updated Terms constitutes your agreement to the updated Terms. It is your responsibility to check the Terms of Use posted on the Services periodically so that you are aware of any changes, as they are binding on you. To the extent of any conflict with these Terms, the HashByte Terms and Policies shall take precedence with respect to any issues relating to the use of HSB in connection with the Services.

## 3. HSB Purchase

Subject to these Terms, the Company agrees to sell to you and you agree to purchase from Company a specific number of HSB at the price listed by the Company on its Website and the White Paper for HashByte as part of its Initial Coin Offering or Pre-Initial Coin Offering. By purchasing HSB, you represent that you have read and understood these Terms and the White

Paper in full. You understand that HashByte is not responsible for and will not provide refunds for the value of HSB purchased except as set out in section 4 below. You acknowledge and understand that the purchase of HSB involves a level of risk that you agree to fully and completely assume, including, but not limited to, the risk that (i) the technology associated with HSB and Gash Protocol may not function as intended; (ii) a sale of HSB is not be completed as anticipated; (iii) any Initial Coin Offering will fail to attract sufficient interest; and (iv) HashByte or any of the Services may be subject to investigation and punitive actions from governmental authorities.

#### 4. Cancellation; Refunds; Refusal of Purchase Requests

Your purchase of HSB from us is final, and there are no refunds or cancellations except (i) as may be required by applicable law or regulation, or (ii) as otherwise determined by us in our sole discretion prior to the completion of the distribution of HSB following completion of the Pre-Initial Coin Offering and Initial Coin Offering. We reserve the right to refuse or cancel HSB purchase requests at any time in our sole discretion.

#### 5. HSB Sale Procedures and Specifications

Important information about the procedures and material specifications of our HSB sale is provided in Schedule 2, including, but not limited to, details regarding the timing of the HSB sale and the amount of HSB we will sell. By purchasing HSB, you acknowledge that you understand and have no objection to these procedures and material specifications.

#### 6. Acknowledgment and Assumption of Risks

You acknowledge and agree that there are risks associated with purchasing HSB, holding HSB, and using HSB in connection with the Services, including but not limited to those as disclosed and explained in Schedule 3. You should carefully weigh the risks, costs and benefits of acquiring HSB before doing so. If you are not in the position to accept or understand the risks associated with purchasing the Token, you should not acquire the Token.

Digital tokens are a new and untested technology. In addition to the risks outlined in these Terms, there are risks that we cannot anticipate.

If you have any questions regarding these risks, please contact us at [support@hashbyte.io](mailto:support@hashbyte.io) BY PURCHASING HSB, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME THESE RISKS.

## 7. Security

You are responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanism you use to receive and hold HSB you purchase from us, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). We shall not be liable for your loss of HSB after it is transferred to you including by reason of your failure to keep an accurate record of your password or other credentials. If your private key(s) or other access credentials are lost, you may lose access to your HSB. We are not responsible for any such losses. If your password protection is weak and it is cracked, stolen or otherwise obtained by a third party, this may also lead to the loss of HSB. As a result, you must safely store the passwords in one or more backup locations that are well separated from the primary location.

## 8. 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 law or regulation in connection with selling HSB to you. You agree to provide us such information promptly upon request, and you acknowledge that we may refuse to sell HSB to you until you provide such requested information and we have determined that it is permissible to sell you HSB under applicable law or regulation. Please see our Privacy Policy, located on our Website ("Privacy Policy"), for information and disclosures relating to the collection and use of your personal information, and any other data in connection with your use of the Services. The Privacy Policy is incorporated by reference into these Terms.

## 9. Taxes

The purchase price that you pay for HSB is exclusive of all applicable taxes. You are responsible for determining what, if any, taxes apply to your purchase of HSB, 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. You acknowledge that the ownership of HSB may fall under existing and/or future taxation laws. You are responsible for the payment of any taxes or fees, now existing or applicable in the future, that may be incurred as a result of your ownership of Tokens. We are not responsible for withholding, collecting, reporting, or remitting any sales, use, value added, or similar tax arising from your purchase or ownership of HSB.

## 10. Representations and Warranties

By purchasing HSB from us, you represent and warrant that:

10.1 You have read and understand these Terms (including all Schedules);

10.2 You have a sufficient understanding of the functionality, usage, storage, transmission mechanisms and other material characteristics of cryptographic tokens like HSB and Ether, token storage mechanisms, blockchain technology and blockchain-based software systems to understand these Terms and to appreciate the risks and implications of purchasing HSB;

10.3 You have obtained sufficient information about HSB to make an informed decision to purchase HSB;

10.4 You understand the restrictions and risks associated with the creation of HSB as set forth herein (and as set forth in the White Paper), and acknowledge and assume all such risks;

10.5 You understand, acknowledge and assume the risks associated with the purchase, holding and use of HSB in connection with the Services, as explained and disclosed in these Terms (and in particular Section 6 and Schedule 3);

10.6 You understand that HSB confer only the right to access the Services, and confer no other rights of any form with respect to the Company or its corporate affiliates or property, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights;

10.7 You are purchasing HSB solely for the purpose of accessing Services, being aware of the commercial risks associated with the Company and the GASH protocol. You are not purchasing HSB for any other purposes, including, but not limited to, any investment, speculative or other financial purposes;

10.8 Your purchase of HSB complies with applicable law and regulation in your jurisdiction, including, but not limited to, (i) legal capacity and any other applicable legal requirements in your jurisdiction for purchasing HSB, using HSB, and entering into contracts with us, (ii) any foreign exchange or regulatory restrictions applicable to such purchase, and (iii) any governmental or other consents that may need to be obtained;

10.9 You will comply with any applicable tax obligations in your jurisdiction arising from your purchase of HSB;

10.10 If you are purchasing HSB on behalf of any entity, you are authorised 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);

10.11 You are not, nor are you an agent of, (i) a citizen or resident of the United States of America, Canada The Peoples' Republic of China, the Republic of Singapore or any country or territory in which participation in the purchase of HSB (or any digital token or crypto-currency) or use of the Services is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a country or territory that is subject to sanctions or embargoes imposed by any country, or (iii) an individual or entity, nor an individual or entity employed by, acting on behalf of, or affiliated 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 and Blocked Persons Lists, or the U.S. Department of State's Debarred Parties List (collectively, "Restricted Party Lists").

10.12 You further agree that you will not use HSB or Services in connection with transactions (i) in any country or territory that is subject to sanctions or embargoes, (ii) with any individual or entity that is identified on the Restricted Party Lists.

10.13 You agree that if your country of residence or any other circumstances change such that the above representations are no longer accurate, then you will immediately cease your acquisition of HSB and/or using the Services and notify the Company. If you are purchasing HSB or 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 authorised by such legal entity to act on its behalf.

10.14 You are of legal age to form a binding contract with HashByte and meet all of the eligibility requirements in these Terms.

10.15 You are legally permitted to purchase HSB and assume the responsibility for complying with your applicable laws and regulations.

#### 11. Transfer of Title;

Risk of Loss You acknowledge and agree that transfer of title to HSB, and the risk of loss in relation to the same, will pass from Company to you upon credit of the HSB to the wallet specified by you, and will occur, in the United Kingdom.

#### 12. Indemnification

To the fullest extent permitted by applicable law, you will indemnify, defend and hold harmless 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 Representatives”) from and against all claims, demands, actions, damages, losses, costs and expenses (including legal fees) that arise from or relate to (whether directly or indirectly): (i) your purchase or use of HSB, (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. Company reserves the right to exercise sole control over the defence, at your expense, of any claim subject to indemnification under this Section 12. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between you and Company.

### 13. Disclaimers

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN A WRITING BY US, (A) HSB ARE SOLD ON AN “AS IS” AND “AS AVAILABLE” BASIS WITHOUT WARRANTIES OF ANY KIND (WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE), AND WE EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES AS TO HSB, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NONINFRINGEMENT; (B) WE DO NOT REPRESENT OR WARRANT THAT HSB ARE RELIABLE, CURRENT OR ERROR-FREE, MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN HSB WILL BE CORRECTED; AND (C) WE CANNOT AND DO NOT REPRESENT OR WARRANT THAT HSB OR THE DELIVERY MECHANISM FOR HSB ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. Some jurisdictions do not allow the exclusion of certain warranties or disclaimer of implied terms in contracts with consumers, so some or all of the exclusions of warranties and disclaimers in this section may not apply to you.

### 14. Limitation of Liability

14.1 TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (I) IN NO EVENT WILL COMPANY OR ANY OF THE COMPANY REPRESENTATIVES 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, PROVISION OR USE OF HSB OR OTHERWISE RELATED TO THE SERVICES OR 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 COMPANY AND THE COMPANY REPRESENTATIVES (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 HSB, EXCEED THE AMOUNT YOU PAY TO US FOR HSB.

14.2 THE LIMITATIONS SET FORTH IN SECTION 13.1 WILL NOT LIMIT OR EXCLUDE LIABILITY FOR THE GROSS NEGLIGENCE, FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT OF COMPANY. (C) Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this section may not apply to you.

#### 15. Release

To the fullest extent permitted by applicable law, you release Company and the other Company Representatives 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 users and the acts or omissions of third parties. You expressly waive any rights you may have under 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 favour at the time of agreeing to this release.

#### 16. DISPUTE RESOLUTION –ARBITRATION

##### 16.1 Binding Arbitration

Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, “Disputes”) in which either Party seeks injunctive or other equitable relief for the alleged unlawful use of intellectual property, including, without limitation, copyrights, trademarks, trade names, logos, trade secrets or patents, you and Company (i) waive your and Company’s respective rights to have any and all Disputes arising from or related to these Terms resolved in a court, and (ii) waive your and Company’s respective rights to a jury trial. Instead,

you and Company will arbitrate Disputes through binding arbitration (which is the referral of a Dispute to one or more persons charged with reviewing the Dispute and making a final and binding determination to resolve it instead of having the Dispute decided by a judge or jury in court).

#### 16.2 No Class Arbitrations, Class Actions or Representative Actions

Any Dispute arising out of or related to these Terms or your purchase of HSB is personal to you and 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.

#### 16.3 Process

Arbitration will be conducted confidentially. Any Dispute shall be referred to and finally resolved by arbitration administered by the London Court of International Arbitration (“LCIA”) in accordance with the Arbitration Rules of England and Wales, for the time being in force, which rules are deemed to be incorporated by reference in this clause. The seat of the arbitration shall be London. The Tribunal shall consist of one (1) arbitrator. The language of the arbitration shall be English. The English judicial system will have exclusive jurisdiction over any appeals and the enforcement of an arbitration award. All costs of Arbitration will be born and maintained by you.

#### 16.4 Authority of Arbitrator(s)

As limited by these Terms and the applicable LCIA rules, the arbitrator(s) will have (i) the exclusive authority and jurisdiction to make all procedural and substantive decisions regarding a Dispute, including the determination of whether a Dispute is arbitrable, and (ii) the authority to grant any remedy that would otherwise be available in court; provided, however, that the arbitrator does not have the authority to conduct a class arbitration or a representative action, which is prohibited by these Terms. The arbitrator(s) may only conduct an individual arbitration and may not consolidate more than one individual’s claims, preside over any type of class or representative proceeding or preside over any proceeding involving more than one individual.

## 16.5 Severability of Dispute Resolution and Arbitration Provisions

If any term, clause or provision of this Section is held invalid or unenforceable, it will be so held to the minimum extent required by law, and all other terms, clauses and provisions of this Section will remain valid and enforceable. Further, the waivers set forth in this Section are severable from the other provisions of these Terms and will remain valid and enforceable, except as prohibited by applicable law.

## 17. Governing Law and Venue

These Terms will be governed by and construed and enforced in accordance with the laws of United Kingdom without regard to conflict of law rules or principles that would cause the application of the laws of any HashByte.io other jurisdiction. Any Dispute between the Parties arising out or relating to these Terms or its subject matter or formation (including non-contractual Disputes of claims) that is not subject to arbitration will be resolved in the courts of England applying the laws of United Kingdom.

## 18. 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.

## 19. Miscellaneous

19.1 These Terms (and, where applicable, the Trade Connect Terms and Policies) constitute the entire agreement between you and us relating to your purchase of HSB from us. We may make changes to these Terms from time to time as reasonably required to comply with applicable law or regulation. If we make changes, we will post the amended Terms on our website and update the “Last Updated” date above. The amended Terms will be effective immediately.

19.2 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.

19.3 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.

19.4 Purchasing HSB from us does not create any form of partnership, joint venture or any other similar relationship between you and us.

19.5 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.

19.6 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.

## **Schedule 1**

### **1. Overview of Company**

The Company is a limited company formed in United Kingdom and will have primary responsibility for the provision of Services and for administering the development of the GASH protocol and the functionality of HSB.

### **2. Overview of HashByte and HSB Functionality**

HashByte intends to create the one of the first ever renewable energy driven cryptocurrency mining hardwares and also a revolutionary energy efficient consensus algorithm. HSB would be the primary cryptocurrency used by the GreenHash and HashByte ecosystem. HSB may also be used by the community to vote on future direction and goals, including which products to launch.

## **Schedule 2**

# Token Sale Specifications

## 1. Total Number of HSB to be Created and Sold

20,000,000 to be created at most (the Hard Cap).

12,000,000 to be sold at most through Pre-ICO and ICO.

## 2. Commencement and Duration of Token Sale

To be announced via the website [tge.hashbyte.io](http://tge.hashbyte.io)

## 3. Payments

Any payment received by the Company after the end of the sale period will be accepted only if it was originated during the Sale Period. Company may request to provide evidence of payment from a purchaser of HSB. No payment will be accepted when the Hard Cap specified is reached.

Certain bonuses or offers may be offered by the Company during certain periods. The number of purchased HSB shall be determined based on the total amount received by Company subject to applicable bonuses available to you at the time of receipt of your payment.

## 4. Distribution

Prior to distribution of HSB, you are required to provide an address of the third party digital wallet ("External Wallet") where your purchased HSB can be sent. The External Wallet must support the ERC20 token standard. Following the successful purchase of HSB and closure of the ICO, HSB will be distributed to your External Wallet within a commercially reasonable period.

Failure to provide a correct address for your External Wallet may result in the loss of purchased HSB or delay the withdrawal of the purchased HSB. HSB disclaims all liability for any loss of HSB in these circumstances.

## Schedule 3

## Risks Relating to Purchase, Sale and Use of HSB

Important Note: As noted elsewhere in these Terms, HashByte tokens are not being structured or sold as securities or any other form of investment product. Accordingly, none of the information presented in this Schedule 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 Schedule, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting from such information.

Prior to purchasing HSB, you should carefully consider the risks listed below and, to the extent necessary, consult a lawyer, accountant, and/or tax professional prior to determining whether to purchase HSB. By purchasing, holding and using HSB, you expressly acknowledge and assume the following risks:

### **1. Security**

Hackers or other malicious groups or organisations may attempt to interfere with HashByte or HSB in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing, which may result in loss or corruption of HSB.

### **2. Fundraising**

The Pre-ICO and ICO may not reach the target sale amount and so the Company may not have the sufficient funds to execute on its business plan. There is no guarantee the Company will be able to execute its business plan. If the Company is successful in implementing its business plan, you will not benefit or participate in the Company's growth by virtue of your ownership of HSB.

### **3. Token Value**

Digital currencies are extremely volatile and HSB may suffer from said volatility. HashByte does not guarantee any specific value of HSB over any period of time. HSB may be significantly influenced by digital currency market trends and HSB value may be severely depreciated due to non-HSB related events in the digital currency markets.

#### **4. Loss of Private Key(s), Custodial Error or Purchaser Error**

A private key, or a combination of private keys, is necessary to control and dispose of HSB stored in your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with your digital wallet or vault storing HSB will result in loss of such HSB. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a digital wallet or vault service you use, may be able to misappropriate your HSB. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store HSB, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your HSB.

#### **5. Ethereum**

Because HSB and HashByte Services are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum blockchain may have a material adverse effect on HashByte or HSB (including the value of HSB or the ability to use it to access the Services).

#### **6. Regulation**

The regulatory status of HSB and blockchain 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. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting HashByte and HSB. Changes in laws or regulatory status or actions by governmental authorities could negatively impact HashByte and HSB in various ways. This could result in substantial modifications to the proposed implementation of the HashByte project and HSB utility or may even cause the Company to cease operations in a jurisdiction or at all.

#### **7. Tax**

Purchasing HSB may result in adverse tax consequences to you, including the imposition of withholding taxes, income taxes and tax reporting requirements. You should seek tax advice from your own tax counsel in connection with purchasing HSB.

#### **8. Competition**

It is possible that alternative platforms and solutions could be established that utilise the same or similar protocols underlying HashByte and attempt to facilitate services that are materially similar to the Services. Such competition could negatively impact HashByte and HSB, including HSB's utility for obtaining Services.

## **9. Demand**

It is possible that HashByte will not be used by a large number of individuals, companies and other entities. Such a lack of use or interest could negatively impact the development of HashByte and the potential utility of HSB, including its utility for obtaining Services.

## **10. Development**

GASH is yet to be developed and may undergo significant changes over time. Although we intend for HSB and HashByte to follow the specifications set forth in Schedule 1 and the White Paper, and will take commercially reasonable steps toward those ends, we may have to make changes to the specifications of HSB or HashByte for any number of legitimate reasons. This could create the risk that HSB or HashByte, as further developed and maintained, may not meet your expectations at the time of purchasing HSB. Furthermore, despite our good faith efforts to develop and maintain HashByte, it is still possible that HashByte will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact HashByte and the potential utility of HSB, including its utility for obtaining Services. It is possible that, due to any number of reasons, including without limitation, the failure of the business relationships, or competing intellectual property claims, HashByte may no longer be a viable business and may dissolve, or HSB may fail to launch.

## **11. Governance**

Because HSB confer no governance rights of any kind with respect to HashByte or Company, all decisions involving HashByte or Company will be made by Company at its sole discretion, including, but not limited to, decisions to discontinue HashByte, to sell more HSB for use in HashByte, or to sell or liquidate the Company. These decisions could adversely affect HashByte and the utility of HSB that you hold, including HSB's utility for obtaining Services.

## **12. Links**



We have no control over your participation, correspondence, or business dealings with any third party found on or accessed through the Services, including without limitation with respect to any payment for or delivery of related goods or services, and any other terms, conditions, warranties, or representations associated with such dealings, are solely between you and such third party.

### **13. Unanticipated Risks**

Cryptographic tokens such as HSB are a new and untested technology. In addition to the risks included in this Schedule 3, there are other risks associated with your purchase, holding and use of HSB, including those that the Company cannot anticipate.