

## **TERMS AND CONDITIONS FOR THE PURCHASES OF AMBER COINS**

Your purchase of Amber Tokens (collectively, “AMCO” or “Tokens”) from Encrypt Ventures B.V. (“Company,” “we,” or “us”) is subject to these Terms of Sale (“Terms”). Each of you and the Company is a “Party,” and together the “Parties.”

By purchasing Tokens from us and/or using AMCO in connection with the Platform (as defined below), you will be bound by these Terms and all terms incorporated by reference.

You and the Company agree as follows:

### **1. Purpose and Use of Tokens**

The purpose of the Tokens is to facilitate the transfer of value for the procurement of equity, property construction services and other value exchange through a platform that the Company and its affiliates are developing (the “Platform”), as described further in the White Paper at <https://encryptventures.com/> (the “White Paper”).

The Tokens do not confer any rights, express or implied, other than the right to use the Token as a means to participate in the Platform, if successfully completed and deployed, in a manner consistent with its purpose. In particular, you understand and accept that the Token does not represent or confer any ownership right or stake, share or 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 Platform, and/or the Company and its corporate affiliates, other than rights relating to the use of the Platform, subject to limitations and conditions in these Terms and applicable Platform Terms and Policies (as defined below). The Tokens are not intended to be a digital currency, security, commodity or any other kind of financial instrument.

### **2. Scope of Terms**

Unless otherwise stated herein, these Terms govern only your purchase of Tokens from us. The use of Tokens in connection with the Platform may be governed by other applicable terms and policies (collectively, the “Platform Terms and Policies”). Any Platform Terms and Policies we promulgate will be available at <https://invest.encryptventures.com/>. We may add terms or policies to the Platform Terms and Policies at our sole discretion, and may update each of the Platform Terms and Policies from time to time according to modification procedures set forth therein. To the extent of any conflict with these Terms, the Platform Terms and Policies shall control with respect to any issues relating to the use of Tokens in connection with the Platform.

### **3. Eligibility**

In order to be eligible to buy AMCO Tokens, you must provide all personal information as required by the Company or its agents, as part of its Know Your Customer (“KYC”) process. We may choose to nominate third party service providers to collect and verify KYC information on our behalf, who may also require you to accept their terms and conditions or privacy policy agreements. Collected information may include a passport, driver’s license, utility bill, photograph of you, government identification cards, or sworn statements, and we or our nominee may keep a copy of such information.

In order to be eligible to purchase the Tokens, you must also have a wallet or other storage mechanism (“Wallet”) that supports the FUSE blockchain in order to receive any Tokens you purchase from us and provide the address for your digital safe (the “Token Receipt Address”) if requested. We reserve the right to prescribe additional guidance regarding specific requirements with respect to a storage mechanism for the Tokens. The platform will provide a Wallet (digital safe) by default during registration.

We are not responsible for any delays, losses, costs, non-delivery of refunds or of Tokens, or other issues arising from your failing to provide a Token Receipt Address or providing an inaccurate or incomplete Token Receipt Address.

The Company reserves the right to prohibit any and all sales to users domiciled or located in a country or territory it deems as restricted from any token sale activities are subject to regulatory requirements, including but not limited to Afghanistan, China, Congo-Brazzaville, Congo-Kinshasa, Cuba, Iran, Iraq, Libya, North Korea, Syria, The United States and Tajikistan. The Company may cancel any sales to users domiciled or located in any such country.

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

Your purchase of Tokens from us during the Sale Period is final, and there are no refunds or cancellations except (i) as may be required by applicable law or regulation, or (ii) as to the Token Sale alone, if less than the required quantity as determined by the Company have been received by the Company during the Sale Period.

If (i) or (ii) occurs, then the virtual currency or funds sent by you to purchase Tokens may be returned and the purchase and sale of the Tokens may be considered void and rescinding without further recourse against the Company. We reserve the right to refuse or cancel Token purchase requests at any time at our sole and absolute discretion and to stop the Token Sale entirely for any reason, or no reason. To the extent that we refuse or reject a payment, we will exercise reasonable endeavours to secure that the payment is returned

to the investor. However, we do not warrant, represent, or offer any assurances that we will be able to successfully recover and/or return such payments, and, in any event, you accept that any return of your payment will be net of any fees applied at the time the payment is made and thereafter until returned (if so returned).

## **5. Sale Procedures and Specifications**

Company will generate 100 million AMCO as ERC-20 tokens on the FUSE blockchain for use on the Encrypt Venture Platform. Additional tokens can be minted if necessary.

All AMCO will have equal value and utility within the Platform.

**AMCO Price:** During the Sale Period, 1 AMCO token can be purchased at a price of €1,00. All payments shall be made in EURO.

**Procedures for Purchasing AMCO:** In order to purchase AMCO, and to receive the AMCO you purchase, you must have a Wallet that supports tokens on the FUSE blockchain. The Company reserves the right to prescribe additional wallet requirements.

The Company will make a link available on our website at <https://encryptventures.com/>, where Token purchasers can register and complete the KYC requirements. During the registration process a Token Receipt Address (Digital safe) will be provided by the system.

To initiate a purchase of AMCO you must click on the “Buy Amber Coin now” button which can be found on the overview page of the Encrypt Ventures Art Plaza at <https://invest.encryptventures.com/>. Currently it is possible to buy tokens via a bank transfer, virtual currency or PayPal.

The tokens will be sent immediately to the specified digital safe when the payment has been fully fulfilled.

## **6. Acknowledgment and Assumption of Risks**

You acknowledge and agree that there are risks associated with purchasing Tokens, holding Tokens and using Tokens for providing or receiving Services on the Platform, as disclosed and explained in the Risk Disclosures set forth in Schedule 1 hereto.

BY ACCEPTING THESE TERMS AND PURCHASING TOKENS, YOU EXPRESSLY AND FINALLY ACKNOWLEDGE, ACCEPT AND ASSUME ALL OF THE RISKS SET FORTH

IN SCHEDULE 1 HERETO. ALL RISK OF LOSS TRANSFERS TO YOU UPON PURCHASE OF THE TOKENS.

## **7. Security**

**Your Security:** You are responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanisms you use to receive and hold Tokens you purchase 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 may lose access to your Tokens. We are not responsible for any such losses. You will implement reasonable and appropriate measures designed to secure access to (i) any device connected with the email address associated with your account, (ii) private keys required to access any relevant address or your Tokens and (iii) your username, password and any other login or identifying credentials, including those used by Amber service providers.

**Your Information:** We may use aggregate statistical information about your activity, including your activity on the Company Site and logins to various websites, for marketing or any other purpose at our sole discretion. We may use your internet protocol address to verify your purchase of Tokens. However, we will not release your personally-identifying information to any third party without your consent, except as not prohibited by law or as set forth in these Terms, our Privacy Policy or any other Platform Terms and Policies, all of which you have agreed to.

## **8. Personal Information**

We may determine, at our sole discretion, that it is necessary to obtain certain information about you required to maintain compliance with any federal, state, local, domestic or foreign law, regulation or policy, including any KYC or AML requirements and policies, in connection with selling Tokens to you. You agree to provide us, or our nominee, such information promptly upon request, and you 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 law or regulation.

## **9. Taxes**

The Purchase Price that you pay for Tokens is exclusive of all applicable taxes. You are solely 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 your purchase of Tokens. You agree not to hold the Company or any Company Parties (defined below) liable for any tax liability associated with or arising from the creation, ownership, use or liquidation of Tokens, or any other action or transaction related to the Platform.

## **10. Representations and Warranties**

By purchasing Tokens, you represent and warrant that:

You are agreeing to participate in the Platform in some manner, and you understand that it is your responsibility to participate, meaning that the Platform surrounding this project is NOT solely dependent upon the efforts of the Company managers, but by the members engaging with the Company, the Platform and any associated Services;

You have sufficient understanding of cryptographic tokens, token storage mechanisms (such as token wallets), and distributed ledger technology to understand these Terms and to appreciate the risks and implications of purchasing the Tokens;

You have read and understand these Terms (including the totality of the White Paper to which these Terms also apply);

You have obtained sufficient information about the Tokens to make an informed decision to purchase the Tokens;

You understand that the Tokens currently only confer the right to transfer value within the Platform and confer no other rights of any form with respect to the Platform or the Company, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights;

You understand that while decentralised governance of the Platform is described as part of the roadmap in the White Paper, as the governance process is not yet defined, there is no assurance that ownership of Tokens will confer any rights to participate in the governance process once it is established, unless described as such in the definition of the Platform governance process, once, and if, that phase of the project is completed;

You are not purchasing Tokens for any uses or purposes other than to transfer value within the Platform, including, but not limited to, any investment, speculative or other financial purposes.

Your purchase of Tokens complies with applicable law and regulation 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 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;

You are legally permitted to receive software and participate in the use of the Platform;

You will comply with any applicable tax obligations in your jurisdiction that may be relevant to your purchase, holding, redemption, sale, or transfer of the Tokens;

You agree to promptly provide to the Company or its nominee, upon request, proof of identity and/or source of funds and/or other documentation or other information that the Company may request from time to time in connection with the Company's obligations under, and compliance with, applicable laws and regulations, including but not limited to anti-money laundering legislation, regulations or guidance and/or tax information reporting or withholding legislation, regulations or guidance;

You are at the age of majority in your country of residence and are legally able to obtain and use the Tokens;

You understand with regard to Tokens, that we make no guarantees that you will be able to resell Tokens, or as to its future value, and that no market liquidity may be guaranteed and that the value of Tokens over time may experience extreme volatility or depreciate in full;

You understand that you bear the sole responsibility to determine whether your interactions with the Platform, the ownership or use of the Tokens, the potential appreciation or depreciation in the value of the Tokens over time, the sale and purchase of the Tokens and/or any other action or transaction related to the Platform may have tax implications; further, by obtaining, holding or using the Tokens, and to the extent permitted by law, you agree not to hold any third party (e.g., developers, auditors, contractors, or founders) liable for any tax liability associated with or arising from the ownership or use of the Tokens or any other action or transaction related to the Platform;

You waive the right to participate in a class action lawsuit or a classwide arbitration against any entity or individual involved with the creation of the Tokens, as discussed more fully here;

You understand that the purchase of Tokens does not involve the purchase of shares or any equivalent in any existing or future public or private company, corporation or other entity in any jurisdiction;

You understand that the transfer of crypto-currency, the transfer of the Tokens and the maintenance of the Platform carry significant financial, regulatory and reputational risks as further set forth in the Terms;

You understand that you have no right against any other party to request any refund of contributions submitted for the purchase of Tokens under any circumstance;

If you are purchasing Tokens on behalf of a legal 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);

You are not (i) a citizen or resident of a geographic area in which access to or use of the Platform 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 applicable or other sovereign country sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on BIS's Denied Persons, Unverified, or Entity Lists, or OFAC's List of Specially Designated Nationals, Foreign Sanctions Evaders, or List of Consolidated Sanctions, or DDTC's Debarred Parties List.

You agree not to allow anyone to use your Wallet or share your credentials with any other person for the purpose of facilitating their unauthorised access to the Token Sale. If you do share your credentials with anyone, we will consider their activities to have been authorised by you. You alone are responsible for any acts or omissions that occur during the Token Sale through the use of your credentials. We reserve the right to suspend or block your access to the Token Sale upon suspicion of any unauthorised access or use, or any attempted access or use, by anyone associated with your credentials.

## **11. 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 actual and threatened claims, lawsuits, demands, actions, investigations (whether formal or informal), liabilities, obligations, judgments, damages, penalties, interests, fees, losses, expenses (including attorneys' fees and expenses), and costs (including, without limitation, court costs, costs of settlement, and costs of pursuing indemnification and insurance), of every kind and nature whatsoever, whether claimed by Company Parties or third parties including governmental authorities, whether known or unknown, foreseen or unforeseen, matured or unmatured, or suspected or unsuspected, in law or equity, whether in tort, contract, or otherwise (collectively "Claims") arising from or relating to (i) your acquisition or use of Tokens, (ii) the performance or non-performance of your responsibilities or obligations under these Terms, (iii) your breach or violation of these Terms, (iv) any inaccuracy in any representation or warranty made by you, (v) your violation of any rights (including, but not limited to, intellectual property rights) of any other person or entity or (vi) any act or omission of yours that is negligent, unlawful, or constitutes wilful misconduct. This foregoing indemnity is in addition to, and not in lieu of, any other remedies that may be available to the Parties under applicable law.

b.

The Company reserves the right to exercise sole control over the defence, at your expense, of any claim subject to indemnification under Section 11(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.

## **12. 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 ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND, AND WE EXPRESSLY DISCLAIM ALL WARRANTIES AND REPRESENTATIONS RELATING TO THE TOKENS (WHETHER EXPRESS OR IMPLIED), INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE; (B) WE DO NOT REPRESENT OR WARRANT THAT THE TOKENS ARE RELIABLE, CURRENT, ERROR-FREE, OR DEFECT-FREE, MEET YOUR REQUIREMENTS, OR THAT ANY DEFECTS 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.

NO REGULATORY AUTHORITY HAS EXAMINED OR APPROVED ANY OF THE INFORMATION SET FORTH IN THESE TERMS OR ANY RELATED DOCUMENTATION OR COMMUNICATION BY THE COMPANY. NO SUCH ACTION HAS BEEN OR WILL BE TAKEN UNDER THE LAWS, REGULATORY REQUIREMENTS, OR RULES OF ANY JURISDICTION.

NEITHER THESE TERMS NOR ANY RELATED DOCUMENTATION OR COMMUNICATION BY THE COMPANY CONSTITUTES A PROSPECTUS OR OFFERING DOCUMENT AND IS NEITHER AN OFFER TO SELL NOR THE

SOLICITATION OF AN OFFER TO BUY ANY INVESTMENT OR FINANCIAL INSTRUMENT IN ANY JURISDICTION.

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.

### **13. Limitation of Liability**

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (I) IN NO EVENT WILL COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXAMPLARY LOSSES OR DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, DIMINUTION OF VALUE, LOSS OF USE OR DATA, LOSS OR DEPLETION OF GOODWILL, LOSS OF BUSINESS OPPORTUNITY, LOSS OF CONTRACT, DAMAGES FOR BUSINESS INTERRUPTION, LOSS OF ANTICIPATED SAVINGS, OR THE LIKE) 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 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 THE AMOUNT YOU PAY TO US FOR THE TOKENS.

THE LIMITATIONS SET FORTH IN THIS SECTION 13 WILL NOT LIMIT OR EXCLUDE LIABILITY FOR THE GROSS NEGLIGENCE, FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT OF COMPANY.

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.

#### **14. Release**

To the fullest extent permitted by applicable law, you release the Company and the other Company Parties from responsibility, liability, claims, losses, 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 you and the acts or omissions of third parties.

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favour at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

#### **15. Dispute Resolution; Arbitration**

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 the Company (i) waive your and the 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 the Company's respective rights to a jury trial. Instead, you and the 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). You agree to Arbitration in accordance with the arbitration rules adopted by the board of the Company which are applicable at the time of and request for arbitration. The arbitration shall be governed under Netherlands law. The proceedings will be conducted in English in The Hague, The Netherlands.

#### **16. Governing Law and Venue**

These Terms will be governed by and construed and enforced in accordance with the laws of the Netherlands, without regard to conflict of law rules or principles (whether of the Seychelles or any other jurisdiction) that would cause the application of the laws of any other jurisdiction.

#### **17. Severability**

If any term, clause, or provision of these Terms is held to be illegal, invalid, void, or unenforceable (in whole or in part), then such term, clause, or provision shall be severable from these Terms without affecting the validity or enforceability of any remaining part of that term, clause, or provision, or any other term, clause, or provision in these Terms, which will remain in full force and effect. Any invalid or unenforceable provisions will be interpreted to effect the intent of the original provisions. If such construction is not possible, the invalid or unenforceable provision will be severed from these Terms, but the rest of these Terms will remain in full force and effect.

## **18. Miscellaneous**

These Terms constitute the entire agreement between you and us relating to your purchase of Tokens 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 at <https://Amber.io> and include the date of the update. We may also attempt to notify you through other Amber websites and communications channels. The amended Terms will be effective immediately. 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.

## **SCHEDULE 1 – RISK DISCLOSURES**

**Risk of Losing Access to AMCO Due to Wallet Incompatibility:** A valid FUSE address from an ERC-20 compatible wallet is required to receive your AMCO. Non-compatible wallet addresses will not be accepted. In addition, the Amber address used must not be associated with a third-party exchange or service that has custody over the private key (e.g. Coinbase, etc.). You must own the private key if your address is an exchange address.

**Risks Associated with the Amber Blockchain:** AMCO and the Platform operate on the Amber blockchain. As such, any malfunction, unintended function, unexpected functioning or attack on the Amber blockchain may cause the Platform or AMCO to malfunction or function in an unexpected or unintended manner. Amber may be the target of malicious attacks seeking to identify and exploit weaknesses in the software, which may result in the

loss or theft of AMCO. For example, if the AMCO and the Amber are subject to unknown and/or known security attacks (such as double-spend attacks, 51% attacks, or other malicious attacks), such attacks may materially and adversely affect the Platform and the utility of the AMCO.

**Risks Associated with Purchaser Credentials:** Any third party that gains access to or learns of your wallet credentials or private keys may be able to dispose of your AMCO. To minimize this risk, you should guard against unauthorized access to your electronic devices. Best practices dictate that you safely store private keys in one or more backup locations geographically separated from the working location. In addition, you are responsible for giving us the correct Token Receipt Address to send you your AMCO. If you give us the incorrect Token Receipt Address to send your AMCO to, we are not responsible for any loss of AMCO that may occur.

**Risk of Unknowable or Unfavourable Regulatory Action in One or More Jurisdictions:** Regulation of tokens (including the Tokens), token offerings, or SAFT offerings, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges is not yet mature and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions, and is subject to significant uncertainty. Various legislative and executive bodies in the United States and in other countries may in the future adopt laws, regulations, guidance, or other actions, which may severely impact the development and growth of the Platform and the adoption and utility of the Tokens. Failure by the Company or certain users of the Platform to comply with any laws, rules, and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines. As distributed ledger networks and distributed ledger assets have grown in popularity and in market size, federal and state agencies have begun to take an interest in and, in some cases, regulate their use and operation. To the extent that a domestic government or quasi-governmental agency exerts regulatory authority over a distributed ledger network or asset, the Platform and Tokens may be materially and adversely affected. Distributed ledger networks also face an uncertain regulatory landscape in many jurisdictions such as the United States, the European Union, China, and Russia. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the Platform. Such laws, regulations or directives may be in conflict with each other or may directly and negatively impact our business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the development and growth of the Platform and the adoption and utility of the Tokens.

New or changing laws and regulations or interpretations of existing laws and regulations, in the United States and other jurisdictions, may materially and adversely impact the value

of the currency in which the Tokens may be exchanged, the liquidity and use of the Tokens, and the structure, rights, and transferability of Tokens

**Risk of Alternative Platform:** It is possible that alternative platforms could be established that utilise the same or similar open-source code underlying the Platform and AMCO to facilitate services that are materially similar to the Services on the Platform. The Platform may compete with these alternative platforms, which could negatively impact the Platform and the Tokens.

**Risk of Insufficient Interest in the Platform:** It is possible that the Platform will not be used by a large number of businesses, individuals, and other organisations and that there will be limited public interest in purchasing equity in the Company. Because the success of the Platform also depends, in part, on the growth and adoption of the use of the FUSE blockchain, such a lack of interest could negatively impact AMCO and the Platform.

**Risk that the Platform, as Developed, Will Not Meet the Expectations of the Company or the Purchaser:** The Platform may undergo significant changes over time. Moreover, we may limit control over how other participants will use the Platform, what services may be offered through the Platform by third parties, or how third-party services will utilise the Tokens (if at all). This could create the risk that Tokens or the Platform may not meet your expectations at the time of purchase, for any number of reasons including mistaken assumptions or analysis, a change in the design and implementation plans, and execution of the Platform. Furthermore, despite our good faith efforts to develop, complete, and participate in the Platform, it is still possible that the Platform will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the Platform and Tokens, and your Tokens may become useless due to technical, commercial, regulatory or any other reasons.

**Risk of Unfavourable Fluctuation of AMCO and Other Currency Value:** The Company team intends to use the proceeds from selling AMCO to fund general corporate purposes, as described further in the White Paper. The proceeds of the Token Sale will be denominated in AMCO and converted into other cryptographic and fiat currencies. If the value of AMCO or other currencies fluctuates unfavourably during or after the Token Sale, the Company team may not be able to maintain the Platform in the manner that it intended.

**Risks from Taxation:** The tax characterisation of AMCO is uncertain. You must seek your own tax advice in connection with the acquisition, storage, transfer, and use of AMCO, which may result in adverse tax consequences to you, including, without limitation, withholding taxes, transfer taxes, value added taxes, income taxes and similar taxes, levies, duties, or other charges and tax reporting requirements.

**Risk of Theft and Hacking:** Hackers or other groups or organisations or countries may attempt to interfere with the Platform or the availability of AMCO in any number of ways, including service attacks, denial of service attacks, Sybil attacks, spoofing, smurfing

malware attacks, or consensus-based attacks, or phishing, or other novel methods that may or may not be known to steal AMCO. Any such successful attacks could result in theft or loss of your payment of AMCO or your Tokens, adversely impacting the ability to develop the Platform and derive any usage or functionality from the Tokens.

**Risk of Security Weaknesses in the Platform Core Infrastructure Software:** The Platform will operate partly using proprietary software and open-source software maintained by the Company. Third parties not affiliated with the Company may introduce weaknesses or bugs into the core infrastructure elements of the Platform and open-source code which may negatively impact the Platform. Such events may result in a loss of trust in the security and operation of the Platform, and a decline in user activity and could negatively impact the Tokens.

**Risk of Weaknesses or Exploitable Breakthroughs in the Field of Cryptography:** Advances in cryptography, or technical advances such as the development of quantum computers, could present risks to AMCO and the Platform by rendering ineffective the cryptographic consensus mechanism that underpins the Amber blockchain. Smart contracts and their underlying software application are still in an early development stage and may be unproven. There is no warranty or assurance that the process for obtaining or using AMCO will be uninterrupted or error-free, and there is an inherent risk that the software could contain defects, weaknesses, vulnerabilities, viruses, or bugs causing, inter alia, the complete loss of any AMCO you contribute, the theft or loss of your Tokens, or a reduction in the utility of your Tokens.

**Risk of Lack of Adoption or Use of the Platform:** While AMCO should not be viewed as an investment, it may have value over time due to its utility on the Platform. That value may be limited or non-existent if the Platform lacks use and adoption. If this becomes the case, there may be few or no markets in which AMCO may be sold following the launch of the Platform, potentially having an adverse impact on AMCO.

**Risk of an Illiquid Market for AMCO:** The Company is not aware of any marketplace for AMCO and does not yet support a marketplace for AMCO. There may never be any such marketplace for AMCO. There are currently no exchanges upon which AMCO would trade. If such exchanges ever do develop, they may be relatively new and subject to poorly understood regulatory oversight. Such exchanges may, therefore, be more exposed to fraud and failure than established, regulated exchanges for other products, and such exposure may have a negative impact on AMCO. Furthermore, to the extent that third parties do ascribe an external exchange value to AMCO (e.g. as denominated in a crypto or fiat currency), such value may be extremely volatile and diminish to zero. You should not purchase AMCO as a form of investment on a speculative basis or otherwise, or for a financial purpose, with the expectation or desire that their inherent, intrinsic, or cash-equivalent value may increase over time. You assume all risks associated with such speculation or

actions and any errors associated therewith, and you accept that AMCO is not offered by the Company or its affiliates on an investment basis or for such purpose. You further acknowledge that any funds that you consider to be invested in AMCO will not be protected, guaranteed, or reimbursed by any governmental, regulatory, or other entity.

**Risk of Uninsured Losses:** Unlike bank accounts or accounts at some other financial institutions, funds held using the Platform or FUSE blockchain are generally uninsured. In the event of any loss, there is no public insurer, such as the Federal Deposit Insurance Corporation, or private insurer, to offer recourse to the purchaser.

**Risk of Dissolution of the Amber Project:** It is possible that, due to any number of reasons, including, but not limited to, a decrease in AMCO utility due to (i) negative adoption of the Platform, (ii) an unfavourable fluctuation in the value of AMCO (or other cryptographic and fiat currencies), (iii) the failure of commercial relationships, or (iv) intellectual property ownership challenges, the Platform may no longer be viable to operate, and the Company's project may dissolve.

**Risk of Malfunction in the Network:** It is possible that the Platform malfunctions in an unfavourable way, including one that results in the loss of AMCO.

**Risks Arising from Lack of Governance Rights:** Because Tokens currently confer no governance rights of any kind with respect to the Platform or the Company, all decisions involving the Company's products or services within the Platform 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 on the Platform, to create and sell more Tokens for use on the Platform, or to sell or liquidate the Company. These decisions could adversely affect the Platform and the utility of any Tokens you own, including their utility for obtaining Services.

**Risk of Token Upgrades:** The Network may be subject to significant conceptual, technical and commercial changes. An upgrade to how AMCO is used may be required and, if you decide not to participate in such an upgrade, you may no longer be able to use your Tokens, and any non-upgraded AMCO may lose their functionality in full.

**Risks Associated with Our Intellectual Property:** The Company may consider some technology that it develops to be proprietary. Our ability to compete depends in part upon our ability to protect our rights to the technology that we develop. The Company may also rely on trademark, copyright, and trade secret law to protect its rights. However, these laws offer only limited protection. In addition, other countries may provide the Company with little to no intellectual property right protection. As the number of distributed ledger products and services available to consumers increase, and as the uses of such products and services overlap, companies in the industry may become subject to additional intellectual property disputes. Any litigation to protect our intellectual property rights would be expensive, time-consuming, and unpredictable. Such litigation could adversely affect our

business, including our financial condition, regardless of the outcome. There can be no assurances that any steps taken to protect intellectual property rights will be successful in deterring misappropriation or independent third-party development of our technology. Similarly, third parties may assert infringement and misappropriation claims against us. Regardless of the merit, these actions could distract management from our business and adversely affect our financial condition and operating revenues. The Company may need to enter into confidentiality agreements with its consultants, business partners and investors in an attempt to protect the Company's proprietary rights. Nevertheless, these attempts to protect our proprietary rights may be inadequate. If the Company is unable to protect its intellectual property, the utility of the Tokens may decline or diminish and the Platform may fail.

**Risks Associated with Data Privacy Laws:** There are a number of data protection, security, privacy and other government- and industry-specific requirements, including those that require companies to notify individuals of data security incidents involving certain types of personal data. Security compromises could harm the Platform's reputation, erode user confidence in the effectiveness of its security measures, negatively impact its ability to attract new users, or cause existing users to stop using the Platform, which would reduce or diminish the utility of the Tokens and cause the Platform to fail.

**Unanticipated Risks:** Cryptographic tokens are a relatively new and untested technology. In addition to the risks discussed in these Terms, there are risks that the Amber team cannot anticipate. Further risks may materialise as unanticipated combinations or variations of the discussed risks or the emergence of new risks.