

TERMS OF TOKEN SALE

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PLEASE READ THESE TERMS OF TOKEN SALE CAREFULLY. NOTE THAT SECTION 17 CONTAINS A BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER, WHICH AFFECT YOUR LEGAL RIGHTS. IF YOU DO NOT AGREE TO THESE TERMS OF SALE, DO NOT PURCHASE TOKENS.

Your purchase of Ethereum-based (ERC20) SnipCoin tokens (collectively, “**Tokens**”) during the Token sale (“**Token Sale**”) period (“**Sale Period**”) from Snip Systems Ltd. (“**Snip**”, “**Company**,” “**we**,” or “**us**”) is subject to these Terms of Sale (“**Terms**”). Each of you and Company is a “**Party**,” and together the “**Parties**.”

These Terms take effect when you (1) click an “I Agree” button, check box or other indicator of agreement presented with these Terms or, if earlier, (2) when we receive payment in full pursuant to Section 2 (“**Effective Date**”). By purchasing Tokens from us during the Sale Period, 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 info@snip.today.

You and Company agree as follows:

1. Purpose and Use of Tokens in the Network

The purpose of the Tokens is to enable different operations on the Snip platform, such as purchasing ad space, using an ad-free version and personalized podcast, and rewarding content contributors, and related services (collectively, the “**Services**”) through the Snip platform created and released by Company that allows users to create and consume news stories (the “**Network**”). Specifically, Tokens are intended to be used to access high-quality news snippets in various formats (“**Product**”), which serves as the content on the Network. Important additional details regarding the Network, Services, and Product are in the Snip white paper (the “**White Paper**”).

The Tokens do not confer any rights other than rights relating to the provision and receipt of Services in the Network, subject to limitations and conditions in applicable Network 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 during the Sale Period.

Any use of Tokens in connection with providing or receiving Services in the Network will be governed primarily by other applicable terms and policies, which currently include the Snip White Paper (https://www.snip.network/Snip_Whitepaper.pdf), our online and mobile Terms of

Use (<https://www.snip.today/about/terms/>), and our Privacy Policy (https://www.snip.today/about/privacy_policy/) (collectively, the “**Network Terms and Policies**”). We may add new terms or policies to the Network Terms and Policies in our sole discretion, and may update each of the Network Terms and Policies from time to time according to modification procedures set forth therein. You have read and understand these Terms as well as the Network Terms and Policies, the Risk Disclosures, and the White Paper and will regularly check for updates to these documents on <https://snip.network> or other channels we make available, and will read any updates.

YOU AGREE AND CERTIFY THAT YOU ARE PURCHASING TOKENS DURING THE TOKEN SALE FOR YOUR OWN PERSONAL USE AND UTILITY, AND TO PARTICIPATE ON THE SNIP PLATFORM AND NOT FOR INVESTMENT, OR FINANCIAL PURPOSES. YOU AGREE AND CERTIFY THAT TOKENS ARE NOT A SECURITY OR A CRYPTOCURRENCY AND ACKNOWLEDGE THAT TOKENS MAY LOSE ALL VALUE. Tokens are a cryptographic token used on the Snip platform. If you did not understand any of the concepts identified in the White Paper; these Terms; the Terms of Use; Risk Disclosures; Privacy Policy; or other Network Terms and Policies, please contact us at info@snip.today. By agreeing to the Terms you affirm that you understand any and all concepts described in the documents to your satisfaction.

To the extent of any conflict with these Terms, the Network Terms and Policies shall control with respect to any issues relating to the use of Tokens in connection with providing or receiving Services on the Network.

3. Principles:

- (a) By transferring Ether (“**ETH**”) to the relevant Token deposit addresses or accounts during the Sale Period, you understand and accept that you make a contribution into a deposit address for the development of the Snip platform. For the White Paper and/or further information on the Snip platform, visit: <https://www.snip.network>. The information contained in the White Paper and on https://www.snip.network/Snip_Whitepaper.pdf are of descriptive nature only, are not binding and— unless explicitly referred to herein — do not form part of the Terms.
- (b) You understand and accept that while the individuals and entities, including the Company assigned to this task, will make reasonable efforts to develop and complete the Snip platform, it is possible that such development may fail and your Tokens may become useless and/or valueless due to technical, commercial, regulatory or any other reasons.
- (c) You are also aware of the risk that even if all or parts of the Snip platform are successfully developed and released in full or in parts, due to a lack of public interest, the Snip platform could be fully or partially abandoned, remain commercially unsuccessful or shut down for lack of interest, regulatory or other reasons. You therefore understand and accept that the transfer of ETH to the relevant deposit address, and the creation of Tokens by the Network carry significant financial,

regulatory and/or reputational risks (including the complete loss of value of created Tokens, if any, and attributed features of the Snip platform).

- (d) You furthermore understand and accept that – as the creation of the Tokens as well as the assignment of the execution of the Snip platform are Network based – the terms and conditions applicable thereon are set forth in the “**Network Code**,” consisting of multiple interconnected software codes, existing on the Ethereum blockchain, or other blockchain (as determined by the Company) as set forth on the website: <https://snip.network> (the “**Company Site**”). Specifically, the Company reserves the right to migrate from the Ethereum protocol to a future protocol, which may or may not currently exist, for any reason. Tokens issued and outstanding will be exchanged on an equal basis, if the revised protocol requires the underlying token protocol to be different from the currently utilized Ethereum protocol. To the extent the Terms contained herein or in any other document or communication contradict the ones set forth in the Network, the terms of the Network shall prevail. Furthermore, neither this document nor any other document or communication may modify or add any additional obligations to the Tokens or publisher of these Terms or developer of the Network and/or any other person, entity and/or affiliates involved with the deployment of the Network and the setting up of the Snip platform beyond those set forth in the Network.
- (e) By transferring ETH to the relevant deposit address you expressly agree to all of the terms and conditions set forth in the Network Code existing on the Ethereum blockchain (at the address set forth on the Company Site). You further confirm to have carefully reviewed the Network Code, its functions and the terms and conditions set forth in this document and to fully understand the risks and costs of creating Tokens and contributing into the Network for the development of the Snip platform.
- (f) This document does not constitute a prospectus of any sort, is not a solicitation for investment and does not pertain in any way to an initial public offering or a share/equity offering and does not pertain in any way to an offering of securities in any jurisdiction. It is a description of the functionality of a Network.
- (g) By transferring ETH to the relevant deposit address, and/or receiving Tokens, no form of partnership, joint venture, agency or any similar relationship between you and the Company and/or other individuals or entities involved with the deployment of the Network and the setting up of the Snip platform is created.
- (h) The contribution into the Network will not involve any fiat currencies and will strictly be done in cryptocurrencies (ETH only).

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, and (ii) if a sales minimum is established and the Sale Period fails to sell a minimum number of Tokens, then

Ether or other cryptocurrency sent by you to purchase Tokens may be returned and the purchase and sale will be considered not made. We reserve the right to refuse or cancel Token purchase requests at any time in our sole discretion.

We will provide you web-based support only, which may include email, web forums, and knowledge base support. We will not provide telephone or live support. Our support email is info@snip.today.

5. Token Sale Procedures and Specifications

Important information about the procedures and material specifications of our Token Sale is provided in the **Token Issuance Program Section** of our website, including, but not limited to, details regarding the timing and pricing of the Token Sale, the amount of Tokens we will sell, and our anticipated use of the Token Sale proceeds as follows: The Sale Period will begin on September 29th, 2017 and go on for 30 days or until the maximum number of Tokens are purchased. The actual launch of the Token Sale will be announced on <https://snip.network> and on Telegram (<https://t.me/sniptoday>) by the founders (Ran Reichman, Rani Horev). Snip has allotted 30% of its total Tokens supply for the Token Sale, while the exact percentage may vary according to WINGS forecasting (<https://wings.ai>) results.

By purchasing Tokens, you acknowledge that you understand and have no objection to these procedures and material specifications. This information is incorporated by reference as if fully set forth herein.

- (a) **Delivery Date.** After completion of the Token Sale, the account you used to purchase Tokens will be credited with the appropriate number of Tokens from the total amount of Tokens you purchased during the Token Sale (the “**Resulting Distribution**”).
- (b) **Delivery Method.** All deliveries from the Resulting Distribution will be made electronically. Deliveries will be made directly to the account, address or wallet associated with your Token purchase.
- (c) **Third Party Payment Processor.** If you purchase Ether, or acquire Ether using a third party payment processor (e.g., ShapeShift, YUNBI, Gatecoin), that payment processor is your agent, not ours, for the purpose of the payment and purchase. You, not we, are responsible for ensuring that we actually receive the appropriate amount of Ether. We are not responsible for any loss of funds due to the use of a third party payment processor. If you purchase Tokens or acquire Tokens using a third party payment processor, that payment processor is your agent, not ours, for the purpose of the payment and purchase. You, not we, are responsible for ensuring that we actually receive the appropriate amount of Ether or other cryptocurrency. We are not responsible for any loss of funds related to the use of a third party payment processor.

6. Acknowledgement and Assumption of Risks

- (a) You acknowledge and agree that there are risks associated with purchasing Tokens, holding Tokens, and using Tokens for providing or receiving Services in the Network, as disclosed and explained in the **Risk Disclosures** Section. If you have any questions regarding these risks, please contact us at info@snip.today. BY PURCHASING TOKENS, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME THESE RISKS.

7. Security

- (a) Your Security. You are responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanism 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 Ethereum address or your Tokens, and (iii) your username, password and any other login or identifying credentials. In the event that you are no longer in possession of any device connected with your account or are not able to provide your login or identifying credentials, we may, in our sole discretion, and only if we are able, grant access to your account to any person providing additional credentials to us. We reserve the right to determine the additional credentials required, which may include a sworn, notarized statement of identity.
- (b) Additional Information. You will provide to us, immediately upon our request, information that we, in our sole discretion, deem to be required to maintain compliance with any federal, state, local, domestic or foreign law, regulation or policy.
- (c) Your Information. We may use aggregate statistical information about your activity, including your activity on the Company Site or platform and logins to various websites, for marketing or any other purpose in 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 Network Terms and Policies.

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 Tokens to you. You agree to provide us 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 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.

10. Representations and Warranties

By purchasing Tokens, you represent and warrant that:

- (a) You are agreeing to participate in the Snip application in some manner, and understand that it is your responsibility to participate, meaning that the ecosystem surrounding this project is not solely dependent upon the efforts of Snip managers, but by the entire Snip ecosystem community;
- (b) You are not a citizen or resident of a country whose legislation conflicts with the present sale of Tokens and/ or the Network in general;
- (c) You have sufficient understanding of cryptographic tokens, token storage mechanisms (such as token wallets), and blockchain technology to understand these Terms and to appreciate the risks and implications of purchasing the Tokens;
- (d) You have read and understand these Terms (including the totality of the White Paper to which these Terms also apply);
- (e) You have obtained sufficient information about the Tokens to make an informed decision to purchase the Tokens;
- (f) You understand that the Tokens confer only the right to provide and receive Services in the Network and confer no other rights of any form with respect to the Network or Company, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights;
- (g) You are not purchasing Tokens for any uses or purposes other than to provide or receive Services in the Network, including, but not limited to, any investment, speculative or other financial purposes;
- (h) 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;
- (i) You will comply with any applicable tax obligations in your jurisdiction arising from your purchase of Tokens;
 - (j) If you are purchasing Tokens on behalf of any entity, you are authorized to accept these Terms on such entity's behalf and that such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity (references to "you" in these Terms refer to you and such entity, jointly);
 - (k) You are not a resident or domiciliary of New York State or Washington State or purchasing Tokens from a location in New York State or Washington State, and you are not purchasing Tokens from countries or regions comprehensively sanctioned by the US Office of Foreign Assets Control (OFAC) (including countries currently sanctioned by the US OFAC such as Ukraine, Cuba, Iran, North Korea, Sudan and Syria), or on behalf of governments of these countries or regions, nor will you use the Tokens to conduct or facilitate any transactions with persons or entities located in these countries or regions; and
 - (l) You are not (i) a citizen or resident of a geographic area in which access to 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 geographic area that is subject to U.S. or other applicable comprehensive country sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons, Unverified, or Entity List, the U.S. Department of Treasury's Specially Designated Nationals or Blocked Persons or Foreign Sanctions Evaders Lists, or the U.S. Department of State's Debarred Parties List. You also will not use the Tokens to conduct or facilitate any transactions with such persons described above. You agree that if your country of residence or other circumstances change such that the above representations are no longer accurate, that you will immediately cease using the Services. If you are registering to use the Services on behalf of a legal entity, you further represent and warrant that (i) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization, and (ii) you are duly authorized by such legal entity to act on its behalf.
 - (m) You are of a sufficient age to legally obtain and use Tokens;
 - (n) 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;

- (o) You, as an active member of the Snip Network, must maintain all records as to ownership amounts, correct address and physical location, location of wallets, participation efforts, and any and all other information necessary for the Snip managers to maintain accurate records as to the ecosystem created for the snip Network, and to notify all associated parties within the Snip community;
- (p) You understand that you bear the sole responsibility to determine if your contribution to the Network for the development of the Snip application, the transfer of ETH to the Network, the creation, 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 Snip application have tax implications; by creating, holding or using the Tokens, and to the extent permitted by law, you agree not to hold any third party (including developers, auditors (e.g. contractors or founders)) liable for any tax liability associated with or arising from the creation, ownership or use of the Tokens or any other action or transaction related to the Snip application;
- (q) You are purchasing the functionality of the Tokens issued by the Network primarily to support the development, testing, deployment and operation of the Snip application, being aware of the commercial risks associated with the Snip application;
- (r) 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;
- (s) You understand the creation of the 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;
- (t) You understand that the transfer of ETH to the Network, the creation of the Tokens and the development of the Snip application carries significant financial, regulatory and reputational risks as further set forth in the Terms; and
- (u) You understand that you have no right against any other party to request any refund of ETH submitted to the Network for the creation of the Tokens under any circumstance.

11. Your Responsibilities

- (a) Security and Backup. You are responsible for properly configuring any software in connection with your access to, or use of, Tokens. Snip platform log-in credentials are for your internal use only and you may not sell, transfer, or sublicense them to any other person, except that you may disclose your credentials to your employees, contractors or agents performing work on your behalf. You are responsible for any person's use of your credentials.

- (b) End User Violations. You will be deemed to have taken any action that you permit, assist or facilitate any person to take related to these Terms. You are responsible for any actions taken by anyone who purchases Tokens from you (this person being referred to herein as an “**End User**”). You will ensure that any End User complies with your obligations in these Terms and that the terms of your agreement with any End User are consistent with these Terms.
- (c) End User Support. You are responsible for providing customer service (if any) to any End User. We do not provide any support or services to End Users unless we have a separate agreement with you or an End User obligating us to provide support or services.

12. Proprietary Rights

- (a) Suggestions. If you provide any suggestions to us or our affiliates, we will own all right, title, and interest in and to those suggestions, even if you have designated the suggestions as confidential or proprietary. We and our affiliates will be entitled to use the suggestions without restriction. You irrevocably assign to us all right, title, and interest in and to the suggestions and agree to provide us any assistance we may require to document, perfect, and maintain our rights in the suggestions.
- (b) Hardware and Software. Under no circumstances will you gain any proprietary rights in any computer hardware or software (except the value of the Tokens in your Resulting Distribution) used by us or our affiliates.
- (c) Intellectual Property. We retain all right, title and interest in all of our intellectual property, including inventions, discoveries, processes, marks, methods, compositions, formulae, techniques, information and data, whether or not patentable, copyrightable or protectable in trademark, and any trademarks, copyrights or patents based thereon. You may not use any of our intellectual property for any reason, except with our express, prior, written consent which may be revoked by us.

13. Indemnification

- (a) 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 Parties**”) from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys’ fees and costs) that arise from or relate to: (i) your purchase or use of Tokens, (ii) your responsibilities or obligations under these Terms, (iii) your violation of these Terms, or (iv) your violation of any rights of any other person or entity.
- (b) Company reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification under Section 13(a). This indemnity is in

addition to, and not in lieu of, any other indemnities set forth in a written agreement between you and Company.

14. Disclaimers

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

WE DO NOT AND WILL NOT PROVIDE YOU WITH ANY SOFTWARE OTHER THAN THE TOKENS IN YOUR RESULTING DISTRIBUTION.

YOU UNDERSTAND THAT TOKENS, BLOCKCHAIN TECHNOLOGY, THE ETHEREUM PROTOCOL, AND ETHER ARE NEW AND UNTESTED TECHNOLOGIES OUTSIDE OF OUR CONTROL AND ADVERSE CHANGES IN MARKET FORCES OR TECHNOLOGY WILL EXCUSE OUR PERFORMANCE UNDER THESE TERMS.

TRANSACTIONS USING BLOCKCHAIN TECHNOLOGY, SUCH AS THOSE INVOLVING THE TOKEN SALE, ARE AT RISK TO MULTIPLE POTENTIAL FAILURES, INCLUDING HIGH NETWORK VOLUME, COMPUTER FAILURE, BLOCKCHAIN FAILURE OF ANY KIND, USER FAILURE, TOKEN THEFT, AND NETWORK HACKING. WE ARE NOT RESPONSIBLE FOR ANY LOSS OF DATA, ETHER, TOKENS, HARDWARE OR SOFTWARE RESULTING FROM ANY TYPES OF FAILURES, THEFT, OR HACK.

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.

15. Limitation of Liability

- (a) 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, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR USE OF

THE TOKENS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE); AND (II) IN NO EVENT WILL THE AGGREGATE LIABILITY OF 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.

- (b) THE LIMITATIONS SET FORTH IN SECTION 15(a) 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.

16. Release

To the fullest extent permitted by applicable law, you release 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. **You expressly waive any and all rights which you may have under California Civil Code § 1542, as well as any other statute or common law principles that would otherwise limit the coverage of this release to include only those claims which you may know or suspect to exist in your favor at the time of agreeing to this release. California Civil Code Section 1542 reads as follows:**

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor 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.

17. Dispute Resolution; Arbitration

PLEASE READ THE FOLLOWING SECTION CAREFULLY BECAUSE IT REQUIRES YOU TO ARBITRATE CERTAIN DISPUTES AND CLAIMS WITH COMPANY AND LIMITS THE MANNER IN WHICH YOU CAN SEEK RELIEF FROM US.

- (a) Binding Arbitration. Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, “**Disputes**”) in which either Party seeks to bring an individual action in small claims court or 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).
- (b) No Class Arbitrations, Class Actions or Representative Actions. Any Dispute arising out of or related to these Terms is personal to you and Company, 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.
- (c) Federal Arbitration Act. These Terms affect interstate commerce and the enforceability of this Section 17 will be both substantively and procedurally governed by and construed and enforced in accordance with the Federal Arbitration Act, 9 U.S.C. § 1 et seq. (the “**FAA**”), to the maximum extent permitted by applicable law.
- (d) Notice; Informal Dispute Resolution. Each Party will notify the other Party in writing of any arbitrable or small claims Dispute within thirty (30) days of the date it arises, so that the Parties can attempt in good faith to resolve the Dispute informally. Notice to Company shall be sent by e-mail to Company at info@snip.today. Notice to you shall be by email to the then-current email address in your Company account. Your notice must include (i) your name, postal address, email address and telephone number, (ii) a description in reasonable detail of the nature or basis of the Dispute, and (iii) the specific relief that you are seeking. If you and Company cannot agree how to resolve the Dispute within thirty (30) days after the date notice is received by the applicable Party, then either you or Company may, as appropriate and in accordance with this Section 17, commence an arbitration proceeding or, to the extent specifically provided for in Section 17(a), file a claim in court.
- (e) Process. Any arbitration will occur in San Francisco, CA. Arbitration will be conducted confidentially by a single arbitrator in accordance with the rules of the Judicial Arbitration and Mediation Services (“**JAMS**”), which are hereby incorporated by reference. The state and federal courts located in San Francisco, CA will have exclusive jurisdiction over any appeals and the enforcement of an

arbitration award. You may also litigate a Dispute in the small claims court located in the county where you reside if the Dispute meets the requirements to be heard in small claims court.

- (f) Authority of Arbitrator. As limited by the FAA, these Terms and the applicable JAMS rules, the arbitrator 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 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.
- (g) Rules of JAMS. The rules of JAMS and additional information about JAMS are available on the JAMS website. By agreeing to be bound by these Terms, you either (i) acknowledge and agree that you have read and understand the rules of JAMS, or (ii) waive your opportunity to read the rules of JAMS and any claim that the rules of JAMS are unfair or should not apply for any reason.

18. Governing Law and Venue

These Terms will be governed by and construed and enforced in accordance with the laws of the State of Delaware, without regard to conflict of law rules or principles (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any other jurisdiction. Any Dispute between the Parties arising out of or relating to these Terms that is not subject to arbitration or cannot be heard in small claims court will be resolved in the state or federal courts of the State of California and the United States, respectively, sitting in San Francisco, California.

19. Severability

If any provision of these Terms is held to be invalid or unenforceable, the remaining provisions of these Terms 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 the Terms will remain in full force and effect.

20. Modifications to the Terms.

We may modify these Terms and the Network Terms and Policies at any time by posting a revised version on the Company Site, other channel we make available or, only if you have provided us with an email address, by email. The modified provisions will become effective upon posting or the date indicated in the posting, or if we notify you by email, as stated in the email. It is your responsibility to check the Company Site and other channels regularly for

modifications. Your continued use of Tokens or the Snip platform after any modification become effective constitutes your acceptance of the modification. We last modified these Terms on the date listed at the beginning of these Terms.

21. Miscellaneous

- (a) Confidentiality and Publicity. You may use Company Confidential Information (as defined below) only in connection with your purchase of Tokens and pursuant to the terms of these Terms. You will not disclose Company Confidential Information during or after the Sale Period. You will take all reasonable measures to avoid disclosure, dissemination or unauthorized use of Company Confidential Information, including, at a minimum, those measures you take to protect your own confidential information of a similar nature. You will not issue any press release or make any other public communication with respect to these Terms or your purchase of Tokens. You will not misrepresent or embellish the relationship between us and you (including by expressing or implying that we support, sponsor, endorse, or contribute to you or your business endeavors), or express or imply any relationship or affiliation between us and you or any other person.
- i. **“Company Confidential Information”** means all nonpublic information disclosed by us, our affiliates, business partners and our or their respective employees, contractors or agents that is designated as confidential or that, given the nature of the information or circumstances surrounding its disclosure, reasonably should be understood to be confidential. Company Confidential Information includes: (a) nonpublic information relating to our or our affiliates or business partners’ technology, customers, business plans, promotional and marketing activities, finances and other business affairs; (b) third-party information that we are obligated to keep confidential; and (c) the nature, content and existence of any discussions or negotiations between you and us or our affiliates. Company Confidential Information does not include any information that: (i) is or becomes publicly available without breach of this agreement; (ii) can be shown conclusively by documentation to have been known to you at the time of your receipt from us; (iii) is received from a third party who did not acquire or disclose the same by a wrongful or tortious act; or (iv) can be shown conclusively by documentation to have been independently developed by you without reference to the Company Confidential Information.
- (b) Force Majeure. We and our affiliates 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, including acts of God, labor disputes or other industrial disturbances, electrical, telecommunications, hardware, software or other utility failures, earthquake, storms or other elements of nature, blockages, embargoes, riots, acts or orders of government, acts of terrorism, war, changes in blockchain

technology, changes in the Ethereum or Snip protocols or any other force, event or condition outside of our control.

- (c) Independent Contractors. We and you are independent contractors, and neither party, nor any of their respective affiliates, is an agent of the other for any purpose or has the authority to bind the other.
- (d) No Third Party Beneficiaries. These Terms do not create any third party beneficiary rights in any person except for any of our affiliates or licensors as provided in these Terms.
- (e) U.S. Government Rights. If provided to the U.S. Government, Tokens are provided as “commercial items,” “commercial computer software,” “commercial computer software documentation,” and “technical data” with the same rights and restrictions generally applicable to software services. If you are purchasing Tokens on behalf of the U.S. Government and these terms fail to meet the U.S. Government’s needs or are inconsistent in any respect with federal law, you will immediately discontinue your purchase of the Tokens. The terms “commercial item,” “commercial computer software,” “commercial computer software documentation,” and “technical data” are defined in the Federal Acquisition Regulation and the Defense Federal Acquisition Regulation Supplement.
- (f) Import and Export Compliance. In connection with these Terms, you will comply with all applicable import, re-import, export, and re-export control and laws, regulations, guidance and programs, including the Export Administration Regulations, the International Traffic in Arms Regulations, and country or individual-specific economic sanctions programs implemented by the Office of Foreign Assets Control. You are solely responsible for compliance related to your use of Tokens.
- (g) Notice.
 - i. To you: We may provide any notice to you under these Terms by: (A) posting a notice on the Company Site; or (B) sending an email to the email address then associated with your account. Notices we provide by posting on the Company Site will be effective upon posting and notices we provide by email will be effective when we send the email. It is your responsibility to keep your email address current. You will be deemed to have received any email sent to the email address then associated with your account when we send the email, whether or not you actually receive or read the email.
 - ii. To us: To give us notice under these Terms, you must contact Snip by email to **info@snip.today**. We may update this email address for notices to us by posting a notice on the Company Site or sending an email to you. Notices to us will be effective when received by us.

iii. Language: All communications and notices to be made or given pursuant to these Terms must be in the English language.

- (h) Assignment. You will not assign these Terms, or delegate or sublicense any of your rights under these Terms, without our prior written consent. Any assignment or transfer in violation of this Section 21(h) will be void. We may assign these Terms or any of its provisions without your consent. Subject to the foregoing, these Terms will be binding upon, and inure to the benefit of the parties and their respective successors and permitted assigns.
- (i) No Waivers. The failure by us to enforce any provision of these Terms will not constitute a present or future waiver of such provision nor limit our right to enforce such provision at a later time. All waivers by us must be in writing to be effective.

RISK DISCLOSURES

Last Updated: [_____], 2017

- 1. Risk of Losing Access to Tokens Due to Wallet Incompatibility:** A valid ERC20 Ethereum address from an ERC20 compatible wallet like Parity, Mist, MyEtherWallet, or Metamask is required to receive your Tokens because your Tokens will be delivered to this address. Non-ERC20 compatible wallet addresses will not be accepted. In addition, the Ethereum address used must not be associated with a third party exchange or service that has custody over the private key. You must own the private key if your address is an exchange address.
- 2. Risks Associated with the Ethereum Protocol:** Tokens and the Snip platform are based on the Ethereum protocol. As such, any malfunction, unintended function, unexpected functioning of or attack on the Ethereum protocol may cause the Snip platform or Tokens to malfunction or function in an unexpected or unintended manner. Ether, the native unit of account of the Ethereum protocol, may itself lose value in ways similar to Tokens, and also other ways.
- 3. Risks Associated with Purchaser Credentials:** Any third party that gains access to or learns of your wallet login credentials or private keys may be able to dispose of your Tokens. 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 address to send you your Tokens. If you give us the incorrect address to send your Tokens to, we are not responsible for any loss of Tokens that may occur.
- 4. Risk of Unfavorable Regulatory Action in One or More Jurisdictions:** Blockchain technologies and token sales have been the subject of scrutiny by various regulatory bodies around the world. The functioning of the Snip platform and Tokens could be impacted by one or more regulatory inquiries or actions, including the licensing of or restrictions on the use, sale, or possession of digital tokens like Tokens, which could impede, limit or end the development of the Snip platform and increase legal costs.
- 5. Risk of Alternative, Unofficial Snip Platform:** Following the Token Issuance Program and the development of the initial version of the Tokens platform, it is possible that alternative applications could be established, which use the same open source code and protocol underlying the Snip platform. The official Snip platform may compete with these

alternative, unofficial Tokens-based applications, which could potentially negatively impact the Snip platform and Tokens, including its value.

6. **Risk of Insufficient Interest in the Snip Platform or Distributed Applications:** It is possible that the Snip platform will not be used by a large number of 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 negatively impact Tokens and the Snip platform.
7. **Risk that the Snip Platform, As Developed, Will Not Meet the Expectations of Snip or the Purchaser:** The Snip platform is presently under development and may undergo significant changes before release. Any expectations or assumptions regarding the form and functionality of the Snip platform or Tokens (including participant behavior) held by Snip or the purchaser may not be met upon release, for any number of reasons including mistaken assumptions or analysis, a change in the design and implementation plans and execution of the Snip platform.
8. **Risk of Unfavorable Fluctuation of Ether and Other Currency Value:** The Company team intends to use the proceeds from selling Tokens to fund the maintenance and continued development of the Snip application, as described further in the White Paper. The proceeds of the crowdsale will be denominated in Ether and converted into other cryptographic and fiat currencies. If the value of Ether or other currencies fluctuates unfavorably during or after the crowdsale, the Company team may not be able to fund continued development, or may not be able to develop or maintain the Snip application, in the manner that it intended
9. **Risks from Taxation:** The tax characterization of Tokens is uncertain. You must seek your own tax advice in connection with purchasing Tokens, which may result in adverse tax consequences to you, including withholding taxes, income taxes, and tax reporting requirements.
10. **Risk of Theft and Hacking:** Hackers or other groups or organizations or countries may attempt to interfere with the Snip platform or the availability of Tokens in any number of ways, including 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 Tokens.
11. **Risk of Security Weaknesses in the Snip Platform Core Infrastructure Software:** The Snip platform consists of open source software that is based on other open source

software. There is a risk that the Snip team, or other third parties may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructural elements of the Snip platform interfering with the use of or causing the loss of Tokens.

12. **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 cryptocurrencies and the Snip platform, which could result in the theft or loss of Tokens.
13. **Risk of Tokens Mining Attacks:** As with other decentralized cryptographic tokens and cryptocurrencies, the blockchain used for the Snip platform is susceptible to mining attacks, including double-spend attacks, majority mining power attacks, selfish-mining attacks, and race condition attacks. Any successful attacks present a risk to the Snip platform, Tokens, and expected proper execution and sequencing of Ethereum contract computations. Despite the efforts of the Snip team, the risk of known or novel mining attacks exists.
14. **Risk of Lack of Adoption or Use of the Snip Platform:** While Tokens should not be viewed as an investment, it may have value over time. That value may be limited or non-existent if the Snip platform lacks use and adoption. If this becomes the case, there may be few or no markets following the launch of the platform, potentially having an adverse impact on Tokens.
15. **Risk of an Illiquid Market for Tokens:** The Company is not aware of any a marketplace for Tokens and there may never be any such marketplace for Tokens. There are currently no exchanges upon which Tokens would trade. If ever exchanges do develop, they will likely be relatively new and subject to poorly understood regulatory oversight. They may therefore be more exposed to fraud and failure than established, regulated exchanges for other products and have a negative impact on Tokens.
16. **Risk of Uninsured Losses:** Unlike bank accounts or accounts at some other financial institutions, funds held using the Snip platform or Ethereum network are generally uninsured. In the event of any loss, there is no public insurer, such as the FDIC, or private insurer, to offer recourse to the purchaser.
17. **Risk of Dissolution of the Snip Platform:** It is possible that, due to any number of reasons, including an unfavorable fluctuation in the value of Ether, development issues with the Snip platform, the failure of business relationships, or competing intellectual

property claims, the Snip application may no longer be viable as a business or otherwise and may dissolve or fail to launch.

18. **Risk of Malfunction in the Snip Platform:** It is possible that the Snip platform malfunctions in an unfavorable way, including one that results in the loss of Tokens.
19. **Unanticipated Risks:** Cryptographic tokens are a new and untested technology. In addition to the risks discussed in the White Paper and these Terms, there are risks that the Snip team cannot anticipate. Further risks may materialize as unanticipated combinations or variations of the discussed risks or the emergence of new risks.