

## CROWDSALE TERMS AND CONDITIONS



# ENJIN PTE. LTD.

## ENJIN COIN TOKEN CROWDSALE TERMS AND CONDITIONS

("Terms")

Effective as of: 28<sup>nd</sup> of August 2017

PLEASE READ THESE TERMS CAREFULLY. THE TOKENS (AS DEFINED BELOW) ARE NOT (AND ARE NOT INTENDED TO BE) STRUCTURED OR SOLD AS SECURITIES OR ANY OTHER FORM OF INVESTMENT PRODUCT IN ANY JURISDICTION. THESE TERMS AND ANY OTHER DOCUMENT OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OR SALE OF THE TOKENS DO NOT CONSTITUTE A PROSPECTUS OR OFFER DOCUMENT OF ANY SORT AND ARE NOT INTENDED TO CONSTITUTE AN OFFER OF SECURITIES OR A SOLICITATION FOR INVESTMENT IN SECURITIES IN ANY JURISDICTION. NO REGULATORY AUTHORITY IN SINGAPORE OR ELSEWHERE HAS EXAMINED OR APPROVED OF THESE TERMS OR THE TOKENS. NOTE THAT SECTION 17 CONTAINS A BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER, WHICH AFFECT YOUR LEGAL RIGHTS.

Your purchase of Enjin Coin Smart Contracts tokens (each, a "**Token**") during the Token Sale (as defined below) from Enjin Pte Ltd. (the "**Company**") is subject to these Terms (as amended from time to time). In these Terms, (i) you and the Company shall each be referred to as a "**Party**" and, together, the "**Parties**", (ii) "**Section**" shall mean a section in these Terms, and (iii) "**Exhibit**" shall mean an Exhibit to these Terms. In the case of any conflict or inconsistency between these Terms, the Exhibits or such other documents relating to the sale of the Tokens that is not expressly resolved in those documents, these Terms shall prevail.

By accepting these Terms and purchasing the Tokens from the Company, you hereby agree to be bound by these Terms (including the Exhibits) and any terms incorporated by reference. The Company reserves the right, at its sole and absolute discretion, to revise these Terms at any time and without prior notice, by posting the revised Terms on its website. The revised Terms will take effect immediately upon the Company publishing it. If

you have any questions regarding these Terms, please contact the Company at [info@enjin.com](mailto:info@enjin.com)

The Parties hereby agree as follows:

## 1. Commencement and Duration of Token Sale

The Company will conduct a pre-sale of the Tokens ("**Pre-Sale**") and a public sale of Tokens (the "**Public Sale**"). Please refer to Exhibit B for information relating to the Pre-Sale. The Public Sale will begin at **7 a.m. PDT on October 3rd, 2017** (the "**Launch Date**"), and end at **11:59 p.m. PDT on October 31st, 2017** (the "**Crowdsale End Date**") or when the total available supply of Tokens have been sold, whichever is earlier.

## 2. Eligibility and Requirements

- (a) In order to be eligible to participate in the Pre-Sale or the Public Sale (collectively, the "**Token Sale**") and to log into the Token Sale portal to make a purchase, you need to register at the Token Sale page on <https://enjincoin.io> (the "**Enjin Coin Website**") and provide the Company with your email address and such other information requested by the Company for the purpose of verifying your identity (the "**User Credentials**").
- (b) You shall not be eligible to participate in the Token Sale if you are subject to any applicable laws and regulations which would restrict or prohibit your participation in the Token Sale.
- (c) In order to pay for any purchase of Tokens or to receive any refund in respect of any purchase of Tokens (as applicable), you must possess and maintain, in fully operational, secure and valid status, an Ethereum wallet which adheres to and supports the ERC-20 token standard (the "**Token Receipt Address**"), and a refund address (the "**Refund Address**"). The Company reserves the right to prescribe additional guidance regarding specific wallet requirements. For the avoidance of doubt, all refunds will be made in Ether ("**ETH**"). The Company shall not be responsible for any delays, losses, costs, non-delivery or other issues arising from the failure (whether by omission or otherwise) to provide an accurate Refund Address or Token Receipt Address (as applicable).

## 3. Purchase and Sale of Tokens

- (a) **Price.**
  - (i) During the Pre-Sale, the price per Token shall be such amount of ETH equivalent to **USD \$0.03 (3 Cents)**. The amount of ETH required shall be determined by the Company in its sole and absolute discretion with reference to the Exchange Rate (defined below), and shall be payable via a smart contract.

- (ii) Subject to these Terms, the Company shall have no obligation to deliver any Token to you until the Company has received (in full) the Purchase Price (as defined in Section 3(b)) in respect of your submission of request to purchase Tokens ("**Purchase Request**").
  - (iii) Any payment for the purchase of Tokens during the Token Sale shall be made strictly to the multi-signature address specified by the Company. In the event that you make payment to any other address or any other place, you agree and acknowledge that (1) such payments will not be received by the Company, and the Company shall not be under any obligation whatsoever to deliver any Tokens to you; and (2) the Company shall have no obligations in any form or whatsoever to you in respect of such payment.
- (b) **Exchange Rate.** The amount of ETH quoted for your Purchase Request ("**Purchase Price**") shall be equal to the US dollar value of your purchase amount of the Tokens (e.g., USD\$50,000) divided by the Exchange Rate (as defined below). "**Exchange Rate**" shall mean the hourly USD/ETH opening exchange rate as sourced by the Company from cryptocompare.com (Kraken).
- (c) **Purchase Price Must Be Received in Full Within Two Hours.** If the Company has not received the payment of the full Purchase Price in accordance with these Terms within two hours of the time that you receive your payment instructions from the Company, the Company reserves the right to void your Purchase Request and refuse your payment of the Purchase Price. For the avoidance of doubt, the Purchase Price will be deemed to be paid in full once the Company has received three network confirmations of the transaction. The Company reserves the right, in its sole and absolute sole discretion, to modify any of the timelines described herein to account for network congestion or other technical challenges.
- (d) **Delivery of Presale Tokens.** The Company intends to deliver the quantity of Tokens you purchase in the presale before the start of the public sale (which is planned to begin on October 3rd, 2017 - this date may be adjusted). The company reserves the right to deliver the tokens up to two additional weeks after you have provided a complete and accurate Token Receipt Address if necessary to address any unanticipated technical difficulties or delays. For the avoidance of doubt, any such extension will not affect the obligation of the Company and you to make and take delivery, respectively, of Tokens purchased. The Company may also deliver the tokens sooner at their sole discretion.
- (e) **Delivery of Public Tokens.** The quantity of Tokens you purchase in the public sale will be delivered by the automated Public Sale Smart Contract when an Ether transaction is received by the contract address and confirmed on the Ethereum blockchain. The Company reserves the right to pause the

Public Sale Smart Contract, and/or adjust the start date, and/or deliver your tokens up to three weeks after the Public Sale End Date if necessary to address any unanticipated technical difficulties or delays. The Company will not be held responsible if Ether is received from an incompatible Ethereum wallet or Smart Contract account resulting in "lost" tokens that cannot be withdrawn from the account.

#### **4. Purpose and Use of Tokens in the Ecosystem; Possible Migration of Tokens**

- (a) The purpose of the Tokens is to fuel the smart contract automation (the **"Services"**) within the ecosystem (the **"Ecosystem"**). Additional information regarding the Ecosystem, the Services and the Company is summarized in Exhibit A of these Terms and further described in the Whitepaper (as amended from time to time) available at <https://enjincoin.io> (the **"Whitepaper"**).
- (b) While the Company is developing certain applications and software for use in the Ecosystem, the Company does not operate or control the Ecosystem. The Company is not responsible or liable for the Ecosystem or any third-party uses of the Ecosystem.
- (c) Purchase, ownership, receipt or possession of Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of and interaction with Services enabled by the Ecosystem, if successfully completed and deployed. In particular, you understand and accept that the Tokens (i) do not represent or confer any ownership right or stake, share, security, or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Ecosystem and/or the Company and/or any of its corporate affiliates, and (ii) only carry rights relating to the provision and receipt of Services in the Ecosystem, subject to limitations and conditions in these Terms. The Tokens are not and are not intended to be a digital currency, security, commodity or any kind of financial instrument.
- (d) The Company reserves the right to migrate the Tokens to another protocol in the future should the Company determine, in its reasonable discretion, that doing so is necessary or useful to the operation of the Ecosystem.

#### **5. Scope**

- (a) Unless otherwise stated herein, these Terms only govern the sale by the Company to you, and your purchase of Tokens from Company during the Token Sale.

- (b) Any use of Tokens in connection with providing or receiving Services in the Ecosystem may be governed by other applicable terms and conditions and policies.

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

- (a) All Token purchases from the Company are final, and there shall be no refunds or cancellations, except as may be required by applicable law or regulation or unless expressly agreed in writing by the Company. To the extent permitted by the applicable laws, all risks in relation to any refund of payment made during the Token Sale shall be borne absolutely by you solely.
- (b) The Company reserves the right to refuse or cancel Token Purchase Requests at any time in its sole and absolute discretion.

## **7. Token Allocation**

Important information about the Company's creation and intended use of the Tokens is provided in Exhibit B to these Terms. By purchasing Tokens, you acknowledge that you have read and understood Exhibit B to these Terms.

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

You acknowledge and agree that there are risks associated with purchasing Tokens, owning Tokens and using Tokens for the provision or receipt of Services in the Ecosystem. The main risks are disclosed and explained in Exhibit C to these Terms. By purchasing Tokens, you acknowledge that you have read and understood Exhibit B to these Terms, and you agree to assume these risks.

## **9. Security**

You are responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanism you use to receive and hold Tokens purchased from the Company, 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. The Company is not responsible for any losses, costs or expenses relating to lost access credentials.

## **10. Personal Information**

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

## **11. Taxes**

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

## **12. Purchaser Representations and Warranties**

By sending ETH to purchase Tokens from the Company, you represent and warrant and covenant that:

- (a) you have read and understood these Terms (including all Exhibits);
- (b) YOU ACKNOWLEDGE AND AGREE THAT THERE ARE RISKS ASSOCIATED WITH PURCHASING TOKENS, OWNING TOKENS AND USING TOKENS FOR THE PROVISION OR RECEIPT OF SERVICES IN THE ECOSYSTEM INCLUDING (BUT NOT NECESSARILY LIMITED TO) THE RISKS DESCRIBED IN EXHIBIT C OF THESE TERMS;
- (c) you have a sufficient understanding of technical and business matters (including those that relate to the Services and Ecosystem), cryptographic tokens, token storage mechanisms (such as token wallets), and blockchain technology to understand these Terms and to appreciate the risks and implications of purchasing the Tokens;
- (d) you understand the restrictions and risks associated with the creation of Tokens as set forth herein, and acknowledges and assumes all such risks;
- (e) you have obtained sufficient information about the Tokens, the Services and the Ecosystem 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 Ecosystem (and potentially contribute to the technical development of the Ecosystem), and confer no other rights of any form with respect to the Ecosystem or the Company, including, but not limited to, any ownership, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights;
- (g) you are purchasing Tokens solely for the purpose of receiving Services, participating in the Ecosystem, and supporting the development, testing, deployment and operation of the Ecosystem, being aware of the commercial risks associated with the Company and the Ecosystem, and you are not purchasing Tokens for any other purposes, including, but not limited to, any investment, speculative or financial purpose;

- (h) your purchase of Tokens complies with applicable laws and regulations in your jurisdiction, including, but not limited to: (i) legal capacity and any other threshold requirements in your jurisdiction for the purchase of the Tokens and entering into contracts with the Company; (ii) any foreign exchange or regulatory restrictions applicable to such purchase; and (iii) any governmental or other consents that may need to be obtained;
- (i) you will comply with any applicable tax obligations in your jurisdiction arising from your purchase of Tokens;
- (j) if you are purchasing Tokens on behalf of any entity, you are authorized to accept these Terms on such entity's behalf and that such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity (references to "you" in these Terms refer to you and such entity, jointly);
- (k) you are not resident or domiciled in the United States of America or purchasing Tokens from a location in the United States of America;
- (l) you have obtained independent legal advice with respect to same before accepting these Terms, and, in accepting these Terms, you further represent and warrant to the Company that you have been so advised to obtain independent legal advice, and that prior to accepting these Terms you have obtained independent legal advice, or have, in your discretion, knowingly and willingly elected not to do so;
- (m) you are not a citizen or resident of a geographic area in which access to or use of the Services or the acceptance of delivery of the Tokens is prohibited by applicable law, decree, regulation, treaty or administrative act, and if your country of residence or other circumstances change such that the above representations are no longer accurate, you will immediately cease using the Services;
- (n) 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; and
- (o) None of the funds being used to purchase the Tokens are to the your knowledge proceeds obtained or derived directly or indirectly as a result of illegal activities, and the funds being used to purchase the Tokens which will be advanced by you under these Terms will not represent proceeds of crime as per the anti-money laundering and countering the financing of terrorism (AML/CFT) and you acknowledge that the Company may in the future be required by law to disclose your name and other information relating to these Terms, on a confidential basis, pursuant to the (AML/CFT), and to the best of the your knowledge, none of the funds to be provided by you to the Company are being tendered on behalf of a person or entity who has not been identified to you, and you will promptly notify the Company if you discover

that any of such representations cease to be true, and will promptly provide the Company with all necessary information in connection therewith.

### **13. Indemnification**

- (a) To the fullest extent permitted by applicable law, you will indemnify, defend and hold harmless the Company and its respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the “**Company Parties**”) from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys’ fees) that arise from or relate to: (i) your purchase or use of Tokens; (ii) your responsibilities or obligations under these Terms; (iii) your violation of any of these Terms; or (iv) your violation of any rights of any other person or entity.
- (b) The Company reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification under this Section 13. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in any written agreement between you and the Company.

### **14. Disclaimers**

- (a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN WRITING BY THE COMPANY: (i) THE TOKENS ARE SOLD ON AN “AS IS” AND “AS AVAILABLE” BASIS WITHOUT WARRANTIES OF ANY KIND, AND THE COMPANY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES AS TO THE TOKENS, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT; (ii) THE COMPANY DOES 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 (iii) COMPANY CANNOT AND DOES NOT REPRESENT OR WARRANT THAT THE TOKENS OR THE DELIVERY MECHANISM FOR TOKENS ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.
- (b) 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 14 may not apply to you.

### **15. Limitation of Liability**

- (a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (i) IN NO EVENT WILL THE COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL,

OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR USE OF THE TOKENS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE); AND (ii) IN NO EVENT WILL THE AGGREGATE LIABILITY OF THE COMPANY AND THE COMPANY PARTIES (JOINTLY), WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS OR THE USE OF OR INABILITY TO USE THE TOKENS, EXCEED THE AMOUNT YOU PAID TO THE COMPANY FOR THE TOKENS.

- (b) THE LIMITATIONS SET FORTH IN SECTION 15 WILL NOT LIMIT OR EXCLUDE LIABILITY FOR THE GROSS NEGLIGENCE, FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT OF THE 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 15 may not apply to you.

## **16. Release**

To the fullest extent permitted by applicable law, you release the Company and the other Company Parties from responsibility, liability, claims, demands and/or damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between users and the acts or omissions of third parties. You expressly waive any rights you may have under 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.

## **17. Governing Law and Dispute Resolution**

- (a) **Governing Law.** These Terms and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation will be governed by and construed in accordance with the laws of Singapore without regard to any portion of its choice of law principles which might provide for application of a different jurisdiction's law.
- (b) **Informal Dispute Resolution.** Any dispute ("**Dispute**"), whether contractual or not, arising out of or in connection with these Terms (including any question

regarding its existence, validity or termination) shall first be notified in writing by the aggrieved party (whether you or the Company) to the other party so that you and the Company can attempt in good faith to resolve the Dispute formally. Notice to the Company must be sent by e-mail to the Company at [nfo@enjin.com](mailto:nfo@enjin.com). Notice to you will be by email to the email address provided to the Company. 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 the Company cannot agree how to resolve the Dispute within 30 days after the date notice is received by the applicable party, Section 17(c) shall apply.

- (c) **Arbitration.** In the event that the Dispute is not resolved within 30 days after the date of the relevant notice (referred to in Section 17(b)), such Dispute shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre (“**SIAC Rules**”) for the time being in force, which rules are deemed to be incorporated by reference in this paragraph. The seat of the arbitration shall be Singapore. The Tribunal shall consist of 1 arbitrator, such arbitrator to be appointed by mutual agreement between the parties, or in the event that no mutual agreement is reached, then in accordance with the SIAC Rules. The language of the arbitration shall be English.
- (d) **No Class Arbitrations, Class Actions or Representative Actions.** Any Dispute arising out of or related to these Terms is personal to you and the Company and will be resolved solely through individual arbitration and will not be brought as a class arbitration, class action or any other type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a Dispute as a representative of another individual or group of individuals. Further, a Dispute cannot be brought as a class or other type of representative action, whether within or outside of arbitration, or on behalf of any other individual or group of individuals.

## **18. Severability**

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

## **19. Miscellaneous**

These Terms (and the documents referred to herein) constitute the entire agreement between you and the Company relating to your purchase of Tokens from the Company. The Company may assign the Company's rights and obligations under these Terms. The Company's failure to exercise or enforce any right or provision of these Terms will not operate as a waiver of such right or provision. The Company 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 the Company's reasonable control. Purchasing Tokens from the Company does not create any form of partnership, joint venture, or any other similar relationship between you and the Company. Except as otherwise provided in herein, these Terms are intended solely for the benefit of you and the Company 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 the Company provides to you, including these Terms, will be provided in electronic form.

# EXHIBIT A

## Description of the Company, Enjin Coin Platform, and Tokens

The Company, a Singapore private company limited by shares, co-founded by Maxim Blagov (CEO) and Witold Radomski (CTO), currently offers a social gaming network and Content Management System product available worldwide. The Company seeks to build on this record of innovation by helping to develop the Ecosystem and introducing a Token of utility for that Ecosystem known as the Enjin Coin or “ENJ.” The Ecosystem is intended to allow “Gaming Entities” (including but not limited to: Game publishers, developers, communities, game servers, and players) to mint and manage virtual goods from ENJ coins. These customizable tokens reflect game items, such as weapons, power-ups, or access keys. These can be used for gameplay in games, as well as website functionality, tokenized voting, or tradable items.

Users who acquire or trade with ENJ known as “Token Users”, receive and trade ENJ through various actions, such as: for posting content on a gamified forum, playing games utilizing minted tokens known as "Custom Tokens" as game items, or gaining rewards for competing or interacting on Gaming Entities properties.

ENJ is designed to act as a form of settlement between Gaming Entities and Token Users, allowing the secure holding of rewards or virtual goods, that will retain it's original value across all Gaming Entities properties. When created, ENJ will be based on the Ethereum protocol and conform to the ERC-20 standard. Prior to the Token Sale, Company will create and deploy an Ethereum-based smart contract, which creates and maintains a ledger that maps Ethereum addresses to Token balances and implements this ERC-20 standard. In the future, the Company may migrate ENJ to another protocol.

Gaming Entities will be able to offer their "Custom Tokens" to Token Users, and determine at what value or criteria to exchange them. As contemplated, when Gaming Entities, and Token User sign-off on a transaction, the Token User will be incentivized to participate in the Ecosystem and pay the Gaming Entities in ENJ. Token Users may use their ENJ to purchase Enjin services from the Company, including some or all of the services currently available.

Moreover, the Company anticipates the Ecosystem will develop such that the Company and third-party Gaming Industry Providers will utilize it to offer their products and services to Ecosystem participants in exchange for ENJ. As a result, the utility of ENJ may grow over time to the extent that more Game Industry participants and services are added to the Ecosystem.

The Company intends for this kind of robust and decentralized Ecosystem to emerge through the use of smart contracts, which will ideally be built on Ethereum (“ETH”). In addition to ETH smart contracts, the Company intends for the Ecosystem to also include the Company's existing app (through which Token Users will choose existing Gaming Industry Providers and consent to transactions by interacting with the smart contracts), and software to be developed by the Company for the purpose of enabling Gaming Entities and Token

Users to interact with the smart contracts. While the Company intends to develop the initial smart contracts and software for the Ecosystem, the Ecosystem will be open to third-party providers.

As a result, the Company will not have control over how other participants use the Ecosystem and it is possible that the Ecosystem could evolve over time in ways which diminish the utility of ENJ with respect to the Company's own offerings in the Ecosystem.

Additionally, the Company reserves the right to modify features, functionalities, or development plans for any products or services that it may make available to Ecosystem participants in its sole and absolute discretion.

For further information on the Ecosystem, the Services, and the Company, see the Whitepaper available at <http://enjincoin.io>

Information in the Whitepaper and on the Company's website are of a descriptive nature only, and do not, unless explicitly incorporated herein, form part of this Agreement.

# EXHIBIT B

## Creation and Allocation of Tokens by Company

The ENJ Tokens serve as the platform currency and are key to using Enjin Coin Platform, they allow for the creation of minted tokens which represent virtual game items and custom currencies.

### Allocation

Only one billion ENJ tokens will ever be created. The ENJ tokens are intended to be allocated as follows:

- 40% (400,000,000) to be sold by the Company to Pre-Sale purchasers pursuant to a Simple Agreement for Future Tokens offering or directly via the Enjin Coin presale page. If all Pre-Sale tokens get sold at the highest bonus 50% then there will be a total of 600,000,000 million ENJ tokens sold.
- 40% (400,000,000) to be sold by the Company to Public Sale purchasers. If the Pre-Sale sells out in full at the highest bonus level 50% there would only be 200,000,000 tokens available in the Public Sale.
- 10% (100,000,000) reserved by the Company to incentivize community, beta testers, and strategic partners.
- 10% (100,000,000) to be distributed by the Company to the Enjin Team and Enjin Coin Advisors.
- Any unsold tokens in the Pre-Sale will go into the Public Sale.
- All unsold tokens from the Public Sale will stay on the Enjin Coin Platform and will be locked for at least 6 months.
- Enjin Coin Platform tokens that are owned by the Company will not be sold for less than the public crowdsale price.
- Enjin Coin Platform and Company Staff Tokens will be locked for 6 months after the end of the Token Sale. Advisor tokens will be locked for 2 months after the end of the Token Sale.

## Pre-Sale

The price per Token in the **Pre-Sale** is **USD \$0.03 (3 Cents)**

Starting on August 21st, 2017 and ending on September 15th, 2017 or when sold out whichever comes first. The Company is pre-selling Tokens (prior to the Public Sale) at a discount on a wholesale basis for larger volume purchasers.

- \$1,000 USD - \$15,000 USD receives a 5% Bonus.
- \$15,001 USD - \$50,000 USD receives a 15% Bonus.
- \$50,001 USD - \$100,000 USD receives a 25% Bonus.
- \$100,001 USD - \$1,000,000 USD receives a 35% Bonus.
- \$1,000,001 USD - \$2,000,000 USD receives a 40% Bonus.
- Over \$2,000,001 receives a 50% Bonus.

For information on the terms of the Pre-Sale please contact [presale@enjincoin.io](mailto:presale@enjincoin.io) or visit [enjincoin.io](http://enjincoin.io)

## Public Sale

ENJ Tokens are intended be sold at the following rates:

- Week 1: 6,000 ENJ tokens for 1 ETH
- Week 2: 5,000 ENJ tokens for 1 ETH
- Week 3: 4,000 ENJ tokens for 1 ETH
- Week 4: 3,000 ENJ tokens for 1 ETH

\*ETH exchange rates are subject to change without notice prior to the start of the Public Sale. Once the Public Sale starts the exchange rate will be locked.

\*The prices for the Pre-Sale are not subject to change and will remain the same and have no effect on the Public Sale.

## EXHIBIT C

### Certain Risk Relating to Purchase, Sale and Use of Tokens

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

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

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

#### **2. Risks Associated with the Ethereum Protocol**

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

#### **3. Risk of Mining Attacks**

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

#### ***4. Risk of Hacking and Security Weaknesses***

Hackers or other malicious groups or organizations may attempt to interfere with the platform or the Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the platform is based on open-source software, there is a risk that a third party or a member of the Company team may intentionally or unintentionally introduce weaknesses into the core infrastructure of the platform, which could negatively affect the platform and the Tokens, including the utility of the Tokens for obtaining Services.

#### ***5. Risks Associated with Markets for Tokens***

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

#### ***6. Risk of Uninsured Losses***

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

#### ***7. Risks Associated with Uncertain Regulations and Enforcement Actions***

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

#### ***8. Risks Arising from Taxation***

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

### ***11. Risk of Competing platforms***

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

### ***12. Risk of Insufficient Interest in the platform or Distributed Applications***

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

### ***13. Risks Associated with the Development and Maintenance of the platform***

The platform is still under development and may undergo significant changes over time. Although the Company intends for the Tokens and platform to function as described in Exhibit A of these Terms, and intends to take commercially reasonable steps toward those ends, the Company may have to make changes to the specifications of the Tokens or platform for any number of legitimate reasons. Moreover, the Company has no control over how other participants will use the platform, what products or services will be offered through the platform by third parties, or how third-party products and services will utilize Tokens (if at all). This could create the risk that the Tokens or platform, as further developed and maintained, may not meet your expectations at the time of purchase. Furthermore, despite the Company's good faith efforts to develop 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 the potential utility of the Tokens, including the utility of the Tokens for obtaining Services.

### ***14. Risk of an Unfavorable Fluctuation of ETH or BTC Value***

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

### ***15. Risk of Dissolution of the Company or platform***

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

**16. Risks Arising from Lack of Governance Rights**

Because Tokens 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 in the platform, to create and sell more Tokens for use in 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.

**17. Unanticipated Risks**

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