

# Terms and Conditions of LTO Network B.V.

## Introduction

1. The following Terms and Conditions (“T&C”) govern the sale of LTO tokens (“Tokens”) by LTO Network B.V., a limited liability company incorporated under the laws of Curaçao, with its statutory seat in Willemstad, Curaçao (“LTO Network B.V.”).
2. Tokens are required to be used on the LTO Network fabric (“LTO Network”), by users (“Users” collectively, and “User” individually).

## General information

3. By purchasing Tokens, the User expressly acknowledges and represents that he or she has carefully reviewed these T&C and fully understands the risks, costs, and benefits of purchasing Tokens and agrees to be bound by the T&C. As set forth below, the User further represents and warrants that, to the extent permitted by law, he/she is authorized to purchase Tokens in his/her relevant jurisdiction, is of a legal age to be bound by these T&C, and will not hold LTO Network B.V., its affiliates, and the officers, directors, agents, joint ventures, employees and suppliers of LTO Network B.V. or their parent or affiliates, now or in the future and any other member of LTO Network B.V. liable for any losses or any special, incidental, or consequential damages arising out of, or in any way connected to the sale of Tokens.
4. The User understands and accepts that while the individuals and entities, including LTO Network B.V., assigned to this task will make reasonable efforts to develop and complete the LTO Network, it is possible that such development may fail and User’s Tokens may become useless and/or valueless due to technical, commercial, regulatory or any other reasons.
5. The User is aware of the risk that even if all or parts of the LTO Network are successfully developed and released in full or in parts, due to a lack of public interest, the LTO Network could be fully or partially abandoned, remain commercially unsuccessful or shut down for lack of interest, regulatory or other reasons. The User therefore understands and accepts that purchasing Tokens carries significant financial, regulatory and/or reputational risks (including the complete loss of value of purchased Tokens, if any, and attributed features of the LTO Network).
6. Tokens are not a financial product, do not represent an investment of any kind, do not relate in any way to an initial public offering or a share/equity offering and do not pertain in any way to an offering of securities in any jurisdiction.

7. While LTO Network B.V. will be available to assist Users of Tokens during and after the sale, LTO Network B.V. will not be responsible for lost BTC, ETH, any other cryptocurrency or Tokens resulting from actions taken by, or omitted by Users. Note, in particular, that Users should take great care to write down their wallet password and not lose it so as to be sure that they will be able to access their Tokens when it becomes available after their purchase.

## **Purpose, creation, and sale of Tokens**

### *Usage rights*

8. Tokens are intended to be used on the LTO Network. Users pay transaction fees with Tokens, which are then distributed among LTO Network validators. LTO Network validation is accessible to users who stake their Tokens and run a node.

9. User understands and accepts that Tokens do not represent or constitute any ownership right, share or security or equivalent rights nor any right to receive future revenues, shares or any other form of participation or governance rights in or relating to LTO Network B.V..

10. Ownership of Tokens carries no rights, express or implied, other than the rights as described above. By receiving Tokens no form of partnership, joint venture or any similar relationship between the Users and LTO Network B.V. or entities involved with the setting up of the LTO Network is created.

### *Token volume, value, and cap*

11. LTO Network B.V. shall issue Tokens to a maximum total amount of 500,000,000 Tokens. 500,000,000 Tokens represent 100% of the capacity of the LTO Network.

12. Tokens are priced at 0,03 USD per token. This amount includes any VAT that may be applicable to the sale and is fixed. It will not be adjusted to the specific VAT regime of the country of origin of the buyer. The sale will take place via the website <https://LTO.network>.

13. Tokens will be distributed as follows:

- (i) 65,000,000 Tokens for the seed round
- (ii) 72,500,000 Tokens for Private Sale
- (iii) 72,500,000 Tokens for Crowd Sale
- (iv) 85,000,000 Tokens for LTO Network B.V. Team
- (v) 50,000,000 Tokens for LTO Network B.V.
- (vi) 75,000,000 Tokens for the Ecosystem Fund
- (vii) 60,000,000 Tokens for Marketing and Partners
- (viii) 20,000,000 Tokens for Advisors

### *Refund policy*

14. All purchases of Tokens are final and non-refundable. By purchasing Tokens the User

acknowledges that he/she has no right to request a refund for any reason and that the User will not receive money or other compensation for any Tokens that remains unused.

## **LTO Network project execution**

15. The User understands and accepts that for the purpose of the development and execution of the LTO Network, LTO Network B.V. receives the full amount of BTC and ETH received for each Token. This amount covers expenses, charges and other costs that may arise by LTO Network B.V. and/or its subcontractors as part of the development and execution of the LTO Network. It remains at LTO Network B.V.'s sole discretion to decide how to allocate the funds in order to develop and execute the LTO Network. LTO Network B.V. has the right to engage subcontractors to perform the entire or partial development and execution of the LTO Network.

16. The User understands and accepts that the User may not have any expectation of influence over governance on the work performed by LTO Network B.V. on the LTO Network.

17. The User understands and accepts that the LTO Network will need to go through substantial development works as part of which it may become subject of significant conceptual, technical and commercial changes before release.

## **Responsibilities and liabilities**

### *Acceptance of these T&C and Representations and Warranties of the User*

18. By placing a purchase order of Tokens, the User:

- (i) Consents and agrees to these T&C;
- (ii) Represents and warrants that the User is legally permitted to purchase Tokens in the User's jurisdiction;
- (iii) Represents and warrants that the User is of sufficient age to legally purchase Tokens or has received permission from a legal guardian who has reviewed and agreed to these T&C;
- (iv) Represents and warrants that the User will take sole responsibility for any restrictions and risks associated with the purchase of Tokens as set forth below;
- (v) Represents and warrants that User is not purchasing Tokens for the purpose of speculative investment;
- (vi) Represents and warrants that the User is purchasing Tokens for the use of the LTO Network, or to facilitate the development, testing, deployment, and operation of applications using the LTO Network;
- (vii) Represents and warrants that the User has an understanding of the usage and intricacies of cryptographic tokens, like BTC, and blockchain-based software systems;
- (viii) Represents and warrants that the User is not a citizen or resident of a country, whose legislation conflicts with the present allocation of Tokens and/or the LTO Network in general.

### *Tax liability*

19. The User bears the sole responsibility to determine if the purchase, ownership or use of Tokens, the potential appreciation or depreciation in the value of Tokens over time (if any), the allocation of Tokens and/or any other action or transaction related to the LTO Network have tax implications for him or her. In case of any tax obligations, the User shall be under obligation to pay all and any applicable tax. By purchasing, holding or using Tokens the User agrees not to hold any third party (including developers, auditors, contractors or founders of LTO Network B.V.) liable for any tax liability associated with or arising from the creation, ownership or use of Tokens or any other action or transaction related to LTO Network B.V. or the LTO Network.

### *General Liability*

20. The User acknowledges and agrees that, to the fullest extent permitted by any applicable law, the User will not hold any developers, advisors, auditors contractors or founders of LTO Network B.V. liable for any damages or injury whatsoever caused by or related to the use of or the inability to use Tokens or the LTO Network under any cause or action whatsoever of any kind in any jurisdiction, including, without limitation, actions for breach of warranty, breach of contract or tort (including negligence) and that developers, auditors, advisors, contractors or founders of LTO Network B.V. shall not be liable for any indirect, incidental, special, exemplary or consequential damages, including for loss of profits, goodwill or data, in any way whatsoever arising out of the use of, or the inability to use of the LTO Network and/or Tokens.

21. The User further specifically acknowledges that developers, advisors, auditors, contractors or founders of the LTO Network are not liable, and the User agrees not to seek to hold them liable, for the conduct of third parties, including other creators of Tokens, and that the risk of purchasing, holding and using Tokens rests entirely with the User.

22. By purchasing, holding or using Tokens, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, advisors, contractors or founders) liable for any regulatory implications or liability associated with or arising from the purchase, ownership or use of Tokens or any other action or transaction related to the LTO Network.

## **Privacy**

23. Although the LTO Network requires Users to provide an email address and other information, LTO Network B.V. will not publish any identifying information related Users without the prior written consent of the User unless required to do so under applicable law. LTO Network B.V. may request Users from time to time to provide additional information. The User undertakes to provide such information. Users may be contacted via email by LTO Network B.V. regarding purchase or delivery of Tokens and the use of the LTO Network.

## **Force Majeure**

24. LTO Network B.V. is not liable for failure to perform caused by: (i) unavoidable casualty, (ii) delays in delivery of materials, (iii) embargoes, (iv) government orders, (v) acts of civil or military authorities, (vi) acts by common carriers, (vii) emergency conditions (including weather conditions), or (viii) any similar unforeseen event that renders performance commercially implausible.

## **Updates to the T&C**

25. LTO Network B.V. reserves the right, at its sole discretion, to change, modify, add, or remove portions of these T&C at any time. Any User will be deemed to have accepted such changes by purchasing Tokens. The T&C may not be otherwise amended except in a signed writing executed by both the User and LTO Network B.V. For purposes of this agreement, "writing" does not include an e-mail message. If at any point the User does not agree to any portion of the then-current version of the T&C, the User should not purchase Tokens.

## **Applicable law and forum**

26. User agrees to make good faith efforts to resolve any dispute, controversy or claim relating to this sale of Tokens and their respective rights and obligations hereunder arising under the T&C.

27. These T&C are governed by the laws of Curacao. Any claim that is brought against LTO Network B.V. regarding the Tokens and LTO Network B.V.'s activities as mentioned in these Terms and Conditions will be brought before the competent judge in the court of Willemstad, Curaçao

Willemstad, Curaçao  
January, 2019