

# PXLT (Token) Creation and Crowdsale Terms

Last Updated: October 27, 2017

**PLEASE READ THESE TERMS CAREFULLY.**

**IF YOU ARE A CITIZEN, RESIDENT, OR GREEN CARD HOLDER OF THE UNITED STATES OR IF YOU DO NOT AGREE TO THESE TERMS OF SALE, YOU CANNOT TAKE PART IN THE CROWDSALE, SO PLEASE DO NOT CONTRIBUTE IN THE CROWDSALE.**

**THE TERMS CONTAIN A BINDING ARBITRATION CLAUSE AND A CLASS ACTION WAIVER. THIS IS ALSO A LEGALLY BINDING CONTRACT, CONSULT WITH YOUR ATTORNEY OR OTHER COMPETENT ADVISOR.**

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## **Crowdsale Contribution**

Your Ether (the token of the Ethereum blockchain or "ETH") contribution to the PXLT Crowdsale Smart Contract to create and receive PXLT Exchange Tokens ("PXLT") during the PXLT creation period ("Creation Period") from Leondra GmbH is subject to these Terms. Leondra GmbH, is called "Company", "we," or "us" herein. Each of you ("Contributor" or "User" or "you") and Company is a "Party," and together the "Parties."

The PXLT Crowdsale Smart Contract ("Smart Contract System") code is adapted by the Company and deployed on the Ethereum protocol with the address provided at [pxlt-tge.leondrino.com](http://pxlt-tge.leondrino.com) and in the Leondrino Wallet ([wallet.leondrino.com](http://wallet.leondrino.com)) and is incorporated by reference herein ([www.github.com/leondra/PXLT](http://www.github.com/leondra/PXLT)).

By contributing ETH to create PXLT during the Creation Period and/or using PXLT exchanged to Tokens of the Leondrino Mainnet ("XLEO") for interaction on the Leondrino MainNet (as defined below), you agree to be bound to these Terms and all terms incorporated by reference. XLEO Tokens enable the usage of and interaction with the Leondrino MainNet and Ecosystem ("Leondrino Network") that the Company and its affiliates are developing.

The information contained on the website, in press releases, interviews, blogs, vlogs or social media is of a descriptive nature only, is not binding and does not form part of the Terms, unless expressly repeated herein. **If you are in any doubt about the content or meaning of these Terms or the action, consult with your solicitor, accountant or other professional adviser before contribution or any other action.**

*You and Company further agree as follows:*

**You understand that PXLT confer only the right to receive XLEO for usage and interaction on the Leondrino Network. You are not contributing ETH to create and receive PXLT for any other purposes, including, but not limited to, any investment, speculative or other financial purposes.**

**You understand and accept that PXLТ and XLEO are tokens and do not represent or constitute any ownership right or stake, share, or security or equivalent rights nor any right to receive future revenues, shares or any other form of participation or governance right in or relating to the Leondrino Network and Company and/or its corporate affiliates.**

Contributing ETH to the Smart Contract System and receiving ownership or control of PXLТ carries no rights, express or implied, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary, IP, financial or legal rights. PXLТ is only the means to obtain XLEO that allow usage and interaction with the Leondrino Network, if the network is successfully completed and deployed.

You understand that no market liquidity is guaranteed and that the value of PXLТ and/or XLEO over time may experience extreme volatility or depreciate in full. No governmental consents or any other compliance procedures will be undertaken by the Company.

## **I. Scope**

Unless otherwise stated herein, these Terms govern only your ETH contribution to the Smart Contract System and Company during the PXLТ Creation Period. The use of XLEO in connection with the Leondrino Network will be governed by additional or other applicable terms and policies released with the deployment of the Leondrino Network. By transferring ETH to the Smart Contract System, you expressly agree to the terms and conditions set forth in Smart Contract System Code existing on the Ethereum blockchain, which are incorporated by reference herein. You understand and have no objection to these procedures and material specifications.

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

Your ETH contribution that you submit to the Smart Contract System to create and receive PXLТ is final, and you have no right against any party to request any refund under any circumstance other than as implemented in the Smart Contract System or in the case that the Activation Threshold (at least 10,000 ETH contributed during the Creation Period) has not been reached. We reserve the right to refuse or cancel contributions to create and receive PXLТ at any time in our sole discretion or as may be required by applicable law or regulation.

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

You acknowledge and agree that there are risks associated with transferring ETH to the Smart Contract System to create PXLТ, receiving and holding PXLТ, and exchanging PXLТ to XLEO and using and transacting with XLEO on the Leondrino Network as described herein.

**If you have any questions regarding these risks, please contact us at [info@leondra.de](mailto:info@leondra.de).**

BY CONTRIBUTING ETH TO THE Smart Contract System, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME THESE PARTICULAR BUT NOT EXHAUSTIVE RISKS:

- A. **Risk of software weaknesses:** The User understands and accepts that the Smart Contract System, the underlying software application, and software platform (i.e. the blockchain) is still in development, that there will be no warranty that the process for creating PXLТ or

XLEO will be uninterrupted or error-free and that there is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of ETH, PXLТ and/or XLEO. The technology is still experimental which carries significant operational, technological, financial, regulatory and reputational risks. Accordingly, there is no warranty, including direct or indirect warranties that the Smart Contract System and PXLТ and XLEO are fit for its purpose.

- B. Risk of Losing Access to PXLТ Due to Loss of Private Key(s), Password(s), Custodial Error or Contributor Error:** Following the creation of PXLТ by the Smart Contract System, the PXLТ will be transferred to your own account (address) on the Ethereum network by the Smart Contract System. A private key, or a combination of private keys and password(s), is necessary to control and manage PXLТ stored in your digital wallet or vault that is capable to interact with the public network of Ethereum. Accordingly, loss of requisite private key(s) and/or password(s) associated with your digital wallet or vault storing PXLТ will result in loss of such PXLТ. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a digital wallet or vault service you use, may be able to misappropriate your PXLТ. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store PXLТ, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your PXLТ. Additionally, your failure to follow precisely the procedures for buying and receiving PXLТ, including, for instance, if you provide the wrong address for receiving PXLТ, may result in the loss of your PXLТ. You understand that you must keep your password and private key safe and that you must not share them with anyone. You further understand that if your private key and/or password is lost or stolen, you will not be able to generate a new password or recover your private key, and you also lose your private keys and password, the PXLТ associated with your account (address) will be unrecoverable and will be permanently lost. Furthermore, you understand that there is no recovery mechanism for lost keys and passwords, so no one will be able to help you retrieve or reconstruct a lost password and private keys and provide you with access to any lost PXLТ.
- C. Risks Associated with the Ethereum Protocol:** Because PXLТ are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on PXLТ. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to PXLТ by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.
- D. Risks Associated with the Leondrino MainNet:** Advances in cryptography or technical advances such as the development of quantum computing, could present risks to XLEO and the Leondrino MainNet, including the utility of XLEO for transacting, by rendering ineffective the cryptographic consensus mechanism that underpins the Leondrino protocol.
- E. Risk of Mining Attacks:** As with other decentralized cryptographic tokens based on the Ethereum protocol, PXLТ are susceptible to attacks by miners in the course of validating PXLТ 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 PXLТ, including, but not limited to, accurate execution and recording of transactions involving PXLТ.

Similarly, the Leondrino MainNet will be susceptible to attacks. Any successful attacks present a risk to XLEO, including, but not limited to, accurate execution and recording of transactions involving XLEO.

- F. **Risk of Hacking, Theft and Security Weaknesses:** Hackers or other malicious groups or organizations may attempt to interfere with the Leondrino MainNet 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 Leondrino Mainnet uses some open-source software components, 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 Leondrino MainNet, which could negatively affect the Leondrino MainNet and XLEO, including XLEO utility for transacting on the Leondrino MainNet.
- G. **Risks Associated with Markets for XLEO:** XLEO are intended to be used on the Leondrino MainNet, and Company will not promote any secondary trading or external valuation of PXLT and XLEO in the near- and mid-term future. This restricts the contemplated avenues for using PXLT to obtain Services or access the Leondrino MainNet, and could therefore create illiquidity risk with respect to PXLT you hold. Even if secondary trading of PXLT 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 market-related risks. Furthermore, to the extent that third-parties do ascribe an external exchange value to PXLT (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero.
- H. **Risk of Abandonment, Failure, or Lack of Success of the Leondrino Network or its Components:** You understand and accepts that the creation of PXLT and the development of Leondrino Network may be fully or partially abandoned for several reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects). You therefore understand that there is no assurance that, even if Leondrino Network is partially or fully developed and launched, you will receive any benefits through the PXLT and/or XLEO held by you.
- I. **Risk of Uninsured Losses:** Unlike bank accounts or accounts at some other financial institutions, PXLT and XLEO 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, or private insurance arranged by us, to offer recourse to you.
- J. **Risks Associated with Uncertain Tax, Regulations and Enforcement Actions:** The legal, regulatory and tax status of PXLT 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. 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 Leondrino MainNet, PXLT and XLEO. Regulatory actions could negatively impact the Leondrino MainNet, PXLT and XLEO in various ways, including, for purposes of illustration only, through a determination that PXLT is a regulated financial instrument that requires registration or licensing. 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.

- K. **Risk of Insufficient Interest in the Leondrino MainNet or Leondrino Currencies:** It is possible that the Leondrino MainNet 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 Leondrino Currencies (digital currencies of companies on the Leondrino MainNet) and private digital currencies in general. Such a lack of use or interest could negatively impact the development of the Leondrino MainNet and the potential utility of XLEO, including its utility for transacting on the Leondrino MainNet.
- L. **Risks Associated with the Development and Maintenance of the Leondrino MainNet:** The Leondrino MainNet is still under development and may undergo significant changes over time. This includes major components of external vendors and open source components including its substitutions through other vendors and components. Although we intend for XLEO and the Leondrino MainNet to follow our rollout plans and current specifications and will take commercially reasonable steps toward those ends, we may have to make changes to the specifications, including but not limited to the development plan, naming, branding and design, of XLEO or the Leondrino MainNet for any number of legitimate reasons. This could create the risk that XLEO or the Leondrino MainNet, as further developed and maintained, may not meet your expectations at the time of contributing to create PXL. Furthermore, despite our good faith efforts to develop and maintain the Leondrino MainNet, it is still possible that the MainNet will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the Leondrino MainNet and the potential utility of XLEO, including its utility for transacting on the Leondrino MainNet.
- M. **Risk of an Unfavorable Fluctuation of Ether and Diversification:** The Company team intends to use the ETH contributions from the Crowdsale to fund the development and maintenance of the Leondrino MainNet, as described further in these Terms and Exhibit C. The ETH contributions may, at our discretion, be converted into other cryptographic and/or fiat currencies. If the value of ETH or other currencies fluctuates unfavorably during or after the Creation Period, the Company team may not be able to fund development, or may not be able to develop or maintain the Leondrino MainNet in the manner that it intended.
- N. **Risk of Dissolution of the Company:** It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of ETH (or other cryptographic and/or fiat currencies), decrease in XLEO utility (including its utility for transacting on the Leondrino MainNet), the failure of commercial relationships, or intellectual property ownership challenges, the Leondrino MainNet may no longer be viable to operate and the Company or its affiliates may dissolve.
- O. **Unanticipated Risks:** Cryptographic tokens such as PXL and XLEO are a new and untested technology. In addition to the risks included herein, there are other risks associated with your contribution, holding and use of PXL or later XLEO, including those that the Company cannot anticipate. Such risks may further materialize as unanticipated variations or combinations of the risks discussed above.

#### IV. Security

You are responsible for implementing measures for securing the wallet, vault or other storage mechanism that you use to receive and hold PXLТ, 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 PXLТ. We are not responsible for any such losses.

#### V. Personal Information

We may determine, for regulatory compliance purposes, that it is necessary to obtain certain information about you in order to comply with applicable laws or regulations in connection with accepting contributions to create and allocate PXLТ to you or transfer PXLТ to XLEO. You agree to provide us such information promptly upon request.

#### VI. Taxes

You are responsible for determining what taxes, if any, apply to your contribution to create and receive PXLТ, including, for example, sales tax, use tax, value added tax, wealth tax, income tax, 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 tax, use tax, value added tax, income tax, or similar taxes arising from your contribution. ***You must seek your own legal and tax advice in connection with purchasing PXLТ, which may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements.***

#### VII. Representations and Warranties

By transferring ETH to the Smart Contract System to create and receive PXLТ, you represent and warrant that:

- A. You have read and understand these Terms;
- B. You are not a citizen, resident (tax or otherwise) or green card holder of the United States of America. You are also not a citizen or resident of a country, whose legislation conflicts with the present allocation of PXLТ or XLEO and the planned Leondrino MainNet in general or are not a resident in and/or hold a passport issued by a High-Risk jurisdiction nation as defined by Financial Action Task Force (FATF) & Office of Foreign Asset Control (OFAC);
- C. You are legally permitted to transfer ETH to the Smart Contract System, create and obtain PXLТ in your jurisdiction, and legally permitted to receive software and contribute to the Smart Contract System for the development of the Leondrino Network;
- D. You are purchasing PXLТ for your own account and not on behalf of any entity;
- E. You have full legal and beneficial title, rights, interest, control and authority to contribute and have chosen to do so of your own free will and sole decision without any solicitation or influence from anyone else;

- F. ETH used for the contribution to the PXLТ and its intended usage to develop the Leondrino Network are: (a) good, clean, clear and of non-criminal origin; (b) completely free and clear of any liens or encumbrances of any kind or any rights of third-party interests; and (c) have no origins that may be connected to any breach of money laundering regulations whatsoever, as defined in the jurisdiction of origin, or internationally. You are not obtaining or using PXLТ and/or XLEO for any illegal purposes;
- G. You have a deep understanding of the functionality, usage, storage, transmission mechanisms and other material characteristics of cryptographic tokens like Bitcoin and Ether, token storage mechanisms (such as token wallets), blockchain technology and blockchain-based software systems. You have carefully reviewed the code of the Smart Contract System located on the Ethereum blockchain at the address set forth in Exhibit B and fully understand and accept the functions implemented therein; you have obtained sufficient information about PXLТ and Leondrino Network to make an informed decision to contribute to Company and create and receive PXLТ;
- H. You understand these Terms and appreciate the risks and implications of your contribution, exchange and/or use; you understand the restrictions and risks associated with the creation of PXLТ by the Smart Contract System and the holding or use of XLEO and Leondrino Network as set forth herein and acknowledge and assume all such risks;
- I. You understand and expressly accepts that there is no warranty whatsoever on PXLТ and/or XLEO, the Smart Contract System and/or the success of Leondrino Network, expressed or implied (to the extent permitted by law), and that the Smart Contract System is used and PXLТ are created and obtained and exchanged for XLEO at the sole risk of the User on an "as is" and "under development" basis and without any warranties of any kind (to the extent permitted by law), including, but not limited to, warranties of title or implied warranties, merchantability or fitness for a particular purpose;
- J. You waive the right to participate in a class action lawsuit or a class wide arbitration against any entity or individual involved with the creation of PXLТ and/or XLEO;
- K. You are of a sufficient age to legally create and obtain PXLТ; you as a PXLТ holder warrant and attest that you are: (a) 18 years of age or older, or be (b) 14 or older with parental or guardian's consent to these Terms;
- L. Your ETH contribution to create PXLТ complies with applicable law and regulation in your jurisdiction, including, but not limited to, (a) legal capacity and any other applicable legal requirements in your jurisdiction for contributing to create PXLТ, using PXLТ, and entering into contracts with us, (b) any foreign exchange or regulatory restrictions applicable to such purchase, and (c) any governmental or other consents that may need to be obtained;
- M. You will comply with any applicable tax obligations in your jurisdiction arising from your contribution to create and receive PXLТ; you understand that you bear the sole responsibility to determine if your the transfer of ETH to the Smart Contract System, the creation, ownership or use of PXLТ and/or XLEO, the transacting with PXLТ and/or XLEO over time, and/or any other action or transaction related to Company and Leondrino Network have tax implications for you; by contributing ETH to create, receive and use PXLТ and/or XLEO, and to the extent permitted by law, you agree not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from

the creation, ownership or use of PXLN and/or XLEO or any other action or transaction related to Company and Leondrino Network.

- N. You understand and acknowledge that title to and risk of loss of ETH, PXLN and XLEO that you contribute to create and receive from the Smart Contract System passes from Company to you virtually and that there may be no jurisdiction that grants you recourse in the case of loss.

### **VIII. Indemnification**

To the fullest extent permitted by applicable law, you indemnify, defend and hold harmless the Company and our respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the "Company Parties") from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys' fees) that arise from or relate to: (a) your contribution to create, receiving and using of PXLN or XLEO, (b) your responsibilities or obligations under these Terms, (c) your violation of these Terms, or (d) your violation of any rights of any other person or entity. The Company reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification this section.

### **IX. Forward Looking Statements**

All statements contained in statements made on our web pages, blogs, social media, press releases or in any place accessible by the public and oral statements that may be made by the Company or their respective directors, executive officers or employees acting on behalf of the Company or its agents, that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. All statements regarding the Company's financial position, strategies, plans, and prospects and the future prospects of the industry which the Company and Leondrino Network are in, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual future results, performance or achievements of the Company and Leondrino Network to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Neither the Company, nor any other person represents, warrants and/or undertakes that the actual future results, performance or achievements of the Company and Leondrino Network will be as discussed in those forward-looking statements. The actual results, performance or achievements of the Company and Leondrino Network may differ materially from those anticipated in these forward-looking statements.

### **X. Disclaimers**

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN WRITING BY US, (A) PXLN ARE CREATED AND SOLD ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, AND WE EXPRESSLY



DISCLAIM ALL IMPLIED WARRANTIES AS TO PXLT AND/OR XLEO, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT; (B) WE DO NOT REPRESENT OR WARRANT THAT PXLT AND/OR XLEO ARE RELIABLE, CURRENT OR ERROR-FREE, MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN PXLT AND/OR XLEO WILL BE CORRECTED; AND (C) WE CANNOT AND DO NOT REPRESENT OR WARRANT THAT PXLT AND/OR XLEO OR THE DELIVERY MECHANISM FOR PXLT AND/OR XLEO ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

Some jurisdictions do not allow the exclusion of certain warranties or disclaimer of implied terms in contracts with consumers, so some or all of the exclusions of warranties and disclaimers in this section may not apply to you.

### **XI. Limitation of Liability**

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (I) IN NO EVENT WILL COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, 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 CROWDSALE CONTRIBUTION OR USE OF PXLT 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 PXLT, EXCEED THE AMOUNT YOU PAY TO US FOR PXLT.

The limitations set forth in this section will not limit or exclude liability for the gross negligence, fraud or intentional, willful or reckless misconduct of the Company. Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations may not apply to you.

### **XII. Release**

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, YOU RELEASE 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.

### **XIII. Dispute Resolution; Arbitration**

- A. **Binding Arbitration.** Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, "**Disputes**") in which either Party seeks injunctive or other equitable relief for the alleged unlawful use of intellectual property, including, without limitation, copyrights, trademarks, trade names, logos, trade secrets or patents, you and the Company (a) waive your and the Company's respective rights to have any and all Disputes arising from or related to these Terms resolved in a court, and (b) waive your and the Company's respective rights to a jury trial. Instead, you and the Company will arbitrate Disputes through binding arbitration (which is the referral of a Dispute to one or more persons charged with reviewing the Dispute and making a final and binding determination to resolve it instead of having the Dispute decided by a judge or jury in court).
- B. **International Chamber of Commerce (ICC).** All disputes arising out of or in connection with the present contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The Expedited Procedure Provisions shall not apply. Any arbitration will occur in Berlin, Germany. Arbitration will be conducted confidentially by a single arbitrator.
- C. **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.
- D. **Notice; Informal Dispute Resolution.** Each Party will notify the other Party in writing of any 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 the Company shall be sent by e-mail to the Company at [info@leondra.de](mailto:info@leondra.de). Notice to you shall be by email to the then-current email address in your Account. Your notice must include (a) your name, postal address, email address and telephone number, (b) a description in reasonable detail of the nature or basis of the Dispute, and (c) the specific relief that you are seeking. If you and the 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 the Company may, as appropriate and commence an arbitration proceeding.
- E. **Severability of Dispute Resolution; Arbitration.** If any term, clause or provision is held invalid or unenforceable, it will be so held to the minimum extent required by law, and all other terms, clauses and provisions of this Section will remain valid and enforceable. Further, the waivers set forth herein are severable from the other provisions of these Terms and will remain valid and enforceable, except as prohibited by applicable law.

### **XIV. Governing Law and Venue**

These Terms will be governed by and construed and enforced in accordance with the laws of Germany, without regard to conflict of law rules that would cause the application of the laws

of any other jurisdiction. Any Dispute between the Parties arising out or relating to these Terms or its subject matter or formation (including non-contractual Disputes of any claims that are not subject to arbitration will be resolved in the courts of Berlin, Germany. The parties hereby consent, other than for the mandated arbitration, to the exclusive jurisdiction of the courts in Berlin, Germany for any disputes arising under or related to this Agreement.

**XV. Miscellaneous**

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.

These Terms constitute the entire agreement between you and us relating to your ETH contribution to the Smart Contract System to create and receive PXLT or XLEO in this Crowdsale.

Until the Leondrino platform and the related Leondrino MainNet is fully completed, these Terms may change and be adapted to the changing marketplace and our development path. If we change the Terms, we will attempt to do so in a fashion that preserves the intent as described herein. By contributing at this stage, you have the potential advantages of contributing early on in the formation of a revolutionary web based blockchain, but necessarily also participate in the inherent risks.

We may make changes to these Terms from time to time as reasonably required to comply with applicable law or regulation. If we make changes, we will post the amended Terms at [www.leondra.de](http://www.leondra.de) and/or [www.leondrino.com](http://www.leondrino.com) and update the "Last Updated" date above. We may also attempt to notify you through the PXLT landing page at [pxlt-tge.leondrino.com](http://pxlt-tge.leondrino.com). The amended Terms will be effective immediately.

We may assign our rights and/or obligations under these Terms. Our failure to exercise or enforce any right or provision of these Terms will not operate as a waiver of such right or provision. We will not be liable for any delay or failure to perform any obligation under these Terms where the delay or failure results from any cause beyond our reasonable control.

Contributing in the Crowdsale does not create any form of partnership, joint venture or any other similar relationship between you and us. Except as otherwise provided in herein, these Terms are intended solely for the benefit of you and us and are not intended to confer third-party beneficiary rights upon any other person or entity. You agree and acknowledge that all agreements, notices, disclosures, and other communications that we provide to you, including these Terms, will be provided in electronic form.

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## **Exhibit A**

### **Description of Company Leondra GmbH and the Leondrino Network**

The Company is incorporated in Berlin, Germany. The Company has the primary objective to administer the software development of Leondrino Platform and Leondrino Network in the EU with a focus on Germany.

#### **PXLT and XLEO**

PXLT are interim token representing the right to exchange for XLEO, the token of the Leondrino MainNet, prior to the launch of the Leondrino MainNet. PXLT are created by transferring ETH to the Smart Contract address made available at [pxlt-tge.leondrino.com](http://pxlt-tge.leondrino.com) during the Creation Period and at the Creation Rate as described in Exhibit B. PXLT are based on the Ethereum protocol and conform to the ERC20 standard. XLEO are the Tokens of the Leondrino MainNet and allow usage and interaction with the Leondrino Network and its Ecosystem.

#### **Leondrino MainNet**

Leondrino Network is a protocol based on a distributed ledger system derived from initial blockchain technology. Because of the current insufficient level of maturity of available open source blockchain technology, Leondrino MainNet is built as combination of open source component of and proprietary components of different vendors and the companies development team. In order to meet the requirements of customers (enterprises, merchants and consumers) regarding privacy protection, scalability, response time for the utility of XLEO and Leondrino Currencies and regulatory requirements (e.g. GDPR, AML, KYC) for the production start of the Leondrino MainNet, the company will prepare a private consortium chain approach.

Since September 2015, the Company already provides a Leondrino Wallet for market tests with consumers and brands for unregulated tokens without any trading opportunities and obligations.

The development team of the Company has been testing on different open source blockchain and DLT platform aspects of our Leondrino Network over the last two years before it made strategic decisions regarding vendors and basis technologies for the future Leondrino MainNet end of 2016.

Since Summer, 2017 we internally released our new Leondrino BetaNet for further development, testing and showcase purposes.

Our intention is to launch the Leondrino MainNet by second half of 2018. An expected condition to launching the Leondrino MainNet is completing all of the required features to issue and administrate XLEO and Leondrino Currencies on the Leondrino MainNet. This includes: a Leondrino Wallet with all required functions and security, and primitives for an exchange between Leondrino and fiat currencies. This includes the clarification of all necessary regulatory questions for the Leondrino MainNet in at least one of the following three jurisdictions – Germany and/or USA and/or Switzerland.

The parameters determining the Leondrino MainNet XLEO Tokens amount and creation will be designed with the following distribution:

| <b>Target Group</b>  | <b>Contribution</b>   | <b>Attributes and Remarks</b>   | <b>Governance</b>  | <b>Total Volume of XLEO Token for Target Group</b> |
|--|---|---|--|--|
| Consumers  | Successful referrals (new Wallet users)   | Consumers can decide if they want to select Leondrino of brands or XLEO Limited in volume per user  | Administrated via Leondrino Exchange, Inc. and its licensing partners in other countries/legal spheres           | 10 M   |
| Leondrino Core Team including founders and angel investors | Software and product development, marketing, legal and regulatory consulting, support during seed phase           | - Vesting over 4 years; cliff with XLEO public offering (protects investors in PXLТ)<br>- Only 25% of the total volume for the Leondrino core team will be issued before the XLEO public offering | Issued and administrated via Leondrino Exchange; later on, the Leondrino MainNet via appropriate smart contracts | 20 M   |
| Strategic investors via presales of XLEO                   | Sales support during Initial Leondrino Offerings (ILO); Commitment to trade Leondrino as soon as legally possible | Substantial discounts initially; discounts will shrink with its proximity to the public offering of XLEO  | Presales contracts on future XLEO between Leondrino Exchange and interested investors                            | 220 M  |
| Crypto Investors and ICO Funds via Pre-XLEO Token (PXLТ)   | Provide financial resources   | Ether that will be exchanged with fiat money soon after TGE of the PXLТ to fund the development of the Leondrino Ecosystem  | Leondra GmbH is responsible for managing the funds as described in this whitepaper and the Terms                 | 10 M   |

|  |                             |                 |   |     |
|--|-----------------------------|-----------------|---|-----|
| Investors during public offering of XLEO | Provide financial resources | Fiat currencies | Leondrino Exchange, Inc. or its licensees | 1 B |
|--|-----------------------------|-----------------|---|-----|

Additional supply of XLEO only takes place in correlation with the volume of issued Leondrino Currencies on the Leondrino MainNet. For every Leondrino Currency, a certain quantity of XLEO has to be set aside in order to provide the necessary liquidity and stability reserve. The amount to be set aside depends on fundamental characteristics of the Leondrino Currency, for instance its turnover velocity. Typically, this quantity is between 10% - 30% of the market capitalization of the Leondrino Currency. Only when the 1.26 billion XLEO limit is hit, new XLEO are emitted to accommodate for the new Leondrino Currency. The dynamic supply will be done on the Leondrino MainNet using crypto- and smart contract functionality.

Although the Company intends to develop the Leondrino MainNet in the manner generally described above, it reserves the right to modify features, functionalities, branding or development plans in its sole and absolute discretion.

*Further details regarding the Leondrino MainNet are described in a whitepaper, available at: [pxlt-tge.leondrino.com](http://pxlt-tge.leondrino.com).*

*The information contained in the whitepaper and on the Company's website and the PXL T landing page are of descriptive nature only, and do not form part of the Terms.*

### **Leondrino Ecosystem**

The Company plans on following the encompassing approach of building both a scalable and secure Leondrino Platform and an ecosystem to enable a frictionless and consistent experience, especially of the single most important form of activity on the Leondrino Ecosystem: It is to execute transactions between a consumer and different end points of the sales channels of brands (merchants of "brick and mortar" shops or eCommerce shops) using private branded currencies and considering individual behavior and status for dynamic pricing in real time at the point of sale.

Development of the ecosystem is independent of the Leondrino MainNet and the Leondrino MainNet launch does not depend on it.

\* \* \* \* \*

## **Exhibit B**

### **Token Sale Procedures**

PXLT are created by transferring ETH to the Smart Contract System deployed on the Ethereum protocol with the address provided at a subdomain of **pxlt-tge.leondrino.com** and also after a user logged in to his Leondrino Wallet (<https://wallet.leondrino.com>). It is programmed according to the following specifications:

#### **A. Creation Period**

There was a major reduction in block time with the hard fork on the public Ethereum network (Byzantium fork on October 17, 2017). The new average time between blocks is approximately 14s. Based on this new value, the following Ethereum blocks were calculated on October 24<sup>th</sup>, 2017.

The Creation of PXLT will (a) begin at the time that mining commences on Ethereum block 4500185 and (b) continue until the time that (i) 50'000 ETH ("Contribution Cap") have been confirmed as successfully received into the Smart Contract System or (ii) the maximum of 10'000'000 PLT have been created ("Creation Cap") or (iii) mining commences on Ethereum block 4672985, whichever is earlier (the "Creation Period").

Based on current Ethereum block mining times, the Company estimates that Ethereum block 4500185 will be mined on or about noon UTC on November 6, 2017, and that Ethereum block 4672985 will be mined on or about 28 days thereafter. For the avoidance of doubt, these estimates are provided for informational purposes only, and the Sale Period will commence and conclude according to its definition above.

#### **B. Activation Threshold**

If less than 10'000 ETH have been received by the Smart Contract System during the Creation Period (the "Activation Threshold"), each Contributor will have the possibility to initiate the transfer of the respective amount of Ether submitted to the Smart Contract System from the Smart Contract System's address back to the address used by that Contributor to transfer ETH to the Smart Contract System.

#### **C. Creation Rate**

In the first two weeks from start of the Creation Period, 1 ETH transferred to the Smart Contract will create 200 PXLT. In the second two weeks from start of the Creation Period 1 ETH transferred to the Smart Contract will create 175 PXLT. The switch to the second Creation Rate happens with mining on Ethereum block 4586585.

#### **D. Minimum Contribution and Gas Limit**

The minimum contribution required for the Smart Contract System to accept the transaction is the equivalent of ETH to create 1 PXLT. For the Smart Contract System to process the transaction you have to add a sufficient Gas Limit to each transaction as specified by the Ethereum network.

## **E. Procedures for Creating and Receiving PLT (Smart Contract System)**

In order to contribute ETH to the Smart Contract System and to receive the created PXLТ, you must have an Ethereum wallet that supports the ERC20 token standard. The Company reserves the right to prescribe additional wallet requirements. Approximately forty-eight (48) hours prior to the commencement of the Creation Period, the Smart Contract System code should be deployed and the Ethereum address for the Crowdsale published via <https://pxlt-tge.leondrino.com>. To initiate the creation and allocation of PXLТ to you during the Sale Period, you must send an amount of ETH to the Ethereum address (the "PXLТ Address") that will be provided to you after you agree to these Terms by clicking the "I Agree with the Terms" button at the bottom of these Terms. Along with the PXLТ Address and the amount of ETH you are transferring, you also need to enter a sufficient Gas Limit and the "Data Value" that is provided on the same page as the PXLТ Address, in the respective Data Field of your compatible wallet. Sending Ether to the PXLТ Address during the Creation Period triggers a smart contract operation, pursuant to which the Smart Contract System will automatically create and deliver the corresponding PXLТ to the ERC20 wallet address from which the ETH were sent.

Ether must be sent to the PXLТ Address during the Creation Period in order to create and receive PXLТ. Sending ETH to any other address may result in loss of your ETH. Therefore, we strongly recommend to compare the PXLТ Address published on [pxlt-tge.leondrino.com](https://pxlt-tge.leondrino.com) with the PXLТ Address published after you logged in to your personal Leondrino Wallet on <https://wallet.leondrino.com>. Attempted transactions to purchase PXLТ will be rejected if ETH is sent to the XPLТ Address at any time before or after the Sale Period, or if the "Data Value" Field is left empty.

According to Ethereum, their Smart Contract System platform has been audited, programmed according to the current state of the art, and approved by its technical experts with respect to security and accuracy.

## **F. Procedures for Creating and Receiving XLEO**

Approximately two months before the Leondrino MainNet launch we initiate and will announce via leondrino.com, press and social media channels the opening of the redeeming period. We will provide a tool to you to create and to use the Leondrino Account and Address to which the PXLТ equivalent XLEO are going to be deposited. This is concluded by crediting the account with the corresponding XLEO on the Leondrino MainNet. The exchange rate is fixed at 1 XLEO = 1 PXLТ and the tool will lead contributors through the simple process. The Company reserves the right to adjust the procedure as it sees fit for the purpose of exchanging PXLТ for XLEO.

\* \* \* \* \*



## Exhibit C

### Use of Proceeds

The ETH contributed for creating PXLT during the Creation Period, up to 50'000 Ether, will be used to compensate engineers, staff and contractors, cover operating costs and marketing expenses, and to address other administrative, legal and unforeseen costs. The following is an estimated allocation of these budget items, which the Company reserves the right to modify in its sole and absolute discretion:

- *Technical Development and Staff (estimated 55 % of proceeds)*
  - This budget item will support the team of engineers that are developing the Leondrino MainNet and Ecosystem.
  - More specifically the intention is to focus on the following steps:
    - Complete the major functionality for the Leondrino MainNet to support the standard lifecycle of Leondrino,
    - Implement the key functions of Autonomia to automate the Leondrino Algorithm,
    - Harden the Leondrino Wallet, extend its functionality and prepare it for white label usage of retail banks
    - API documentation – especially for integration of external Wallets and exchanges
    - Prepare and test Leondrino Exchange function
- *Establish Development Ecosystem (estimated 15 % of proceeds)*
  - This budget item supports a team of experts building a transparent long-term relationship with a development community focusing around enterprise software systems and already existing strategic partnerships in the context of DLT and blockchain and a strong culture:
    - Provide high-quality documentation of the Leondrino Platform and its APIs.
    - Highly responsive on Github and community platforms (e.g. Slack) for an efficient two-way communication between the developer community and the team.
    - Host conferences and other co-development and other social events to fuel the spirit of the community.
    - Create Vlogs to grow an even bigger community of end users around the project and the developer community.
- *Marketing and Business Development (estimated 10 % of proceeds)*
  - This budget item will be used for marketing to expand awareness and adoption of the Leondrino MainNet, among enterprises with strong brands, users and merchants.
  - It will also be used for developing additional partnerships
  - This budget item will focus on promotional work, public relations and general acceptance of digital currencies, and affiliate program partnerships.
- *Operations (estimated 5 % of proceeds)*
  - This budget item will entail, accounting, communication, travel and transportation costs; physical infrastructure and security costs; and other associated administration costs.
- *Legal (estimated 10 % of proceeds)*

- This budget item will entail legal and related professional services fees to support the setup, expansion and operation of Leondrino Network in Germany, the US and Switzerland (it also includes setting up an additional legal entity in Switzerland).
- *Contingency (estimated 5 % of proceeds)*
  - This budget item is intended as a reserve to address unforeseen costs.

\* \* \* \* \*

## Disclosure

### Contributing ETH to Creating, Holding, Exchanging and Using PXL and XLEO

***Important Note:*** *the PXL are not being structured or sold as securities or any other form of investment product. Accordingly, none of the information presented herein, our website, press releases, interviews, blogs, social media, or elsewhere in the Terms 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 herein, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting from such information.*