

Token Sale Terms

Covesting Limited a company incorporated as a private limited liability company under the laws of Gibraltar with company number 116500 and whose registered office is situated at 57/63 Line Wall Road, Gibraltar (“the Company”)

TERMS OF SUBSCRIPTION FOR AND PURCHASE OF TOKENS TO BE ISSUED BY THE COMPANY

Last Updated: 29.11.2017

These terms and conditions relating to the subscription for and purchase of tokens to be issued by the Company (the “**Token Sale Terms**” or “**Terms**”) apply to each prospective buyer of the Company’s COV tokens (the “**Tokens**”) who participates in the Company’s Token sale during the Sale Period (as defined below). If you successfully purchase Tokens during the Sale Period, you are agreeing to and will be bound by these Terms.

PLEASE READ THESE TERMS CAREFULLY AND NOTE THAT THE SECTION ON DISPUTE RESOLUTION. ARBITRATION CONTAINS A BINDING ARBITRATION CLAUSE WHICH AFFECTS YOUR LEGAL RIGHTS. IF YOU DO NOT AGREE TO THESE TERMS OF SALE, DO NOT PARTICIPATE IN THE COMPANY’S TOKEN SALE.

If you have any questions regarding these Terms, please contact us at info@covesting.io

You and the Company hereby agree as follows:

Intended Purpose and Use of Tokens

The intended purpose of the Tokens is to facilitate the provision and receipt of services (collectively, the “**Services**”) which Services are more particularly set out in the white paper issued and published by the Company on 24.11.2017 You hereby agree that you have read the COVESTING White Paper that can be found on the following link https://covesting.io/Covesting_White_Paper.pdf and have understood its content. You hereby also confirm that you have taken independent legal advice before accepting these Terms. The Services

will be provided through an online software platform (the “Platform”) that is currently under development by the Company or an affiliate thereof. More specifically, Tokens are intended to facilitate the provision of the Services from the Company or an affiliate thereof, to the users of the Platform and will constitute proof of prepayment for the Services.

Ownership of Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of and interaction within the Platform. The Terms shall not and cannot be considered as an invitation to enter into an investment or purchase any security or financial instrument. The Terms do not constitute or relate in any way, nor should they be considered, as an offering of securities or financial instruments in any jurisdiction. The Terms do not include or contain any information or indication that might be considered as a recommendation or that might be used to base any investment decision. Tokens are utility tokens and are not intended to be used as an investment. Further, you must note that Tokens do not represent or confer any ownership right or stake, share, equity or security or equivalent rights, or any right to receive future revenue shares or voting rights or intellectual property rights in the Company or any affiliate thereof. Acquiring Tokens shall not grant any right or influence over the Company’s (or any affiliate thereof) organisation and governance to you, other than rights relating to the potential future provision and receipt of Services, subject to the limitations and conditions contained in these Terms. The Company does not operate or maintain the Platform and as such, the Company has no responsibility or liability for the Platform or any ability to control third parties’ use of the Platform. The Tokens are not intended to be a representation of money (including electronic money), security, commodity, financial instrument, bond, debt instrument or any other kind of financial instrument or investment. Protections offered by the applicable law in relation to the purchase and sale of the aforementioned financial instruments and/or investments do not apply to the purchase and sale of Tokens and neither these Terms nor the White Paper constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy any investment or financial instrument in any jurisdiction. Tokens should not be acquired in any case or circumstance for speculative or investment purposes with the expectation of making a profit on immediate resale or otherwise.

The Company, or an affiliate thereof, will use reasonable endeavours to launch its operations and develop the Platform. Any person agreeing, covenanting or undertaking to acquire Tokens acknowledges and understands that the Company, or any affiliate thereof, does not

provide any guarantee that it will establish an operative Platform and therefore it cannot guarantee that the Tokens can be used to purchase goods or Services on the Platform. You acknowledge and understand therefore that the Company, or any affiliate thereof, assumes no liability or responsibility whatsoever or howsoever arising for any loss or damage that would result from or relate to the incapacity to use Tokens.

Tokens do not constitute the provision of any goods and/or Services as at the date of these Terms.

Definitions

In these Terms, save where the context requires, the following capitalised terms shall have respective meanings ascribed to them as follows:

“Completion Condition” the occurrence of an event which triggers the closure of the Sale Period will be a “Completion Condition”. The Sale Period will close 31 days from the commencement of the Public Token Sale or when a hard-cap of 100.000 ETH is reached, whichever occurs first.

“Financial Instruments” shall include the meaning ascribed to it in the Financial Services (Markets in Financial Instruments) Act of Gibraltar or any other relevant legislation in Gibraltar (and “financial instrument” shall be construed accordingly).

“Pre-Sale Period” shall mean the period commencing on the Pre-Sale Period Commencement Date and ending upon the commencement of the Public Token Sale.

“Pre-Sale Period Commencement Date” shall mean the period commencing on the date on which the Company first commits to sell Tokens to Pre-Sale Purchasers under a Private Token Purchase Commitment Form.

“Pre-Sale Purchasers” shall mean those participants purchasing Tokens under a Private Token Purchase Commitment Form.

“Private Token Purchase Commitment Form” shall mean the Agreement to which these Terms are attached.

“Public Token Sale” shall mean the sale of the Tokens to the general public, subject to any restrictions contained in these Terms, which public token sale shall commence on the 24.11.1985

“Sale Period” shall mean the period commencing on the Pre-Sale Period Commencement Date and ending on the fulfilment of a Completion Condition.

“Securities” shall include the meanings ascribed to in the Financial Services (Markets in Financial Instruments) Act of Gibraltar (as awarded from time to time); in the Financial Services (Investment and Fiduciary Services) Act of Gibraltar; the Prospectuses Act of Gibraltar or any other relevant legislation in Gibraltar (and “security” shall be construed accordingly).

Interpretation:

In these Terms:

- clause, schedule and paragraph headings shall not affect the interpretation of these Terms;
- a ‘third party’ and a ‘person’ includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person’s personal representatives, successors or permitted assigns;
- a reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established;
- words in the singular shall include the plural and vice versa; and
- unless the context otherwise requires, a reference to one gender shall include a reference to the neuter and the other genders.

Scope of Terms

Unless otherwise stated herein, these Terms govern only your purchase of Tokens from us during the Sale Period.

Any potential future use of Tokens in connection with the provision or receipt of Services will be governed primarily by other applicable terms and policies (collectively, the “**Service Terms and Policies**”). The Service Terms and Policies will be made available on our website prior to the launch of the Token sale. We may revise and/or update the Service Terms and Policies from time to time at our sole and absolute discretion. In the event of any conflict between these Terms and the Service Terms and Policies, the Service Terms and Policies shall prevail.

Cancellation; Refusal of Purchase Requests

Your purchase of Tokens from us during the Sale Period is final, and there are no refunds or cancellations except as may be required by applicable law or regulation, if any. We reserve the right to refuse or cancel Token purchase requests at any time in our sole and absolute discretion. In such an event the consideration paid by you shall be rejected or refunded.

At any time prior to satisfaction of the Completion Condition, the Company may either temporarily suspend or permanently abort the Token sale. During any period of suspension or in the event that the Token sale is aborted, Tokens will not be available for purchase and any form of payment sent by you to the Company for the purposes of acquiring Tokens shall be returned to you.

The Company's Token Sale Procedures and Specifications

Important information about the procedures and material specifications of the Company's Token sale and pre-sale is provided on the Company's website <https://covesting.io> including, but not limited to, details regarding the timing and pricing of the Tokens, the amount of Tokens we will sell, and our anticipated use of the Token sale proceeds. By purchasing Tokens, you acknowledge and accept that you have read, understood and have no objection to these procedures and material specifications.

Acknowledgment and Assumption of Risks

You acknowledge and agree that there are risks associated with purchasing Tokens, holding Tokens, and using Tokens for providing or receiving Services, as disclosed and explained hereafter. If you have any questions regarding these risks, please contact us at info@covesting.io BY PURCHASING TOKENS, YOU EXPRESSLY ACKNOWLEDGE, ACCEPT AND ASSUME THESE RISKS.

Risks Relating to Purchase, Sale and Use of Tokens

Important Note: As set out 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 section is intended to form the basis for any investment decision, and no specific recommendations are made or 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 section, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting from such information.

By purchasing, holding 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)*

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 may 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.

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 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.

5. 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 or private insurance arranged by us, to offer recourse to you.

6. 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 Tokens are a regulated financial instrument that require 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.

7. Risks Arising from Taxation

The tax characterization of Tokens is uncertain. You must seek your own tax advice in connection with purchasing, holding and utilizing Tokens, which may result in adverse tax consequences to you, including, without limitation, withholding taxes, transfer taxes, value added taxes, income taxes and similar taxes, levies, duties or other charges and tax reporting requirements.

8. Risk of Alternative Networks

It is possible that alternative networks could be established in an attempt to facilitate services that are materially similar to the Services. The Platform may compete with these alternative networks, which could negatively impact the Platform and Tokens.

9. 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 ecosystems (such as the Platform) more generally. Such lack of use or interest could negatively impact the development of the Platform and therefore the potential utility of Tokens.

10. Risks Associated with the Development and Maintenance of the Platform

The Platform is still under development and may undergo significant changes over time. Although we intend for the Tokens and Platform to follow the specifications set forth in the White Paper, and will take commercially reasonable steps toward those ends (subject to internal business description), we may have to make changes to the specifications of the Tokens or Platform for any number of legitimate reasons. 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 our good faith efforts to develop and maintain 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.

11. Risk of an Unfavorable Fluctuation of Ethereum and Other Currency Value

The Company team intends to use the proceeds from selling Tokens to fund the maintenance and development of the Platform, as described in the White Paper. The proceeds of the sale of Tokens will be denominated in [Ether], and may be converted into other cryptographic and fiat currencies. In addition, some pre-sales of the Tokens may also be denominated in fiat currencies. If the value of Ethereum or other currencies fluctuates unfavorably during or after the Sale Period, the Company team may not be able to fund development, or may not be able to maintain the Platform in the manner that it intended.

12. Risk Associated with the Blockchain Industry

The growth of the blockchain industry in general, as well as the blockchain networks with which the Platform and the CLN Tokens will rely and interact, is subject to a high degree of uncertainty. The factors affecting the further development of the blockchain industry, as well as blockchain networks, include, without limitation:

- Worldwide growth in the adoption and use of Bitcoin, Ether and other blockchain technologies;
- Government and quasi-government regulation of Bitcoin, Ether and other blockchain assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;
- The maintenance and development of the open-source software protocol of the Bitcoin or Ethereum networks;
- Changes in consumer demographics and public tastes and preferences;
- The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;
- General economic conditions and the regulatory environment relating to cryptocurrencies; or
- A decline in the popularity or acceptance of the Bitcoin or Ethereum networks would adversely affect our results of operations.
- The slowing or stopping of the development, general acceptance and adoption and usage of blockchain networks and blockchain assets may deter or delay the acceptance and adoption of the Platform and the Tokens.

13. 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 Ethereum (or other cryptographic and fiat currencies), decrease in the Tokens' utility due to negative adoption of the Platform, the failure of commercial relationships, or intellectual property ownership challenges, the Platform may no longer be viable to operate and the Company may dissolve.

14. Risks Arising from Lack of Governance Rights

Because Tokens confer no governance rights of any kind with respect to the Platform or Company or its corporate affiliates, all decisions involving the Platform or Company will be made by Company at its sole and absolute discretion, including, but not limited to, decisions to discontinue 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 Tokens you hold.

15. Risks Involving Cloud Storage

As the Company provides a decentralized cloud storage service to individual and institutional clients, including users and applications, the Services are susceptible to a number of risks related to the storage of data in the cloud. The Services may involve the storage of large amounts of sensitive and/or proprietary information, which may be compromised in the event of a cyber attack or other malicious activity. Similarly, the Services may be interrupted and files may become temporarily unavailable in the event of such an attack or malicious activity. Because users can use a variety of hardware and software that may interface with the Platform, there is the risk that the Services may become unavailable or interrupted based on a failure of interoperability or an inability to integrate these third-party systems and devices that the Company does not control with the Company's Services. The risk that the Services may face increasing interruptions and the Platform may face additional security vulnerabilities could adversely affect the Platform and therefore the future utility of any Tokens that you hold.

16. Unanticipated Risks

Cryptographic tokens such as the Tokens are a new and untested technology. In addition to the risks included in these Terms, there are other risks associated with your purchase, holding and use of Tokens, including those that the Company cannot anticipate. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this section.

Security

You are responsible for implementing all reasonable and appropriate measures for securing the wallet, vault or other storage mechanism you use to receive and hold Tokens that you purchase 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 shall not be responsible for any security measures relating to your receipt, possession, storage, transfer or potential future use of Tokens nor is the Company under any obligation to recover any Tokens and the Company hereby excludes (to the fullest extent permitted under applicable law) any and all liability for any security breaches or other acts or omissions which result in your loss of (including your loss of access to) Tokens.

Personal Information

The Company may determine, in its sole and absolute discretion, that it needs to undertake due diligence on certain prospective purchasers of Tokens. As part of the Company's due diligence process it may request that you send us certain information about you. You agree to provide the Company with such information promptly upon request, and you acknowledge and accept that the Company may refuse to sell Tokens to you until you provide such requested information in a form that is satisfactory to the Company.

Taxes

The purchase price that you pay for Tokens is exclusive of all applicable taxes. You are solely responsible for determining what, if any, taxes apply to your purchase of Tokens, including, but not limited to: sales, use, value added, and any other taxes that may be applicable. It is also your sole responsibility to withhold, collect, report, pay, settle and/or remit the correct taxes to the appropriate tax authorities in such jurisdiction where you may be liable to pay tax. The Company is not responsible for withholding, collecting, reporting, paying, settling and/or remitting any sales, use, value added, or any other tax arising from your purchase of Tokens.

Representations and Warranties

By purchasing Tokens, you represent and warrant to the Company that:

- (i) You have taken independent legal advice prior to accepting these Terms;
- (ii) You have read and understood these Terms;
- (iii) You have sufficient understanding of the functionality, usage, storage, transmission mechanisms and other material characteristics of cryptographic tokens, token storage mechanisms (such as token wallets), blockchain technology and blockchain-based software systems to understand these Terms and to appreciate the risks and implications of purchasing the Tokens;

- (iv) You have obtained sufficient information about the Company, the Company's officers and agents and representatives and about the Tokens to make an informed decision to purchase the Tokens;
- (v) You understand that the Tokens confer only the potential future right to receive Services and confer no other rights of any form with respect to the Platform, the Company, or any affiliate thereof including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights;
- (vi) You are purchasing Tokens to potentially receive Services on the Platform at a future point in time. You are not purchasing Tokens for any other uses or purposes, including, but not limited to, any investment, speculative or other financial purposes;
- (vii) Your purchase of Tokens complies with applicable law and regulation in your jurisdiction or in any jurisdiction the laws of which you may be subject to.
- (viii) You live in a jurisdiction that allows the Company to sell the Tokens and does not prohibit you from participating through a token sale without requiring any local authorisation;
- (ix) Your purchase of Tokens shall be made in full compliance with any and all applicable legal and tax obligations to which you may be subject in any relevant jurisdiction;
- (x) If you are purchasing Tokens on behalf of any entity or person, you are authorized to accept these Terms and enter into a binding agreement with the Company on such entity or person's behalf (references to "you" in these Terms refer to the entity or person on whose behalf you are authorized to purchase the Tokens);
- (xi) You are not a resident or domiciliary of the United States of America, China, South Korea or any jurisdiction which prohibits token sales and/or any participation therein (a "Restricted Jurisdiction") or purchasing Tokens from a location in a Restricted Jurisdiction, nor are you an entity (including but not limited to any corporation or partnership) incorporated, established or registered in or under the laws of a Restricted Jurisdiction, nor are you purchasing Tokens on behalf of any such person or entity;
- (xii) You are not a resident or domiciliary of a Restricted Jurisdiction or purchasing Tokens from a location in a Restricted Jurisdiction, nor are you an entity (including but not limited to any corporation or partnership) incorporated, established or registered in or under the laws of a Restricted Jurisdiction, nor are you purchasing Tokens on behalf of any such person or entity;
- (xiii) You are not: (i) a citizen or resident of a geographic area in which access to or use of the Tokens and/or the Services is prohibited by applicable law, decree, regulation, treaty, or

administrative act; (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other sovereign country sanctions or embargoes; or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals or Blocked Persons Lists, or the U.S. Department of State's Debarred Parties List.

- (xiv) You agree that if your country of residence or other circumstances change such that the above representations are no longer accurate, that you will immediately cease using the Tokens and/or the Services.
- (xv) If you are registering to use the Tokens or 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;
- (xvi) If you are an individual, you are at least 18 years of age and have sufficient legal capacity to accept these Terms and enter into a binding agreement with us;
- (xvii) The acceptance by you of these Terms and the entry into a binding agreement with us will not result in any violation of, be in conflict with, or constitute a material default under: (i) any provision of your constitutional or organizational documents (if applicable); (ii) any provision of any judgment, decree or order to which you are a party, by which you are bound or to which any of your material assets are subject; and/or (iii) any material agreement, obligation, duty or commitment to which you are a party or by which you are bound;
- (xviii) The crypto-currency assets you use to purchase Tokens are not derived from or related to any unlawful activities, including but not limited to money laundering or terrorist financing, and you will not use the Tokens to finance, engage in, or otherwise support any unlawful activities;
- (xix) Any Tokens you acquire will be acquired in your name, and any crypto-currency assets you use will come from a digital wallet not located in a country or territory that has been designated as a "non-cooperative country or territory" by the Financial Action Task Force or any similar legislation; and
- (xx) You are not the subject of any sanctions administered or enforced by any country, government or international authority nor are you resident or established (in the case of a corporate entity) in a country or territory that is the subject of a country-wide or territory wide sanction imposed by any country or government or international authority.

Indemnity

To the fullest extent permitted by applicable law, you will fully and effectively 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 any and all claims, judgements, demands, actions, damages, losses, costs and expenses (including reasonable professional and legal 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 these Terms; or (iv) your violation of any rights of any other person or entity.

The Company reserves the right to exercise sole control over the defence, at your expense, of any claim subject to this indemnity. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between you and the Company.

Disclaimers

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, TO THE EXTENT THAT THIS DISCLAIMER APPLIES TO YOU AND EXCEPT AS OTHERWISE EXPRESSLY SPECIFIED IN WRITING BY THE COMPANY, (A) THE TOKENS ARE SOLD ON AN “AS IS” AND “AS AVAILABLE” BASIS, WITHOUT ANY WARRANTIES OR REPRESENTATIONS 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; (B) 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 (C) THE 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.

Limitation of Liability

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (I) UNDER NO CIRCUMSTANCES WILL THE COMPANY OR ANY OF THE COMPANY PARTIES, INCLUDING BUT NOT LIMITED TO ITS OFFICERS, DIRECTORS, AGENTS, JOINT VENTURES, EMPLOYEES AND SUPPLIERS BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY LOSS OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REPUTATION 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 PURCHASE, SALE OR USE OF THE TOKENS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE CAUSE 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 BASIS (EVEN IF THE COMPANY OR ANY OF THE COMPANY PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES AND REGARDLESS OF WHETHER SUCH LOSSES WERE FORESEEABLE); AND (II) UNDER NO CIRCUMSTANCES WILL THE AGGREGATE LIABILITY OF COMPANY AND THE COMPANY PARTIES, INCLUDING BUT NOT LIMITED TO ITS OFFICERS, DIRECTORS, AGENTS, JOINT VENTURES, EMPLOYEES AND SUPPLIERS (JOINTLY), WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER LEGAL OR EQUITABLE BASIS, ARISING OUT OF OR RELATING TO THESE TERMS OR THE USE OF OR INABILITY TO USE THE TOKENS, EXCEED THE AMOUNT YOU PAY TO THE COMPANY FOR THE ACQUISITION OF TOKENS.

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

Release

To the fullest extent permitted by applicable law, you release the Company and the Company Parties including but not limited to its officers, directors, agents, joint ventures, employees and suppliers, from all and any 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 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 favour at the time of agreeing to this release.

Dispute Resolution. Arbitration

PLEASE READ THE FOLLOWING SECTION CAREFULLY BECAUSE IT CONTAINS CERTAIN PROVISIONS, SUCH AS A BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER, WHICH AFFECT YOUR LEGAL RIGHTS. THIS SECTION REQUIRES YOU TO ARBITRATE CERTAIN DISPUTES AND CLAIMS WITH COMPANY AND LIMITS THE MANNER IN WHICH YOU CAN SEEK RELIEF FROM US.

Binding Arbitration

Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, “Disputes”) in which either you or the Company seeks injunctive or other equitable relief for the alleged unlawful use of intellectual property, including, without limitation, copyrights, trademarks, trade names, logos, trade secrets or patents, you and the Company (i) save as expressly provided herein, waive your respective rights to have any and all Disputes arising from or related to these Terms resolved in any court, and (ii) waive your respective rights to a jury trial. Instead, you and the Company will arbitrate Disputes through binding arbitration provided in these Terms.

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.

Arbitration Rules

The enforceability of this Section (Dispute Resolution. Arbitration) will be both substantively and procedurally governed by and construed and enforced in accordance with the 2012 (as revised in 2017) International Chamber of Commerce Rules of Arbitration, to the maximum extent permitted by applicable law.

Notice; Informal Dispute Resolution

Each of the Participant or the Company will notify the other in writing of any Dispute within thirty (30) days of the date it arises, so that respective party 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@covesting.io. Notice to you shall be either posted on the Company's website or, if available, will be sent by email to any email address you provided in connection with your purchase of Tokens or use of the Platform or Services. 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 thirty (30) days after the date the notice is received by the applicable party, then either you or the Company may, as appropriate and in accordance with this Section (Dispute Resolution. Arbitration), commence an arbitration proceeding or, to the extent specifically provided for in this Section (Dispute Resolution. Arbitration), file a claim in court.

Process

Any arbitration will occur in Gibraltar. The arbitration will be conducted confidentially by a single arbitrator appointed by the Gibraltar Chamber of Commerce in accordance with the rules of the International Chamber of Commerce Rules of Arbitration, which are hereby incorporated by reference. The courts located in Gibraltar will have exclusive jurisdiction over any appeals and the enforcement of an arbitration decision.

Authority of Arbitrator

These Terms, the applicable International Chamber of Commerce Rules of Arbitration and the arbitrator will have (i) the exclusive authority and jurisdiction to make all procedural and substantive decisions regarding a Dispute, including the determination of whether a Dispute is arbitrable, and (ii) the authority to grant any remedy that would otherwise be available in court, provided, however, that the arbitrator does not have the authority to conduct a class arbitration or a representative or class action, which is prohibited by these Terms. The arbitrator may only conduct an individual arbitration and may not consolidate more than one individual's claims, preside over any type of class or representative proceeding or preside over any proceeding involving more than one individual.

Arbitration Rules.

The International Chamber of Commerce Rules of Arbitration and additional information about International Chamber of Commerce are available at <https://iccwbo.org/dispute-resolution-services/arbitration/rules-of-arbitration/> . By agreeing to be bound by these Terms, you either (i) acknowledge and agree that you have read and understand the International Chamber of Commerce Rules of Arbitration, or (ii) waive your opportunity to read the International Chamber of Commerce Rules of Arbitration and any claim that the International Chamber of Commerce Rules of Arbitration are unfair or should not apply for any reason.

Severability of Dispute Resolution and Arbitration Provisions

If any term, clause or provision of this Section (Dispute Resolution. Arbitration) is held invalid or unenforceable, it will be so held to the minimum extent applicable and required by law, and all other terms, clauses and provisions of this Section (Dispute Resolution. Arbitration) will remain valid and enforceable. Further, the waivers set forth in this Section (Dispute Resolution. Arbitration) are severable from the other provisions of these Terms and will remain valid and enforceable, except as prohibited by applicable law.

Governing Law and Jurisdiction

These Terms will be governed by and construed and enforced in accordance with the laws of Gibraltar, 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 of or relating to these Terms or its subject matter or formation (including non-contractual Disputes or claims) that is not subject to arbitration will be resolved exclusively in the courts of Gibraltar.

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.

Miscellaneous

These Terms constitute the entire agreement between you and the Company relating to your purchase of Tokens from the Company. The Company may make changes to these Terms from time to time as reasonably required to comply with applicable law or regulation. If the Company makes

such changes, it will post the amended Terms at <https://covesting.io/TermsAndConditions.pdf> and update the “Last Updated” date above. The amended Terms will be effective immediately. The Company may assign its rights and obligations under these Terms without your consent. 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 its 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 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.

You and the Company acknowledge that, in accepting these Terms, neither you nor the Company do so on the basis of, and does not rely on, any representation, warranty or other provision except as expressly provided therein, and all conditions, warranties or other terms implied by statute or common law are hereby excluded to the fullest extent permitted by law.

* * * * *