

XMCT Sale

Terms and Conditions

(International)

Date: May 2018

IMPORTANT NOTE

YOU MUST READ THIS DOCUMENT BEFORE MAKING ANY DECISION TO PURCHASE XMCT.

THESE TOKEN SALE TERMS AND CONDITIONS (“TERMS AND CONDITIONS”) AND ITS SUBJECT MATTER HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER ANY LEGAL OR REGULATORY REGIME, NOR HAVE THEY BEEN REVIEWED OR APPROVED BY ANY REGULATORY AUTHORITY. THIS DOCUMENT IS NOT A PROSPECTUS NOR A SOLICITATION FOR INVESTMENT. IT DOES NOT PERTAIN TO AN OFFERING OF SECURITIES IN ANY JURISDICTION, AND UNDER NO CIRCUMSTANCES DOES THESE TERMS AND CONDITIONS OR ANY OTHER MATERIALS CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL. HEALTH WITHOUT BORDERS LIMITED DOES NOT HOLD ITSELF OUT AS CARRYING OUT ANY REGULATED ACTIVITY IN ANY JURISDICTION.

THE TOKEN SALE IS ONLY FOR SOPHISTICATED PURCHASERS WHO ARE KNOWLEDGEABLE AND EXPERIENCED IN THE FEATURES AND RISKS OF RELEVANT DIGITAL PLATFORMS, DIGITAL ASSETS, BLOCKCHAIN AND SMART CONTRACTS. POTENTIAL PURCHASERS SHOULD DETERMINE FOR THEMSELVES THE RELEVANCE OF THE INFORMATION CONTAINED IN THIS DOCUMENT AND RELATED MATERIALS, IN EACH CASE AS SUPPLEMENTED FROM TIME TO TIME, AND THE NECESSITY FOR ADDITIONAL ENQUIRY, RESEARCH AND ADVICE. ANY DECISION TO PARTICIPATE IN THE XMCT SALE SHOULD BE BASED UPON SUCH INDEPENDENT INVESTIGATION AND ADVICE AS YOU DEEM NECESSARY. THESE TERMS AND CONDITIONS SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY ANY OTHER PERSON TO PARTICIPATE IN ANY XMCT SALE.

WITHOUT LIMITING ANY OF THE ABOVE, YOU SHOULD NOT PURCHASE ANY XMCT UNLESS YOU HAVE READ AND UNDERSTOOD THESE TERMS AND CONDITIONS AND ALL OTHER RELEVANT MATERIALS AND FULLY UNDERSTAND THE TOKEN SALE, INCLUDING AT LEAST THE FOLLOWING:

- THE NATURE AND PURPOSE OF THE TOKEN SALE AND ITS CRYPTOGRAPHIC CONTEXT
- THE TERMS AND CONDITIONS OF THE TOKEN SALE
- THE PROCEDURES REQUIRED TO PURCHASE XMCT
- THE NATURE AND THE EXTENT OF THE RISKS TO WHICH YOU MAY BE EXPOSED AS A RESULT OF PARTICIPATING IN THE TOKEN SALE AND HOLDING XMCT
- THE REGULATORY, TAX AND ACCOUNTING TREATMENT OF PARTICIPATING IN THE TOKEN SALE AND HOLDING OF XMCT AS WELL AS ANY OTHER RELEVANT IMPLICATIONS

YOU MUST ALSO MONITOR [HTTP://WWW.XMEDCHAIN.COM](http://www.xmedchain.com) (THE “WEBSITE”) FOR ANY ANNOUNCEMENTS THAT RELATE TO THIS TOKEN SALE, AS THEY MAY ADD TO, OR ALTER, ITS TERMS.

THESE TERMS AND CONDITIONS AND RELATED MATERIALS MAY BE TRANSLATED. ANY TRANSLATION IS FOR REFERENCE PURPOSES ONLY AND IS NOT CERTIFIED BY ANY PERSON. ONLY THE ENGLISH VERSION HAS LEGAL EFFECT AND PREVAILS TO THE EXTENT OF ANY INCONSISTENCY.

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I. BACKGROUND

1. OVERVIEW

Health Without Borders Limited (the “**Company**”) is a Company established in Hong Kong (“**Hong Kong**”) in order to create decentralised platform (the “**XMC**”) where medical data can be uploaded and stored for the purpose of easing patients, healthcare providers, institutions and healthcare insurance company in transferring medical record and obtaining information on healthcare products and insurances. The Company is undertaking the sale of XMCT (the “**Token Sale**” or “**Campaign**”) and will be involved in the initial development of XMC. The Campaign’s scheduled launch date is 15 February 2018 (“**Token Sale Launch**”) and is scheduled close date 14 May 2018 unless closed earlier at the Company’s sole and absolute discretion (“**Token Sale End**”). The precise dates and times will be announced on <http://www.xmedchain.com> (the “**Website**”).

For further details about the Company, XMC and XMCT, please refer to the XMC White Paper (the “**White Paper**”) as available at the Website.

2. ABOUT XMCT

XMCT is a cryptographic utility token. XMCT is an Ethereum ERC20 digital token divisible up to 18 decimal places. It can be held in a digital wallet, transferred to other digital wallets and potentially used for the sale and purchase of medical recorded being uploaded by users on the XMC. The XMCT will become an integral part of the XMC community, allowing users to potentially purchase medical data, information about healthcare providers’ products and insurance institution’s products. It is intended that the XMC will expand so healthcare products and insurance products can be offered and purchased directly on the XMC with settlements being made in XMCT. Further details are provided in the White Paper and will be supplemented by the announcements made on the Website. The precise scope of the XMC will be developed further in and will be announced on the Website once finalized.

3. PURPOSE OF XMCT

The only purpose of the XMCT is its use in order to participate in the XMC. XMC does not have any other rights, use, purpose, value, attributes, functionalities or features whether expressed or implied.

It is important to note that none of the XMCT holders and participants of the XMC are entitled to any economic rights whatsoever in the Company, nor any claim on any of its assets. Furthermore, neither XMCT holders nor the participants of the XMC have any right, title or interest whatsoever in relation to the XMC, beyond the specific usage rights they acquire by downloading and signing up for the use of the

XMC. For the avoidance of doubt, with the exception of the rewards outlined in the White Paper which are linked to effort on the part of the rewardee, such as the uploading medical data in exchange for XMCT, usage does not entitle any person to participate in or receive any payments, profits, income or other returns from the XMC, the Company or otherwise.

Aside from the ability to partake in the XMC, XMCT holders may have preferential access to future initiatives which will be announced on the Website. However, it is important to note that irrespective of anything in these Terms and Conditions, the White Paper or the Website, the XMCT usage rights is, nor shall it in any case be understood, deemed, interpreted or construed under the laws of any applicable jurisdiction as, any kind of:

- i) money, legal tender, currency or deposit, regardless of whether fiat or non-fiat;
- ii) investment (whether secured or unsecured), equity interest, proprietary interest, economic right (including any kind of right to payment, income, dividend, profit, or other return, or any sums to be paid, or likely to be paid, out of such return or profit), share or similar interest in or claim against any person, asset, entity, organization, scheme, venture or project (including but not limited to the Company);
- iii) equity, debt or hybrid instrument, security, collective investment scheme, managed fund, financial derivative, futures contract, commercial paper, negotiable instrument, investment contract, note, bond, warrant, certificate or instrument entitling the holder to interest, dividends or any kind of return, nor any other financial instrument;
- iv) right, title, interest or benefit whatsoever in whole or in part, in XMC, the Company or any assets related to either of them;
- v) offer or solicitation in relation to gambling, betting, lotteries or similar; or
- vi) any commodity that any person is obliged to redeem or purchase.

XMCT can be obtained through the following methods:

- i) participation and purchase in the Token Sale;
- ii) as rewards by uploading medical data to the XMC; and
- iii) as rewards for verifying medical data uploaded by other users.

4. TOTAL SUPPLY AND ALLOCATION OF XMCT

The supply of XMCT will be limited to 700,000,000 in total (including those available for sale during the Campaign). XMCT can be acquired through the Token Sale, potential future token sale(s) and continuous usage of the XMC. A total of 79,800,000 will be sold in the Token Sale.

The total pool of XMCT has been allocated as follows, but may be adjusted at the Company's sole and absolute discretion:

Token Quantity and Percentage	Uses
11.4% (79,800,000)	To be circulated to the public
63.6% (445,200,000)	Reserved for sustaining the development of the community and ecological deployment
15% (105,000,000)	To be owned by employees of the Company

10% (70,000,000)	To be owned by early purchasers
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5. USE OF PROCEEDS

Use of the Token Sale proceeds is in the sole and absolute discretion of the Company and is intended primarily to be used to fund the development of the XMC and the team expansion, promotion and marketing of the ICO, ecosystem building, legal and administration support, constructing offline payment networks and other purposes consistent with the Company's mandate. Relevant expenses that will be paid or reimbursed (as applicable) include but are not limited to the following:

Token Percentage	Uses
5%	Legal and related administration fees
10%	Domestic and international publicity & ecological construction
30%	R&D team expansion
25%	Marketing usage
30%	Build offline payment networks in different countries to speed up users acquisition

The directors of the Company will collectively formulate and approve the detailed plan to deploy the Token Sale proceeds after the Campaign has been completed. The Company's rights and powers in relation to the use of the Token Sale proceeds are not limited by these Terms and Conditions in any way and may include transfer of the proceeds to any other wallets or addresses in any form.

6. PUBLICITY

Information relating to the Campaign and the XMC will be announced on the Website as it becomes available. XMCT holders and prospective persons participating in the Token Sale ("**Purchasers**") should pay attention to announcements made available on the Website.

7. TERMS OF THE TOKEN SALE

The terms of the Token Sale are comprised of:

- these Terms and Conditions; and
- any announcements made on the Website at any time before the Token Sale. **Prospective purchasers of XMCT must monitor the Website for such announcements.**

Collectively, these constitute the entire agreement between the Company and XMCT purchasers about the Token Sale.

If there is any inconsistency between:

- an announcement on the Website and these Terms and Conditions, the announcement on the Website prevails to the extent of the inconsistency; or

- these Terms and Conditions and the White Paper or any other document, the Terms and Conditions shall prevail as to the extent of the inconsistency;
- the English version of a document and any translation, the English version prevails.

II. TOKEN SALE PARTICIPATION

1. TOKEN SALE SUMMARY

The following is provided for summary purposes only. Please read the whole of this Chapter II for full details of the Token Sale.

Price per XMCT in the Token Sale (“ Issue Price ”)	0.1 US Dollar = 1 XMCT Based on the exchange rate as issued by coinmarketcap.com on 8am Hong Kong time of the day of purchase.
Token Sale “ Hard Cap ”	8 Million US Dollar.
“ Soft Cap ”, to be applied at the sole and absolute discretion of the Company	2 Million US Dollar for the Private Seed round.
	3 Million US Dollar for the Private Pre-Sale round.
	3 Million USD for the Public Pre-Sale.
Lock Up Period	Public Pre-Sale: 3 months lock up on 50% of the purchased amount and any bonus.

Expected Timetable

Start of Purchase Window for Private Pre-Sale	15 February 2018
End of Purchase Window (“ End Date ”)	<i>Within 4 months of the commencement of the Purchase Window for the Campaign or to end earlier at the Company’s sole and absolute discretion.</i>

2. PARTICIPATION IN THE CAMPAIGN

Private Seed Round

The Campaign will begin with a Private Seed Round (the “**Private Seed Round**”) where only early supporter can participate. This would only be offered to supporters who show interests and confidence in XMC before the Company has started putting the Token Sale into actions.

Pre-Sale

The Campaign will then go through a pre-sale to selected parties (the “**Pre-Sale**”). The private sale to selected parties will be offered to institutional and/or professional Purchasers who may be interested in buying significant amount of XMCT. The Pre-

Sale will have two stages, one private and public. The Public Pre-Sale would be made available to supporters who are showing supports and following the Campaign.

- i) In addition to those described elsewhere in these Terms and Conditions:
 - a. Participation in the Campaign is entirely on a voluntary basis. The following actions will not be deemed as a commitment or obligation to participate in the Campaign or purchase any XMCTs:
 - Visiting the Website.
 - Registration on the Website.
 - Requesting or reading any materials (such as these Terms and Conditions or the White Paper) made available by the Company.
 - Communicating with the Company in any manner.
 - b. If a Purchaser is a citizen, tax or permanent resident of, or otherwise has a relevant connection with, a jurisdiction where the purchase or ownership of XMCT is prohibited, restricted or requires registrations of any kind (“**Restricted Purchaser**”), they must not participate in the Campaign.
 - c. In cases where the Company discovers or suspects that the purchase or holding of XMCT by any Purchaser violates any applicable regulatory requirements, including but not limited to money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, the trafficking of arms, drugs, humans or wildlife, slavery, proliferation of weapons of mass destruction, evasion of economic or trade sanctions, or any acts or attempts to circumvent or violate any applicable laws relating to these matters (“**Financial Crime**”), or made to Restricted Purchasers, such purchase is deemed to be invalid. In such case, the Company reserves the right to terminate its relationship with the Purchaser and take any actions considered by the Company in its sole and absolute discretion as necessary for the Company to meet its legal and regulatory obligations and is not obliged to return any purchase amounts to such Purchaser. The Company further reserves the right to immediately cancel delivery of any XMCT or to lock any XMCT and may request, require the full return of any XMCT that has already been delivered. Such actions will be irrespective of any purchase amount that has been advanced by that Purchaser and the Company is under no obligation to provide reasons.
 - d. The Company reserves the right to reject any purchase at its sole and absolute discretion.
 - e. Each Purchaser is fully responsible for keeping their cryptographic utility token wallet (including private keys) confidential, secure and intact at all times. The Company will not be held liable for the cryptographic utility token wallet of any Purchaser. Should any of these wallets be lost, compromised or stolen, the delivery of purchased XMCT may fail, become impossible or be incorrectly sent.
- ii) Specific terms and arrangements applicable to all Purchasers:
 - a. Each Purchaser must irrevocably remit the purchase price of lawfully acquired ETH to the ETH address as provided to them by the Company. The Company will return the applicable number of XMCT to the destination wallet (“**Designated Wallet**”), subject to any right to reject any purchase by the Company.
 - b. **WARNING:** Purchasers must not send ETH from, and/or must not designate, an exchange or hosted ETH wallet to the Company. Otherwise the Company will send the applicable XMCTs to the address of the exchange or hosted wallet, the Purchaser may not be able to retrieve their XMCTs.

- c. All Purchasers must first pass the Know-Your-Customer (“**KYC**”) and Anti-Money Laundering and Counter Terrorist Financing (“**AML/CTF**”) verification before being accepted as Purchasers. This requires the assistance of Purchasers (as stated below) and there is no assurance that the verifications will satisfactorily be completed swiftly or at all, depending on the circumstances. Details of the KYC and AML/CTF verification can be found on the Website.

3. TRANSFERABILITY OF XMCT

- a. XMCT that is purchased by a Purchaser may only be claimed by that Purchaser.
- b. XMCT is not transferable to any blockchain address prior to expiry of the lock up period as specified above.
- c. If a Purchaser transfers any XMCT to a wallet or address owned by another person, then that person and the owner of each other wallet or address to which that XMCT is further transferred are each deemed to be bound by these Terms and Conditions as Purchaser for the period of time they hold such XMCT.
- d. By transferring any XMCT, a Purchaser assigns all their rights, title and interest under these Terms and Conditions to the owner of the wallet or address to which they transfer that XMCT.
- e. The owner of the wallet in which any XMCT is held will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as the absolute owner of that XMCT for all purposes (regardless of any notice of any trust or any other interest, or the theft or loss of any private key) and neither the Company nor any other person will be liable for so treating that person as absolute owner.
- f. The Company agrees that, if any rule of law (including any legislation, rule of common law, rule of equity or customary law) requires written notice to effect the transfer of any Token, such notice is deemed given as an electronic record by inclusion of the relevant transaction on a block on the ETH blockchain.
- g. Notwithstanding any other provision in these Terms and Conditions, the Company reserves the right to treat as void any transfer of a XMCT which the Company reasonably believes to be unlawful for any reason.
- h. Notwithstanding any of the above, there is no guarantee or assurance of the availability of any market for transfer of XMCT or any such market’s liquidity.

4. BONUS

The Company will reserve the sole and absolute discretion to grant any bonus to Purchasers.

5. REPRESENTATIONS AND WARRANTIES

- i) By participating in the Campaign, each Purchaser represents and warrants that:
 - a. they have read, understood and agree to these Terms and Conditions, White Paper and all relevant announcements on the Website, and sought all necessary advice;
 - b. all information submitted by them to the Company is true, complete, valid and non-misleading;
 - c. they are not a Restricted Purchaser;
 - d. they are permitted by the laws of any jurisdiction applicable to them to participate in the Campaign, have obtained any consents required for their

- participation and are legally permitted and capable to acquire, receive and hold XMCT and cryptographic utility tokens generally;
- e. they are not a statutory corporation, governmental or semi-governmental authority;
 - f. if they are an individual, they are of sufficient age to participate in the Campaign and are persons with full legal capacity of conduct under the laws of the jurisdiction where they are domiciled or maintain citizenship;
 - g. if they are a corporation, they are duly incorporated, validly existing corporation in good standing under the laws of the place in which they are incorporated;
 - h. they are not bankrupt or insolvent and entry into and performing their obligations under these Terms and Conditions will not result in them becoming bankrupt or insolvent;
 - i. they are sophisticated and experienced traders, experts, technicians and/or professionals in the fields of distributed ledger technology and cryptographic tokens and they are fully aware of the risks associated with the development and use of XMCT;
 - j. their participation in the Campaign is entirely voluntary and the decisions to participate are based wholly on their own independent judgment without being coerced, solicited or misled by anyone else. They do not require any consent, approval, order or authorization of, or qualification, registration, declaration, designation or filing with, governmental authority or agent of any kind in relation to their participation in the Campaign;
 - k. they are experienced in and fully capable of operating, maintaining and safekeeping the cryptographic token wallet private key out of which they make any contribution for purchasing the XMCT;
 - l. they only use cryptographic tokens as lawfully acquired through mining and/or trading to make payments for XMCT and do not participate in the Campaign for any money-laundering, terrorism financing or other illegal or illegitimate purpose;
 - m. their participation in the Campaign will not contravene any restriction legally binding on them or the assets which they send as payment;
 - n. they have thoroughly reviewed and comprehended these Terms and Conditions and the White Paper in full (in particular, the risk factors set forth in Chapter IV in these Terms and Conditions) as well as any other information that has been made available by the Company;
 - o. their rationales for acquiring XMCTs are based on expected future usage of XMCT's functions and they specifically confirm that their purchases of XMCT are without expectation of any profit, dividend, capital gain, financial yield or any other return, payment or income of any kind, and do not contemplate to use XMCT for any financial, speculative, illegal, immoral or unethical purpose;
 - p. they have given full rights to the Company to use the Token Sale proceeds for whatever purpose the Company deems necessary immediately upon transferring monies to the Company;
 - q. they are not a citizen, resident or tax resident of, and do not otherwise have any relevant connection with, any jurisdiction in which entry into or performing their obligations under these Terms and Conditions or the delivery, holding, use or exchange of XMCT is unlawful or restricted in any material way or requires licensing, registration or approval of any kind; and
 - r. they or any of their affiliates or persons on whose behalf they are acting are not a person who:
 - i. has been convicted or has any charges currently pending for any offence (other than motoring or other minor offences), including any

offence involving fraud, dishonestly or breach of applicable securities, corporations, anti-trust, financial crime regulation or applicable tax laws; or is currently subject to any material criminal, regulatory or administrative investigation by any government agency or proceeding in relation to any such matter which has either been publicly announced or in respect of which written notice has been given to the affected person.

- ii. without limiting paragraph (i), is a person who appears in another list of persons with whom dealings are proscribed by the United Nations or another government agency or relevant authority under applicable law, or its part of a group that appears in such a list; or
 - iii. acts on behalf, or for the benefit of, any person described in paragraph (i) or (ii);
- ii) All the above representations and warranties made by a Purchaser are true, accurate, complete and non-misleading on and from the date of that Purchaser making a contribution during the Campaign and are repeated thereafter. The Company reserves the rights to deny and invalidate payments made by, and withhold the distribution and/or activation of relevant XMCT from, any Purchaser who has made a false, incomplete or misleading representation in the sole judgment and sole and absolute discretion of the Company.

6. XMCT FOR THE TOKEN SALE

- i) The number of the XMCT for the Token Sale is 700,000,000 in total, which represents the maximum number of XMCT available for purchase during the Campaign.
- ii) At the sole and absolute discretion of the Company, the Token Sale may be closed in advance of the End Date at any time upon any termination event.
- iii) Out of the XMCT available for the Token Sale, each Purchaser can purchase any number of XMCT (rounded to the eighteenth decimal place). However, due to the existence of the hard cap for the Token Sale the amount of XMCT may be limited depending on the demand for the XMCT at the time of the sale.
- iv) A lock-up period of 1-3 months may be imposed on the XMCTs purchased by the Purchasers subject to the stage the Purchasers participate in the Token Sale.

7. PRICE

The price of each one XMCT is the ETH equivalence of USD0.01 based on the exchange rate at coinmarketcap.com at 8.00am Hong Kong time on the date of purchase.

8. PAYMENT

- i) Applicable to all Purchasers
- ii) By registering through the Token Sale website and completing the verification process and remitting the relevant payment, a Purchaser is deemed as having accepted all the terms and conditions contained in these Terms and Conditions and any relevant Website announcements and agreed to purchase the XMCT in accordance with the same. Such purchase will become binding upon the issuance of XMCT by the Company.
- iii) For the avoidance of doubt, (a) cryptocurrency or any cryptographic tokens resulting from any further forking of the cryptocurrency after the date of these Terms and Conditions will not be deemed as identical or equivalent to ETH; and (b) should the Ethereum blockchain be forked after the date of these Terms and

Conditions, the Company shall have the sole and absolute discretion to determine the cryptographic token of which branch or branches resulting from that forking would be accepted. The Company will announce its choice of branch as and when appropriate on the Website.

- iv) Purchasers are responsible for all costs and other arrangements relating to their connections to the Company, including its Website.
- v) In order to remit a valid contribution for the Campaign, each Purchaser is required to send ETH within the Payment Window to the ETH address as instructed by the Company. Arrangements and consequences for late contributions are stipulated in section 10 below.
- vi) A contribution by any Purchaser is considered as completed and irrevocably remitted for the purposes of this Terms and Conditions at a time to be determined by the Company in its sole and absolute discretion.
- vii) Unless otherwise stated in these Terms and Conditions or a Website announcement, payments made by Purchasers are not refundable under any circumstances.

9. ADDRESS FOR RECEIVING XMCT CONTRIBUTION

The address to receive the contributions for the XMCT will be determined and announced by the Company. Each Purchaser shall remit their contribution to such address directly from their wallet or Designated Wallet. This is the only valid address for receiving contributions for the XMCT for Purchasers. Payments sent to any other address will not be recognized by the Company as a valid payment. Such payments will not entitle the sending person to any claim of XMCT.

10. PAYMENT WINDOW

The period to purchase and contribute to the Token Sale (the “**Payment Window**”) will be open from 15 on February 2018 through and until the earlier of:

- i) close of the Token Sale; or
- ii) the early closing of the Token Sale at the sole and absolute discretion of the Company upon the achievement of the Soft Cap; or
- iii) the Company having received sufficient contributions for all of the XMCT available for this Token Sale; or
- iv) at the Company’s sole and absolute discretion as announced on the Website.

No payments will be accepted on or after the close of the Payment Window. Late payments may be rejected by the Company, and no XMCT will be allocated. The Company will not be obliged to refund any contributions from late payments.

11. CUSTODY OF PROCEEDS FROM TOKEN SALE

All the Token Sale proceeds received by the Company will be securely stored using Hardware Security Module (“**HSM**”) devices supporting ETH (as applicable) wallets, the keys to which will be controlled by the directors of the Company.

The Company is entitled to immediately use, dispose or convert the Token Sale proceeds on the promotion and development of the XMC, the marketing of the Token Sale and

operation of the Company upon receipt.

12. TERMINATION EVENTS

Notwithstanding any other provision of these Terms and Conditions, the Company is entitled to terminate the Campaign if any of the following events occurs:

- i) With or without reasons, the Company elects to cease the development of the XMC by making an announcement on the Website.
- ii) With or without reasons, the Company elects to terminate the Campaign prior to the close of the Payment Window by making an announcement on the Website.
- iii) The sale of XMCT is required by any applicable law or regulation to terminate or be fundamentally restructured.
- iv) The Company being notified by any government, quasi-government, authority or public body (including but not limited to any regulatory body of any jurisdiction) in any jurisdiction that the Campaign is under investigation, prohibited, banned or forced to cease, or the Company is otherwise required by law to end the Campaign.
- v) The sale of XMCT discontinues prior to the release of the XMCT due to any force majeure event and the Company, in its sole and absolute discretion, cannot reasonably expect work to be resumed within three (3) months.
- vi) The aggregated proceeds from the Token Sale total less than the equivalent in ETH of 5 Million USD (soft cap) at the end of the Payment Window.

The Company retains its sole and absolute discretion to declare termination of the Campaign upon the occurrence of any of the above events while the Purchasers are not entitled to object to or deny the decision made by the Company.

13. ACTIONS UPON TERMINATION

Upon termination of the Campaign in accordance with section 12 above, the Company will, within one calendar month, refund the balance of any unspent Token Sale proceeds to Purchasers, which would be net of all expenses and taxes paid.

For avoidance of doubt:

- i) the refunds shall only be made if the Campaign is terminated in accordance with the termination events as stated in section 12 of this Chapter II;
- ii) no refunds shall be made to Purchasers who have not complied with the requirements in section 2 of this Chapter II; and
- iii) the amount of any Token Sale proceeds that have been spent by the Company will not form part of any pool of Token Sale proceeds which may be used to provide refunds to Purchasers. This means that the amount which may be refunded may be less than originally paid.

Other than as set forth in this section 13, the Company shall have no obligation whatsoever to any Purchaser for the termination of the Campaign.

14. NO REDEMPTION

Given XMCT are not securities of any kind nor do they represent any legal or contractual right, neither the Company nor anyone else is obliged to redeem or purchase any XMCT from any Purchaser at any time. As a cryptographic utility token, XMCT is not intended to be redeemed, purchased or otherwise transacted for profit.

15. POST-DELIVERY ATTENTION

Each Purchaser has the sole responsibility to attend and exercise due care to the XMCT delivered to them. In particular, it is imperative that any private key(s) relating to their cryptographic token wallet are stored securely. The Company is not liable whatsoever for any XMCT loss or theft after delivery to the Purchaser, regardless the reason for such loss or theft.

III. MISCELLANEOUS

1. NO REPRESENTATION OR WARRANTY

The Company disclaims and makes no representation or warranty with respect to the Campaign, or XMCT (including but not limited to its merchantability or fitness for any particular purpose), except those expressly specified herein. Each Purchaser's decision to participate in the Campaign and purchase any XMCT is made based on their own knowledge of the Company, XMCT and the information disclosed herein or in the White Paper. Notwithstanding the generality of the foregoing, each Purchaser will, upon release of the XMCT, accept XMCT and the purchased XMCT on an "as is" basis, irrespective of its technical specifications, parameters, performance or function.

2. NO LIABILITY

In addition to other disclaimers elsewhere in these Terms and Conditions and any Website announcement, neither the Company nor any other third party is liable to a Purchaser or any other person for any loss, damage, cost or expense whether direct, indirect, consequential, special, punitive, exemplary or economic (except in instances of gross negligence, fraud or wilful misconduct by the Company) which arises in tort, contract or otherwise in connection with anyone or more of the following:

- i) any person's participation in the Campaign in violation of any regulatory requirements imposed by any jurisdictions that may be applicable to them. Such regulatory requirements include but not limited to those relating to Financial Crime;
- ii) any person's participation in the Campaign that may violate any warranty, representation, covenant, obligation or other provision under these Terms and Conditions, and the failure or inability to retrieve their contribution or to claim relevant purchased XMCT cause;
- iii) termination of the Campaign for whatever cause;
- iv) failure, termination or abandonment of XMCT development and any failure to deliver the purchased XMCT to the Purchasers that may result;
- v) postponement or rescheduling of XMCT development and any failure to meet any anticipated milestone that may result;
- vi) any flaw, error, bug, weakness or defect or otherwise of the source code of XMCT;
- vii) any malfunction, instability, breakdown, paralysis, rollback or hard-forking of the blockchain on which XMCT is connected to and/or based upon;
- viii) failure of XMCT to be used in any specific way or meet any specific purpose;
- ix) the utilization of any or all of the proceeds raised through the Campaign;
- x) failure to timely and wholly disclose any information with regards to developments of XMCT;
- xi) any Purchaser's divulgence, destruction or loss of the private key relating to his cryptographic tokens or cryptographic token wallet;

- xii) trading of XMCT by any person or entity, regardless whether it may be speculative in nature;
- xiii) listing or delisting of XMCT on or from any exchange, including but not limited to cryptographic token exchanges;
- xiv) XMCT being treated or classified by any government, quasi-government, authority or public body (including but not limited to any regulatory body of any jurisdiction) as a type of security, money, currency, commodity, asset, collective investment scheme, commercial paper, negotiable instrument, investment or otherwise that may be banned, regulated or subject to certain legal restrictions and/or approval processes;
- xv) any services created on, operated on or connected to XMC; or
- xvi) any direct and indirect outcome resulted from the risk factors disclosed in these Terms and Conditions. This also includes any subsequent claim, damage, liability, loss, punishment, cost or other adverse impact that is associated with, caused by, in connection with, consequential to or incidental to that particular risk factor; or
- xvii) any other matter arising from or related to the subject matter of these Terms and Conditions.

Each Purchaser agrees that they will not commence, or attempt or threaten to commence, any proceedings, action or claim (including any claim for compensation or costs) against the Company, or any Third Party in any jurisdiction for the recovery of any loss, damage, cost or expense, or in relation to any liability, arising out of or in connection with XMCT.

If the Company's liability (or the liability of any provider of information) for a breach of a right or term implied by law in a relevant jurisdiction (whether by statute or otherwise) is capable of exclusion, it is hereby excluded.

Further, if the Company's liability in relation to any matter relating to or arising in connection with XMCT is capable of limitation (but not exclusion), it is hereby limited to the maximum extent that is permitted by applicable law.

3. VARIATION

The Company may vary these Terms and Conditions by notice given under these Terms and Conditions in accordance with section 22 of Chapter III provided that such notice expressly states that it modifies, varies, amends or supplements these Terms and Conditions.

To the extent of any inconsistency between this document and the Website, announcements made on the Website will prevail (in reverse chronological order).

No other person is authorised to vary these Terms and Conditions. Purchasers must not rely on any unauthorised representations in respect of these Terms and Conditions, including the Purchaser's rights and obligations under them.

4. TERMINATION

Notwithstanding any other provision of these Terms and Conditions, the Company may at any time and for any reason immediately terminate these Terms and Conditions as between it and a Purchaser without prior notice or need to specify reasons, including if:

- i) a Purchaser has breached any provision of these Terms and Conditions or acted in a manner which clearly shows that it does not intend to or are unable to comply

- with any provision in these Terms and Conditions;
- ii) the Company reasonably considers it is required to do so by the application of any laws or regulations or by any government, quasi-government, authority or public body (including but not limited to any regulatory body of any jurisdiction); or
 - iii) the Company determines that performing its obligations under these Terms and Conditions is no longer commercially viable.

The Company will inform Purchasers of such termination by notice in accordance with clause 21 (“Notices”). Subject to these Terms and Conditions, nothing in this clause affects a Purchaser’s rights to any XMCT of which it is absolute owner.

5. SURVIVAL

The following sections survive termination of these Terms and Conditions and remain binding and effective at all times:

- i) this section 5 (“Survival”);
- ii) Chapter I, section 3 (“Purpose of XMCT”);
- iii) Chapter II, section 3 (“Transferability of XMCT”) to the extent any Purchaser continues to hold any XMCT;
- iv) Chapter II, section 5 (“Representation and Warranties”) to the extent any Purchaser continues to hold any XMCT; and
- v) Chapter III, all sections.

6. TAX

Each Purchaser takes full responsibility to declare, bear and pay all such taxes, duties, imposts, levies, tariffs and surcharges that might be imposed by the laws and regulations of any jurisdiction as a result of or in connection with the receipt, holding, use, purchase, appreciation, trading, remittance or disposal of XMCT (no matter whether purchased during the Campaign or otherwise acquired). In addition, each Purchaser is solely liable for all such penal consequences, claims, fines, penalties, liabilities or otherwise arising from his underpayment, undue payment, belated payment or non-payment of any relevant tax. The Company does not give any advice on tax related matters and makes no representation as to the tax implication, if any, of any Purchaser’s participation in the Campaign. It is the responsibility of each Purchaser to consult their tax advisors before purchasing XMCT during and after the Campaign.

7. NO WAIVER

From time to time, the Company may decide not to require, or strictly enforce a Purchaser’s compliance in relation to any provision in these Terms and Conditions. The Company may also decide not to exercise any or all of its rights empowered herein. None of these should be construed as a waiver or relinquishment of the Company’s right to assert or rely upon any such provision or right in that or any other instance. If applicable, an express waiver given by the Company of any condition, provision, or requirement of these Terms and Conditions does not constitute a waiver of any future obligation to comply with such condition, provision or requirement.

8. SEVERABILITY

If any portion of these Terms and Conditions is held to be illegal, unenforceable or invalid,

whether in whole or part, under the laws of any jurisdiction, that portion should be severed, and such illegality, unenforceability or invalidity does not affect the legality, enforceability or validity of the rest of these Terms and Conditions in that jurisdiction, nor the legality, enforceability or validity of these Terms and Conditions in any other jurisdiction.

9. TITLES AND SUBTITLES

The titles and subtitles used in these Terms and Conditions are provided for convenience only and should not be considered in construing or interpreting these Terms and Conditions.

10. GOVERNING LAW AND JURISDICTION

These Terms and Conditions, the White Paper and any announcements made on the Website are governed by the laws of Hong Kong. Each Purchaser submits to the exclusive jurisdiction of the courts of that place. To the extent the law permits, this document prevails to the extent it is inconsistent with any law. Any present or future law which operates to vary the obligations of the Company in connection with these Terms and Conditions with the result that the Company's rights, powers or remedies are adversely affected (including by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

11. ARBITRATION

Any dispute, controversy or claim arising out of or in connection with this Agreement shall be finally and exclusively settled by arbitration in Hong Kong by the Hong Kong International Arbitration Centre in accordance with **UNCITRAL Arbitration Rules** in force when the notice of arbitration is submitted. The law of this arbitration clause shall be construed and interpreted in accordance with Hong Kong law. The place of arbitration shall be Hong Kong. The number of arbitrators shall be 3. If the parties do not agree on the arbitrator to be appointed within 15 days of the dispute proceeding to arbitration, the arbitrator is to be appointed by the Hong Kong International Arbitration Centre. The arbitration proceedings shall be conducted in English. The seat of arbitration shall be 3.

12. RIGHTS OF THE COMPANY

Unless these Terms and Conditions expressly states otherwise, the Company may exercise a right, power or remedy or give or refuse its consent, approval or a waiver in connection with this document in its sole and absolute discretion (including by imposing conditions).

The rights, powers and remedies of the Company in connection with these Terms and Conditions are in addition to other rights, powers and remedies given by law independently of this document.

13. INDEMNITIES AND REIMBURSEMENT OBLIGATIONS

Any indemnity, reimbursement or similar obligation in this document given in favour of the Company:

- i) is a continuing obligation despite the satisfaction of any payment or other obligation in connection with this document, any settlement or any other thing; and

- ii) is independent of any other obligations under these Terms and Conditions, the White Paper or any Website announcement and continues after any of them end.

It is not necessary for the Company party to incur expense or make payment before enforcing a right of indemnity in connection with the subject of these Terms and Conditions.

14. FURTHER STEPS

Each Purchaser agrees to do anything (such as obtaining consents, signing and producing documents, producing receipts and getting documents completed and signed), which the Company asks and considers necessary to:

- i) bind the Purchaser and any other person intended to be bound in connection with XMCT;
- ii) show whether the Purchaser is complying with applicable law and these Terms and Conditions, the White Paper and/or any Website announcement;
- iii) enable the Company to obtain any necessary consent to this document of any other person; and
- iv) comply with its legal, regulatory and governance requirements.

15. CERTIFICATES

The Company may give a person a certificate about any other matter in connection with this document. The certificate is sufficient evidence of the amount or matter, unless it is proved to be incorrect.

16. NO LIABILITY FOR LOSS

Without limiting any other disclaimer in these Terms and Conditions or Website announcement, the Company is not liable for any loss, liability, costs or expenses arising in connection with the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right, power or remedy in connection with this document.

17. INFORMATION PROVIDED TO PURCHASERS

The Company endeavours to ensure the accuracy and reliability of the information provided to Purchasers, but the Company does not guarantee its accuracy and reliability and accepts no liability (whether in tort or contract or otherwise) for any loss or damage arising from any inaccuracies or omissions. The use of such information is at the Purchaser's sole risk. Such information is provided for personal use only and may not be furnished to any other person or entity (in whole or part) for any reason without the prior written consent of the Company, as the case requires, which consent may be conditional.

The Company does not guarantee the timeliness, sequence, accuracy, adequacy, consistency or completeness of any information provided to Purchasers from time to time and any such information is provided on an "as is", "as available" basis. In particular, the Company does not give any express or implied warranties (including warranties of merchantability or fitness for a particular use) with respect to such information.

Information provided to Purchasers may be derived from third party products. No third party makes any warranty to a Purchaser nor assumes any responsibility or undertakes to provide any support with respect to any information provided to a Purchaser.

18. SEVERABILITY

If the whole or any part of a provision of these Terms and Conditions, the White Paper or a Website announcement is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this document has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this document or is contrary to public policy.

19. RULES OF CONSTRUCTION

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this document or any part of it.

20. NO IMMUNITY

To the extent the law permits, each Purchaser irrevocably and unconditionally waives, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- i) suit;
- ii) jurisdiction of any court;
- iii) relief by way of injunction or order for specific performance or recovery of
- iv) property;
- v) attachment of its assets (whether before or after judgment); and
- vi) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

21. THIRD PARTY RIGHTS

Any person, who is not a party to the agreement between the Company and a Purchaser (including any XMCT holder deemed to be a Purchaser) has no rights to enforce or to enjoy the benefit of any term of that agreement.

22. NOTICES

Each Purchaser agrees that the Company may give notices and communications, under or in connection with these Terms and Conditions by announcement on the Website or by email to the email address which a Purchaser registers for the Verification Account and that such notice is deemed to be effective and received by the Purchaser at the time when it is published on the Website, or, if earlier, sent, by the Company unless the Company promptly receives an automated message indicating failed delivery of that notice.

All notices and communications from the Company must be in English but may be accompanied by one or more translations authorized by the Company.

Any translation of any notice and/or communication under or in connection with these Terms and Conditions made by the Company, whether authorized by the Company or prepared by a third-party, has no legal effect and is provided for convenience only.

Notices to the Company may be directed to the email address specified on the Website. All notices to the Company must be in English. Notices provided to the Company through

the Website have no legal effect.

23. GENERAL INTERPRETATION

Headings are for convenience only and do not affect interpretation. Unless the contrary intention appears, in these Terms and Conditions and any Website announcement:

- i) labels used for definitions are for convenience only and do not affect interpretation;
- ii) the singular includes the plural and vice versa;
- iii) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- iv) a reference to a document also includes any variation, replacement or novation of it;
- v) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- vi) a reference to “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- vii) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- viii) a reference to “law” includes common law, principles of equity and legislation (including regulations);
- ix) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- x) a reference to “regulation” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations) as well as instruments issued or endorsed by relevant government authorities;
- xi) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- xii) a reference to a group of persons is a reference to any two or more of them jointly and to each of them individually;
- xiii) a reference to any thing (including an amount) is a reference to the whole and each part of it; and
- xiv) a reference to “property” or “asset” includes any present or future, real or personal, tangible or intangible property, asset or undertaking and any right, interest or benefit under or arising from it.

IV. RISK FACTORS

This Chapter IV does not purport to advise you of all of the risks and other significant aspects of the Token Sale. You should also consider any additional risks and considerations relating to the Token Sale and to consult your own legal, tax, financial and other advisers before entering into any transaction. In a worst-case scenario, you could lose your entire payment amount.

There are a number of risks involved in this Token Sale, as well as the future development, maintenance and running of XMCT. Some of these risks are beyond the control of the Company and the Company’s liability is limited as set out in Chapter III, section 2. Each Purchaser should comprehend, consider and evaluate carefully the risks described below in addition to any other available information before committing to the Campaign.

Each Purchaser should pay particular attention to the fact that, although the Company is established in Hong Kong, XMCT does not have any specific physical presence. In addition, the legal and regulatory position of XMCT may vary depending on the facts and circumstances. They may therefore fall within the purview of one or more jurisdictions, at least to some extent, and the legal and regulatory implications may therefore be unexpected.

Participation in the Campaign shall be taken as an action after careful and prudent analysis and evaluation, and will be deemed as the relevant Purchaser having been fully informed, advised and willing to bear all of the risks associated with it, including those as set out in this Chapter IV.

1. AMENDMENT OR TERMINATION OF THE CAMPAIGN

At the date of these Terms and Conditions, the Company is still seeking legal advice on a number of matters including but not limited to the governance structure, operational plan and the Token Sale process. Pending such advice, some or all aspects of these Terms and Conditions, the White Paper and other materials may need to be amended, as announced on the Website. The Purchaser should be aware of the risks associated with any possible changes, which may have adverse effects on the utility and legitimacy of XMCT. Also, the Campaign may be terminated pursuant to Chapter II Sections 12 and 13 but the Purchaser will not be entitled to any refund except pursuant to these Terms and Conditions.

2. LIMITED AVAILABILITY OF SUFFICIENT INFORMATION

The XMC is still at an early development phase as of the date of these Terms and Conditions. Its governance structure, fees, purpose, consensus mechanism, algorithm, code, infrastructure design and other technical specifications and parameters may be updated and changed frequently without notice. While the White Paper contains the key information currently available in relation to the XMC, it is subject to adjustments and updates from time to time, as announced on the Website. Purchasers will not have full access to all the information relevant to XMCT. Nevertheless, given the nature of the XMC, it is anticipated that significant milestones and progress reports will be announced on the Website, together with Subscription options as applicable.

3. IMMEDIATE USE OF TOKEN SALE PROCEEDS AND NO REFUND POLICY

Initially the Company will operate with limited funding and will therefore rely heavily on the Token Sale proceeds raised in the Campaign in order to develop the XMC, and the operation of the Company. By participating in the Token Sale, you acknowledge that the Company shall be entitled to utilize the proceeds raised immediately and, in the event that the development of the XMC is terminated for whatever reason, you will not be entitled to refund of the part of the proceeds that were spent already by the Company.

4. REGULATORY MEASURES

Cryptographic tokens may be overseen by the legal and regulatory authorities of a number of jurisdictions globally. The Company may receive notices, queries, warnings, requests or rulings from one or more authorities upon short notice, or may even be ordered to suspend or terminate any action in connection with the Campaign as a whole without prior notice. Furthermore, many aspects of XMCT also involve untested areas of law and regulation, and could be subject to new laws or regulations. Therefore, their legal and

regulatory outcome in all relevant jurisdictions is not possible to predict. The planning, development, marketing, promotion, execution or otherwise of XMC or the Campaign may be seriously affected, hindered, postponed or terminated as a result of such new laws and/or regulations. Since regulatory policies can change with or without prior notice, any existing regulatory permissions for or tolerance of XMCT or the Campaign in any jurisdiction may be withdrawn without warning. XMCT could be deemed from time to time as a virtual commodity, a digital asset or even as money, securities or currency in various jurisdictions and therefore could be prohibited from being sold, purchased, traded, distributed or held in certain jurisdictions pursuant to local regulations. In turn, the XMC could be deemed to be a regulated or restricted product. There is no guarantee that XMCT and XMC can maintain any particular legal or regulatory status in any particular jurisdiction at any time.

5. NON-COMPLETION OF ACCOUNT VERIFICATION

Purchasers are required to pass the verification process issued by the Company by completing the verification process on the Website as instructed. Any XMCT cannot be released until the process is passed. Such verification process includes but is not limited to KYC and AML/CTF checks. It is the responsibility of the Purchaser to complete the verification process. The Company will be under no obligation to refund should an XMCT holder subsequently fails to complete all required verifications.

6. CRYPTOGRAPHIC PROTECTIONS

Cryptography is evolving and there can be no guarantee of security at all times. Advancement in cryptography technologies and techniques, including but not limited to code cracking, the development of artificial intelligence and/or quantum computers, could be identified as risks to all cryptography-based and/or blockchain based systems including XMCT and XMC. When such technologies and/or techniques are applied to XMCT and XMC, adverse outcomes such as theft, loss, disappearance, destruction, devaluation or compromising of XMCT may result. The security of XMCT and XMC cannot be guaranteed as the future of cryptography or security innovations is unpredictable.

7. ABANDONMENT OR DEVELOPMENT FAILURE

Due to the technically complex nature of the XMC, the Company could face difficulties from time to time that may be unforeseeable and/or unresolvable. Accordingly, the development of XMC could fail, terminate or be delayed at any time for any reason (including but not limited to a lack of funds). Development failure or termination may render XMCT not transferable, of reduced or no utility whatsoever, and/or obsolete.

8. THEFT OF TOKEN SALE PROCEEDS

There may be attempts to steal the Token Sale proceeds. Such theft or attempted theft may impact the ability of the Company to fund the development or maintenance of XMCT and XMC. While the Company will endeavour to adopt industry best practices to keep the Token Sale proceeds safe (including but not limited to the use of cold storage and multi-signature authentications), successful cyber thefts may still occur.

9. FLAW IN THE SOURCE CODE

While the Company adopts quality assurance procedures to help ensure the source codes

as accurately as possible reflect their intended operation, the flawlessness of the source codes cannot be guaranteed. They may contain bugs, defects, inconsistencies, flaws or errors, which may disable some functionality, create vulnerabilities or cause instability. Such flaws may compromise the predictability, usability, stability, and/or security of the XMCT and XMC. Open source codes rely on transparency to promote community-sourced identification and solution of problems within the code.

10. UNPERMISSIONED, DECENTRALIZED AND AUTONOMOUS LEDGER

The XMC is being developed to serve various distributed ledger systems including but not limited to Ethereum, which are unpermissioned protocols that could be accessed and used by anyone. In addition to the use of decentralized ledgers, the Company intends to make use of supporting technologies that also operate on decentralized ledgers. The utility and integrity of the XMC relies on the stability, security and popularity of these decentralized ledgers. XMC is envisaged to be an open, decentralized community and its composition can include users, supporters, developers, XMCT holders and other participants worldwide who may or may not be connected with the Company in any manner. Given the diversity of the underlying technologies, the XMC is intended to be decentralized and autonomous in nature as far as its maintenance, governance and evolution are concerned.

11. COMPROMISED SECURITY

The XMC relies on open source software and unpermissioned decentralised distributed ledgers including but not limited to Ethereum. Accordingly, anyone may intentionally or unintentionally compromise the core infrastructural elements of the XMC and its underlying technologies. This may consequently result in the loss of any digital tokens held on the XMC and may cause the utility of XMCT to fall.

12. "DISTRIBUTED DENIAL OF SERVICE" ATTACKS

As an open source project, XMC is connected to a number of public and unpermissioned systems and therefore may suffer cyber-attacks, including "distributed denial of service" at any time. These attacks may temporarily or permanently impair, stagnate or paralyze the network of the XMC system. This may result in delays to the recording of transactions or inclusion of transactions in the blocks of the relevant blockchain. In severe cases, XMC may also become unusable for an extensive and undefined period of time.

13. INADEQUACY OF PROCESSING POWER

The ramp up of the XMC may be accompanied by sharp increases in transaction numbers and demand for processing power. If the demand for processing power outgrows that forecasted, the network of the XMC could be destabilized and/or stagnated. This may create opportunities for fraudulent activities including but not limited to false or unauthorized transactions (such as "double-spending") to arise. All these may adversely impact the usability, stability and security of XMC.

14. UNAUTHORIZED CLAIM OF XMCT

XMCT can be claimed in bad faith by any person who successfully gains access to the holder's wallet, email or if applicable, their account they have registered the Website. This can be as a result of deciphering or cracking the holder's password or private key, phishing scams and/or other hacking techniques. Subsequently, these XMCT may be sent to anyone and such remittance is not revocable or reversible. It is recommended that all

XMCT holders should take appropriate security measures to safeguard their wallets (including but not limited to the use of two-factor authentication). Each XMCT holder is responsible for the security of their wallet, email and Verification Account on the Website at all times.

15. LOSS OF PRIVATE KEY

The loss or destruction of a private key will permanently and irreversibly deny the holder access to their XMCT. XMCT are controlled only by the validation of both the relevant unique public and private keys through the local or online wallet. While it is recommended that all XMCT holders protect and securely store their private keys, each holder is responsible for safeguarding the private keys applicable to their own wallets.

16. FORKING

XMCT is developed on the Ethereum blockchain, which is an open source protocol. Once released to the open source community, anyone may develop a patch or upgrade for the source code of Ethereum without prior permission by anyone else. The acceptance of patches or upgrades by a significant, but not necessarily overwhelming percentage of the ETH holders could result in a “fork” in the Ethereum blockchain.

The temporary or permanent existence of forked blockchains could adversely impact the operation of XMC and the utility of XMCT. Such a fork can undermine the sustainability of XMC ecosystem, and may destroy or frustrate the XMC. While a fork in the blockchain could possibly be rectified by community-led efforts to re-merge the two separate branches, success is not guaranteed and could take an undetermined amount of time to achieve.

17. POPULARITY

The utility of XMCT is dependent on the popularity of the XMC. XMCT may not be popular, prevalent or widely distributed after the release of the XMCT. XMCT may remain marginalized in the long run, appealing to only a minimal fraction of users. Also, it may be the case that speculators could end up being key drivers of XMCT demand. An absence of active users or low level of utilization may negatively affect the long-term development and future of the XMC, and reduce or obviate the utility of XMCT.

18. MARKET LIQUIDITY

After the release of the XMCT, the Company is not responsible for the subsequent circulation and trading (if any) of XMCT. XMCT is not money, legal tender or currency, fiat or otherwise, issued by any individual, entity, central bank or national, supra-national or quasi-national organization, nor is it backed by any type or quantity of assets, property or credits, nor does it represent any entitlement to any distributions of profits, dividends, or any other returns or payments of any kind. The utility of XMCT is solely based on the views expressed by buyers and sellers. There is no obligation of the Company nor anyone else to redeem, repurchase or acquire any XMCT from any XMCT holder. There is no guarantee or assurance that there may be a market where holders may readily trade XMCT.

19. PRICE VOLATILITY

The circulation of XMCT is not the responsibility of the Company, and the Company will

not support or otherwise facilitate the secondary trading of XMCT. As a result, XMCT may not circulate freely or widely, and may not be listed on any secondary markets.

Many cryptographic tokens have volatile prices. Even if XMCT do circulate on secondary markets, large fluctuations in price over short timeframes may occur. Such fluctuations could result from market dynamics (including but not limited to speculations), regulatory changes, technical advancements, exchange availabilities and other factors that impact the equilibrium between token supply and demand.

20. THE COMPANY'S EXPOSURE TO CRYPTOGRAPHIC TOKENS

After the completion of this Token Sale, the Company expects that a certain portion of the proceeds may be converted into and/or held in other cryptocurrencies or cryptographic utility tokens. The Company expects to convert an appropriate proportion of cryptographic utility tokens received into fiat currencies at the sole and absolute discretion of the directors of the Company. For the avoidance of doubt, no XMCT holder has any right, title or interest in any such fiat currencies and/or cryptographic tokens.

21. CONFLICT OF INTERESTS

As the initial supplier and architect of the XMC, the Company has substantial influence in the set up, governance and initial operations of the Company. The Company may undertake its activities, and exercise applicable rights, powers and remedies, even if this involves an actual or perceived conflict of duty, or any person has a personal interest in their exercise.

22. POTENTIAL CONCENTRATED OWNERSHIP OF XMCTS

Immediately after the completion of the Campaign, a number of individuals, including but not limited to the directors, advisors and early backers of the Company, may directly or indirectly own significant proportion of total available XMCTS. These significant XMCT holders may, acting alone or in concert, not necessarily make decisions that are in the best interests of the other XMCT holders or the wider XMC community as a whole.

23. POTENTIAL COMPETITORS

The XMC's underlying infrastructural systems will utilise public decentralized ledger which are open source in nature. Therefore, anyone can copy, replicate, change, enhance, reproduce, re-engineer, modify, reprogram or otherwise utilize the source code and/or underlying protocol of the XMC. While the Company is proceeding with various filings for patent and trademark protection for various components of the XMC and will defend its intellectual property rights, should a breach of such intellectual property rights take place. The Company cannot guarantee the prevention of competitors from entering the market with similar technology. Should this happen, such competitors may consequently compete with or even outperform the XMC, and may render the XMC obsolete. There have been and will continue to be a number of competing blockchain-based platforms that dedicate significant human, information technology and financial resources to the creation and deployment of various decentralized applications and/or smart contracts.

24. THIRD PARTY DEVELOPERS AND SUPPLIERS

By virtue of its decentralized factor, XMC will aggregate systems and contents from third parties. These will be provided by third parties, including users of the XMCT community or

shall be other come from other decentralized ledger projects or open source technologies. Some or all of these third party applications, programs or services may connect into or be set up on XMC which are beyond the Company's restriction, vetting, authorization or control. The Company neither intends nor has the capabilities to act as an authority to scrutinize to any extent any applications, programs or services to be developed on, connected to or otherwise associated with the XMC.

25. POTENTIAL MISUSE OF XMC, ITS TECHNOLOGIES AND BRAND

Services or programs which may be banned, restricted or deemed immoral in certain jurisdictions, such as gambling, betting, sweepstake, pornography, terrorism, hate crime and otherwise, could take advantage of the unpermissioned nature of XMC to develop, promote, market or operate. Regulators of a number of jurisdictions may accordingly take administrative or judicial actions against such programs, applications, services or even the relevant developers or users thereof. Any penal action, sanction, crackdown or other regulatory effort made by any government, quasi-government, authority or public body (including but not limited to any regulatory body of any jurisdiction) may significantly deter existing or potential users away from using XMC or holding XMCT. In such circumstances, the prospects and viability of XMC may be negatively impacted. There is no guarantee that the XMC will be free from all inappropriate, illegal or immoral use at any time.

26. RELIANCE ON SUPPLIERS AND CONTRACTORS

It is envisaged that initially the Company will not directly employ any staff, purchase substantial quantity of physical equipment or have a dedicated office space. Initially the majority of the Company's operation will be executed via its appointed suppliers, contractors and agents (collectively, "**Third Parties**"). For example, in addition to forming the Company and managing this Token Sale on behalf of the Company, the Company also expects that the initial development of the XMC will be carried out by Third Parties under contractual agreements with the Company. The pricing of such service, reliability, timely delivery and quality of work will have a direct impact on the success of the XMC and utility of XMCT.

27. PRIVACY AND DATA RETENTION ISSUES

As a part of the Token Sale, the verification processes and the subsequent operation of the XMC, the Company may collect personal information from Purchasers. The collection of such information is subject to applicable laws and regulations. All information collected will be used for purposes of Token Sale and operations of the XMC, thus it may be transferred to contractor, service providers and consultants worldwide as appointed by the Company. Apart from external compromises, the Company and its appointed entities may also suffer from internal security breach whereby their employees may misappropriate, misplace or lose personal information of Purchasers. The Company may be required to expend significant financial resources to alleviate problems caused by any breaches or losses, settle fines and resolve inquiries from regulatory or government authorities. Any information breaches or losses will also damage the Company's reputations, thereby harming its long-term prospects.

28. GENERAL RISKS RELATING TO THE USE OF THE INTERNET OR OTHER ELECTRONIC MEDIUM

Without limiting the foregoing risks, any communication or transaction via or information (including any document) transmitted via the internet or other electronic medium involves

risks and by participating in the Campaign or utilizing the XMC, you acknowledge that you understand and accept the following risks:

- We and/or Third Parties may use such authentication technologies as we deem appropriate. No authentication, verification or computer security technology is completely secure or safe. You agree to bear all risks of unauthorized access/use, hacking or identity theft.
- The internet or other electronic media (including without limitation electronic devices, services of third party telecom service providers such as mobile phones or other handheld trading devices or interactive voice response systems) are an inherently unreliable form of communication.
- Any information (including any document) transmitted, or communication or transactions made, over the internet or through other electronic media (including electronic devices, services of third party telecom service providers such as mobile phones or other handheld trading devices or interactive voice response systems) may be subject to interruption, transmission blackout, delayed transmission due to data volume, internet traffic, market volatility or incorrect data transmission (including incorrect price quotation) or stoppage of price data feed due to the public nature of the internet or other electronic media.
- As a result of such unreliability:
 - there may be time-lags, delays, failures or loss of data or loss of confidentiality in the transmission of data and receipt of communications; and
 - while the Company may believe certain data to be reliable, there may be no independent basis for it to verify or contradict the accuracy or completeness of such data.

This is not an exhaustive list of all the consequences arising from such unreliability.

- Purchasers are solely responsible for preventing anything which may be harmful to any equipment that they use in connection with XMCT or the XMC (including any computer virus, malicious program or harmful component) from affecting any such equipment, regardless of whether it originated in connection with XMCT or the XMC.

29. TAX MATTERS RELATING TO THE COMPANY'S OPERATIONS

Tax laws and regulations are highly complex and subject to interpretation. Consequently, the Company is subject to changes in tax laws, treaties and regulations. The Company's income tax expense is based upon its interpretation of the tax laws in effect at the time when the expense was incurred. A change in these tax laws, treaties or regulations, or in the interpretation thereof, which is beyond the Company's control could result in a materially higher tax expense, which in turn may limit the financial resources available to the Company. Also, as the Company actively solicits interests for the Campaign in multiple jurisdictions, such solicitations may lead to increased tax exposures for the Company.

In addition, the Company's tax payments may be subject to review or investigation by tax authorities from time to time. If any tax authority successfully challenges the Company's

operational structure, or if the Company loses a material tax dispute, or any tax challenge of the Company's tax payments is successful, the Company's tax liabilities could increase substantially and the Company's financial resources could be adversely impaired.

30. TAX MATTERS RELATING TO PARTICIPATION IN THE CAMPAIGN

Participation in the Campaign may have tax reporting implications and liabilities for Purchasers from certain jurisdictions. Such liabilities shall be borne by the Purchasers alone and all Purchasers are advised to consult their tax advisors prior to participating in the Campaign.

31. PERSONAL CONNECTIONS WITH PARTICULAR JURISDICTIONS

Residents, tax residents or persons having a relevant connection with certain jurisdictions are excluded from the Token Sale. Changes in a Purchaser's place of domicile or the applicable law may result in a Purchaser violating legal or regulatory requirements of the applicable jurisdiction.

Purchasers are responsible for ensuring that the delivery, holding, use or exchange of XMCT is, and remains lawful despite changes to applicable laws, residence and circumstances.

32. INCOMPLETE INFORMATION REGARDING XMC

Purchasers will not have full access to all the information relevant to XMCT and/or XMC. The Company is not required to update Purchasers on the progress of XMC.

33. FURTHER TOKEN SALES AND DEVELOPMENT AND SALE OF ADDITIONAL TOKENS

The Company may, from time to time, and without prior notice or consultation, sell additional XMCT outside of the Token Sale from XMCT's reserve. Further, the Company may develop and sell additional XMCT in respect of XMC, or otherwise raise funding for XMC through any other means it deems necessary. Purchasers will not necessarily receive notice of the sale of additional XMCT or of any other tokens or fundraising means.

[END OF THE MAIN SECTION OF THE TERMS AND CONDITIONS]