

TERMS OF TOKEN SALE

Last updated: 6th February, 2018

Please read these Terms of Token Sale carefully. If you do not agree to these terms, do not purchase tokens.

This document acts as an agreed upon Terms of Token Sale (“Terms”) between you (“Purchaser”, “User”, “you”) and Crypton Venture Capital OÜ registered in the Republic of Estonia with the company number 14421716 and registered office address Peterburi tee 47 Tallinn Harjumaa 11415, Tallinn, Estonia (“Crypton”, “Company”, “we”, “us”). Each of you and the Company are a “Party”, and together the “Parties.” You accept these Terms when you purchase Crypton - CRN tokens (“CRN Tokens”, “Tokens”).

CRN tokens is usual digital product (digital goods, digital commodities), developed by the Company as variety of digital tokens, specified by standard Ethereum ERC20 Token Standard (ERC20). The existence of this good maintains by smart contract developed by the Company and Ethereum blockchain developed by third parties.

The Purchaser states that he knows all the aspects of such goods. The CRN Tokens can be issued by the Company only once during token sale period and within the limits stipulated by token sale, i.e. no more than 30 000 000 items. CRN Tokens issuance is technically impossible after token sale neither for the Company nor for any other persons including the developers of Ethereum. CRN Tokens functions are determined by standard ERC20 and possibilities included into smart contract CRN tokens of the Company – this is, for example, receiving and storing, termination (“burning”), transfer to the other user of Ethereum. Some of those mentioned above of others sphere of application of CRN Tokens may appear in course of time – upon an initiative of the Company or without the participation and intention of the Company in accordance with blockchain technology. Since the moment of receiving of CRN Tokens by the Purchaser into its ownership for the aim of individual usage, the Company losses the possibility as well as instruments of full influence on CRN Tokens – since that moment CRN Tokens are considered to be Purchaser’s property, and the deal on the creative and transfer of such property from the Company to the Purchaser is considered to have been paid and legally closed. The funds collected through the CRN Token Sale will only be used for the purpose of developing and financing the activities of Crypton in connection to the Crypton Platform and aims described in White Paper. Your Contribution (as defined below) will help Crypton develop the Crypton platform and develop projects described in White Paper, but will not provide you with any equity, asset, bond, security, derivative or any other financial instrument.

Crypton project will be issued in 2018. Company reserves the right to amend any of Platform features announced during token sale if ground of such amendments are insuperable and they could not be prevented by the Company. For example, the reason for such a correction could be legislation amendments and court decisions.. Blockchain was determined as database for keeping of data about release of good, its movement and redemption due to the fact of its reliability (permanence guaranteed by decentralizing) and popularity. Purchase of CRN Tokens is subject to these Terms.

If you have any questions regarding these Terms, please contact a CRN Tokens at support@crypton.vc.

You and the Company agree as follows:

1. Purchase of CRN Tokens

Subject to the Terms of Service and these Terms, the Company agrees to sell to you and you agree to purchase from Company a specific number of CRN Tokens at the price listed on tokensale.crypton.vc (“Site”) depending on the time of purchase.

2. Scope of Terms

- 2.1** Unless otherwise stated herein, these Terms govern purchase of CRN Tokens. Any payment received by the Company after the end of the Sale Period will be accepted only if it was originated during the Sale Period. Company may request to provide evidence of payment from Purchaser.
- 2.2** CRN Tokens are sold for cryptocurrencies, but Hard Cap is determined in USD and stand at 50 000 000 USD, justifiable overrun of Hard Cap is deemed allowable within margin related to exchange rate fluctuations. Such overrun of Hard Cap does not result the Company obligations to cancel some CRN tokens purchase.
- 2.3** Terms of Token Sale, Terms of Service and Privacy Policy are a single set of rules which regulate the relationships between Purchaser and Crypton VC. You cannot accept it the partially, this set of rules should be accepted in full.
- 2.4** Should any conflict between Terms of Token Sale, Privacy Policy and Terms of Service, Terms of Token Sale shall prevail.
- 2.5** In case of any discrepancies between Terms of Token Sale, Terms of Service, Privacy Policy and Estonian law, the priority of Estonian law is indisputable.
- 2.6** Crypton VC has the right to enter into agreement with any of Purchasers on special condition.

3. The CRN Tokens

CRN Tokens are utility tokens that Participants may use in relation to the Crypton Platform. CRN tokens are also not, and shall not be used in any way, as, equity, assets, bonds, securities, derivatives or any other financial instruments.

You understand and agree that smart contract technology is still in an early development stage and its application of experimental nature. It therefore carries significant operational, technological, financial, regulatory and reputational risks. You are fully aware of such risks and accept them.

4. Purchase Procedure

Purchase procedure will largely depend on the time of transfer of the funds for the purpose of the Token purchase:

- 4.1** Purchase of Crypton Tokens requires a creation of the Account on the crypton.vc.
- 4.2** Prior to distribution of CRN Tokens, you are required to provide an address of the third party digital wallet (“External Wallet”), where your purchased CRN Tokens

would be distributed to and complete necessary steps to connect your External Wallet to the Account according to the instructions placed by Company in your Account prior to the distribution of the CRN Tokens. The External Wallet must support the ERC-20 token standard. For any assistance with the setup of the External Wallet, Purchaser shall contact at support@crypton.vc.

- 4.3** It is your sole responsibility to not lose your CRN Tokens, in particular by losing access to the keys which allow access to your wallet and/or allowing malicious third parties to access your keys and/or your wallet.

CRYPTON VC WILL NOT BE HELD LIABLE FOR ANY LOSS OF CRN TOKENS AND/OR DAMAGE INCURRED BY YOU AS A RESULT OF THE TRANSFER OF THE CRN TOKENS TO YOUR WALLET OR LOSS OF KEY, OR ATTACK ON YOUR WALLET.

- 4.4** The Participant understands and accepts that the purchase of CRN Tokens does not involve the purchase of shares or any equivalent in any existing or future public or private company, corporation or other entity in any jurisdiction. Thus, the Participant understands and accepts that he/she/it will have no influence over governance of Crypton.

- 4.5** The Offer shall be available only on the crypton.vc. Any other offer concerning CRN Tokens Sale presented on any other website or internet resource shall be considered null and void and shall not put any obligations upon Crypton.

- 4.6** The price of one CRN Token is set forth in USD and published on the Website. Should You proceed to payment by using cryptocurrencies, Crypton accepts ETH, BTC as payment for Crypton Tokens. The list of acceptable cryptocurrencies may change during the CRN Token Sale.

- 4.7** You are solely responsible for any exchange rate applicable, for any transaction fee charged by your bank, as well as for any delay in the transfer of your funds to Crypton's bank account.

- 4.8** The amount of CRN Tokens to be provided to a Participant shall be specified in eligible Participant's registered account on the Website upon completion of CRN Tokens purchase and the KYC ("know your customer") checks. The CRN Tokens shall be sent to the Participant's personal respective wallet via smart contract after the end of the Contribution Period.

- 4.9** Crypton shall not be held liable for inability of the Participant to receive or use CRN Tokens because of Participant's failure to follow any of the requirements and procedures of Crypton or due to any possible misrepresentations of the Participant. No refunds, or any other type of repayment, of Contributions shall be made in such cases.

- 4.10** Crypton VC team does not have any access to any passwords of any Participant's wallet.

- 4.11** The Participant understands and agrees that the purchase transactions of CRN Tokens shall be stored on the Ethereum blockchain and available for reference and check.

5. Receipt of CRN Tokens

- 5.1** On the date of distribution, purchased CRN Tokens will be distributed by Company to the External Wallet of the Purchaser if one is provided, or become available for withdrawal in the Account. Failure to provide a correct address of the External Wallet will result in the loss of purchased CRN Tokens, which shall be the sole responsibility of the Purchaser.
- 5.2** Failure to provide the External Wallet or to complete its set up, will delay the withdrawal of the purchased CRN Tokens, which shall be a sole responsibility of Purchaser.
- 5.3** Purchaser shall be responsible for implementing reasonable measures for securing the External Wallet. Purchaser may lose access to the purchased CRN Tokens. Company shall not be responsible for any such losses.
- 5.4** The Purchaser is obliged (and guaranties in full its material obligation) to perform refundment of CRN Tokens in favor of the Company which were superfluously or mistakenly obtained in number equal to such superfluously or mistakenly obtained CRN Tokens. The Purchaser has the right to ask the Company for compensation for commission fee which is charged in Ethereum blockchain (given that the fee mentioned above does not exceed average values recommended by Ethereum blockchain). The Purchaser is obliged to transfer CRN Tokens back during 5 calendar days from the day of sending of Company claim on respective refundment (the Company will provide its ETH address for such transfer of CRN Tokens) to the Purchaser's email which is a login for Purchaser's Site Account.

6. Token Distribution Timing

The token distribution event Crypton Tokens will be executed in two stages: Pre-ICO and ICO (only in these time slots you can enter into an agreement on your participation in Crypton Tokens distribution event). 10,00 % of all CRT's will be available during the Pre-ICO, while 70% of all CRT's will be available for receiving jointly during the Pre-ICO and ICO. A maximum of 3% of the total amount of Crypton Tokens may be used for distribution among participatns of Bounty Campaign, announced on Bitcointalk.org website. A maximum of 10% of the total supply of Crypton Tokens may be given to Founders. A maximum of 10% of the total supply of Crypton Tokens may be given to Board of Advisors. And maximum of 5% of the total supply of Crypton Tokens may be given to Crypton VC team.

This percentage amounts may be changed during the Token Sale.

Crypton Tokens distribution event timing

Initial Coin Offering – Crypto VC Calendar:

Pre-ico starts on 28th of February. and ends on 21st of March

ICO starts on 22nd of March and ends on 12nd of May.

7. The Voting arights Tokens

Each CRN Token will give each CRN Token holder the right to participate to votes organized by Crypton on conceptual and investment decisions of the Crypton Venture Capital.

Any and all votes that would be organized by Crypton are only and exclusively of consultative nature. The results of such referendums are not, in any way, binding upon Crypton, which shall remain entirely free to make any decision it would deem more or differently appropriate.

8. Cancellation

The purchase of CRN Tokens from Company is final upon the distribution of CRN Tokens and there will be no refunds or cancellations except as specifically provided in these Terms.

8.1 However, prior to the distribution of CRN Tokens, purchaser may request a refund by contacting Company at support@crypton.vc. In addition, Company reserves the right to cancel any CRN Token purchase or refuse any purchase requests at Company's sole discretion for any reason. In such case, Company will issue a refund in the same form of payments as was made by you and to the same wallet address, bank account, or a third party payment processor where your funds were transferred from. We may deduct the transaction cost from the refund amount, if any.

8.2 On security grounds the Company has the right to refuse to return payments made by you as the deposit of funds, if the payments details of their sending to us are different with the requisites given by you for receipt of the requested refund. The Purchaser shall be solely liable for the risks of losses of its funds in relation with mentioned Company right (for example, in most cases of transferring of funds from exchanges the subsequent return into exchanges addresses leads to loss of funds).

8.3 The Company has the right to refuse the Purchaser to cancel the purchase of CRN Tokens which have not been transferred to External Wallet provided to the Company by the Purchaser if since the day of the purchase 5 business days have passed or 5 business days remain until the end of tokens sale. This fact is due to public characteristics of token sale, which provide for the Company the possibility of gaining of profit from issue of CRN Tokens in limited value and once for all the time of existing of CRN Tokens. The sale of CRN Tokens even without their transfer to External Wallet reflect on statistical measures of token sale. Due to the same reasons the Company has the right not to cancel purchases and not to refund after end of token sale on any ground.

8.4 The Company returns of payments initiated after the end of token sale or violating the rules. In all such cases the Purchaser is obliged to apply to address arisen situations to support@crypton.vc.

9. Risks

By purchasing CRN Tokens, the Participants confirm that they understand and assume the risks involved in such transaction.

In particular, you confirm to fully understand and accept that:

- 9.1** CRN Token Sale will not involve issuance of any currency, securities (whether equity securities or otherwise, including unregistered security) or other kind of investment certificate;
- 9.2** CRN Tokens are merely cryptographic tokens existent on the Ethereum blockchain that can enable usage of and interactions with services enabled by Crypton according to the Whitepaper and if successfully completed and deployed;
- 9.3** CRN are dependent upon the Ethereum blockchain and may be entirely lost in the event the existence of such blockchain is suspended or compromised, for any reason;
- 9.4** CRN Tokens do not stand for any sort of investment contract for all intents and purposes;
- 9.5** CRN Tokens are not redeemable, associated with financial return or backed by any underlying asset, security or repurchase commitment and do not necessarily have market prices, market value or transactions between peers;
- 9.6** The purchase of CRN Tokens is not an investment, nor a collective investment scheme and you are not expecting any repayment, refund, return or profit from your Contribution. Furthermore, your Contribution will not be invested by Crypton or managed by Crypton or by any third party. Your Contribution will only be used for financing the commercial operations of Crypton.
- 9.7** Your Contribution for the purchase of CRN Tokens will be non-refundable. Therefore, you are expected and agree to give full considerations to all risk factors, including but not limited to the volatility of cryptocurrency prices and markets in general, risks of systemic failure, risks of code failure, bugs, hardware failure, loss of data, theft, lost usernames, passwords or private keys, incorrectly executed transactions and/or hacks which can lead to, inter alia, the complete loss of the CRN Tokens.

The blockchain technology allows new forms of interaction and it is possible that certain jurisdictions will apply existing regulations on or introduce new regulations addressing blockchain technology based applications which may be contrary to the current setup of the CRN Tokens and which may, inter alia, result in substantial modifications or loss of the CRN Tokens. The field of digital cryptography is very new and for this reason there is a risk of unforeseen attacks on several or all parts of the CRN Token system. In the event of such an attack/hack, you may lose all your CRN Tokens. The Participant understands the inherent risks associated with the blockchain technology and cryptocurrencies.

10. Taxation

It is your sole responsibility to comply with all applicable tax laws, including, but not limited to, the reporting and payment of income tax or similar arising in connection with the appreciation and depreciation of CRN Tokens. You bear the sole responsibility to determine such implications and act in accordance with the law that applies to you.

By purchasing, holding, or using CRN Token, and to the extent permitted by law, the Participant agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the purchase, ownership or use of CRN or any other action or transaction related to the Crypton Project.

11. Representations and Warranties

You represent and warrant that:

- 11.1** You are solely responsible for the proper functioning of your electronic devices as well as your internet connection, in particular during the identification process;
- 11.2** All information provided within any KYC procedure linked to your Contribution is true and accurate;
- 11.3** You do not act on behalf of any third party which has not been disclosed in the KYC procedure;
- 11.4** You have sufficient understanding of technical and business matters, cryptographic tokens, token storage mechanisms (such as token wallets) and blockchain technology to understand these Terms and to appreciate the risks and implications of purchasing CRN Tokens;
- 11.5** You are purchasing the CRN Tokens for your own account;
- 11.6** You fully understand that CRN Tokens are not a mean of payment nor a payment system;
- 11.7** You understand that the CRN Tokens confer only the rights described in the White Paper, and confer no other rights of any form with respect to Crypton, including, but not limited to, any ownership, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights.
- 11.8** You fully understand that you are not investing in a collective investment scheme and that Crypton is not acting as a fund manager, asset manager or investment advisor in relation to the CRN Token Sale;
- 11.9** You fully understand that CRN Tokens are merely cryptographic tokens (which is not equivalent to a currency whatsoever) existent on the Ethereum blockchain that will enable usage of and interactions with services enabled by Crypton according to the Whitepaper if successfully complete and deployed;
- 11.10** You have researched the legal laws and regulations of token purchases in the applicable legal jurisdiction and be sure that these do not prohibit the purchase of CRN Tokens as described in these Terms and in the Whitepaper;
- 11.11** You have carefully reviewed the code of the Smart Contract located on the Ethereum blockchain and fully understands and accepts the functions implemented therein;
- 11.12** You are not a citizen or resident of a country whose legislation conflicts with the CRN Token Sale and/or the Crypton in general and/or are listed in the Restrictions;
- 11.13** You are resident of a Permitted Jurisdiction;
- 11.14** You do not know or have any reason to suspect that the monies used to fund Your purchase of CRN Tokens have been or will be derived from or related to any illegal activities, including but not limited to, money laundering activities, or the

proceeds that you may get from the sale of CRN Tokens will be used to finance any illegal activities;

- 11.15** You are not purchasing or using CRN Tokens for any illegal purposes and you will not use the Website for any illegal activity;
- 11.16** You are only purchasing CRN Tokens with legally obtained funds (which themselves have not been acquired through illegal money or activities);
- 11.17** You understand that there is no warranty, guarantee or liability for defect with regards to CRN Tokens, express or implied, to the extent permitted by law and that you are purchasing them at your sole and exclusive risk;
- 11.18** You will take sole responsibility for any restrictions and risks associated with the purchase, use or holding of CRN Tokens;
- 11.19** You understand that websites crypton.vc and tokensale.crypton.vc, as well as White Paper, can be translated into several languages, but only the information placed in English shall bound the Parties of this Terms. Versions of websites and documents translated into others languages are for informational purposes only.

You understand that Crypton cannot comply with the requirements of all the jurisdictions worldwide while doing business. If any provisions of this document break or to transgress or to violate the law to which Purchaser is subjected to, then Purchaser's jurisdiction law shall prevail. The Purchaser entering into relationship with Crypton shall oblige its jurisdiction law.

12. Indemnification

To the fullest extent permitted by applicable law, you shall indemnify, defend and hold harmless the Company and the Company's respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the "Company Parties") from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys' fees) that arise from or relate to: purchase or use of Tokens, your responsibilities or obligations under these Terms, your breach of these Terms, or your violation of any rights of any other person or entity, and your violation of any laws.

The Company reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification under Section 11. 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.

13. Disclaimers

- (a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN WRITING BY COMPANY, (A) THE CRN TOKENS ARE SOLD ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, AND WE EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES AS TO THE CRN TOKENS, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE

AND NONINFRINGEMENT; (B) COMPANY DOES NOT REPRESENT OR WARRANT THAT THE CRN TOKENS ARE RELIABLE, CURRENT OR ERROR-FREE, MEET PURCHASER'S REQUIREMENTS, OR THAT DEFECTS IN THE CRN TOKENS WILL BE CORRECTED; AND (C) COMPANY CANNOT AND DOES NOT REPRESENT OR WARRANT THAT THE CRN TOKENS OR THE DELIVERY MECHANISM FOR CRN TOKENS ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

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

14. Limitation of Liability

- (a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (i) IN NO EVENT WILL COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR USE OF THE CRN TOKENS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE); AND (ii) IN NO EVENT WILL THE AGGREGATE LIABILITY OF COMPANY AND THE COMPANY PARTIES (JOINTLY), WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS OR THE USE OF OR INABILITY TO USE THE CRN TOKENS, EXCEED THE AMOUNT YOU PAY TO THE COMPANY FOR THE CRN TOKENS.
- (b) THE LIMITATIONS SET FORTH IN SECTION 13(a) WILL NOT LIMIT OR EXCLUDE LIABILITY FOR THE GROSS NEGLIGENCE, FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT OF THE COMPANY.
- (c) Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this Section may not apply to you.

15. Release

To the fullest extent permitted by applicable law, you release Company and the Company Parties from responsibility, liability, claims, demands and/or damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between you and the acts or omissions of third parties. You expressly waive any rights you may have under statute or common law principles that would otherwise limit the coverage of this release to include only those claims, which you may know or suspect to exist in your favor at the time of agreeing to this release.

16. Governing Law

The validity, interpretation, construction and performance of these Terms, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of Estonia, without giving effect to principles of conflicts of law.

17. Miscellaneous

16.1 Entire Agreement. These Terms set forth the entire agreement and understanding of the Parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

16.2 Amendments. These Terms may be modified by Company at any time for any reason by placing modified Terms on the Site. We will provide notice of any amendment to these Terms by posting any revised terms to the Site and updating the “Last updated” field above accordingly or by any other method we deem appropriate. We are not obligated to provide notice in any other method beyond these. Any change to these Terms will be effective immediately upon such notice and apply to any ongoing or subsequent purchases of CRN Tokens.

16.3 Binding Agreement. These Terms provide the legally binding terms and conditions for the sale and purchase of the CRN Tokens. By purchasing the CRN Tokens, you acknowledges its understanding and acceptance. You are bound by the Terms in existence at the time of your purchase of CRN Tokens. If you are making a purchase on behalf of the legal entity, you understand and accept these Terms on behalf of that entity (to which refers to “you” shall also apply) and warrant that you are duly authorized to act on behalf of that legal entity.

16.4 Successors and Assigns. Except as otherwise provided in these Terms, these Terms and the rights and obligations of the parties hereunder will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives. Company may assign any of its rights and obligations under these Terms. No other party to these Terms may assign, whether voluntarily or by operation of law, any of its rights and obligations under these Terms, except with the prior written consent of the Company.

16.5 Severability. In the event any provision of these Terms is found to be invalid, illegal, or unenforceable the remaining provisions of these Terms shall nevertheless be

binding upon Company and you with the same effect as though the void and unenforceable part had been severed and deleted.

16.6 Headings. The article headings of these Terms are included for the convenience only and shall not affect the construction or interpretation of these Terms.

16.7 Acceptance. You expressly agree with and accept these Terms and all terms incorporated herein by reference by proceeding with the purchase of CRN Tokens.

16.8 Termination. Crypton may terminate this Agreement with any one of you, i.e. to refuse the further service.