HVT Token Creation, Hiver Power Project Creation and Crowd Contribution Conditions: Explanatory Note & Governance Terms

Hive Power Sagl ("**Company**") domiciled in Bellinzona, Switzerland (UID CHE-458.659.193), intends to conduct a smart-contract based public fundraiser for the development of the Hive Power project ("**TGE**"), as further described in the Hive Power project whitepaper (the "**Whitepaper**") available on http://whitepaper.hivepower.tech, as amended from time to time, at the Company's sole discretion (the "**Project**"). These Governance Terms (the "**Governance Terms**"), which may be amended from time to time at the Company's sole discretion, govern the creation and allocation of the Company's cryptographic tokens ("**HVT Tokens**") by one or several smart contract software codes (together, the "**Smart Contract System**") created by the Company and operating on the Ethereum blockchain as well as the contribution by third party individuals and entities (each a "**User**") to such Smart Contract System regardless of whether the contribution was made in a private pre-allocation (the "**Pre-Allocation**") or in a public crowd contribution (the "**Crowd Contribution**", and together with the Pre-Allocation, the "**Public Contributions**").

The Crowd Contribution is intended to commence on 12th June at 9AM CET. The User acknowledges, understands, and accepts that after the Crowd Contribution there are no further contribution rounds in which other Users and third parties may contribute to the Project. These Governance Terms may, at the Company's sole discretion, be amended from time to time.

1.   Crowd Contribution Principles

1 By transferring Ether ("**ETH**") to the Smart Contract System, creating HVT Tokens, and by accepting such HVT Tokens, the User understands and accepts that he/she makes a contribution into a Smart Contract System ("**Contribution**") for the development of the Project as further described in the Whitepaper. The information contained in the Whitepaper and on https://www.hivepower.tech are of descriptive nature only, are not binding and do not form part of the Governance Terms as set forth hereinafter.

2 The User understands and accepts that while the individuals and entities assigned to this task, including the Company, will make reasonable efforts to develop and complete the Project, **it is possible that such development may fail and User's HVT Tokens become useless and/or valueless due to technical, commercial, regulatory or any other reasons** (see also Section 6 regarding Risks). The User is aware that the Project and the Smart Contract System are still under development and that – in particular due to regulatory reasons – its functionality may undergo substantial changes and modifications throughout the future development process.

3 The HVT Tokens will not be transferred to the receiving wallet address of the User until after the end of the Contribution Period. Even if HVT Tokens are transferred, they may be locked for at most sixty (60) days after the Crowd Contribution Period. Therefore, the User understands and accepts that the Funds contributed by the User may not entitle the User to HVT Tokens until a later period in time. Further, the User understands and accepts that depending on the popularity of the Crowd Contribution, **it cannot be guaranteed that the User's ETH transferred to the Smart Contract System are included in the Crowd Contribution, and that the User finally receives HVT Tokens. No certain allocation of HVT Tokens is guaranteed**.

4   The User is also aware of the risk that even if all or parts of the Project are successfully developed and released in full or in parts, due to a lack of public interest, the Project could be fully or partially abandoned, remain commercially unsuccessful or be shut down for lack of interest, regulatory or other reasons. **The User therefore understands and accepts that the transfer of ETH to the Smart Contract System, the creation of HVT Tokens by the Smart Contract System and/or and the acceptance of HVT Tokens carry significant financial, regulatory and/or reputational risks, including the complete loss of value of created HVT Tokens (if any), and attributed features of the Project**.

5   As the creation of the HVT Tokens, the final allocation of HVT Tokens as well as the assignment of the execution of the Project to the Company will be smart contract based, the User understands and accepts that the terms and conditions applicable thereon will be set forth in the Smart Contract System code existing on the Ethereum blockchain at the address specified   on: https://etherscan.io/address/0xe4ddd9583982987b44d979868c81fa364064c3f6#code.   **To the extent that the terms contained herein or in any other document or communication contradict the ones set forth in the Smart Contract System, the terms of the Smart Contract System prevail. Furthermore, neither this document nor any other document or communication may modify or add any additional obligations to the Company, the publisher of these terms, developer of the Smart Contract System and/or any other person and/or affiliates involved with the deployment of the Smart Contract System and the setting up of the Project beyond those set forth in the Smart Contract System.**

6   By transferring ETH to the Smart Contract System, creating HVT Tokens, and/or accepting HVT Tokens, the User expressly agrees to all of the terms and conditions set forth in the Smart Contract System code existing on the Ethereum blockchain (at the addresses set forth under para. 5) and in these Governance Terms (together the "**Terms**"), which is incorporated by reference herein. **The User further confirms to have carefully reviewed the Smart Contract System code, its functions and the terms and conditions set forth in this document and to fully understand the risks and costs associated with the creation of HVT Tokens and contributing into a Smart Contract System for the development of the Project.**

7   This document or any other materials provided by the Company or relating to the Project do not constitute a prospectus of any sort, is not a solicitation for investment and does not pertain in any way to an initial public offering or a share/equity offering and does not pertain in any way to an offering of securities in any jurisdiction. It is a description of the functionality of a Smart Contract System. Neither this document nor any other materials have been (or will be) registered as a prospectus with any governmental authorities.

8   By transferring ETH to the Smart Contract System, creating HVT Tokens, by accepting such HVT Tokens or by any other act undertaken between the parties in connection with the contributions, no form of partnership, joint venture or any similar relationship between the Users and the Company and/or other individuals or entities involved with the deployment of the Smart Contract System and the setting up of the Project is created.

9   The User acknowledges and understands that the Company may at its discretion at any time change the name of the HVT Tokens and/or its symbol. The Company shall use all reasonable efforts to ensure that such change of name and/or symbol will not adversely affect the rights of the User or the HVT Tokens held by the Users.

2. Crowd Contribution and KYC Procedure

10   The TGE to be conducted by the Company will be supported by the ICO Engine platform (the "**ICO Engine**") (https://icoengine.net) provided by Eidoo SAGL ("**Eidoo**"), a Swiss Company with registration number CHE-370.900.525 and Bitincubator & Ventures SA ("**Bitmax**"), a Swiss Company with registration number CHE-170.487.694.

11   In order to make a Contribution, all Users are required to use the Eidoo Wallet application (the "**Eidoo Wallet**") created by Eidoo. The Eidoo Wallet is a mobile phone multicurrency wallet that allows its users to deposit cryptographic tokens while retaining full and sole control over their assets. All actions taken by the Users on the Eidoo Wallet are subject to the terms and conditions of Eidoo. The Company will not assume any liability for the use of the Eidoo Wallet. On the other hand, Eidoo is not in control of the Smart Contract System and/or the Company.

12   Before making a Contribution by using their Eidoo Wallet, all users have to provide to Eidoo the personal data that is required for the KYC procedure ("**Personal Data**") by entering and uploading the Personal Data on the ICO Engine website. The User understands and accepts that the collection of the Personal Data is subject to the terms and conditions of Eidoo and the Company will not assume any liability for the collection or use of the Personal Data by Eidoo. At the end of the Crowd Contribution, the Company will obtain a copy of the Personal Data to ensure that any applicable retention obligations arising out the Swiss Anti-Money Laundering obligations can be met.

13   After collecting the Personal Data, Eidoo will transfer the Personal Data to Bitmax who will exercise the due diligence obligations that may potentially arise out of the Swiss Anti-Money Laundering regulations. The Personal Data will be used by Bitmax to identify and verify the identity of the User and to perform a Sanctions & Watchlist Check in order decide whether the User shall be allowed to make a Contribution. Bitmax will act at its own discretion and shall have no obligation to explain or justify the exclusion of the User. **The User understands and accepts that the decision regarding his or her participation right is not made by the Company and there is no possibility to appeal against his or her exclusion**.

14   In case of a successful outcome of the verification process, a personal verification code ("**Verification Code**") will be generated by Bitmax and then sent to the User's Eidoo wallet. Upon receiving the Verification Code, the Eidoo Wallet will call the contribution function of the Smart Contract System, which enables the User to make a Contribution in accordance with the terms and conditions as further described herein. **The User understands and accepts that the Smart Contract System will automatically refuse any Contributions that are not made from an Eidoo Wallet or that are made without a valid Verification Code**.

3. HVT Tokens Creation Function

3.1 HVT Tokens Functionality

15   HVT Tokens are utility tokens created on the Ethereum blockchain compliant with the ERC 20 protocol of the Ethereum blockchain. HVT Tokens are only for use in connection with the Project under the terms of the Smart Contract System and only constitute a transferable representation of attributed functions specified in the Smart Contract System.

16 Ownership of HVT Tokens carries no rights, express or implied, other than the limited right to use HVT Tokens as a means to enable usage of and interaction within the Hive Power Platform, if and to the extent successfully completed and deployed.

3.2 No Ownership, Revenue or Governance Rights

17 User understands and accepts that **HVT Tokens do not represent or constitute any ownership rights or stake, shares or security or equivalent rights nor any rights to receive future revenues, shares or any other form of participation or governance rights in or relating to the Project and/or Company.** The HVT Tokens do not create or confer any enforceable contractual or other obligations against any party (including the Company, the Hive Power team members or other developers, auditors, contractors or founders associated with the Project, the Hive Power Platform and/or the Company).

18 In addition, the User understands and accepts that he/she has no right to claim as holder of HVT Tokens any intellectual property rights, equity or equivalent rights or any other form of participation in or relating to the Project and/or the Company.

3.3 Contribution

19 **Public Contribution Periods:** There are two Public Contribution periods, a pre-allocation period (**Pre-Allocation Period**) and a crowd contribution period (**Contribution Period**, together, the **Public Contribution Periods**). The Pre-Allocation Period has started on 01.01.2018 and has ended on 08.06.2018. The Contribution Period starts on 12th June at 9AM CET and runs for 18 days or until the Maximum Contribution Amount, as defined below, has been reached, whichever occurs earlier.

20 **Minimum Contribution Amount:** The minimum contribution amount for the Crowd Contribution ("**Minimum Contribution Amount**" or "**Soft Cap**") will be the equivalent of USD 1000000. The User understands that if at the end of the contribution period the Soft Cap will not be reached the TGE will fail. In this case Company will call the function finalize() of the smart contract HivePowerCrowdsale, after which the User will have to possibility to get the ETH he/she contributed refunded.

21 **Maximum Contribution Amount:** The maximum contribution amount for the Crowd Contribution ("**Maximum Contribution Amount**" or "**Hard Cap**") will be the equivalent of USD 11756993. The User understands that if contributions are received after the Hard Cap was reached the ETH will be refunded to the ETH address from which it was sent from.

22 **User Registration:** Users are required to register into the Icoengine website https://www.icoengine.net/, and need to complete Tier 1 for a maximum contribution of 3'000 CHF per year, Tier 2 for contribution up to 500'000 CHF per year or Tier 3 for unlimited contribution. According to the Tier, Users will be required to send different documents such as proof of identity, proof of residence, and a specific form that has to be download and signed. Without the registration through Icoengine, Users will not be allowed to contribute to the Crowd Contribution**.**

23 **Accepted Funds**: Contribution into the Smart Contract System during the Crowd Contribution will only be possible in ETH. The exchange rate (ETH/USD) is set to 608 USD per ETH. Contributions on FIAT currencies will not be possible.

24 **Total HVT Tokens Supply:** The maximum total supply of HVT Tokens will be 100'000'000 ("**Total HVT Supply**"). No additional HVT Tokens will be created after the Contribution Period.

25 **Allocation Rate:** During the Crowd Contribution, 1 HVT Token will be allocated for every contribution of 0.000411ETH.

26 **Token Pools:** The allocation of HVT Tokens will be determined as set out below:

- **Pool A consists of** 50**% of the Total HVT Supply**. Pool A is intended to be created by the Smart Contract System at the end of the Contribution Period for Users having made Contributions during the Contribution Period.

- **Pool B consists of** 4**% of the Total HVT Supply**. Pool B is intended to be created by the Smart Contract System after the Crowd Contribution Period for Users having supported the Project prior to the start of the Public Contribution Periods (**Early Contributors**).

- **Pool C consists of** 36**% of the Total HVT Supply**. After the end of the Contribution Period, Pool C will be allocated to the Company as an operational fund to be used for the Project. If the TGE will be successful, the founders' tokens will be locked in four smart contracts with proper time locks, each of them locking the 25% of HVT tokens related to Pool D. The founders will be allowed to retrieve their tokens from the time locks, respectively after 6, 12, 18 and 24 months the TGE end.

- **Pool D consists of** 10**% of the Total HVT Supply**. After the end of the Contribution Period, Pool D will be allocated to founders.

27 **Creation and Allocation of HVT Tokens:** The User will not be able to transfer HVT Tokens until they have been released. The creation and allocation of HVT Tokens of Pool A by the Smart Contract System are initiated by the User sending an amount of ETH to the Smart Contract System, located on the Ethereum blockchain at the addresses set forth under para. 5, which triggers a smart contract operation. The Smart Contract System creates the HVT Tokens in an amount corresponding to the user's effective contribution and allocates them to the User's wallet address from where the User's Contribution was sent from. **The User, therefore, shall ensure to make his/her Contribution using an ETH address which the user controls and to which the Smart Contract System can send back HVT Tokens and/or ETH. The Company shall not be liable for any losses caused by the User attempting to contribute from an exchange platform (such as Bitfinex or Coinbase), smart contract, or other non-standard single access address**.

28 **Refund:** Refund are possible only in two cases.

a. **Soft Cap not Reached**: If at the end of the contribution period, the Soft Cap of 1644.737 ETH has not been reached, Company will call the function finalize() of the smart contract HivePowerCrowdSale, which will automatically enable refunds. The User can be refunded by calling the function refund() of the contract RefundVault at address '0xd95056dd46a74dd365bce971cd7f6f6b46e958e0'.

b. **Company decides to fail TGE even if Soft Cap is reached**: If at the end of the Contribution period, the Soft Cap has been reached, the Company still has

the possibility to fail the TGE by calling the finalizeNOK() function of the HivePowerCrowdSale contract, which will automatically enable refunds. In this case the User can be refunded by calling the function refund() of the contract RefundVault at address '0xd95056dd46a74dd365bce971cd7f6f6b46e958e0'.

29 **No Refund:** In case the Soft Cap is reached, the User understands and accepts that all Contributions are final and may not be reversed. If the Soft Cap is reached, unless company decides to fail the TGE (cf 27b), the contributions that entitle a User to HVT Tokens are non-refundable. Contributions that do not entitle the User to HVT Tokens (e.g. due to the amount of contributions exceeding the Maximum Contribution Amount) will be automatically sent back to the User's wallet address from where the Contribution was sent from. **Subject to the above, by contributing to the Project, the User acknowledges that he/she has no right to request a refund for any reason, with the two cases mentioned in 27 as only exceptions, and that he/she will not receive money or other compensation for any ETH that is not used or remains unused.**

30 **Assurance to use the original Smart Contract:** Only the Smart Contract(s) existing at the addresses set forth under para. 5 will issue HVT Tokens during the Contribution Period. To the extent that any third-party website, service or smart-contract offers HVT Tokens during the Contribution Period or facilitates the allocation or transfer of HVT Tokens in any way during the Contribution Period, the User understands and accepts that such third-party websites or services are not authorised by the Company and have no relationship in any way with the Project.

31 **Transferability of HVT Tokens during and after the Contribution Period:** The HVT Tokens are minted directly into the accounts contributing ETH at the moment of the purchase. The HVT Tokens are not transferable during the Contribution Period, until the release of MVP. At the moment of the release of the MVP, Company calls the method finalize() of the smart contract HivePowerCrowdSale, and, if the soft cap has been reached the HVT Token become transferable. If the soft cap has not been reached refunds are enabled and HVT become burnable.

32 **Contribution Freeze / Abort**: During the Contribution Period, the Company or Eidoo may at any time stop the contribution period for security reasons. As long as such contribution freeze is upheld or if the Contribution Period is aborted, no further Contributions will be possible.

3.4   Representation and Warranties of User

33 By transferring ETH to the Smart Contract System, creating HVT Tokens, and/or by accepting HVT Tokens, the User represents and warrants that:

- the User is not a citizen or resident of a country whose legislation conflicts with the present allocation of HVT Tokens and/or the Project in general;

- the User is not a citizen or resident of the USA or China;

- the User is not a resident of, citizen of or located in a geographic area that is subject to UN-, US-, EU-, Swiss or any other sovereign country's sanctions or embargoes;

- any Funds used for the contribution are: (a) good, clean, clear and are of non-criminal origin; (b) completely free and clear of any liens or encumbrances of any kind of any rights of third-party interests; and (c) have no origins that may be connected to any breach of money laundering regulations whatsoever, as defined in the jurisdiction of origin, or internationally;

- the User is not being listed, or associated with any person or entity being listed, on any of the US Department of Commerce's Denied Persons or Entity List, the US Department of Treasury's Specially Designated Nationals or Blocked Persons Lists, the US Department of State's Debarred Parties List, the EU Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions or the Swiss SECO's Overall List of Sanctioned Individuals, Entities and Organizations;

- all information provided within any KYC-procedure or registration process linked to his or her Contribution is true and accurate;

- the User does not act on behalf of any third party.

- the User has a deep understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens, like Bitcoin (BTC) and Ether (ETH), and blockchain-based software systems;

- the User understands and accepts that there is no warranty or assurance that the network of miners will allocate the HVT Tokens to the Users as proposed by these Terms;

- the User has carefully reviewed the code of the Smart Contract System located on the Ethereum blockchain at the addresses set forth under para. 5 and fully understands and accepts the functions implemented therein;

- the User is legally permitted to (financially) support the development of the Project, as well as create and obtain HVT Tokens in the User's jurisdiction;

- User will use a wallet or wallet service provider that technically supports HVT Tokens. User understands and accepts that contributing ETH from a wallet or wallet service provider that does not technically support HVT Tokens may have the result that User will not gain access to his HVT Tokens;

- the User is legally permitted to receive software and contributing to the Smart Contract System for the development of the Project;

- the User is of a sufficient age to legally create and obtain HVT Tokens;

- the User will take sole responsibility for any restrictions and risks associated with the creation of HVT Tokens by the Smart Contract System;

- the User is not supporting the development of the Project to obtain HVT Tokens for the purpose of speculative investment;

- the User is not obtaining or using HVT Tokens for any illegal purposes;

- the User is receiving the functionality of the HVT Tokens issued by the Smart Contract System primarily to support the development, testing, deployment and operation of the Project, being aware of the commercial risks associated with the development of the Project;

- the User understands that participation on the contribution does not involve the purchase of shares, securities exchangeable into shares or any equivalent in any existing or future public or private company, corporation, or other entity in any jurisdiction;

- the User understands that submitting ETH to the Smart Contract System, creating HVT Tokens, accepting HVT Tokens and the development of the Project carries significant financial, regulatory, and reputational risks as further set forth in Section 6;

- the User understands that the User has no right against any other party to request any refund of ETH submitted to the Smart Contract System for the allocation and distribution of the HVT Tokens under any circumstance; and

- the User understands that with regards to HVT Tokens, no market liquidity (including the existence of a marketplace where HVT Tokens can be transferred) may be guaranteed and the value of HVT Tokens (if any) may over time experience extreme volatility or depreciate in full.

3.5 Contribution Address and Control over Private Keys

34 As part of the Contribution process, the User must use the Eidoo Wallet as described in Section 2 above. The User understands and accepts that the Smart Contract System will automatically refuse any Contributions that are not made from an Eidoo Wallet or without a valid Verification Code

35 The User understands that the User must keep his/her password or private key to the Eidoo Wallet safe and that the User may not share them with anybody. The User further understands that if his/her private key and/or password is lost or stolen, the HVT Tokens associated with the User's account (address) will be unrecoverable and will be permanently lost. Furthermore, the User understands that there is no recovery mechanism for lost keys and passwords, so no one will be able to help the User retrieve or reconstruct a lost password and private keys and provide the User with access to any lost HVT Tokens.

4. Hive Power Project Execution

36 The User understands and accepts that the development and execution of the Project will be assigned to the Company. The Company has the right to engage subcontractors to perform the entire or partial development and execution of the Project. The scope of the development work will be triggered by the amount of Contributions received during the Contribution Period.

37 The User understands and accepts that for the purpose of the development and execution of the Project, the Company receives the full amount of ETH transferred to the Smart Contract System during the Contribution Period. This amount covers expenses, charges and other costs that may arise by the Company and/or its subcontractors as part of the development

and execution of the Project. It remains at the Company's sole discretion to decide how to allocate the funds in order to develop and execute the Project.

38 The User understands and accepts that the creation of HVT 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 User understands and accepts that he/she will have no influence over governance on the Project and that the Company has the right to assign the execution of the Project and the development of the Hive Power Platform to a third party.

39 The User understands and accepts that the Project will need to go through substantial development works as part of which it may become subject of significant conceptual, technical and commercial changes before release. The User understands and accepts that as part of the development, an upgrade of the HVT Tokens may be required (a so-called hard-fork of the HVT Tokens), and that, if the User decides not to participate in such upgrade, the User may no longer use their HVT Tokens and that any non-upgraded HVT Tokens may lose their functionality in full.

5. Audit of the Smart Contract System

40 The Smart Contract System has been, on a reasonable effort basis, audited and approved by technical experts. The technical experts have confirmed that the Smart Contract System has, with regard to both accuracy and security, been programmed according to the current state of the art.

41 However, the User understands and accepts that smart contract technology is still in an early development stage and its application of experimental nature which carries significant operational, technological, financial, regulatory and reputational risks. Accordingly, while the audit conducted raises the level of security and accuracy, the User understands and accepts that the audit does not amount to any form of warranty, including direct or indirect warranties that the Smart Contract System and the Hive Power Platform are fit for a particular purpose or do not contain any weaknesses, vulnerabilities or bugs which could cause, inter alia, the complete loss of ETH, other (financial) support of the Project and/or HVT Tokens.

6. Risks

42 The User understands and accepts the risks in connection with making a Contribution to the Project and/or transferring ETH to the Smart Contract System and creating HVT Tokens as exemplary set forth above and hereinafter. In particular, but not concluding, the User understands the inherent risks listed hereinafter:

▪ **Risk of Software Weaknesses**: The User understands and accepts that the Smart Contract System concept, the underlying software application, and software platform (i.e. the Ethereum blockchain) is still in an early developmental stage and unproven. The User understands and accepts that there is no warranty that the process for creating HVT Tokens will be uninterrupted or error-free and acknowledges that there is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of ETH, other (financial) support of the Project and/or HVT Tokens. The User understands and accepts that the Smart Contract System and/or underlying protocols and/or any other software involved may either

delay and/or not execute a Contribution due to the overall Contribution volume, mining attacks and/or similar events.

- **Regulatory Risk**: The User understands and accepts that the blockchain technology allows new forms of interaction and that 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 Smart Contract System and which may, inter alia, result in substantial modifications of the Smart Contract System and/or the Project, including its termination and the loss of HVT Tokens for the User.

- **Risk of Abandonment / Lack of Success**: The User understands and accepts that the creation of the HVT Tokens and the development of the Project may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects). The User therefore understands that there is no assurance that, even if the Project is partially or fully developed and launched, the User will receive any benefits through the HVT Tokens held by him.

- **Risk Associated with other Applications**: The User understands and accepts that the Project may give rise to other, alternative projects, promoted by unaffiliated third parties, under which HVT Tokens will have no intrinsic value.

- **Risk of Loss of Private Key**: The User understands and accepts that HVT Tokens can only be accessed by using a Ethereum wallet with a combination of User's account information (address) and private key or password. The User understands and accepts that if his private key or password gets lost or stolen, the HVT Tokens associated with the User's account (address) will be unrecoverable and will be permanently lost.

- **Third-Party Risk**: The Company collaborates with third parties such as Eidoo and Bitmax to manage and operate the contribution processes. The Company has no visibility into, or possibility to control the software or mechanisms used by such third parties, and cannot verify or guarantee the proper functionality of the third-party software or operations.

- **Risk of Theft**: The User understands and accepts that the Smart Contract System concept, the underlying software application and software platform (i.e. the Ethereum blockchain) may be exposed to attacks by hackers or other individuals that could result in theft or loss of HVT Tokens, other (financial) support of the Project, or ETH, impacting the ability to develop the Project.

- **Risk of Ethereum Mining Attacks**: The User understands and accepts that, as with other cryptocurrencies, the blockchain used for the Smart Contract System is susceptible to attacks, including but not limited to denial of service attacks, exploits of consensus nodes, and byzantine attacks on the consensus nodes. Any successful attacks present a risk to the Smart Contract System, expected proper execution and sequencing of HVT Tokens transactions, and expected proper execution and sequencing of contract computations.

- **Risk of Incompatible Wallet Service:** The User understands and accepts that the wallet used for the Contribution has to be technically compatible with the HVT Tokens. The failure to assure this may have the result that User will not gain access to his/her HVT Tokens.

- **Risk of Lack of Consensus:** The User understands and accepts that the network of nodes will be ultimately in control of the Smart Contract System and that there is no warranty or assurance that the network of nodes will allocate the HVT Tokens to the Users as proposed by these Terms. The User further understands that a majority of these nodes could agree at any point to make changes to the official Smart Contract System and to run the new version of the Smart Contract System. Such a scenario could lead to HVT Tokens losing intrinsic value.

- **Risk of Depreciation:** The User understands and accepts that with regard to HVT Tokens no market liquidity may be guaranteed and that the value of HVT Tokens over time may experience extreme volatility or depreciate in full.

7.   Taxation

43 The User bears the sole responsibility to determine if his/her Contribution to the Project and/or to the Smart Contract System for the development of the Project, the transfer of ETH to the Smart Contract System, the creation, acceptance, ownership or use of HVT Tokens, the potential appreciation or depreciation in the value of HVT Tokens over time (if any), the allocation of HVT Tokens and/or any other actions or transactions related to the Project has tax implications for the User.

44 By creating, holding, or using HVT Tokens, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the creation, ownership or use of HVT Tokens or any other action or transaction related to the Project.

8.   No Warranty

45 The User understands and expressly accepts that there is no warranty whatsoever on HVT Tokens, the Smart Contract System and/or the success of the Project, expressed or implied, to the extent permitted by law, and that the Smart Contract System is used and HVT Tokens are created and obtained at the sole risk of the User on an "as is" and "under development" basis and without, to the extent permitted by law, any warranties of any kind, including, but not limited to, warranties of title or implied warranties of merchantability or fitness for a particular purpose.

9.   No Liability

46 The User acknowledges and agrees that, to the extent permitted by any applicable law, the User will not hold any developers, auditors, contractors or founders of the Company, the Hive Power Platform, the Smart Contract System and/or the HVT Tokens liable for any and all damages or injury whatsoever caused by or related to the use of, or the inability to use, HVT Tokens or the Smart Contract System under any cause or action whatsoever of any kind in any jurisdiction, including, without limitation, actions for breach of warranty, breach of contract

or tort (including negligence) and that developers, auditors contractors or founders of the Smart Contract System, the Company and/or the Project shall not be liable for any indirect, incidental, special, exemplary or consequential damages, including for loss of profits, goodwill or data, in any way whatsoever arising out of the use of, or the inability to use of the Smart Contract System, the Hive Power Platform and/or the HVT Tokens.

47 The User further specifically acknowledges that developers, auditors, contractors or founders of the Company, the Hive Power Platform, the Smart Contract System and/or the HVT Tokens are not liable, and the User agrees not to hold them liable for the conduct of third parties, including other creators of the Company, and that the risk of creating, holding and using HVT Tokens rests entirely with the User.

48 By creating, accepting, holding or using HVT Tokens, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any regulatory implications or liability associated with or arising from the creation, allocation, ownership or use of HVT Tokens or any other actions or transactions related to the Project.

10.   Miscellaneous

49 The Smart Contract System is located in Alderney. Consequently, the HVT Tokens creation and allocation and the assignment of the development and execution of the Project to the Company are considered to be executed in Alderney.

50 The User agrees that if any portion of these Terms is found illegal or unenforceable, in whole or in part, such provision shall, as to such jurisdiction, be ineffective solely to the extent of such determination of invalidity or unenforceability without affecting the validity or enforceability thereof in any other manner or jurisdiction and without affecting the remaining provisions of the Terms, which shall continue to be in full force and effect.

51 The Terms govern the creation, allocation, ownership and use of HVT Tokens and supersede any public statements about the launch of the HVT Tokens and/or the Smart Contract System made by anyone in the past, present and future.

52 These Governance Terms, the purchase of the HVT token and the use of the Hive Power Platform shall be governed by and construed in accordance with the substantive laws of Switzerland without regard to the conflicts of law rules and without regard to the rules of the Vienna Convention on the International Sale of Goods dated 11 April 1980.

53 Any dispute, controversy or claim arising out of or in connection with these Governance Terms, the White Paper, the purchase of the HVT Token and/or the use of Hive Power Platform, shall be finally settled in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules. The number of arbitrators shall be 3 (three), the arbitrators to be appointed in accordance with the said Rules. The seat of the arbitration shall be Lugano, Switzerland. The language of the arbitration shall be Italian.

54 To the fullest extent permitted by law, the User waives the right to participate in a class action lawsuit or a class-wide arbitration against the Company or any individual involved with the creation of the Project and/or HVT Tokens.