

**TraderStars.io**

# Crowdsale Terms & Conditions

Traderstars LTD. Token Crowdsale  
Terms & Conditions

Version: V02 · Date: November 13th, 2017

[www.traderstars.io](http://www.traderstars.io)

PLEASE READ THESE TOKEN CROWDSALE TERMS AND CONDITIONS CAREFULLY. NOTE THAT SECTION 17 CONTAINS A BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER, WHICH AFFECT YOUR LEGAL RIGHTS. IF YOU DO NOT AGREE TO THESE TOKEN CROWDSALE TERMS AND CONDITIONS, DO NOT PURCHASE TOKENS FROM TRADERSTARS LTD.

Your purchase of TRADERSTARS LTD tokens (each, a "Token") during the ICO Public Crowdsale (as defined below) from TRADERSTARS LTD. (the "Company") is subject to these terms and conditions of sale (the "Terms"). Each of you and the Company is a "Party" and, together, the "Parties" to these Terms.

By purchasing Tokens from the Company during the ICO Public Crowdsale, you will be bound by these Terms and any terms incorporated by reference. If you have any questions regarding these Terms, please contact the Company at [info@traderstars.io](mailto:info@traderstars.io)

## You and the Company agree as follows:

### 1. Commencement and Duration of Crowdsale.

(Pre sale information is contained in Exhibit B in this document) The Company will conduct a ICO public sale of Tokens (the "Crowdsale"), which will begin at 02:00 p.m. UTC on November 21th, 2017 (the "Launch Date") and end at 02:00 p.m. UTC on December 21th, 2017 (the "Crowdsale End Date") or when the total available supply of tokens have been sold.

### 2. Eligibility.

In order to be eligible to participate in the Crowdsale and to log into the Crowdsale portal to make a purchase, you will need to register at TraderStars.io (the "TraderStars Website") on the ICO page and provide the Company with your email address (the "User Credentials"). You must also have an Ethereum wallet that supports the ERC-20 token standard in order to receive any Tokens purchased from the Company (the "Token Receipt Address"). The Company reserves the right to prescribe additional guidance regarding specific wallet requirements. If you select Ether ("ETH") as your Payment Currency (as defined below) you must provide the Company with a refund address to receive any necessary refunds (the "Refund Address"). For the avoidance of doubt, any refunds will be made in the Payment Currency. The Company is not responsible for any delays, losses, costs, non-delivery of refunds or of Tokens, or other issues arising from the

failure to provide, or providing an inaccurate or incomplete Refund Address or Token Receipt Address. In the public sale only ETH will be the accepted payment currency via smart contract.

### **3. Purchase and Sale of Tokens.**

- a. Public Sale the price is set and locked pegged to Ether. Reference Exhibit B in this document.
- b. Delivery of Tokens. The Company intends to deliver the quantity of Tokens you purchase in the pre sale before the intended start of the public sale on November 21<sup>th</sup>, 2017. If by chance there is some delay the company reserves the right to deliver the tokens by the later of: (i) three weeks after the Crowdsale End Date; provided, however, that the Company reserves the right to extend the Token delivery deadline for up to two additional weeks if necessary to address any unanticipated technical difficulties; or (ii) one week after you have provided a complete and accurate Token Receipt Address. For the avoidance of doubt, any such extension will not affect the obligation of the Company and you to make and take delivery, respectively, of Tokens purchased. The Company may also deliver the tokens sooner at their sole discretion.
- c. Delivery of Tokens in the Public ICO will happen immediately via smart contract.

### **4. Purpose and Use of Tokens in the Ecosystem; Possible Migration of Tokens.**

- a. The purpose of the Tokens is to fuel the smart contract automation (the "Services") within the ecosystem (the "Ecosystem"). Additional information regarding the Ecosystem, the Services and the Company is summarized in Exhibit A of these Terms and further described in the Whitepaper available at <https://traderstars.io/> (the "Whitepaper").
- b. While the Company is developing certain applications and software for use in the Ecosystem, the Company does not operate or control the Ecosystem. The Company is not responsible or liable for the Ecosystem or any third-party uses of the Ecosystem.
- c. Purchase, ownership, receipt or possession of Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of and interaction with Services enabled by the Ecosystem, if successfully completed and deployed. In particular, you understand and accept that Tokens do not represent or confer any ownership right or stake, share, security, or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Ecosystem

and/or the Company and its corporate affiliates, other than any rights relating to the provision and receipt of Services in the Ecosystem, subject to limitations and conditions in these Terms. [The Tokens are not intended to be a digital currency, security, commodity or any kind of financial instrument.]

- d. The Company reserves the right to migrate the ERC-20 Tokens to another protocol in the future should the Company determine, in its reasonable discretion, that doing so is necessary or useful to the operation of the Ecosystem.

## 5. **Scope.**

- a. Unless otherwise stated herein, these Terms only govern your purchase of Tokens from Company during the Crowdsale.
- b. Any use of Tokens in connection with providing or receiving Services in the Ecosystem may be governed by other applicable terms and conditions and policies.

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

All Token purchases from the Company are final, and there are no refunds or cancellations, except as may be required by applicable law or regulation. The Company reserves the right to refuse or cancel Token purchase requests at any time in its sole discretion.

## 7. **Token Allocation.**

Important information about the Company's creation and intended use of the Tokens is provided in Exhibit B to these Terms. By purchasing Tokens, you acknowledge that you have read and understood Exhibit B to these Terms.

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

You acknowledge and agree that there are risks associated with purchasing Tokens, owning Tokens and using Tokens for the provision or receipt of Services in the Ecosystem, as disclosed and explained in Exhibit C to these Terms. BY PURCHASING TOKENS, PURCHASER EXPRESSLY ACKNOWLEDGES AND ASSUMES THESE RISKS.

## 9. **Security.**

You are responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanism you use to receive and hold Tokens purchased from the Company, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). If your private key(s) or other access credentials are lost, you may lose access

to your Tokens. The Company is not responsible for any losses, costs or expenses relating to lost access credentials.

## 10. **Personal Information.**

The Company may determine, in its sole discretion, that it is necessary to obtain certain information about you in order to comply with applicable laws or regulations in connection with selling Tokens to you. You agree to provide the Company such information promptly upon request. You acknowledge that the Company may refuse to sell Tokens to you until you provide such requested information and the Company has determined that it is permissible to sell you Tokens under applicable laws or regulations.

## 11. **Taxes.**

Any amounts that you pay for Tokens are exclusive of all applicable taxes. You are responsible for determining what, if any, taxes apply to your purchase of Tokens, including, for example, sales, use, value added, and similar taxes. It is also your responsibility to withhold, collect, report and remit the correct taxes to the appropriate tax authorities. The Company is not responsible for withholding, collecting, reporting, or remitting any sales, use, value added, or similar tax arising from your purchase of Tokens.

## 12. **Purchaser Representations and Warranties.**

By sending ETH to purchase Tokens from the Company, you represent and warrant that:

- a. you have read and understood these Terms (including all Exhibits);
- b. YOU ACKNOWLEDGE AND AGREE THAT THERE ARE RISKS ASSOCIATED WITH PURCHASING TOKENS, OWNING TOKENS AND USING TOKENS FOR THE PROVISION OR RECEIPT OF SERVICES IN THE ECOSYSTEM INCLUDING (BUT NOT NECESSARILY LIMITED TO) THE RISKS DESCRIBED IN EXHIBIT C OF THESE TERMS;
- c. you have a sufficient understanding of technical and business matters (including those that relate to the Services and Ecosystem), 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 the Tokens;
- d. you understand the restrictions and risks associated with the creation of Tokens as set forth herein, and acknowledges and assumes all such risks;

- e. you have obtained sufficient information about the Tokens, the Services and the Ecosystem to make an informed decision to purchase the Tokens;
- f. you understand that the Tokens confer only the right to provide and receive Services in the Ecosystem (and potentially contribute to the technical development of the Ecosystem), and confer no other rights of any form with respect to the Ecosystem or the Company, including, but not limited to, any ownership, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights;
- g. you are purchasing Tokens solely for the purpose of receiving Services, participating in the Ecosystem, and supporting the development, testing, deployment and operation of the Ecosystem, being aware of the commercial risks associated with the Company and the Ecosystem, and you are not purchasing Tokens for any other purposes, including, but not limited to, any investment, speculative or financial purpose;
- h. your purchase of Tokens complies with applicable laws and regulations in your jurisdiction, including, but not limited to: (i) legal capacity and any other threshold requirements in your jurisdiction for the purchase of the Tokens and entering into contracts with the Company; (ii) any foreign exchange or regulatory restrictions applicable to such purchase; and (iii) any governmental or other consents that may need to be obtained;
- i. you will comply with any applicable tax obligations in your jurisdiction arising from your purchase of Tokens;
- j. if you are purchasing Tokens on behalf of any entity, you are authorized to accept these Terms on such entity's behalf and that such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity (references to "you" in these Terms refer to you and such entity, jointly);
- k. you have obtained independent legal advice with respect to same before accepting these Terms, and, in accepting these Terms, you further represent and warrant to the Company that you have been so advised to obtain independent legal advice, and that prior to accepting these Terms you have obtained independent legal advice, or have, in your discretion, knowingly and willingly elected not to do so;
- l. you are not a citizen or resident of a geographic area in which access to or use of the Services or the acceptance of delivery of the Tokens is prohibited by applicable law, decree, regulation, treaty or administrative act, and if your country of residence or other circumstances change such that the above representations are no longer accurate, you will

immediately cease using the Services;

- m. if you are registering to use the Services on behalf of a legal entity, you further represent and warrant that: (i) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization; and (ii) you are duly authorized by such legal entity to act on its behalf; and
- n. none of the funds being used to purchase the Tokens are to the your knowledge proceeds obtained or derived directly or indirectly as a result of illegal activities, and the funds being used to purchase the Tokens which will be advanced by you under these Terms will not represent proceeds of crime for the purposes of the Guidance Notes on Systems of control to prevent the financial system from being used for money laundering or terrorist financing activities (Gibraltar) (the "FSC's AML Guidance Notes") and you acknowledge that the Company may in the future be required by law to disclose your name and other information relating to these Terms, on a confidential basis, pursuant to the FSC's AML Guidance Notes, and to the best of the your knowledge, none of the funds to be provided by you to the Company are being tendered on behalf of a person or entity who has not been identified to you, and you will promptly notify the Company if you discover that any of such representations cease to be true, and will promptly provide the Company with all necessary information in connection therewith.

### 13. Indemnification.

- a. To the fullest extent permitted by applicable law, you will indemnify, defend and hold harmless the Company and its respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the "Company Parties") from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys' fees) that arise from or relate to: (i) your purchase or use of Tokens; (ii) your responsibilities or obligations under these Terms; (iii) your violation of these Terms; or (iv) your violation of any rights of any other person or entity.
- b. The Company reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification under this Section 13. 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.

## 14. Disclaimers.

- a. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN A WRITING BY THE COMPANY: (i) THE TOKENS ARE SOLD ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, AND THE COMPANY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES AS TO THE TOKENS, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT; (ii) THE COMPANY DOES NOT REPRESENT OR WARRANT THAT THE TOKENS ARE RELIABLE, CURRENT OR ERROR-FREE, MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN THE TOKENS WILL BE CORRECTED; AND (iii) COMPANY CANNOT AND DOES NOT REPRESENT OR WARRANT THAT THE TOKENS OR THE DELIVERY MECHANISM FOR TOKENS ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.
- 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 14 may not apply to you.
- c. This document is intended for the internal use of recipients only and may not be distributed externally or reproduced for external distribution in any form without express written permission of [TraderStars.io](https://traderstars.io).
- d. As of the date of publication of this TRADERSTARS LTD. TOKEN CROWDSALE TERMS AND CONDITIONS, the TraderStars Tokens have no known potential uses outside of the TraderStars.io platform.
- e. This TOKEN CROWDSALE TERMS AND CONDITIONS does not constitute a prospectus or offering document, and is not an offer to sell, nor the solicitation of any offer to buy any investment or financial instrument in any jurisdiction.
- f. TraderStars Tokens should not be acquired for speculative or investment purposes with the expectation of making a profit or immediate re-sale.
- g. No promises of future performance or value are or will be made with respect to TraderStars Tokens, including no promise of inherent value, no promise of continuing payments, and no guarantee that TraderStars Tokens will hold any particular value.
- h. Do not participate in the DNN token sale unless you are prepared to lose the entire amount you allocated to purchasing TraderStars Tokens. TraderStars Tokens are not participation in TraderStars and hold no rights in TraderStars Limited. TraderStars Tokens are sold as a



functional good and all proceeds received by TraderStars Limited may be spent freely by the TraderStars.io platform absent any conditions, save as may be prescribed in this TOKEN CROWDSALE TERMS AND CONDITIONS.

- i. This TOKEN CROWDSALE TERMS AND CONDITIONS is for information purposes only and is subject to change. TraderStars Limited cannot guarantee the accuracy of the statements made or conclusions reached in this TOKEN CROWDSALE TERMS AND CONDITIONS. TraderStars Limited does not make and expressly disclaims all representations and warranties (whether express or implied by statute or otherwise) whatsoever, including but not limited to:
  - any representations or warranties relating to merchantability, fitness for a particular purpose, suitability, wage, title or non-infringement;
  - that the contents of this TOKEN CROWDSALE TERMS AND CONDITIONS are accurate and free from any errors; and
  - that such contents do not infringe any third party rights. TraderStars Limited shall have no liability for damages of any kind arising out of the use, reference to or reliance on the contents of this TOKEN CROWDSALE TERMS AND CONDITIONS, even if advised of the possibility of such damages.
- j. All information here that is forward looking is speculative in nature and may change in response to numerous outside forces, including technological innovations, regulatory factors, and/or currency fluctuations, including but not limited to the market value of cryptocurrencies.
- k. This TOKEN CROWDSALE TERMS AND CONDITIONS includes references to third party data and industry publications. TraderStars Limited believes that this industry data is accurate and that its estimates and assumptions are reasonable; however, there are no assurances as to the accuracy or completeness of this data. Third party sources generally state the information contained therein has been obtained from sources believed to be reliable; however, there are no assurances as to the accuracy or completeness of included information. Although the data are believed to be reliable, we have not independently verified any of the data from third party sources referred to in this TOKEN CROWDSALE TERMS AND CONDITIONS or ascertained the underlying assumptions relied upon by such sources.
- l. Please note that TraderStars Limited is in the process of undertaking a legal and regulatory analysis of the functionality of TraderStars Tokens. Following the conclusion of this analysis, we may decide to amend the intended functionality of TraderStars Tokens in order to

ensure compliance with any legal or regulatory requirements to which we are subject. In the event that we decide to amend the intended functionality of TraderStars Tokens, we will update the relevant section of this TOKEN CROWDSALE TERMS AND CONDITIONS and upload the latest version of our TOKEN CROWDSALE TERMS AND CONDITIONS to our website.

## 15. Limitation of Liability.

- a. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (i) IN NO EVENT WILL THE 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 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 THE 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 TOKENS, EXCEED THE AMOUNT YOU PAID TO THE COMPANY FOR THE TOKENS.
- b. THE LIMITATIONS SET FORTH IN SECTION 15 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 15 may not apply to you.

## 16. Release.

To the fullest extent permitted by applicable law, you release the Company and the other Company Parties from responsibility, liability, claims, demands and/or damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between users and the acts or omissions of third parties. You expressly waive any rights you may have under any other 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.

## 17. **Dispute Resolution; Arbitration.**

- a. **Arbitration.** Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, "**Disputes**") in which either you or the Company seeks to bring an individual action in small claims court or seeks injunctive or other equitable relief for the alleged unlawful use of intellectual property, including, without limitation, copyrights, trademarks, trade names, logos, trade secrets or patents, all Disputes arising out of or in connection with these Terms, or in respect of any legal relationship associated therewith or derived therefrom, will be referred to and finally resolved by arbitration administered by the The Arbitration Act ("**AC**") pursuant to **AC** Rules. The place of arbitration will be Gibraltar.
- b. **No Class Arbitrations, Class Actions or Representative Actions.** Any Dispute arising out of or related to these Terms is personal to you and the Company and will be resolved solely through individual arbitration and will not be brought as a class arbitration, class action or any other type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a Dispute as a representative of another individual or group of individuals. Further, a Dispute cannot be brought as a class or other type of representative action, whether within or outside of arbitration, or on behalf of any other individual or group of individuals.
- c. **Notice; Informal Dispute Resolution.** Each of you and the Company will notify the other party in writing of any arbitrable or small claims Dispute within 30 days of the date it arises, so that each of you and the Company can attempt in good faith to resolve the Dispute informally. Notice to the Company will be sent by e-mail to the Company at info@traderstars.io Notice to you will be by email to the email address provided to the Company. Your notice must include: (i) your name, postal address, email address and telephone number; (ii) a description in reasonable detail of the nature or basis of the Dispute; and (iii) the specific relief that you are seeking. If you and the Company cannot agree how to resolve the Dispute within 30 days after the date notice is received by the applicable party, then either you or the Company may, as appropriate and in accordance with this Section 17, commence an arbitration proceeding or, to the extent specifically provided for in Section 17(a), file a claim in court.

## 18. **Governing Law and Venue.**

These Terms will be governed by and construed and enforced in accordance with the laws of

the Gibraltar, without regard to conflict of law rules or principles that would cause the application of the laws of any other jurisdiction. Any Dispute between the Parties arising out or relating to these Terms that is not subject to arbitration will be resolved and governed through the courts of Gibraltar.

#### 19. **Severability.**

If any term, clause or provision of these Terms is held unlawful, void or unenforceable, then that term, clause or provision will be severable from these Terms and will not affect the validity or enforceability of any remaining part of that term, clause or provision, or any other term, clause or provision of these Terms.

#### 20. **Miscellaneous.**

These Terms constitute the entire agreement between you and the Company relating to your purchase of Tokens from the Company. The Company may assign the Company's rights and obligations under these Terms. The Company's failure to exercise or enforce any right or provision of these Terms will not operate as a waiver of such right or provision. The Company will not be liable for any delay or failure to perform any obligation under these Terms where the delay or failure results from any cause beyond the Company's reasonable control. Purchasing Tokens from the Company does not create any form of partnership, joint venture, or any other similar relationship between you and the Company. Except as otherwise provided in herein, these Terms are intended solely for the benefit of you and the Company and are not intended to confer third-party beneficiary rights upon any other person or entity. You agree and acknowledge that all agreements, notices, disclosures, and other communications that the Company provides to you, including these Terms, will be provided in electronic form.

# Exhibit A

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## Description of the Company, Concept, Platform, Tokens, Licence Status, Product and Security

### Company

TraderStars Ltd. Suite 23, Portland House, Glacis Road PO Gibraltar, GX11 1AA

### Concept

The core innovation behind TraderStars.io is to provide a skill-based competition taking place independently of middlemen such as financial institutions, markets or casinos.

Developed by team with over 121 years of combined live experience in FX, gaming, trading, IT and marketing, the concept behind TraderStars.io has many unique advantages for its users:

- Unlikely in real trading, Traders do not risk their money.
- Potential prize wins are far greater than the potential offered by financial markets in the same time period.
- Rules, the terms and conditions and participation fee are the same for everyone.
- Traders can choose a tournament that suits their knowledge, skills, desired fee and prize.
- Traders can be sure of transparency, reliability and security due to smart contracts that run business logic autonomously on the Blockchain.

### Platform

TraderStars.io is the first independent, decentralized platform that allows users to trade with all available financial tools, fully managed risk, clear terms & conditions, and without the influence of big financial institutions and predicted profits. Instead of trading in real funds on the market,

traders compete against each other in tournaments using virtual money and real market data where the winners are awarded from a shared pool prize.

## Tokens

TRS is a utility token. The token is an integral part of the TraderStars ecosystem and can be used as an internal payment mean or to get access to TraderStars platform services. The token model is built so that our clients will use it frequently, thereby creating higher demand for the token (the "TRS").

The TRS Token is designed to act as a form of interaction between users and the platform, including the contract library, networking monitoring, security testing, and network transaction fee. When created, the TRS Tokwn will be based on the Ethereum protocol and conform to the ERC-20 standard. Prior to the Crowdsale, the Company will create and deploy an Ethereum-based smart contract, which creates and maintains a ledger that maps Ethereum addresses to Token balances and implements this ERC-20 standard. In the future, the Company may migrate the Tokens to another protocol.

## Licence Status

Being innovative and unique, one-of-the-kind concept, it is our opinion that TraderStars.io does not fall under Gaming Licence regulations. Also, as traders and players use virtual accounts and virtual funds, no real trading is taking place. Therefore TraderStars.io.io is not a financial platform and does not fall under financial trading regulations.

From a legal perspective the TraderStars.io platform is a skill game. Therefore, we are in the process of finalizing Malta Gaming Authority license for Skill Games. When license is granted, TraderStars.io will be free from most administrative hassle and various limitations and will be able to operate on most markets world-wide.

TraderStars.io is a great place for all of those who cannot or do not want to risk their money with real fund trading and want to sharpen their skills in a new era of skill games with simple, hasslefree enrolment process and participation in the platform.

## Product

TraderStars.io will be based on well known and widely used interactive solutions. To keep a user friendly UX, what is very important in an innovative product, there will be a unique and very simple

user onboarding process. The user interface will “help” new users understand the processes and mechanisms on the platform. The TraderStars.io platform will only require an email confirmation at the beginning. After clicking the confirmation link the Player Account will be active and ready to use the platform and join tournaments.

## User experience

- The user interface will be a single page that is fully adjustable to user preferences and advanced needs.
- There will be only one step to create the player account and one additional step to make an Ethereum deposit via an established payment processor.
- All collected information will be securely stored and the system will require minimal information from the user.

TraderStars is going to introduce additional tournament type in near future - the one not based on any external financial instrument, but purely on blockchain. We accomplish that by turning blockchain history into synthetic instrument that should be seen as a random generated process. This kind of instrument is targeted to the traders with great money management strategy, as it is probably the only way to succeed on this market. The instrument will be fully transparent and tamperproof.

## Security

In order to ensure the safety of customer funds held in smart contracts, the TraderStars.io team commits to subjecting its platform to a comprehensive security audit before launching on the Ethereum main net. In the past, Ethereum related projects have hired security consultants to conduct security audits prior to launch. TraderStars.io will do the same with each updated version of the platform and will release audit results prior to launch. Additionally, the Company reserves the right to modify features, functionalities, or development plans for any products or services that it may make available to platform participants its sole and absolute discretion.

For further information on the platform, the Services and the Company, see the Whitepaper available at <https://traderstars.io/> Information in the Whitepaper and on the Company's website are of a descriptive nature only, and do not, unless explicitly incorporated herein, form part of these Terms.

# Exhibit B

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## Creation and Allocation of Tokens by Company

**Pre ICO Public Crowdsale known as Pre-ICO (Nov 15th, 2017 - Nov 17th, 2017)**

**Public Crowdsale ICO known as ICO: (Nov 21th, 2017 - Dec 21th, 2017)**

TRS Tokens are intended be sold at the following dates.

- ETH exchange rates are subject to change without notice prior to the start of the public crowdsale. Once the public crowdsale starts the exchange rate will be locked.
- The prices for the pre-sale are not subject to change and will remain the same and have no effect on the public crowdsale.

### Allocation

Total TRS Token supply is 350 000 000. ICO supply is 210 000 000 (60% of total). TraderStars.io objective is to raise the equivalent of maximum \$21 000 000 (HARD CAP) from the market and to create 210 000 000 TRS in exchange for the ETH. The Token Sale will last for 30 days.

The TraderStars Token initial distribution will be in the form of a Pre-ICO and ICO. Anyone will be able to acquire TRS at a discount rate by pledging ETH into the token sale smart contract.

### Pre-ICO Public Crowdsale

Start of Pre-ICO will be on 15.11 at 2pm UTC to 17.11.2017. The total cap for Pre-ICO is \$1 000 000. The TRS smart contract will automatically stop accepting commitments at the cap, or after 2 days.

Pre-ICO Time Available	Pre-ICO Bonus
15 Nov 02pm UTC - 17 Nov 02pm UTC (2 days)	+30%



## ICO Public Crowdsale

Start of the ICO Public Crowdsale will be on 21.11.2017 at 2pm UTC. The total cap for ICO is \$21 000 000. The TRS smart contract will automatically stop accepting commitments at the cap, or after 30 days.

TraderStars.io Initial Coin Offering Bonus Schedule. There are extra tokens offered as a bonus for users who commit earlier (the early bird bonus).

### ICO Real Example:

The bonus tokens will be allocated on top of the regular tokens that you are purchasing. So for example, if you are buying tokens for 100 ETH within the first 24 hours, you will receive 30 000 TRS tokens plus another 7 500 TRS tokens as a bonus. Then in this example, In total you will have 30 000 TRS + 7 500 TRS = 37 500 TRS in total.

### ICO Bonus Schedule Timetable

ICO Time Available	ICO Bonus
21 Nov 02pm UTC - 22 Nov 02pm UTC (1 day)	+25%
22 Nov 02pm UTC - 24 Nov 02pm UTC (2 days)	+10%
24 Nov 02pm UTC - 28 Nov 02pm UTC (4 days)	+5%
28 Nov 02pm UTC - 05 Dec 02pm UTC (1 week)	+2.5%
05 Dec 02pm UTC - 21 Dec 02pm UTC (16 days)	No Bonus

## TRS Token Distribution

To be able to secure and maintain the high quality and experienced team in the project, acquire new talent and have a capital reserve, some of the TRS tokens will be distributed among team members, advisors and other supporters. Details below.

- Pre-ICO and ICO Participants – 60% of TRS created during the creation event will be allocated for the participants of the Pre-ICO and distributed 7 days after the end of the ICO.
- TraderStars.io Founders – 20% of TRS created during the creation event will be allocated and locked in a smart contract for 12 months.
- Management Team – 10% of TRS created during the creation event will be allocated and locked in a smart contract for 12 months.

- Business Development purposes - 10% of TRS created during the creation event will be allocated in a smart contract.

## Funding Split

TraderStars.io will only be hiring and bringing in world-class specialists and professionals. They have to have great international experience [details in this whitepaper in section TEAM] and know how to build and develop big projects. Due to the global scale availability of TraderStars.io, a core requirement is engaging people from different countries. So the key cost driver will be the talent and people working for TraderStars.io

## IT Development

The business idea of TraderStars is very unique, so IT Development team is crucial to build the project. It is expected that the initial cost of building the project will not be minor due to the scope of the project and the unique functionalities required.

## Sales & Marketing

a major objective to quickly build the business is to generate high traffic from traders at the beginning. People joining TraderStars.io have to be able to participate in tournaments without long waiting times for opponents and gameplay. So, to be able to secure the needed numbers of potential participants, the marketing budget has to allow for a significant initial advertising campaign. After reaching the desired number of traders, the next tools and features will be activated such as our affiliate network, video content, trainings, public relations and performance marketing.

## Outsourcing

Some outsourced companies or people to develop some offers such as TraderStarsTV or other tools that help manage and build the ecosystem around the core project will support TraderStars.io.

## Others

During development there may be other minor costs associated such as hardware, software, translation services, legal, and other unknowns that might appear during development. To secure all the expenditures we reserve some amount of the money to keep a saving for further development.

## Ethereum used for funding projects will be held in two repositories

### Cold Wallet

This is an offline repository where the most of the funds will reside. Funds from the cold storage will be transferred to the hot wallet following the approval of three TraderStars.io Core Team Members.

### Hot Wallet

This will be the account where bitcoins will be used for funding the initial launch of project (mostly basic operating costs). This repository will consist of a designated small amount of ETH for security reasons, dependent on the operational activities of TraderStars.io.

## AML & KYC Compliance

Once the ICO is closed, then TRS coins will be distributed to ICO participants, and their balance will be visible in the network. Additional identification details will be collected in order to meet Anti-Money Laundering (AML), CounterTerrorism Financing (CTF) and Know your Customer (KYC) requirements.

### AML

Compliance with proper Anti Money Laundering regulations is the foundation for the TraderStars.io operations. We want to provide the best experience possible to our ICO participants and users. Thus, we will not accept any payment from illegal, stolen or uncertain sources. It is important for us to be not just a service provider but also the leader in technology and entertainment delivering the highest standards of business.

All the incoming payments and deposits will be verified using Coinfirm AML Platform.

### KYC

The Know Your Customer documents can be provided at the latest 30 (thirty) days after the end of the ICO. However, on an individual basis, after inquiry this period can be extended to a maximum of 60 (sixty) days.

The documents which needs to be provided by every ICO participant are as follows:

- 1 x proof of I.D. (i.e. Government issued passport or I.D. card);  
Important: Driving Licence will NOT be accepted as proof of I.D.

- 1 x verification of residential address (i.e. utility bills / residency cards not older than 3 months).

Every ICO participant has to provide BOTH proof of I.D. and proof of residential address.

# Exhibit C

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## Certain Risk Relating to Purchase, Sale and Use of Tokens

**Important Note:** As noted elsewhere in these Terms, the Tokens are not being structured or sold as securities or any other form of investment product. Accordingly, none of the information presented in this Exhibit C is intended to form the basis for any investment decision, and no specific recommendations are intended. The Company expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from: (i) reliance on any information contained in this Exhibit C; (ii) any error, omission or inaccuracy in any such information; or (iii) any action resulting from such information.

**By purchasing, owning, and using Tokens, you expressly acknowledge and assume the following risks:**

1. **Risk of Losing Access to Tokens Due to Loss of Private Key(s), Custodial Error or Purchaser Error**

A private key, or a combination of private keys, is necessary to control and dispose of Tokens stored in your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with your digital wallet or vault storing Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet service you use, may be able to misappropriate your Tokens. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store Tokens in, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your Tokens. Additionally, your failure to follow precisely the procedures set forth in for buying and receiving Tokens, including, for

instance, if you provide the wrong address for the Token Receipt Address, or provides an address that is not ERC-20 compatible, may result in the loss of your Tokens.

## 2. **Risks Associated with the Ethereum Protocol**

Because Tokens and the platform are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on the platform or Tokens. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the Tokens and the platform, including the utility of the Tokens for obtaining Services, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.

## 3. **Risk of Mining Attacks**

As with other decentralized cryptographic tokens based on the Ethereum protocol, the Tokens are susceptible to attacks by miners in the course of validating Token transactions on the Ethereum blockchain, including, but not limited, to double-spend attacks, majority mining power attacks, and selfish-mining attacks. Any successful attacks present a risk to the platform and the Tokens, including, but not limited to, accurate execution and recording of transactions involving Tokens.

## 4. **Risk of Hacking and Security Weaknesses**

Hackers or other malicious groups or organizations may attempt to interfere with the platform or the Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the platform is based on open-source software, there is a risk that a third party or a member of the Company team may intentionally or unintentionally introduce weaknesses into the core infrastructure of the platform, which could negatively affect the platform and the Tokens, including the utility of the Tokens for obtaining Services.

## 5. **Risks Associated with Markets for Tokens**

The Tokens are intended to be used solely within the platform, and the Company will not support or otherwise facilitate any secondary trading or external valuation of Tokens. This restricts the contemplated avenues for using Tokens to the provision or receipt of Services, and could therefore create illiquidity risk with respect to the Tokens you own. Even if secondary trading of Tokens is facilitated by third party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation. Furthermore, to the extent that third-parties do ascribe an external exchange value to Tokens (e.g., as denominated in a digital or fiat currency), such value may be

extremely volatile and diminish to zero.

## 6. Risk of Uninsured Losses

Unlike bank accounts or accounts at some other financial institutions, Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer, such as the Federal Deposit Insurance Corporation, or private insurance arranged by Company, to offer recourse to you.

## 7. Risks Associated with Uncertain Regulations and Enforcement Actions

The regulatory status of the Tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications, including the platform and the Tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including the platform and the Tokens. Regulatory actions could negatively impact the platform and the Tokens in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of the Tokens constitutes unlawful activity or that the Tokens are a regulated instrument that require registration or licensing of those instruments or some or all of the parties involved in the purchase, sale and delivery thereof. The Company may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

## 8. Risks Arising from Taxation

The tax characterization of Tokens is uncertain. You must seek your own tax advice in connection with purchasing Tokens, which may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements.

## 9. Risk of Competing platforms

It is possible that alternative platforms could be established that utilize the same open source code and protocol underlying the platform and attempt to facilitate services that are materially similar to the Services. The platform may compete with these alternatives, which could negatively impact the platform and Tokens, including the utility of the Tokens for obtaining Services.

## 10. Risk of Insufficient Interest in the platform or Distributed Applications

It is possible that the platform will not be used by a large number of individuals, companies

and other entities or that there will be limited public interest in the creation and development of distributed platforms (such as the platform) more generally. Such a lack of use or interest could negatively impact the development of the platform and therefore the potential utility of the Tokens, including the utility of the Tokens for obtaining Services.

#### **11. Risks Associated with the Development and Maintenance of the platform**

The concept of platform is in the process of under development and may undergo significant changes over time. Although the Company intends for the Tokens and platform to function as described in Exhibit A of these Terms, and intends to take commercially reasonable steps toward those ends, the Company may have to make changes to the specifications of the Tokens or platform for any number of legitimate reasons. Moreover, the Company has no control over how other participants will use the platform, what products or services will be offered through the platform by third parties, or how third-party products and services will utilize Tokens (if at all). This could create the risk that the Tokens or platform, as further developed and maintained, may not you're your expectations at the time of purchase. Furthermore, despite the Company's good faith efforts to develop and participate in the platform, it is still possible that the platform will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the platform and Tokens, and the potential utility of the Tokens, including the utility of the Tokens for obtaining Services.

#### **12. Risk of an Unfavorable Fluctuation of ETH Value**

If the value of ETH fluctuates unfavourably during or after the Crowdsale, the Company team may not be able to fund development, or may not be able to develop or maintain the platform in the manner that it intended. In addition to the usual market forces, there are several potential events which could exacerbate the risk of unfavorable fluctuation in the value of ETH, including uncertainties created by the lack of resolution to the bitcoin scaling debate, the possibility of a so-called "Hard Fork" of Ethereum; another DAO-like attack on the Ethereum network; or significant security incidents or market irregularities at one or more of the major cryptocurrency exchanges.

#### **13. Risk of Dissolution of the Company or platform**

It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of ETH (or other cryptographic and fiat currencies), decrease in the Tokens' utility (including their utility for obtaining Services), the failure of commercial relationships, or intellectual property ownership challenges, the platform may no longer be viable to operate or the Company may dissolve.



#### 14. **Risks Arising from Lack of Governance Rights**

Because Tokens confer no governance rights of any kind with respect to the platform or the Company, all decisions involving the Company's products or services within the platform or the Company itself will be made by the Company at its sole discretion, including, but not limited to, decisions to discontinue its products or services in the platform, to create and sell more Tokens for use in the platform, or to sell or liquidate the Company. These decisions could adversely affect the platform and the utility of any Tokens you own, including their utility for obtaining Services.

#### 15. **Unanticipated Risks**

Cryptographic tokens such as the Tokens are a new and untested technology. In addition to the risks included in this Exhibit C of these Terms, there are other risks associated with your purchase, possession and use of the Tokens, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this Exhibit C of these Terms.

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Name

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Signature

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