

# Fancoin Token Terms and Conditions of Purchase and Use

Last Updated: January 1, 2018 (“**Update Date**”)

This Fancoin Token Terms and Conditions of Purchase and Use (“**Fancoin Terms of Use**”) certifies the purchaser (“**Purchaser**”) has agreed to purchase Fancoin digital tokens (“**Fancoins**”) under the terms and conditions contained herein.

**1. Fancoin Exchange Definition and Limitations.** The Fancoin Exchange operates a dedicated Fancoin exchange (the “**Fancoin Exchange**”) to facilitate transactions within the Fanbase software application and potentially millions of Fancoin token users across its planned social media and ecommerce communities.

Fancoin is envisioned to become a general-purpose token for use in digital services such as social media, ecommerce and payments including buy-sell transactions of Fancoin tokens themselves, all of which is planned within the Fanbase application and across an ecosystem of entities that may accept Fancoins for transactions in the future.

The Fancoin token is also potentially envisioned to include a suite of smart contracts built on one or more third-party cryptographic token exchanges such as the Ethereum Network, where Fancoin token functionality, characteristics and exchange rates will likely not be determined until Fancoin tokens are actively traded on the exchange(s).

Fancoin tokens with trading symbol FAN1 may be placed on third-party exchanges such as the Ethereum Network. Ethereum is a decentralized software platform that enables smart contracts and distributed application to be built and run without any control or interference from a third-party to facilitate virtually any type of Fancoin token transaction efficiently and securely.

The Fancoin may be created as an ERC20 token on the Ethereum Blockchain. The applications on Ethereum are run on its platform-specific cryptographic token known as ether, which will require that Fancoin tokens be converted to perform transactions on Ethereum.

The Fancoin token is envisioned to be the primary unit of account for transactions within the Fanbase software application and potentially across a larger Fancoin ecosystem. Like other digital tokens, units of Fancoin will be transferable and will likely be fractionally divisible.

Fancoin tokens will potentially help create new experiences in personal, social and business communications, information, and commerce for millions of potential users inside of Fanbase’s social media and ecommerce communities, and are envisioned to also serve as a foundation for a new decentralized ecosystem of digital services that may extend beyond the Fanbase’s borders.

Millions of potential Fanbase users around the world are projected to drive mainstream consumer adoption of Fancoin tokens.

## **2. Fancoin Information.**

**a.** Purchaser agrees it has reviewed all information contained on the [www.fancoinexchange.com](http://www.fancoinexchange.com) website, including all Fancoin Exchange and Fanbase Inc. downloadable documents and Purchaser’s subsequent review of all information contained on the [www.fanbasego.com](http://www.fanbasego.com) website (collectively the “**Fancoin Information**”), for which Purchaser acknowledges receipt and review thereof.

Purchaser agrees the Fancoin Information has provided it with a detailed understanding concerning the operational and technological use envisioned for Fancoin tokens within the Fanbase software application, and potentially, a larger Fancoin ecosystem that may evolve over time, as well as a wide range of Fancoin risks. More broadly, Purchaser agrees that the Fancoin Information has provided it with a detailed and comprehensive understanding concerning (1) Fanbase’s plans for Fanbase software application development, commercialization and associated risks, and (2)

Fanbase's market opportunities, strategic objectives, competition, competitive advantages, operational plans, organizational structure, management team, staffing plans, capitalization plans, financial plans, proformas, forecasts, milestones, contingency plans, challenges, weaknesses, and risks.

b. Purchaser acknowledges the Fancoin Information is subject to error and revision due a high degree of uncertainty resulting from (1) the pre-software development stage of the Fanbase application, (2) Fanbase's early stage of growth, and (3) the Fanbase's dependence on numerous events that have yet to occur, including several outside Fanbase's control. Purchaser acknowledges the Fancoin Information may be revised at any time by the Fancoin Exchange and/or Fanbase, where the impact of any such revision may substantially, or dramatically, alter the operational and financial data, estimates, assumptions and projections contained in the Fancoin Information.

c. Purchaser acknowledges and agrees (1) it has completed an in-depth and exhaustive review of all Fancoin Information and has gained a thorough understanding of the Fancoin Exchange and Fanbase, Fancoin Tokens and its purchase of Fancoins, and (2) it has been given opportunities to ask any questions, where all questions have been answered to its satisfaction.

### 3. Fancoin Tokens.

a. **Fancoin Holder.** Any current or future owner of Fancoins shall be deemed a Fancoin Holder while the terms and conditions of this Agreement are in full force and effect ("**Fancoin Holders**").

b. **Fancoin Price Volatility.** Historically, digital tokens such as Fancoin tokens have been susceptible to extreme price/value volatility. The Fancoin Exchange may develop and implement certain Fancoin token trading guidelines and rules, and potentially, hedging vehicles such as Fancoin token options and warrants to mitigate volatility. The Fancoin Exchange shall have the absolute right to establish all terms and conditions for trading of Fancoin tokens on the Fancoin Exchange, including, but not limited to, Fancoin conversion rates and fees. The Fancoin Exchange may assign its rights including agreements, licenses, contracts, etc. without limitation to other wholly-owned or third-party digital or cryptographic token exchanges.

c. **Fancoin Usage.** Fancoin is a digital token that is expected to be utilized on the Fanbase mobile software application after the Fanbase software application is developed and commercialized. Fancoin will be the primary unit of account for transactions within the Fanbase application. Fancoin is envisioned to become a general-purpose token for use in digital services such as social media, ecommerce and payments, all of which is planned within the Fanbase mobile and desktop applications and larger ecosystem of individuals, entities, platforms and exchanges that may accept Fancoins.

d. **User Account.** Purchaser will be given a User ID and Password to access the Fancoins transferred to its account when payment has been confirmed through the Fancoin Exchange website.

e. **Ownership Ledger.** The Fancoin Exchange utilizes a distributed digital ledger ("**Fancoin Ownership Ledger**") that creates an unbreakable blockchain to securely underwrite the authenticity and ownership of each Fancoin token purchased and subsequently and continuously traded on the Fancoin Exchange. To maximize security multiple copies of the Fancoin Ownership Ledger are distributed to each Fancoin token miner and the Fancoin Exchange itself. Identical copies of the Fancoin Ownership Ledger are also maintained off-line by the Fancoin Exchange to maximize security and integrity of the blockchain. Fancoin Holders are distributed an updated statement of Fancoin tokens held in its user account each time a transaction is consummated, which shows their current transaction as well as their entire transaction history.

f. **Certificate of Ownership.** Each Fancoin owner also receives a certificate of ownership ("**Fancoin Exchange Certificate of Ownership**") which shows the owner of record name and current number of Fancoins owned as of the effective date of the certificate, an updated copy of which is distributed to each Fancoin Holder reflecting their latest buy or sell transaction. The Fancoin Exchange Certificate of Ownership together with its user account Fancoin holdings and transaction history provides each Fancoin Holder with a comprehensive and detailed understanding of their current Fancoin holdings and entire ownership history.

g. **Authenticity and Theft Protection Program.** Each Fancoin token purchased and subsequently and continuously traded on the Fancoin Exchange comes bundled with authenticity and theft protection (“**Fancoin Exchange Authenticity and Theft Protection Program**”), which provides 100% assurance of authenticity and coverage against theft for each Fancoin token that is purchased and subsequently and continuously traded on the Fancoin Exchange. The Fancoin Exchange underwrites the authenticity and theft coverage it provides by collateralizing each Fancoin token purchased and subsequently and continuously traded on the Fancoin Exchange at a 1:1 collateralization ratio with Fancoins held in the Fancoin Exchange's treasury escrow account.

h. **Value Protection Program.** Each Fancoin token purchased and subsequently and continuously traded on the Fancoin Exchange comes bundled with the Fancoin Exchange's value protection program (“**Fancoin Exchange Value Protection Program**”), which protects Fancoins against loss in value. The Fancoin Exchange underwrites the Fancoin Exchange Value Protection Program's loss coverage by collateralizing each Fancoin token purchased and subsequently and continuously traded on the Fancoin Exchange at a minimum 750:1 collateralization ratio with Fancoins held in the Fancoin Exchange's treasury escrow account, whereby a minimum of 750 Fancoin tokens are held in the Fancoin Exchange's treasury escrow to protect against losses in value of each Fancoin token purchased and continuously traded on the Fancoin Exchange.

i. **Revocation of Protection Programs and Trading Ban.** The Fancoin Exchange Authenticity and Theft Protection Program and Fancoin Exchange Value Protection Program require that all Fancoin token sales or trades must take place on the Fancoin Exchange. Fancoin tokens which are not sold on the Fancoin Exchange (including any type of private or third-party sale or trade, or any type of sale or trade on another exchange or trading platform) shall automatically have their Fancoin Exchange Authenticity and Theft Protection Program and Fancoin Exchange Value Protection Program coverage permanently revoked. All Fancoin tokens for which Fancoin Exchange Authenticity and/or Theft Protection Program and/or Fancoin Exchange Value Protection Program have been revoked cannot be subsequently purchased, sold or traded on the Fancoin Exchange.

j. **Market Making Operations.** The Fancoin Exchange operates as a fully independent market maker in Fancoin tokens and executes trades as both a broker and a dealer in Fancoin tokens. When the Fancoin Exchange operates as a dealer in Fancoin tokens, it will buy and sell Fancoin tokens in its own account. The Fancoin Exchange will in its sole discretion determine the number of Fancoin tokens it purchases or sells as a dealer on any given day. The number of Fancoin tokens sold or purchased by the Fancoin Exchange when operating as a dealer could be significantly large relative to the average daily transaction volume of the Fancoin Exchange. The Fancoin Exchange could participate as a dealer in most, if not all, Fancoin token transactions on any given day. Accordingly, the Fancoin Exchange's dealer transactions could result in a significant increase or decrease in the volume and price of Fancoin tokens traded on the Fancoin Exchange on any given day.

k. **Non-exclusive Rights.** The Fancoin Exchange does not hold an exclusive right or licensing agreement to make a market in Fancoin tokens, including its brokerage and dealer transactions and trading operations. Accordingly, other third-party brokers and/or dealers are free to make markets in Fancoin tokens, without limitation.

l. **Independent Entity.** The Fancoin Exchange operates on a fully independent basis as a market maker in Fancoin tokens and has no agreements with Fanbase Inc. to act as a broker, dealer or market maker in Fancoin tokens.

m. **Fees.** The Fancoin Exchange charges conversion/transaction fees for the purchase and sale of Fancoin tokens according to a sliding scale ranging from 1% to 10% depending transaction size and other factors (“**Fancoin Exchange Transaction Fees**”). The Fancoin Exchange also receives the spread between its quoted Fancoin buy and sell prices (“**Fancoin Exchange Spread Fees**”). In addition, the Fancoin Exchange also receives various other fees related to user account administration, operations, services, etc. (collectively “**Fancoin Exchange Service Fees**”).

n. **Fancoin Sales.** The Fancoin Exchange in its sole and absolute discretion shall establish certain Fancoin token sales restrictions, which on a collective basis are intended to promote and achieve what the Fancoin Exchange determines to be an orderly progression of Fancoin token transaction volume, buy and sell prices and spreads. Effective as of the Update Date shown above, Fancoin token sales restrictions are set forth as follows:

i. **Sales Limits for Initial Fancoins Purchased.** A Purchaser's initial purchase of Fancoin tokens on the Fancoin Exchange shall be subject to a daily Fancoin token sales limit equal to the lesser of 10.0% of its initial Fancoins purchased or \$1,000 in gross sale proceeds ("**Initial Fancoin Purchase Sales Restriction**"). The Fancoin Exchange may increase the Initial Fancoin Purchase Sales Restriction limit if in its sole discretion it determines that sufficient transactional volume exists. The Fancoin Exchange may in its sole discretion increase the Initial Fancoin Purchase Sales Restriction limit upon request.

ii. **General Fancoin Sales Limits.** General sales of the Fancoin tokens on the Fancoin Exchange shall be subject to a daily Fancoin token sales limit equal to \$2,500 in gross sale proceeds ("**General Fancoin Sales Restriction**"). The General Fancoin Sales Restriction shall remain in effect until the Fancoin Exchange determines in its sole discretion that sufficient transactional volume exists to increase the daily sales limit. The Fancoin Exchange may in its sole discretion increase the General Fancoin Sales Restriction limit upon request.

iii. **Special Fancoin Sales Limits.** The Fancoin Exchange may in its sole and absolute discretion implement additional Fancoin sales restrictions as it deems necessary to promote stability and efficient operation of the Fancoin Exchange.

#### 4. Fancoin Mining, Circulation, Collateralization and Purchases

The maximum number of Fancoins that can be collectively mined (e.g. produced/created) by independent third-party miners or issued directly by Fanbase Inc. is currently limited to 100,000,000,000,000 tokens, of which approximately 99.5% are expected to be held in escrow accounts to collateralize Fancoin authenticity, theft and value. Purchaser expressly acknowledges that all Fancoin tokens it has or will purchase on the Fancoin Exchange have been mined by independent third-party miners. The Fancoin Exchange estimates there may be over 100 billion Fancoin tokens placed in global circulation over the next 10 years.

#### 5. Liability Disclaimer, Waiver and Indemnity.

a. The specific nature of digital tokens allows them to possess value in public markets and exchanges and it is therefore likely that they may frequently demonstrate significant to extreme fluctuations in price over short periods of time. Such fluctuations are due to market forces and represent changes in the balance of supply and demand. Purchaser acknowledges that the Fancoin Exchange has no control over Fancoin token prices when Fancoin tokens are traded on a supply and demand based token exchange, and therefore Fancoin Exchange cannot and does not ensure, warrant, or guarantee market liquidity or pricing of Fancoin tokens on any token exchange including any and all token exchanges that may be operated by third-parties, Fancoin Exchange, etc.

b. By purchasing Fancoin tokens the Purchaser expressly acknowledges and declares that it fully understands that the Fancoin tokens may experience extreme volatility in pricing and liquidity and that Purchaser accepts all risks relating to its Fancoin token purchase.

c. If as a Purchaser the terms and conditions of this Agreement are not acceptable or as a Purchaser you do not understand the nature and extent of the risks associated with digital or cryptographic tokens, then you should not purchase Fancoin tokens.

d. Purchaser expressly agrees that that it will not seek to hold the Fancoin Exchange or any of the Fancoin Exchange's affiliates, consultants, licensors, parent companies or subsidiaries (collectively the "**Affiliated Parties**"), as well as other third-party entities that may mine, issue, trade or exchange Fancoin tokens or accept Fancoin tokens for payment including Fanbase Inc., liable for any losses or any special, incidental, or consequential damages arising from, or which are in any way connected or related to the price and value volatility of Fancoin tokens or in any way connected to the current or future demand, supply, sale or to the distribution or use of Fancoin tokens.

e. Purchaser will have the sole responsibility to ensure that you as Purchaser have a good understanding of storage and transmission mechanisms associated with digital and cryptographic tokens. Purchases of Fancoin tokens should be undertaken only by individuals, entities, or organizations that have significant experience with, and understanding of, the usage and intricacies of digital and cryptographic tokens and blockchain-based software

systems and services. Due to the completely decentralized and immutable design of the blockchain technology it is not in the Fancoin Exchange's ability or power to control the use or pricing of Fancoin tokens traded on digital or cryptographic token exchanges and the Fancoin Exchange and its Affiliated Parties carry no responsibility regarding Purchaser's usage or storage of Fancoin tokens and cannot be held accountable for illegal or improper use or liable for damages arising out of such use or loss of Fancoin tokens or value thereof.

f. The Fancoin Exchange will not keep record of personal or user account-level names (user names) and passphrases (passwords), and, due to the completely decentralized and immutable design of blockchain technology utilized on digital and cryptographic token exchanges, it is not in the Fancoin Exchange's ability or power to recover lost, forgotten or stolen user account-level names (user names) or passphrases (passwords), Fancoin tokens or other personal data, and therefore Fancoin Exchange will not be held responsible for any loss of, or inability to access Purchaser's account which may occur as a result of any type of actions taken by, or omitted or accidentally or incidentally made by Purchaser or any third party.

g. Although the Fancoin Exchange and its Affiliated Parties will endeavor to maintain all systems, servers and software, for which they have control, in an up-to-date and secure state, neither the Fancoin Exchange nor its Affiliated Parties shall be held responsible or liable for any losses or any special, incidental, or consequential damages arising from any unauthorized or malicious actions by any third party which may breach the Fancoin Exchange or its Affiliated Parties' security and resulted in theft of data, account information, tokens, user account-level names (user names) or passphrases (passwords).

h. To the full extent permitted by law neither the Fancoin Exchange or its Affiliated Parties shall be liable for any loss or damage hereunder, including without limitation any inaccuracy of data, loss of profits, missed opportunities, cost of damage assessment, mitigation costs, out of court recovery costs, legal costs, special, incidental or consequential damages, current or future, arising from this Agreement and its terms and conditions. To the fullest extent permitted under the laws governing this Agreement and its terms and conditions, Purchaser waives any rights of claim or recourse against the Fancoin Exchange and its Affiliated Parties related to the aforementioned losses or damages, and agrees to indemnify the Fancoin Exchange against claims of third parties related to the use of Purchaser's Fancoin tokens.

i. Fancoin Exchange will rely on intellectual property and proprietary technology rights. The Fancoin Exchange will rely on proprietary technology that it will endeavor to protect through one or of the following: patents, licensing arrangements, trade secrets, copyrights, trademarks, proprietary know-how and non-disclosure agreements. There can be no assurance that any potential future patent application(s) filed by the Fancoin Exchange will be granted or that any future patents, regardless of whether the Fancoin Exchange is an owner or a licensee of the patent, will not be challenged, rendered unenforceable, invalidated, or circumvented or that the rights will provide a competitive advantage to the Fancoin Exchange.

j. The Fancoin token's success will depend in part on the Fancoin Exchange's ability to attract and retain personnel. The Fancoin Exchange's success is particularly dependent upon recruiting and retaining its executive officers and other key employees including CEO, CFO, CTO, COO, etc. on a long-term basis. The Fancoin Exchange's future success will also depend upon its ability to attract and retain highly qualified operational-level personnel, especially in the area of technology, and most importantly, software development of the Fanbase application. The market for the executive officers, key employees and specialized and highly trained operational-level and technology personnel that the Fancoin Exchange requires is extremely competitive. The Fancoin Exchange may not be successful in hiring, retaining or developing a sufficient supply of qualified individuals.

k. THE PURCHASER AGREES TO NOT RELY ON (1) ANY ORAL INFORMATION, (2) ANY INFORMATION OTHER THAN THE FANCOIN INFORMATION AS DEFINED IN SECTION 2. OF THIS AGREEMENT, OR (3) ANY INFORMATION OF ANY TYPE NOT CONTAINED OR SPECIFICALLY REFERENCED IN THIS AGREEMENT.

l. THIS AGREEMENT MAY CONTAIN PROJECTIONS OR STATEMENTS DEEMED TO BE FORWARD-LOOKING WITHIN THE MEANING OF THE SECURITIES ACT, THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AND THE RULES AND REGULATIONS PROMULGATED BY THE SECURITIES AND

EXCHANGE COMMISSION (THE “**SEC**”), THEREUNDER. ANY PROJECTIONS CONTAINED IN THIS AGREEMENT ARE NOT HISTORICAL FACTS. WHEN USED IN THIS AGREEMENT, THE WORDS “FORECAST,” “ENVISION,” “ESTIMATE,” “PROJECT,” “BELIEVE,” “ANTICIPATE,” “INTEND,” “EXPECT,” “PLAN,” “PREDICT,” “MAY,” “WILL,” “SHOULD,” “COULD,” “WOULD,” “CAN,” THE NEGATIVE THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY, ARE INTENDED TO IDENTIFY PROJECTIONS IN TO THE FUTURE, BUT ARE NOT THE EXCLUSIVE MEANS OF IDENTIFYING THEM. WHILE PROJECTIONS IN TO THE FUTURE MAY BE BASED ON CERTAIN HISTORICAL TRENDS, CURRENT CONDITIONS, EXPECTED FUTURE DEVELOPMENTS AND OTHER FACTORS, SUCH STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND ARE SUBJECT TO RISKS, UNCERTAINTIES AND OTHER FACTORS, MANY OF WHICH ARE BEYOND THE CONTROL OF THE FANCOIN EXCHANGE OR ITS AFFILIATED PARTIES, ARE DIFFICULT TO PREDICT AND COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY, POTENTIALLY DRAMATICALLY, FROM THOSE EXPRESSED, FORECASTED OR PROJECTED BY THE FANCOIN EXCHANGE OR ITS AFFILIATED PARTIES. CERTAIN OF THESE RISKS AND UNCERTAINTIES ARE DESCRIBED IN THIS AGREEMENT; PROVIDED THAT SUCH RISKS AND UNCERTAINTIES ARE INTENDED TO BE ILLUSTRATIVE AND NOT EXHAUSTIVE. PROSPECTIVE PURCHASERS ARE CAUTIONED NOT TO RELY ON ANY PROJECTIONS THAT MAY BE CONTAINED IN THIS AGREEMENT.

m. THERE CAN BE NO ASSURANCE THAT THE RESULTS THE FANCOIN EXCHANGE ANTICIPATES WILL BE REALIZED OR, EVEN IF SUBSTANTIALLY REALIZED, THAT THEY WILL HAVE THE EXPECTED CONSEQUENCES TO OR EFFECTS ON THE FANCOIN EXCHANGE OR ITS BUSINESS OR OPERATIONS. THE PROJECTIONS CONTAINED IN THIS AGREEMENT SPEAK ONLY AS OF THE EFFECTIVE DATE OF THIS AGREEMENT. THE FANCOIN EXCHANGE ASSUMES NO OBLIGATION TO UPDATE ANY PROJECTIONS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

n. IMPORTANT FACTORS TO CONSIDER IN EVALUATING SUCH PROJECTIONS (IF ANY) INCLUDE BUT ARE NOT LIMITED TO: (I) CHANGES IN EXTERNAL COMPETITIVE MARKET FACTORS WHICH MIGHT IMPACT TRENDS IN THE FANCOIN EXCHANGE’S RESULTS OF OPERATIONS; (II) CHANGES IN FANCOIN EXCHANGE WORKING CAPITAL AND OTHER CASH REQUIREMENTS; (III) GENERAL CHANGES IN THE INDUSTRY IN WHICH THE FANCOIN EXCHANGE COMPETES; (IV) FAILURE OF FANCOIN EXCHANGE TO OBTAIN USERS OF FANCOIN TOKENS; (V) FAILURE OF FANCOIN EXCHANGE TO OBTAIN USERS OF THE FANBASE SOFTWARE AP[PLICATION, AND (VI) VARIOUS OTHER COMPETITIVE OR REGULATORY FACTORS THAT MAY PREVENT THE FANCOIN EXCHANGE FROM COMPETING SUCCESSFULLY IN THE MARKETPLACE. IN LIGHT OF THESE RISKS AND UNCERTAINTIES, ACTUAL RESULTS COULD DIFFER MATERIALLY FROM PROJECTIONS CONTAINED IN THIS AGREEMENT.

o. THE INFORMATION CONTAINED IN THIS AGREEMENT IS ASSUMED TO BE ACCURATE ONLY AS OF THE EFFECTIVE DATE OF THIS AGREEMENT, REGARDLESS OF THE TIME OF DELIVERY OF THIS AGREEMENT OR ACTUAL DELIVERY DATE(S) OF FANCOIN TOKENS.

p. PURCHASING FANCOIN TOKENS INVOLVES A HIGH DEGREE OF RISK. YOU AS PURCHASER SHOULD CAREFULLY CONSIDER THE RISK FACTORS SET FORTH AND CONTAINED IN THIS AGREEMENT, AS WELL AS ALL OTHER INFORMATION SET FORTH AND CONTAINED IN THIS AGREEMENT, BEFORE DECIDING WHETHER TO PURCHASE FANCOIN TOKENS.

## **6. Terms, Conditions and Risks of Fancoin Purchases**

a. Subject to and in accordance with the conditions set out below, Purchaser may purchase Fancoin tokens. The acquisition of Fancoin tokens on the Fancoin Exchange implies that Purchaser entered into this Agreement to purchase Fancoin tokens by agreeing to all of its terms and conditions. This Agreement includes the payment obligation by Purchaser in US dollars to Fancoin Exchange and the delivery of the Fancoin tokens by Fancoin Exchange to Purchaser. By purchasing Fancoin tokens, you as Purchaser expressly declare, represent and warrant that:

iv. You as Purchaser meet the requirements of Section 6., a. of this Agreement.

v. You as Purchaser have read carefully the terms and conditions in this Agreement, and you agree to their full contents and you accept to be legally bound by them.

vi. You as Purchaser are above 18 years old or you have reached the age in which you are qualified to enter in to a contractual relationship in the country in which you reside.

vii. You as Purchaser have full authorization to act on behalf of the legal entity which will purchase the Fancoin tokens if acting on behalf of a legal entity.

viii. You as Purchaser live in a jurisdiction which allows the purchase and sale of Fancoin tokens on the Fancoin Exchange without requiring any local authorization.

ix. You will not use the Fancoin tokens for any illegal activity, including but not limited to money laundering and the financing of terrorism.

x. You as Purchaser have sufficient knowledge about the nature of the digital and cryptographic tokens and you have significant experience with, and a good understanding of, the usage of digital and cryptographic tokens and currencies and blockchain-based systems and services.

xi. You as Purchaser are familiar with all related regulations in the specific jurisdiction you are based in and that the purchase and sale of digital or cryptographic tokens is not prohibited, restricted or subject to additional conditions of any kind; Foreign participants cannot purchase Fancoin tokens if there are applicable legal restrictions in their country of residence. It is the responsibility of each purchaser participant to know these laws and take them into consideration before their purchase of Fancoin tokens.

xii. You as Purchaser are not purchasing Fancoin tokens for the purpose of speculative investment or usage.

xiii. You as Purchaser waive your right to participate in a class action lawsuit or a class-wide arbitration against the Fancoin Exchange, its Affiliated Parties, as well as other third-party entities that may mine, issue, trade or exchange Fancoin tokens or accept Fancoin tokens for payment including Fanbase Inc.

b. Prior to participation, you as Purchaser are strongly advised to carefully consider the exemplary and non-exhaustive list of risks set forth in this Agreement and, to the extent necessary, consult a financial advisor, attorney, accountant, and/or tax professional.

i. Regulatory authorities are carefully scrutinizing, and initiating regulation of, businesses and operations associated with digital and cryptographic tokens, such as Fancoin tokens, around in the world, including the SEC in the United States. In that respect, regulatory measures, investigations or actions may impact the Fancoin Exchange's business and even limit or prevent it from developing its operations, including Fancoin tokens, in the future. Any person undertaking to acquire Fancoin tokens must be aware that the Fancoin Exchange's business model and the terms and conditions regarding use of its Fancoin tokens may change or require modification as the result of new, or anticipated, regulatory and compliance requirements from any applicable laws in any jurisdictions. In such case, Purchasers and any person undertaking to acquire Fancoin tokens acknowledge and agree that neither the Fancoin Exchange nor any of its Affiliated Parties shall be held liable for any direct or indirect loss or damages caused by such regulatory actual or anticipated changes.

ii. The purchasing of the Fancoin tokens shall grant the Purchaser no influence in the Fancoin Exchange or its Affiliated Parties and shall not in any way constitute acquiring of shares or an ownership interest in the Fancoin Exchange. The ownership of Fancoin tokens does not constitute Purchaser as a shareholder in the Fancoin Exchange, it does not grant Purchaser a right to present itself as a shareholder of the Fancoin Exchange, it does not give Purchaser a direct or indirect equity interest in the Fancoin Exchange nor any rights to vote, to receive non-public information about the Fancoin Exchange, to receive dividends, to participate in the Fancoin Exchange's decision making process or profit sharing, nor to claim outside or before a court or other legal institution any of such or similar rights. The ownership of Fancoin tokens does not give Purchaser any rights associated with being a shareholder of, or ownership

interest in the Fancoin Exchange nor any intellectual property rights to the Fancoin Exchange's technology, software and its software application(s) and methods of doing business.

iii. The Fancoin tokens purchased by Purchaser, in the opinion of the Fancoin Exchange's legal counsel, will likely not be legally classified as a security by regulatory authorities such as the SEC, since use of Fancoin tokens within the Fanbase application creates a high degree of utility for token owners/Purchaser, where actual use of Fancoin tokens by token owners/Purchaser is the cause and source of the utility created, and that all Fancoin tokens purchased by Purchaser have been mined by independent, third-party miners who have performed many of the customary and accepted functions of those entities engaged in the digital or cryptographic token mining industry.

iv. Nothing in this Agreement or its terms and conditions should be regarded as an invitation or solicitation of investment or promise of profit in whatever form and does not construe, relate or pertain in any way or should be regarded to be an offering of securities of any kind in any jurisdiction. The Fancoin Exchange is not a financial institution and does not provide investment services, including investment advice, or any other licensed financial services according applicable law. Neither the Fancoin Exchange nor its Affiliated Parties shall be considered as an advisor in any legal, tax or financial matters. Despite the occasional use of the words digital token or cryptographic token when referring to the Fancoin tokens herein or in any related documents, websites, etc., Fancoin tokens should not be regarded as fiat money, electronic money or digital currency, or financial instruments with particular status or subject to regulative framework of any kind according applicable law.

v. To the full extent permitted by law neither the Fancoin Exchange, its Affiliated Parties, nor other third-party entities that may mine, issue, trade or exchange Fancoin tokens or accept Fancoin tokens for payment including Fanbase Inc. shall be liable for any loss or damage hereunder, including without limitation any inaccuracy of data, loss of profits, or indirect, special, incidental or consequential damages, arising from this Agreement or its terms and conditions, from the purchase of Fancoin tokens or from the software and its use or inability of use, even if such party has been advised of the possibility of such damages.

## **7. Fancoin Exchange Representations**

a. Fancoin Exchange Inc., duly incorporated and validly existing under the laws of the Florida, is the sole owner of the Fancoin Exchange and has the power and authority to own, lease and operate and carry on its business as now conducted.

b. The execution, delivery and performance by the Fancoin Exchange of this Agreement is within the power of the Fancoin Exchange and has been duly authorized by all necessary actions on the part of the Fancoin Exchange. This Agreement constitutes a legal, valid and binding obligation of the Fancoin Exchange, enforceable against the Fancoin Exchange in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. To the knowledge of the Fancoin Exchange, it is not in violation of (i) its current certificate of incorporation or by-laws, (ii) any material statute, rule or regulation applicable to the Fancoin Exchange or (iii) any material indenture or contract to which the Fancoin Exchange is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Fancoin Exchange.

c. The performance and consummation of the transactions contemplated by this Agreement do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Fancoin Exchange; (ii) result in the acceleration of any material indenture or contract to which the Fancoin Exchange is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Fancoin Exchange or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Fancoin Exchange, its business or operations.

d. No consents or approvals are required in connection with the performance of this Agreement, other than: (i) the Fancoin Exchange's corporate or membership approvals; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary corporate approvals for the authorization of Fancoin Tokens purchasable under the terms and conditions of this Agreement.

## **8. Purchaser Representations**

a. The Purchaser has full legal capacity, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes a valid and binding obligation of the Purchaser, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

b. The Purchaser is purchasing this Agreement and the Fancoin tokens to be acquired by the Purchaser hereunder for its own account, not as a nominee or agent.

c. Purchaser has been given adequate opportunity to ask questions of and receive answers to and review additional information from the Fancoin Exchange, including the Fancoin Information, concerning the terms and conditions of participating in the purchase of Fancoin , the merits and risks of purchasing Fancoin tokens, and all manner of merits and risks related to the Fancoin Exchange itself, where the Fancoin Information and answers received from Fancoin Exchange have satisfied Purchaser in full. Purchaser has also made its own investigations of the Fancoin Exchange, including the merits and risks involved with purchasing Fancoin tokens, its investigation of which have satisfied Purchaser in full.

d. Purchaser expressly agrees to all terms and conditions contained in this Agreement.

## **9. Miscellaneous**

a. Any provision of this Agreement may be amended, waived or modified only upon mutual written consent of the Fancoin Exchange and the Purchaser.

b. Unless otherwise expressly stated herein, all communications under this Agreement will be in writing and may be made by letter or email. Any notice required or permitted by this Agreement will be deemed sufficient when delivered personally or by overnight courier or sent by email to the relevant address listed on the signature page, or 48 hours after being deposited in the mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address listed on the signature page, as subsequently modified by written notice.

c. The Purchaser or its assigns, is not entitled, as a holder of this Agreement, to vote or receive dividends or be deemed a holder of Fancoin Exchange shares or ownership interests for any purpose, nor will anything contained herein be construed to confer on the Purchaser, as such, any of the rights of a shareholder, member or owner of the Fancoin Exchange or any right to vote for the election of directors or upon any matter submitted to shareholders or members at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise.

d. Neither this Agreement nor the rights contained herein may be assigned, by operation of law or otherwise, by Purchaser without the prior written consent of the Fancoin Exchange.

e. In the event any one or more of the provisions of this Agreement is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Agreement operate or would prospectively operate to invalidate this Agreement, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this Agreement and the remaining provisions of this Agreement will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

f. Should any legal proceeding be necessary to construe or enforce the provisions of this Agreement, then the prevailing party in such legal action shall be entitled to recover all court costs, reasonable attorney fees, and costs of enforcing or collecting any judgment awarded.

g. This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts together shall constitute the one Agreement.

This Agreement, and all rights and obligations hereunder, will be governed by and construed in accordance with the laws of the Florida, and the courts of Florida shall have exclusive jurisdiction to settle any dispute arising in connection with this Agreement.