

# COSQUARE<sup>®</sup>

Shopping is social.

Terms and  
Conditions  
of the  
Token  
Purchase

Ver 2.0  
05.09.2018



## Terms and Conditions of the Token Purchase

PLEASE READ THESE TERMS OF SALE CAREFULLY. BY ATTEMPTING TO PURCHASE OR PURCHASING CSQ TOKEN, YOU AGREE TO BE LEGALLY BOUND BY THESE TERMS & CONDITIONS AND ALL TERMS INCORPORATED HEREIN BY REFERENCE.

BY ACCEPTING THESE TERMS & CONDITIONS, YOU WILL BE ENTERING INTO A BINDING AGREEMENT WITH cosquare AG. THESE TERMS & CONDITIONS CONTAIN PROVISIONS WHICH AFFECT YOUR LEGAL RIGHTS. IF YOU DO NOT AGREE TO THESE TERMS & CONDITIONS, DO NOT MAKE A CONTRIBUTION FOR THE PURCHASE OF CSQ TOKEN AND NAVIGATE AWAY FROM THE cosquare WEBSITE.

PLEASE NOTE THAT ANY PURCHASE AND USE OF CSQ TOKENS AT THIS STAGE INTRINSICALLY CARRIES SIGNIFICANT FINANCIAL RISKS, INCLUDING, BUT NOT LIMITED TO, THE POSSIBLE LOSS OF ALL VALUE INVESTED IN CSQ TOKENS.

PRIOR TO PURCHASE CSQ TOKENS, CAREFULLY CONSIDER THE POTENTIAL RISKS AND, TO THE EXTENT NECESSARY, CONSULT A LAWYER, ACCOUNTANT, AND/OR TAX PROFESSIONAL OR OTHER ADVISORS TO EVALUATE THE RISK ENTAILED. DO NOT OVERCOMMIT.

THE COMPANY (AS DEFINED BELOW) MAKES NO PROMISES NOR WARRANTIES WHATSOEVER OF POSSIBLE GAINS OR RETURNS, IN CASH OR IN ANY OTHER FORM. YOU CAN POTENTIALLY LOSE ALL YOUR CONTRIBUTION.

THE COMPANY (AS DEFINED BELOW) ALSO DOES NOT GUARANTY IN ANY WAY THE SUCCESS OR FULL EXECUTION OF THE cosquare PROJECT.

These Terms & Conditions and any terms expressly incorporated herein (herein referred to as the **"Agreement"** or **"T&C"**) govern the purchase (herein referred to as the **"Purchase"**) by you (herein referred to as the **"Purchaser"**, **"You"** or **"Your"**) of the related ERC-20 compatible tokens distributed on the Ethereum blockchain which shall be a payment token according to the ICO guidelines published by the Swiss Financial Market Supervisory Authority (FINMA) on February 16, 2018, with which no further rights will be connected (herein referred to as the **"CSQ"**) from cosquare AG, a company organised and existing under the laws of Switzerland, with registration number CHE-457.384.964 and whose registered office is at Bundesplatz 14, 6300 Zug, Switzerland (herein referred to as the **"cosquare"**, **"Company"**, **"Us"**, **"Our"** or **"We"**), running the website <https://cosquare.io> (hereinafter referred to as the **"Website"**) during the CSQ token sale period as set out in the whitepaper (herein referred to as the **"Sale Period"**), Your use of the related ERC-20 CSQ contract (herein referred to as the **"CSQ Smart Contract"**), and your use of the CSQ sale contract (herein referred to as the **"CSQ Smart Sales Contract"**) (CSQ Smart Contract and the CSQ Smart Sales Contract are herein collectively referred to as the **"CSQ Smart Contracts"**). Purchaser and cosquare are herein referred to individually as a **"Party"** and, collectively, as the **"Parties"**. There may be other entities within the cosquare group of companies from time to time (herein referred to as the **"cosquare Companies"**) that will develop, manage and/or operate the cosquare platform (or parts thereof) and references in this Agreement to cosquare shall be to cosquare, the cosquare Companies and their respective successors and assigns.

FOR RESIDENTS, CITIZENS AND/OR GREEN CARD HOLDERS OF THE UNITED STATES OF AMERICA: IF YOU ARE CITIZEN, GREEN CARD HOLDER OR RESIDENT OF, OR A PERSON LOCATED OR DOMICILED IN, THE UNITED STATES OF AMERICA OR ANY ENTITY, INCLUDING, WITHOUT LIMITATION, ANY CORPORATION OR PARTNERSHIP CREATED OR ORGANIZED IN OR UNDER THE LAWS OF THE UNITES STATES OF AMERICA (HEREIN COLLECTIVELY REFERRED TO AS THE **"US PERSONS"**), DO NOT PURCHASE OR ATTEMPT TO PURCHASE CSQ OR USE THE cosquare SMART CONTRACT OR THE cosquare SMART SALES CONTRACT. US PERSONS ARE STRICTLY PROHIBITED AND RESTRICTED FROM MAKING CONTRIBUTIONS TO cosquare AND USING THE cosquare SMART CONTRACTS. CSQ

MAY NOT BE MARKETED, OFFERED OR SOLD DIRECTLY OR INDIRECTLY TO US PERSONS, AND NEITHER THIS SITE NOR THIS AGREEMENT, NOR ANY MATERIAL OR INFORMATION CONTAINED HEREIN PERTAINING TO CSQ, MAY BE SUPPLIED TO US PERSONS OR USED IN CONNECTION WITH ANY OFFER FOR THE SALE OF CSQ TO US PERSONS. US PERSONS WHO PARTICIPATE IN THE CSQ SALE BY PROVIDING FALSE OR INNACURATE INFORMATION ABOUT THEIR CITIZENSHIP, RESIDENCY AND/OR NATIONALITY SHALL BE IN BREACH OF THIS AGREEMENT AND SHALL INDEMNIFY cosquare IN RESPECT OF ANY DAMAGES AND/OR LOSES SUFFERED DUE TO THIS BREACH IN ACCORDANCE WITH THE INDEMNIFICATION PROVISIONS SET OUT IN THIS AGREEMENT.

FOR RESIDENTS OF THE PEOPLE'S REPUBLIC OF CHINA (WHICH, FOR THE PURPOSES OF THIS AGREEMENT, DOES NOT INCLUDE HONG KONG, MACAU AND TAIWAN) ONLY: IF YOU ARE CITIZEN OR RESIDENT OF, OR A PERSON LOCATED OR DOMICILED IN, THE PEOPLE'S REPUBLIC OF CHINA OR ANY ENTITY, INCLUDING, WITHOUT LIMITATION, ANY CORPORATION OR PARTNERSHIP CREATED OR ORGANIZED IN OR UNDER THE LAWS OF THE PEOPLE'S REPUBLIC OF CHINA (HEREIN COLLECTIVELY REFERRED TO AS THE "**PRC PERSONS**"), DO NOT PURCHASE OR ATTEMPT TO PURCHASE CSQ OR USE THE CSQ SMART CONTRACT OR THE CSQ SMART SALE CONTRACT. PRC PERSONS ARE STRICTLY PROHIBITED AND RESTRICTED FROM USING THE CSQ SMART CONTRACTS. CSQ MAY NOT BE MARKETED, OFFERED OR SOLD DIRECTLY OR INDIRECTLY TO PRC PERSONS, AND NEITHER THIS SITE NOR THIS AGREEMENT, NOR ANY MATERIAL OR INFORMATION CONTAINED HEREIN PERTAINING TO CSQ, MAY BE SUPPLIED TO PRC PERSONS OR USED IN CONNECTION WITH ANY OFFER FOR THE SALE OF LOCATION TOKENS TO PRC PERSONS.

FOR RESIDENTS OF CUBA, IRAN, NORTH KOREA, SYRIA, BANGLADESH, NEPAL, MACEDONIA BOLIVIA ECUADOR, MALAYSIA PAKISTAN, ALGERIA, MOROCCO: CSQ ARE NOT BEING OFFERED, SOLD OR DISTRIBUTED TO ANY RESIDENT OF OR ANY PERSON LOCATED OR DOMICILED IN CUBA, IRAN, NORTH KOREA, SYRIA, BANGLADESH, NEPAL, MACEDONIA BOLIVIA ECUADOR, MALAYSIA PAKISTAN, ALGERIA, MOROCCO OR ANY OTHER COUNTRY OR TERRITORY THAT IS SUBJECT OF COUNTRY-WIDE OR TERRITORY-WIDE SANCTIONS.

THE INFORMATION CONTAINED IN THIS SITE AND THIS AGREEMENT DO NOT CONSTITUTE A PROSPECTUS OR OFFERING DOCUMENT, OR AN OFFER TO SELL OR AN INVITATION, ADVERTISEMENT OR SOLICITATION OF AN OFFER TO BUY SECURITIES. CSQ ARE NOT AN INVESTMENT. CSQ ARE NOT INVESTMENT PRODUCTS. THERE SHOULD BE NO EXPECTATION OF FUTURE PROFIT OR GAIN FROM THE PURCHASE OF CSQ.

THE SITE IS NOT INTENDED FOR USE BY ANYONE UNDER THE AGE OF 18. CSQ MAY NOT BE PURCHASED THROUGH THE SITE BY ANYONE UNDER THE AGE OF 18. BY USING THE SITE AND/OR PURCHASING CSQ THROUGH THIS SITE, YOU REPRESENT AND WARRANT THAT YOU ARE 18 YEARS OF AGE OR OLDER.

If You have any questions relating to these Terms & Conditions, please contact Us at [legal@cosquare.io](mailto:legal@cosquare.io)

## **I. Scope of Terms**

### **1. Scope**

Unless otherwise stated herein, this Agreement governs only Your Purchase of CSQ from Us during the Sale Period, and Your corresponding use of the CSQ Smart Contracts.

By using the Website and by purchasing the CSQ Tokens, the You agree to be bound by the T&C in its latest version.

You are aware that the Company may amend the T&C at any time and at its sole discretion. The continued use of the Website and the purchase of CSQ Tokens means that You accepts any new or modified terms.

The amended version will be published on the Website and the terms described therein will come into effect upon publication on the Website.

## **2. Platform Terms of Use**

Any use of CSQ in connection with providing or receiving services on the cosquare platform (herein referred to as the “**cosquare Platform**”, <https://www.cosquare.io>) will be governed by other applicable terms and policies (herein collectively referred to as the “**Platform Terms and Policies**”), which will be made available on the cosquare Platform website when the cosquare services are operational. The planned services to be offered through the cosquare Platform, which is subject to change, are set in the whitepaper. We may add new terms or policies to the Platform Terms and Policies in Our sole discretion and may update each of the Platform Terms and Policies from time to time according to modification procedures set forth therein. To the extent of any conflict between this Agreement and the Platform Terms and Policies, this Agreement shall govern Your Purchase, and the Platform Terms and Policies shall govern Your use of the cosquare Platform.

## **3. Website Terms of Use**

Use of the Website (<https://www.cosquare.io>) is governed by terms of use, as may be amended from time to time (herein referred to as the “**Terms of Use**”). Those Terms of Use are hereby incorporated by reference. Purchaser has read, understands and agrees to those Terms of Use.

## **4. Whitepaper**

cosquare has prepared a whitepaper, available on Our Site, which describes the proposed uses of the CSQ, the terms of token sales and the use of proceeds, and forms part of this Agreement.

You are aware that the Company may amend the whitepaper at any time and at its sole discretion.

Any amended version of the whitepaper will be published on the Website and the terms described therein will come into effect upon publication on the Website.

## **II. CSQ Sale Procedures and Specifications**

### **1. General**

cosquare intends to allocate and distribute a limited number of CSQ (hereinafter referred to as the “**CSQ Sale**”). Important information about the procedures and specifications of our CSQ Sale is provided in the whitepaper and this Agreement, including, but not limited to, details regarding the timing and pricing of the CSQ Sale, the amount of CSQ We will sell and Our anticipated use of the CSQ Sale proceeds.

BY PURCHASING CSQ, YOU ACKNOWLEDGE THAT YOU UNDERSTAND AND HAVE NO OBJECTION TO THE PROCEDURES AND SPECIFICATIONS SET OUT HEREIN AND IN THE WHITEPAPER.

IT IS UNDERSTOOD AND PRESUMED PER SE THAT BY THE FACTS OF USE OF THE WEBSITE AND PURCHASE OF CSQ TOKENS, THE RESPECTIVE PURCHASER HAS FULLY READ, UNDERSTOOD, AND IRREVOCABLY ACCEPTED THESE T&C. IF ANY PURCHASER DOES NOT AGREE WITH THESE T&C IN GENERAL OR ANY PART OF IT, SUCH PURCHASER SHOULD ENTIRELY WITHHOLD FROM USING THE WEBSITE AND/OR PURCHASING CSQ TOKENS.

IF YOU DO NOT AGREE TO ALL OF THESE T&C, PLEASE DO NOT USE THE WEBSITE OR ANY INFORMATION, LINK OR CONTENT CONTAINED ON THE WEBSITE AND DO NOT

PARTICIPATE IN THE cosquare TOKEN SALE.

YOUR TRANSFER OF CRYPTOCURRENCIES TO THE COMPANY OR YOUR ACCESS TO AND USE OF THE WEBSITE CONSTITUTE YOUR ACCEPTANCE OF AND AGREEMENT TO ABIDE BY EACH AND EVERY RULE AND PROVISION OF THESE T&C, INCLUDING OUR PRIVACY POLICY THAT IS HEREBY INCORPORATED IN THESE T&C BY REFERENCE.

IF THE PURCHASER IS USING THE WEBSITE ON BEHALF OF HIS ORGANIZATION, SUCH ORGANIZATION ACCEPTS THESE T&C.

PLEASE NOTE THAT THESE TERMS HAVE NOT YET BEEN APPROVED BY ANY REGULATOR, COMPETENT AUTHORITY OR AUTHORISED PERSON IN GENERAL, AND SPECIFICALLY NOT WITHIN THE MEANING OF A COMPETENT AUTHORITY ACCORDING TO SWISS OR EU LAW. THEREFORE, RELYING ON THIS DOCUMENT FOR THE PURPOSE OF PURCHASING cosquare TOKENS MAY EXPOSE YOU TO A SIGNIFICANT RISK OF LOSS OF ALL ASSETS.

## **2. Final Sale**

Your Purchase of CSQ from Us during the Sale Period is final, and there are no refunds or cancellations except as may be required by applicable law or regulation or otherwise agreed upon. We reserve the right to refuse or cancel CSQ purchase requests at any time in Our sole discretion.

## **3. Not an Offering of Securities.**

Purchaser acknowledges and agrees that the sale of CSQ and the CSQ themselves are not an investment, security, share or equity interest, debt or loan nor a derivative instrument of any of the foregoing. This Agreement and all other documents referred to in this Agreement, do not constitute a prospectus or offering document and are not an offer to sell nor the solicitation of an offer to buy an investment, security, share, equity interest or debt nor a derivative interest of any of the foregoing.

## **4. Not an Investment**

Purchaser should not participate in the CSQ Sale or Purchase CSQ for investment purposes. The Purchase of CSQ pursuant to this Agreement is not designed for investment purposes and should not be considered as a type of investment. Purchaser acknowledges, understands and agrees that Purchaser should not expect, and there is no guarantee or representation or warranty by cosquare, that **(a)** CSQ will be listed for trading on any exchange, or **(b)** the cosquare Platform will be adopted as described in the whitepaper and not in a different or modified form.

## **5. Not for Speculation**

Purchaser acknowledges and agrees that Purchaser is not purchasing CSQ for purposes of investment or speculation or for immediate resale or other financial purposes. Purchaser acknowledges and agrees that Purchaser has no expectation of economic benefit or profit from purchasing CSQ. Purchaser agrees that if Purchaser determines to transfer CSQ, Purchaser will not portray CSQ to prospective transferees as an investment opportunity to obtain an economic benefit or profit.

## **6. Terms of Token Purchase in Particular**

### **a. Purchase and Sale**

Upon the terms and subject to the conditions set forth in this Agreement, the Company sells, assigns, transfers, conveys and delivers to the Purchaser, and the Purchaser hereby purchases, acquires and accepts from the Company the number of CSQ defined according to the amount You intend to spend by filling in the respective form on

<https://www.cosquare.io> at the exchange rate at 0:00 GMT +0 prior to the token purchase request by You (hereinafter “**Purchase Price**”).

The Purchaser shall pay the Purchase Price to the Company by wire transfer within 24 hours after notice about the successful KYC and AML procedures to the wallet address and/or to the bank account indicated on the cosquare Platform.

The payment can be made in fiat currencies CHF and EUR made and in the cryptocurrencies Bitcoin (BTC) or Ethereum (ETH), whereby the conversion rate at 0:00 GMT +0 determined by CoinMarketCap.com applies.

To purchase CSQ Tokens, you shall only send cryptocurrencies/ fiat currencies from your personal wallet/ bank account, in the amount which is commensurate to the amount of the CSQ Tokens you are willing to receive for such payment.

The Purchaser undertakes to solely control the address and/or the wallet and/or the bank account used for the purchase, and shall not act on behalf of any third party, and shall not transfer the control of the mentioned address and/or wallet and/or bank account to any third party.

Purchasers are not entitled to send any funds to purchase CSQ Tokens until the CSQ Token Sale has officially begun.

Purchasers are not entitled to send any cryptocurrency/ fiat currency to purchase CSQ Tokens after the end of the Token Sale.

#### **b. Conditions Precedent**

The purchase and sale of CSQ according to this Agreement is subject to the Company's acceptance of the transaction. The allocation of CSQ to the Purchaser is within the sole discretion of the Company. The Purchaser has no right to claim distribution of CSQ. The Company has in its sole discretion the right to accept or decline the purchase request and to make reductions and to allocate fewer CSQ to the Purchaser. The Purchaser explicitly accepts the Company's right to accept or decline the purchase request and to allocate fewer CSQ to the Purchaser by accepting this Agreement.

The acquisition of CSQ is subject to prior completion of the KYC and AML procedures pursuant to the provisions of this Agreement and conditional on a full identification of the Purchaser (including the beneficial owner) according to the provisions of the Swiss Money Laundering Act. In case the KYC and AML procedures and the full identification of the Purchaser cannot be completed within a deadline set by the Company, the Company has the right to refuse the sale of CSQ to the Purchaser and withdraw from the purchase and sale of CSQ, whereby claims for compensation for any damages by the Purchaser are excluded.

You are responsible for implementing reasonable measures for secure access to the device, wallet, vault or other storage mechanism you use to Purchase, receive and hold CSQ from Us, including any requisite private key(s), usernames, passwords or other login or 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 CSQ. We are not responsible for any such losses. You understand and agree that all Purchases of CSQ are nonrefundable and you will not receive money or other compensation for any CSQ purchased.

The Purchaser has no right to refund the CSQ, no claim for reimbursement of the Purchase Price and waives to claim for compensation for any damages. Only in the case the Company sales and delivers only fewer or no CSQ to the Purchaser, the difference between the amount transferred by the Purchaser to the Company and the purchase price for the CSQ finally allocated to the Purchaser will be reimbursed to the Purchaser until February 28, 2019, the latest. The applicable exchange rate of reimbursement will be the one of the

day of payment by Purchaser or of the date of reimbursement, whatever is in favour of the Company.

### **c. KYC/ AML**

Every Purchaser must comply with the applicable anti-money laundering regulations, in particular the Swiss Anti-Money Laundering Act (RS 955.0) and cooperate for the identification process according the provisions for the prevention of money laundering and for the KYC checks.

The Company is entitled to use subcontractors to fulfil the KYC obligations and the Purchaser agree to fully cooperate with any sub-contractor for this purpose.

The Purchaser shall (without limitation) answer fully and truthfully to any question or information request in relation to any money anti-laundering requirements, by the Company or by any sub-contractor.

The Company maintains a KYC policy to comply with the recordkeeping requirements. The Company aims to reasonably identify each prospective purchaser of CSQ Tokens by crosschecking user data against governmental watch lists, including, but not limited to, the specifically designated nationals and blocked persons List maintained by OFAC, as well as third-party identity verification and authentication services. If the Purchaser's proposed purchase is flagged through the Company's internal controls, the Company may require additional proof of identification from such Purchaser, and it has the right to not permit any purchases until additional and verifiable proof of identity is received and the Purchaser has been approved as a prospective participant to the CSQ Token Sale.

The Company may, from time to time, implement policies restricting or strengthening verification levels by nationality, country of residence, or any other factor. This may affect the Purchaser's right to purchase CSQ Tokens or to withdraw CSQ Tokens. The Purchaser agrees to fully indemnify the Company against any losses associated with an inability to purchase, withdraw, or use CSQ Tokens based on the Purchaser's verification level.

The Company shall not be held liable for any false or misleading information that the Purchaser communicates to the Company or to its subcontractor(s) and the Purchaser shall fully indemnify the Company and its directors in the event of any claim, loss or damage (including reputational) in relation to a breach of applicable anti-money laundering regulations.

### **d. Specification of Token**

CSQ will be issued on the Ethereum blockchain using a smart contract. CSQ will comply with the ERC-20 standard and will be freely transferable on the Ethereum platform. CSQ can be used as a means of payment within the cosquare service universe ecosystem and might be tradable outside the cosquare platform on all relevant exchanges. The access to CSQ, their storage in a wallet and their use presupposes that the Purchaser has the necessary technology. The Purchaser has the responsibility and expense of owning the technology necessary.

The CSQ are hybrid tokens, according to the FINMA (the Swiss Financial Market Supervisory Authority) definition, since they have the nature of utility tokens that the Purchaser can use in relation to the services provided on the Cosquare platform, as well as the nature of payment tokens for buying goods and items sold on the Cosquare platform, according to the specifications given in the White Paper. Purchasers of CSQ tokens cannot claim any further rights neither vis-à-vis the Company nor third parties, in particular no participation or membership rights, no voting rights, no dividend rights.. CSQ does not represent an investment or a share in the Company or any third party. Holders of CSQ have no claim to any benefits, profits or assets of the Company or any third party and have no claim to return acquired CSQ to the Company.

Details of the pre-ICO and ICO phase timetable as well as the subsequent stages of the token sale are given in the Website. The Company has the right to postpone and/or prolong the schedule of the pre-ICO and ICO phase at its sole discretion. The Company shall immediately notify the acquirers of such a shift through the website and in other appropriate manners.

#### **e. Termination of the Right of Acquisition**

The Purchaser's right of acquisition of CSQ expires with the allocation by the Company and the transfer of the allocated CSQ to the Purchaser.

The Purchaser's right of acquisition of CSQ further expires if the Purchaser fails to provide the requisite information requested by the Company to transfer the CSQ to the Purchaser, such as the Purchaser's individual technical specifications, such as the Purchaser's Wallet ID, within 24 hours of notification of the allotment of CSQ by the Company. In this case, the Purchase Price already paid by the Purchaser will be reimbursed to the Purchaser, whereas the applicable exchange rate of reimbursement will be the one of the day of payment by Purchaser or of the date of reimbursement, whatever is in favour of the Company.

#### **f. Representations and Warranties**

##### **(a) In General**

The Company's project, in the framework of which the Company issued CSQ, is described in detail in the whitepaper (hereinafter "**Project**"). The Company has the right to amend or terminate the implementation of the Project at any time for any reason whatsoever.

The Company does not represent or guarantee that **(i)** the Company will be able to implement the Project as described in the whitepaper completely or partially **(ii)** the Project will be successful, **(iii)** CSQ can be used as a means of payment or otherwise, **(iv)** CSQ can be resold or traded and **(v)** CSQ retain their value. The Purchaser bears the risk of any fluctuation in the value of the acquired CSQ.

##### **(b) Representations by Purchaser**

By purchasing CSQ, you represent and warrant that:

- You have read and understand this Agreement and the whitepaper;
- You have the necessary authority and consent to accept the terms & conditions set out in this Agreement, to enter into a binding agreement with cosquare and to perform the obligations set out herein;
- The acceptance of the terms & conditions set out in this Agreement and the entry into a binding agreement with cosquare shall not result in any breach of, be in conflict with, or constitute a material default under: **(i)** any provision of the Purchaser's constitutional or organizational documents (in the case of a corporate entity including, without limitation, any company or partnership); **(ii)** any provision of any judgment, decree or order imposed on the Purchaser by any court or governmental or regulatory authority; and/or **(iii)** any material agreement, obligation, duty or commitment to which the Purchaser is a party or by which the Purchaser is bound;
- You have sufficient knowledge and experience in business and financial matters, including a sufficient understanding of blockchain or cryptographic tokens and other digital assets, smart contracts, token storage mechanisms (such as digital or token wallets), blockchain-based software systems and blockchain technology, to be able to evaluate the risks and merits of your Purchase of CSQ, including, but not limited to, the matters set forth in this Agreement and to appreciate the risks and implications of purchasing CSQ, and You are able to bear the risks thereof, including loss of all amounts paid, loss of CSQ and liability



to the cosquare Parties and others for your acts and omissions, including, without limitation, those constituting breach of this Agreement, negligence, fraud or wilful misconduct;

– You have obtained sufficient information about CSQ to make an informed decision to Purchase CSQ;

– You understand that CSQ confer only the right to provide and receive services on the cosquare Platform, and confer no other rights of any form with respect to cosquare, including, but not limited to, any voting, distribution, redemption, liquidation or other financial and legal rights;

– You are not purchasing CSQ for any uses or purposes other than to provide or receive services on the cosquare Platform, including, but not limited to, any investment, speculative or other financial purposes;

– You are not a US Person, a PRC Person, or a person located, organized or resident in Cuba, Iran, North Korea, Syria, Bangladesh, Nepal, Macedonia, Bolivia, Ecuador, Malaysia, Pakistan, Algeria, Morocco or any other country or territory that is subject of worldwide or territory wide sanctions; nor are You making a contribution for the purchase of CSQ for or on behalf of any such person or entity;

– You have all requisite power and authority to execute and deliver this Agreement, to use the cosquare Smart Contracts, to Purchase CSQ and to carry out and perform your obligations under this Agreement;

– If You are an individual, you are at least 18 years old and of sufficient legal age and capacity to Purchase CSQ;

– If You are an entity, Purchaser is duly organized, validly existing and in good standing under the laws of its domiciliary jurisdiction and each jurisdiction where it conducts business;

– Your Purchase of CSQ complies with applicable law and regulation in your jurisdiction, including, but not limited to, **(a)** legal capacity and any other threshold requirements in your jurisdiction for the Purchase of CSQ and entering into this Agreement with Us, **(b)** any foreign exchange or regulatory restrictions applicable to such Purchase, and **(c)** any governmental or other consents that may need to be obtained;

– You will comply with any tax obligations applicable to You arising from Your Purchase of CSQ;

– The funds, including any fiat, virtual currency or cryptocurrency You use to Purchase CSQ, are not derived from or related to any unlawful activities, including, but not limited to, money laundering or terrorist financing, and You will not use the CSQ to finance, engage in or otherwise support any unlawful activities;

– The execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with or constitute a default under, with or without the passage of time or the giving of notice **(a)** any provision of Purchaser's organizational documents, if applicable, **(b)** any provision of any judgment, decree or order to which You are a party, by which You are bound, or to which any of Your assets are subject, **(c)** any agreement, obligation, duty or commitment to which You are a party or by which You are bound or **(d)** any laws, regulations or rules applicable to You;

– The execution and delivery of, and performance under, this Agreement requires no approval or other action from any governmental authority or person other than You;

– Neither you, nor any person having a direct or indirect beneficial interest in You or CSQ being acquired by You, or any person for whom you are acting as agent or nominee in

connection the purchase of CSQ, **(a)** is the subject of economic or financial sanctions or trade embargoes administered or enforced by any country or government, including, but not limited to, those administered by the U.S. government through the Office of Foreign Assets Control of the U.S. Department of the Treasury (the “**OFAC**”) or the U.S. Department of State, the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom or any other applicable jurisdictions (herein collectively referred to as the “**Sanctions**”), **(b)** is located, organized or resident in Cuba, Iran, North Korea, Syria, Bangladesh, Nepal, Macedonia, Bolivia, Ecuador, Malaysia, Pakistan, Algeria, Morocco or any other country or territory that is the subject of country-wide or territory-wide Sanctions, **(c)** is listed in any Sanctions-related list of sanctioned persons, including, but not limited to, those maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom and/ or **(d)** is directly or indirectly owned or controlled by any person or persons described in the foregoing clauses **(a)** through **(c)**;

- Any contribution to be made by You for the purchase of CSQ is not derived from or related to any unlawful activities, including but not limited to money laundering or terrorist financing activities;
- You shall not use CSQ to finance, engage in, or otherwise support any unlawful activities;
- If You are purchasing CSQ on behalf of any entity, You are authorized to accept this Agreement on such entity’s behalf and such entity will be responsible for breach of this Agreement by You or any other employee or agent of such entity;
- You shall provide an accurate digital wallet address to cosquare for receipt of any CSQ distributed to You by cosquare;
- You understand and accept the risks of contributing to early stage blockchain startup business and acknowledge that these risks are substantial. You further warrant and represent that Your contribution does not represent a meaningful or substantial proportion of Your wealth or net worth, and that You are willing to accept the risk of loss associated with the contribution made under the terms & conditions set out in this Agreement; and
- In connection with the purchase of the CSQ, you represent to the Company the following: You will provide to the Company to Our nominee, immediately upon request, information that any of the two of Us, in any of Our sole discretion, deem necessary or appropriate in order to maintain compliance with any federal, state, local, domestic or foreign law, regulation or policy, including any KYC requirements and policies or any judicial process. Such information or documents may include but are not limited to, passports, driver’s licenses, utility bills, photographs, government identification cards or sworn statements, or, if You are an entity, proof of legal existence such as a government-issued certificate of incorporation or notarized formation documents, and We or Our nominee, may keep a copy of such information and disclose such information and documents in order to comply with applicable laws, regulations, rules or agreements. You acknowledge that cosquare may refuse to distribute CSQ to You until such requested information is provided.

#### **(c) Covenants of Purchaser**

By purchasing CSQ, You covenant with cosquare not to enter into or agree or attempt to enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary, directly or indirectly, with any US Person, PRC Person or any person resident of, or located or domiciled in Cuba, Iran, North Korea, Syria, Bangladesh, Nepal, Macedonia, Bolivia, Ecuador, Malaysia, Pakistan, Algeria, Morocco, or any other country or territory that is subject of country-wide or territory-wide Sanctions, to sell, lend, transfer, assign or otherwise dispose of or cease to exercise control of all, or part of any interest in any CSQ.

The Parties do not assume any further representations or guarantees.

### **III. No Other Rights Created**

#### **1. No Claim, Loan or Ownership Interest**

The Purchase of CSQ **(a)** does not provide Purchaser with rights of any type with respect to cosquare or its revenues or assets, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary or other financial or legal rights, **(b)** is not a loan to cosquare and **(c)** does not provide Purchaser with any ownership or other interest in cosquare.

#### **2. Intellectual Property**

cosquare Companies retains all right, title and interest in all of cosquare Companies' intellectual property, including, without limitation, inventions, ideas, discoveries, software, processes, marks, methods, information and data, whether or not protectable by patent, copyright or trademark. Purchaser may not use any of cosquare Companies' intellectual property for any reason without cosquare Companies' prior written consent.

### **IV. Risks**

#### **1. Acknowledgement**

You expressly acknowledge that you have carefully reviewed, understood and assume the risks set out in **Annex 1** hereto and in the whitepaper regarding purchasing, holding and using CSQ and using the corresponding CSQ Smart Contracts.

BY PURCHASING CSQ USING THE CSQ SMART CONTRACTS, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME THESE RISKS, INCLUDING THAT CSQ MAY HAVE NO VALUE.

#### **V. Audit of the Smart Contract System**

##### **1. Audit**

cosquare shall exercise reasonable endeavors to have the CSQ Smart Contract system audited and approved by technical experts with regard to both accuracy and security of the underlying code.

##### **2. Smart Contract Technology**

Smart contract technology is still in an early stage of development and its application is currently of an experimental nature, which carries significant operational, technological, financial, regulatory and reputational risks. Accordingly, while any audit conducted shall raise the level of security and accuracy of the CSQ Smart Contract system, you acknowledge, understand and accept that the audit does not amount to any form of warranty, representation or assurance (in each case whether expressly or impliedly) that the CSQ Smart Contract system and CSQ are fit for a particular purpose or that they are free from any defects, weaknesses, vulnerabilities, viruses or bugs which could cause, inter alia, the complete loss of fiat, ETH and/or BTC contributions and/or CSQ.

### **VI. Taxes**

#### **1. Tax Treatment**

The purchase price that You pay for CSQ is exclusive of all applicable taxes. You are responsible for determining what, if any, taxes apply to Your Purchase of CSQ, 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. We are not responsible for withholding, collecting, reporting or remitting any sales, use value added or

similar tax arising from Your Purchase of CSQ.

## **2. Acknowledgement**

You acknowledge, understand and agree that **(a)** the Purchase and receipt of CSQ may have tax consequences for You, **(b)** You are solely responsible for compliance with Your tax obligations, and **(c)** cosquare bears no liability or responsibility with respect to any tax consequences to You associated with or arising from the creation, ownership, use or liquidation of CSQ or any other action or transaction related to the cosquare Platform or the CSQ Sale.

## **VII. Indemnification**

### **1. Scope of Indemnity**

To the fullest extent permitted by applicable law, Purchaser will indemnify, defend and hold harmless cosquare and its 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 (herein referred to as the **“cosquare Parties”**) from and against all claims, demands, actions, damages, losses, costs and expenses of any kind (including attorneys' fees) arising from or relating to **(a)** Purchaser's purchase or use of the CSQ, **(b)** Purchaser's use of the cosquare Smart Contracts, **(c)** Purchaser's responsibilities or obligations under this Agreement, **(d)** Purchaser's breach or violation of this Agreement, **(e)** any inaccuracy in any representation or warranty of Purchaser, **(f)** Purchaser's violation of any rights of any other person or entity and/or **(g)** any act or omission of Purchaser that is negligent or unlawful, or constitutes wilful misconduct.

### **2. cosquare Rights**

cosquare reserves the right, at its option, to exercise sole control over the defence, at your expense, of any claim subject to indemnification. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in any other written agreement between you and cosquare.

## **VIII. Disclaimers**

### **1. Disclaimer by cosquare**

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN A WRITING BY US, **(i)** CSQ ARE SOLD ON AN “AS IS” AND “AS AVAILABLE” BASIS WITHOUT WARRANTIES OF ANY KIND, AND WE EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES AS TO THE CSQ, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, UTILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR AS TO THE WORKMANSHIP OR TECHNICAL CODING THEREOF, OR TITLE AND NON-INFRINGEMENT; **(ii)** WE DO NOT REPRESENT OR WARRANT THAT THE CSQ OR THE cosquare SMART CONTRACTS ARE RELIABLE, CURRENT OR ERROR-FREE OR MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN THE CSQ OR cosquare SMART CONTRACTS WILL BE CORRECTED; **(iii)** WE CANNOT AND DO NOT REPRESENT OR WARRANT **(a)** THAT THE CSQ, THE DELIVERY MECHANISM FOR CSQ OR THE cosquare SMART CONTRACTS ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS, **(b)** THE ABILITY OF ANYONE TO PURCHASE OR USE THE CSQ, AND **(c)** THAT THE PROCESS OF PURCHASING THE CSQ, RECEIVING THE CSQ OR USING THE cosquare SMART CONTRACTS WILL BE UNINTERRUPTED OR ERROR-FREE OR THAT THE CSQ OR cosquare SMART CONTRACTS ARE RELIABLE AND ERROR-FREE. AS A RESULT, PURCHASER ACKNOWLEDGES AND UNDERSTANDS THAT PURCHASER MAY NEVER RECEIVE CSQ AND MAY LOSE THE ENTIRE AMOUNT PURCHASER PAID TO cosquare.

### **2. Exclusions**

Some jurisdictions do not allow for the exclusion of certain warranties or disclaimer of implied terms in contracts with consumers. If these laws apply to You, some or all of the limitations or exclusions may not apply to You, and You may have additional rights.

## **IX. Limitation of Liability**

### **1. No Consequential Damages.**

The Company, as well as its officers, directors, agents, joint ventures, employees, suppliers and advisors, assumes no liability or responsibility for any loss raised from the CSQ Token sale, arising out of or related to the use of the Company platform or any technical, interruption or malfunction of the Company platform.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, NEITHER cosquare NOR THE cosquare PARTIES ARE RESPONSIBLE OR LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, PUNITIVE OR OTHER DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS, LOSS OF DATA OR LOST PROFITS), UNDER ANY LEGAL THEORY ARISING OUT OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR YOUR PURCHASE OF CSQ, OR YOUR USE OF THE cosquare SMART CONTRACTS. YOUR SOLE REMEDY FOR DISSATISFACTION WITH THE PURCHASE PROCESS IS TO NOT MAKE A PURCHASE. THE SOLE AND EXCLUSIVE MAXIMUM LIABILITY OF cosquare FOR ALL DAMAGES, LOSSES AND CAUSES OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE) OR OTHERWISE, SHALL BE THE TOTAL AMOUNT PAID BY YOU TO US FOR THE CSQ. THE FOREGOING LIMITATIONS WILL NOT LIMIT OR EXCLUDE LIABILITY FOR GROSS NEGLIGENCE, FRAUD, WILLFUL OR RECKLESS MISCONDUCT OF cosquare NOR SHALL IT LIMIT OR EXCLUDE ANY LOSSES FOR WHICH, AS A MATTER OF APPLICABLE LAW, IT WOULD BE UNLAWFUL TO LIMIT OR EXCLUDE LIABILITY.

IN NO EVENT SHALL THE COMPANY, MEMBERS OF THE COMPANY BOARD, STAFF, DIRECTORS, SHAREHOLDERS, CONTRACTORS, DEVELOPERS, OR VOLUNTEERS BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY AND/OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE CSQ TOKEN SALE, THE SMART CONTRACT, SERVICES OR PRODUCTS OFFERED BY THE COMPANY, OR THE CSQ PROJECT, THE WEBSITE, THE WHITE PAPER OR THESE T&C.

THE COMPANY SHALL NOT BE CONSIDERED LIABLE FOR ANY ADVERTISEMENT, PUBLIC ANNOUNCEMENT OR PRESS RELEASE MADE IN RELATION TO THE CSQ TOKEN SALE.

THE COMPANY SHALL NOT BE CONSIDERED LIABLE FOR ANY SECURITY RISK SUCH AS HACKER ATTACKS, LOSS OF PASSWORD, LOSS OF PRIVATE KEY OR SIMILAR, BUGS OR ERRORS IN CODE, TEXT, OR IMAGES INVOLVED IN THE SALE OR IN THE WALLET USED IN RELATION TO THE CSQ TOKEN SALE OR FOR ANY DAMAGES OR LOSSES RESULTING FROM THE VOLATILITY IN PRICING OF PILLARS IN ANY COUNTRIES AND CRYPTOCURRENCY EXCHANGES.

THE COMPANY SHALL NOT BE HELD LIABLE TO AND SHALL NOT ACCEPT ANY LIABILITY, OBLIGATION, OR RESPONSIBILITY WHATSOEVER FOR ANY CHANGE OF THE VALUE OF CSQ TOKENS. THE PURCHASER UNDERSTANDS AND EXPRESSLY AGREES THAT COMPANY SHALL NOT GUARANTEE IN ANY WAY THAT CSQ TOKENS MAY BE SOLD OR TRANSFERRED DURING OR AFTER THE CSQ TOKEN SALE. IF APPLICABLE LAW DOES NOT ALLOW ALL OR ANY PART OF THE ABOVE LIMITATION OF LIABILITY TO APPLY TO THE PARTICIPANT, THE LIMITATIONS WILL APPLY TO THE PURCHASER ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW. THE PURCHASER UNDERSTANDS AND AGREES THAT IT IS HIS/HER OBLIGATION TO ENSURE COMPLIANCE WITH ANY LEGISLATION RELEVANT TO HIS/HER COUNTRY OF DOMICILE CONCERNING PURCHASING OF CSQ TOKENS.

THE COMPANY WILL NOT BE LIABLE FOR (PARTIAL) INTERRUPTIONS TO AND DOWNTIME OF THE WEBSITE OR THE ETHEREUM BLOCKCHAIN DUE TO REPAIR, MAINTENANCE OR

UPDATE WORK OR FOR ANY OTHER REASONS THAT IT CANNOT DIRECTLY CONTROL.

BY PURCHASING CSQ TOKENS AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU AGREE NOT TO HOLD THE COMPANY OR ANY DIRECTOR, EMPLOYEE OR CONTRACTOR OF THE COMPANY LIABLE FOR ANY LOSSES OR DAMAGES ARISING OUT OF OR IN ANY WAY CONNECTED TO YOUR FAILURE TO PROPERLY SECURE YOUR PRIVATE KEY TO THE WALLET CONTAINING YOUR CSQ TOKENS: (I.E. BUT NOT LIMITED TO) HACKER'S ATTACKS, STOLEN DEVICES, LOSS OF PASSWORDS, ETC.

IF APPLICABLE LAW DOES NOT ALLOW ALL OR ANY PART OF THE ABOVE LIMITATION OF LIABILITY TO APPLY TO YOU, THE LIMITATIONS WILL APPLY TO YOU ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW.

IN ANY EVENT, THE COMPANY WILL NOT BE LIABLE FOR AGGREGATE LIABILITY FOR ANY CLAIMS RELATING TO THE CSQ TOKEN SALE OR ANY TRANSACTION, WHETHER IN TORT (INCLUDING NEGLIGENCE), IN CONTRACT OR OTHERWISE, MORE THAN THE VALUE OF EACH SPECIFIC TRANSACTION.

YOU UNDERSTAND AND AGREE THAT BY FILING ANY CLAIM MORE THAN THIRTY (30) AFTER THE DISCOVERY OF THE ALLEGED LIABILITY, YOU WILL BE DEEMED TO HAVE FORFEITED YOUR RIGHTS. ANY SUCH CLAIM SHALL BE TIME-BARRED.

## **X. Data Protection**

### **1. Information Request**

If We make an information request, We may require You to provide information and documents relating to (without limitation):

- Your identity;
- Your address;
- the source of funds used for the purposes of purchasing CSQ; and/or
- any other documents or data from which You can be identified (herein collectively referred to as “**Your Personal Data**”).

### **2. Your Personal Data**

We will not disclose Your Personal Data except as expressly permitted under the terms & conditions set out in this Agreement and otherwise only with Your prior consent. However, We may be required to disclose Your Personal Data and/or certain other information about You to the extent required by applicable law or by an order of a court or competent governmental or regulatory authority. By accepting the terms & conditions set out in this Agreement, You expressly agree and consent to Your Personal Data being disclosed to third parties to any extent required for the purposes of compliance with applicable law.

### **3. Process of Your Personal Data**

We shall process Your Personal Data in accordance with the Swiss law and You agree that We, as the data controller, may directly or through Our service providers or agents process Your Personal Data for anyone or more of the following purposes:

- the purchase of CSQ and the processing of transactions related to the CSQ Sale pursuant to the terms & conditions set out in this Agreement;
- providing You with information about Us and Our range of services;
- compliance with any requirement imposed by applicable law or by an order of a court or competent governmental or regulatory authority;

- management of enquiries and complaints;
- opening, maintaining or operating a bank account in the Company's name;
- resolving any disputes with You;
- producing summary information for statistical, regulatory and audit purposes; and/or
- any other reasonable purposes in accordance with applicable law.

#### **4. Access to Your Personal Data**

Under the Swiss law You have a right to access Your Personal Data held by us, and it is Your responsibility to inform Us of any changes to Your Personal Data to ensure such data remains accurate. You also have a right to object to Your Personal Data being processed for the purposes of direct marketing. You agree to provide a written request to Us should you wish to enforce these rights.

#### **5. Transfer of Your Personal Data**

You agree that We may, permit the transfer of Your Personal Data to any jurisdiction, whether or not inside the European Economic Area, and that by accepting the terms & conditions set out in this Agreement You authorize and expressly consent to the processing of Your Personal Data by Us, Our agents and/or Our service providers, provided that where Your Personal Data is processed by entities other than Us, Our agents or Our service providers, We shall seek Your prior written consent in respect of such processing.

#### **6. Controlling and Processing of Your Personal Data**

You acknowledge, accept and understand that the terms & conditions set out in this Agreement, insofar as they relate to the controlling and processing of Your Personal Data by cosquare, Our agents and/or service providers, are only relevant to the processing of Your Personal Data for the purposes set out in the terms & conditions of this Agreement. In order to access the cosquare Platform and provide or receive services therein or otherwise use and interact with the cosquare Platform, You will be required to accept the Platform Terms and Policies which shall also set out the terms and conditions under which Your Personal Data is collected, stored and processed (as well as Your individual rights under applicable data protection laws) in connection with Your use of the cosquare Platform.

#### **7. Privacy Policy regarding Your Personal Data**

This section of this Agreement (hereinafter referred to as the **"Privacy Policy"**) sets out how cosquare uses and protects any information that You give Our organization. cosquare may change this Privacy Policy from time to time by updating this section of this Agreement.

You should check this Agreement from time to time to ensure that You agree with any changes.

The type of information We collect:

- Name and job title;
- Company name;
- Contact information including email address, telephone numbers;
- Demographic information such as post code; and/or

- Your Personal Data (herein collectively referred to as “**Your Personal Information**”).

#### **a. Your choices regarding Your Personal Information**

- When You receive newsletters or communications from cosquare You may indicate a preference to stop receiving further communications from Us and You may OPT OUT by following the unsubscribe instructions provided in the email you receive;
- If you have previously agreed to Us using Your Personal Information You may change Your mind at any time by emailing us at [legal@cosquare.io](mailto:legal@cosquare.io).

#### **b. What We do with the information We gather**

- Internal record keeping;
- Newsletters and communications;
- We may periodically send emails about information which We think You may find interesting using the email address which You have provided;
- From time to time We may contact You by email, phone, fax or mail.

#### **c. Disclosure of Your Personal Information**

- We will not sell or distribute Your Personal Information to third parties unless We have Your permission or are required by law to do so.

#### **d. Safeguarding the Information You share with Us**

- We are committed to ensuring that Your Personal Information is secure. In order to prevent unauthorised access or disclosure, We have put in place suitable physical, electronic and managerial procedures to safeguard and secure the information.
- You have the right to ask cosquare for a copy of the Your Personal Information held about You and to request that cosquare correct any inaccuracies in that information.

#### **e. Cookies**

- Cookies are used to make Our Site work, to retain user preferences, and to help the Site provide a better user experience. cosquare uses Google Analytics to analyse the use of the Site and generates statistical and other information to create usage reports about the Site.

Google's privacy policy is available at:

<https://www.google.com/policies/privacy>.

#### **f. Security**

- cosquare holds Your Personal Information in accordance with the General Data Protection Regulation and Swiss Data Protection Law.

### **XI. Miscellaneous**

The Company may enter into similar agreements with other parties regarding the purchase of CSQ, whereby the purchase price may vary individually. The Purchaser is not entitled to assert any claim in this respect.

#### **1. Entire Agreement**



This Agreement constitutes the entire understanding and agreement of the Parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings among the Parties with respect to the subject matter hereof, both written and oral.

## **2. Amendment and Modifications**

We may modify, change, supplement or update this Agreement and the whitepaper in Our sole discretion at any time without advance notice. We suggest that You visit the Site regularly to keep up to date with any changes. Your continued use of the Site will confirm Your acceptance of this Agreement and whitepaper as modified, changed, supplemented or updated by Us. If You do not agree to such revised Agreement and/or whitepaper You must stop using this Site and any information, links or content contained on this website and cease participating in the CSQ.

However, By a Purchase of CSQ, You expressly acknowledge and agree that cosquare can, in its sole discretion, amend this Agreement or terminate the Agreement at any time for any reason.

## **3. Severability**

If any provision of this Agreement is or becomes illegal, invalid or unenforceable, this shall not affect the validity of the remaining provisions of this Agreement. The illegal, invalid or unenforceable provision shall be replaced by a provision which best meets the intent of the replaced provision.

## **4. No Partnership and/or joint venture**

By transferring cryptocurrency to the Company, no form of partnership or joint venture or any similar relationship between the Purchaser and the Company and/or the setting up of the cosquare project is created.

Purchasing of CSQ Tokens by the Purchaser in no way creates any exclusive relationship between the Purchaser and the Company, nor any partnership, joint venture, employment, or agency.

## **5. Contact**

cosquare AG, Bundesplatz 14, 6300 Zug, [legal@cosquare.io](mailto:legal@cosquare.io).

## **6. Governing Law**

This Agreement shall be governed by and construed in all respects in accordance with the **laws of Switzerland**, to the exclusion of the conflict of law rules applicable therein as well as international and supranational law.

## **7. Jurisdiction**

Any dispute, controversy or claim arising under, out of or in connection with this agreement or the Transaction contemplated herein that cannot be resolved by the Parties shall exclusively be referred to and finally determined by the Courts of **Zug, Switzerland**.

## **Annex 1: Risk Factors**

### **1. Risk of Losing Access to CSQ Due to Loss of Private Key(s), Custodial Error or Your Error**

A private key, or a combination of private keys, is necessary to control and dispose of CSQ

stored in Your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with Your digital wallet or vault storing CSQ will result in loss of such CSQ. 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 CSQ. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault You choose to receive and store CSQ, including Your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of Your CSQ. Additionally, Your failure to precisely follow the procedures set forth for buying and receiving CSQ, including, for instance, if You provide an incorrect CSQ receipt address, or provide an address that is not ERC-20 compatible, may result in the loss of Your CSQ.

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

Because CSQ and the ecosystem as described in the whitepaper (hereinafter referred to as the “**Ecosystem**”) are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on the Ecosystem or CSQ. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the CSQ and the Ecosystem 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, CSQ are susceptible to attacks by miners in the course of validating CSQ 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 ecosystem and the CSQ, including, but not limited to, accurate execution and recording of transactions involving CSQ.

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

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

## **5. Risk of Theft**

Notwithstanding any security measures, there is no assurance that there will be no theft of the cryptocurrencies as a result of hacks, sophisticated cyber-attacks, distributed denials of service or errors, vulnerabilities or defects on the Site, in the CSQ Smart Contract on which, on the Ethereum or any other blockchain, or otherwise. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. In such event, cosquare may not be able to receive the cryptocurrencies raised and may not be able to utilize such funds as describe in the whitepaper. As such, distributed CSQ may hold little worth or value, and this would impact its trading price.

## **6. Risks Associated with Markets for CSQ**

CSQ are intended to be used solely within the Ecosystem and cosquare will not support or otherwise facilitate any secondary trading or external valuation of CSQ for so far. This restricts the contemplated avenues for using CSQ to the provision or receipt of services as set out in the whitepaper, and could therefore create illiquidity risk with respect to any CSQ you own. Even if secondary trading of CSQ 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. Further–more, to the extent that third parties do ascribe an external exchange value to CSQ (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero.

#### **7. Risk of Future Sales or Issuance of CSQ**

Future sales or issuance of CSQ could materially and adversely affect the market price of CSQ. Any future sale or issuance of CSQ would increase the supply of CSQ in the market and this may result in a downward price pressure on CSQ. The sale or distribution of a significant number of CSQ or the perception that such further sales or issuance may occur, could adversely affect the trading price of the Tokens.

#### **8. Risk of Uninsured Losses**

Unlike bank accounts or accounts at some other financial institutions, CSQ 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 cosquare, to offer recourse to You.

#### **9. Risks Associated with Uncertain Regulations and Enforcement Actions**

The regulatory status of CSQ 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 Ecosystem and the CSQ. 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 Ecosystem and the CSQ. Regulatory actions could negatively impact the Ecosystem and the CSQ in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of the CSQ constitutes unlawful activity or that the CSQ 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. cosquare 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.

#### **10. Risks Arising from Taxation**

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

#### **11. Risk of Competing Ecosystems**

It is possible that alternative Ecosystems could be established that utilize similar protocols underlying the Ecosystem and attempt to facilitate services that are materially similar to the services of cosquare set out in the whitepaper. The Ecosystem may compete with these alternatives, which could negatively impact the Ecosystem and CSQ, including the utility of the CSQ for obtaining services as set out in the whitepaper.

#### **12. Risk of Insufficient Interest in the Ecosystem**

It is possible that the Ecosystem 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 ecosystems (such as the Ecosystem) more generally. Such a lack of use or interest could negatively impact the development of the Ecosystem and therefore the potential utility of the CSQ, including the utility of the CSQ for obtaining Services.

### **13. Risks Associated with the Development and Maintenance of the Ecosystem**

The Ecosystem is still under development and may undergo significant changes over time. Although we intend for the CSQ and Ecosystem to function as described in the whitepaper and intend to take commercially reasonable steps toward those ends, we may have to make changes to any timelines announced in the whitepaper, on the Site or any other official channel of cosquare, or the specifications of the CSQ or Ecosystem for any number of legitimate reasons. This could create the risk that the CSQ or Ecosystem, as further developed and maintained, may not meet your expectations at the time of purchase.

### **14. Risk of Dissolution of cosquare or the Ecosystem**

It is possible that, due to any number of reasons, including, but not limited to, an unfavourable fluctuation in the value of ETH, BTC (or other cryptographic and fiat currencies), the failure of commercial relationships, intellectual property ownership challenges, insolvency, or the liquidation of cosquare, the Ecosystem may no longer be viable to operate.

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

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

### **16. Risks of Economic Conditions**

cosquare has been and could continue to be affected by general global economic and market conditions. Challenging economic conditions worldwide have from time to time contributed, and may continue to contribute, to slowdowns in the information technology industry at large. Weakness in the economy could have a negative effect on cosquare's business, operations and financial condition, including decreases in revenue and operating cash flows. Additionally, in a downcycle economic environment, cosquare may experience the negative effects of increased competitive pricing pressure and a slowdown in commerce and usage of the Ecosystem. Suppliers on which cosquare relies for servers, bandwidth, location and other services could also be negatively impacted by economic conditions that, in turn, could have a negative impact on cosquare's operations or expenses. There can be no assurance, therefore, that current economic conditions or worsening economic conditions or a prolonged or recurring recession will not have a significant adverse impact on cosquare's business, financial condition and results of operations and hence the Ecosystem, which would correspondingly impact the value of CSQ.

### **17. Unanticipated Risks**

Cryptographic tokens such as CSQ are a new and untested technology. In addition to the risks included in this Annex 1 there are other risks associated with your purchase, possession, and use of the CSQ, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this Annex 1.