Planq Cryptocurrency white paper

Version 1.2
Last amended on 09 February 2023.

This crypto-asset white paper provides information regarding the Planq Coin ($PLQ). This crypto-asset white paper will be amended whenever circumstances arise that require it, such as the addition of a Centralised Exchange (CEX) to the list of CEXs $PLQ is tradable on.

This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The offeror of the crypto-assets is solely responsible for the content of this crypto-asset white paper.

This crypto-asset white paper complies with the requirements of Title II of the MiCA Regulation.[1] To the best knowledge of the offeror's management body, the information presented in this crypto-asset white paper is in accordance with the facts and this crypto-asset white paper makes no omission likely to affect its import.

[1] Proposal for a Regulation of the European Parliament and of the Council on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 (MiCA).

Table of content

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Summary

WARNING: this summary should be read as an introduction to this crypto-asset white paper. The potential holder should base any decision to purchase a crypto-asset on the content of the whole white paper. The offer to the public of crypto-assets does not constitute an offer or solicitation to purchase financial instruments and that any such offer or solicitation to purchase financial instruments can be made only by means of a prospectus or other offering documents pursuant to national laws. The crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/112933 or another offering document pursuant to Union legislation or national laws.[2]

The Planq Coin ($PLQ) is the native coin of the Planq blockchain. The Planq blockchain is built on the Ethereum Virtual Machine (EVM) and makes use of the Proof-of-Stake (PoS) consensus mechanism.
A key element of the Planq solution is the Cosmos-SDK which runs on top of Tendermint's technology. Tendermint is a platform for blockchain-based applications, where Cosmos integrates into, with a variety of modules. It supports blockchain apps regardless of the programming language they're written in, due to its Application Blockchain Interface.
Tendermint is a lot like a web server that programmers access to design web apps, except it does this for blockchain app developers. To support these programmers, Tendermint provides the infrastructure they need, whereas Cosmos provides its modules to build a feature-rich, secure blockchain out of its modular design.
Because Planq utilizes both tech's, users have all the resources they need to develop blockchain-based applications and even interchain applications via IBC bridges.
Also, due to the lightweight nature of Planq's PoS structure, a mobile phone has the power it needs to participate in the consensus mechanism, as well as design blockchain solutions.
$PLQ has both governance and utility functions within the Planq ecosystem.

The offeror of $PLQ is Planq Dev B.V., a limited liability company under the laws of the Netherlands, with the following identifying details:
Planq Dev B.V.
Copernicusstraat 11
6003 DE Weert
The Netherlands

$PLQ is currently not listed on any CEXs. When $PLQ is listed on a CEX, this will be amended.

[2] Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (OJ L 168, 30.6.2017, p. 12).

Abstract

Planq is the first cryptocurrency to focus on usability on mobile platforms, moving away from a dependency on heavy computer applications. Further, Planq is OS-agnostic, allowing any mobile device, regardless of its operating system, to run the platform.

More than half of the world's population doesn't have access to desktop or laptop computers. On the other hand, over 80% has access to a mobile phone. Planq's approach seeks to unlock the full potential of those around the globe who have mobile phones but may not have a computer, enabling them to become full participants in the Planq ecosystem. This means those who only have access to a phone or other mobile device can use the Planq blockchain to interact with DApps, DeFi applications and other mobile users—without needing a desktop.

Planq's mobile-first model breaks down barriers to access, inviting a wider swath of users, from a diverse array of communities, to engage with blockchain technology. The impact will be felt in everything from peer-to-peer exchanges to DApp development and DeFi.

The Power of DeFi for More People

While Planq's platform impacts a virtually limitless assortment of users and creators, its impact on the DeFi ecosystem is perhaps the most significant. This is especially true because Planq supports equitable access to the benefits of DeFi.

A lot of users may be currently confined to using a desktop computer to get the most out of DeFi applications, as well as to program new DeFi solutions. This means users with great ideas and skills may not have the resources they need to fully engage with the world of DeFi. This hampers not only their ability to invest in and profit from the DeFi space, but it also results in limited exposure for those in the developed world to the skills and resources of those who may not have access to the right kind of computer.

Planq addresses these discrepancies, paving the way for full interaction with DeFi and all the potential it offers. For example, users in developing countries can lend and borrow funds using only their phones, earning income with DeFi while simultaneously supporting the overall crypto ecosystem.

The Relationship Between Planq and Web3

Web3 seeks to add decentralization to the internet's infrastructure, instead of relying on a system where corporations own and operate core elements of the internet. Planq exists within this ecosystem, particularly because all of its development happens online within the Planq environment.
With Planq, participants can design solutions—on their mobile phones—that improve the ways in which users interact with each other. In this way, Planq effectively expands the breadth and depth of Web3, giving more users a seat at the development table.

Solution

Planq's solution is built on a foundation of pre-existing building blocks, including Web3, the Ethereum Virtual Machine (EVM), and blockchain solutions, such as Tendermint and Cosmos, that have already succeeded in solving core challenges. What Planq adds, however, is a solution that hones in on users operating on mobile devices instead of desktop computers.

Planq's infrastructure depends on the Ethereum Virtual Machine in the same way thousands of other blockchain solutions do. EVM, as explained on Ethereum's site, defines the rules for computing a new valid state from block to block. In other words, EVM ensures that the Ethereum blockchain, and all of the operations that exist on it, evolves continuously, without interruption, and immutably, meaning blocks can't be altered once they've been added. Planq operates within this well-tested ecosystem, benefitting from years of development and testing.

It may be easiest to think of EVM as a computer with blockchain rules, and Planq—as well as other solutions—benefits from these rules. As a result, Planq's platform gets the consistency, dependability, and immutability of the Ethereum blockchain.

In addition, Planq's EVM infrastructure means Ethereum-based smart contracts will work right away on Planq's platform. This makes it possible for users and developers used to the Ethereum ecosystem to interact seamlessly with Planq's platform.

Planq's Proof-of-Stake vs. Proof-of-Work

Unlike Bitcoin-based solutions, Planq uses proof-of-stake (PoS) as opposed to proof-of-work (PoW). This decision plays a significant role in fostering usability for people who need to use their phones to interact with the platform.

While both PoS and PoW are effective tools for validating transactions on the blockchain, PoS requires far less computing power. With PoS, select nodes get the right to verify transactions, increasing the speed at which they get added to the blockchain while reducing the amount of computational power it takes to make it happen. PoS is thus very energy efficient compared to PoW.

For mobile phone users, reducing the computational power needed to interface with the blockchain is especially important. Mobile devices typically have far less computing power than desktops. Therefore, Planq's PoS system gives users the freedom to contribute to the ecosystem without having to purchase and maintain a desktop computer.

Planq and Tendermint

A key element of the Planq solution is Tendermint's technology. Tendermint is a platform for blockchain-based applications. It supports blockchain apps regardless of the programming language they're written in. Tendermint is a lot like a web server that programmers access to design web apps, except it does this for blockchain app developers. To

support these programmers, Tendermint provides the infrastructure they need, which equates to the equivalent of a web server, supporting libraries, and a database.

Because Planq utilizes Tendermint tech, users have all the resources they need to develop blockchain-based applications. Also, due to the lightweight nature of Planq's PoS structure, a mobile phone has the power it needs to participate in the consensus mechanism, as well as design blockchain solutions.

The Role of the Tendermint BFT (Byzantine Fault Tolerance)

In reality, all blockchains use the principles associated with Byzantine Fault Tolerance (BFT), and Tendermint's solution is no exception. The BFT system is based on an allegory about war generals. Put simply, it solves the following problem: A group of generals, each in charge of their own army, need to collaborate by sending messages to each other in order to attack an enemy. However, they have to make sure that the messages are authentic and unaltered. Otherwise, someone could tamper with them and send one or more armies to their doom.

BFT, within the context of blockchain tech, solves this challenge by hashing each transaction, and only when the hash is adequately solved is the "message," or transaction, verified as legitimate. It then gets added to the block.

Planq's use of Tendermint's BFT ensures that all transactions are not only lightweight but also secure and immutable. With Tendermint Core, you need a supermajority (more than 2/3) of nodes to agree before a transaction gets added to the blockchain. This makes it so each transaction added to the blockchain is inherently secure. And, because transactions are chained together within blocks, multiple blocks have to verify the validity of each transaction. In this way, if someone were to try to change a block, the system would recognize the attempt and reject it.

Therefore, even though Planq is accessible to millions of people with nothing more than a smartphone, the platform is still highly secure and as immutable as other chains, such as Bitcoin.

How Planq Supports Development on Its Platform

To make it easier and faster for developers to build solutions, Planq will have libraries of pre-designed tools that simplify the integration of Web3 into apps. This is slated for a future phase of development.

In the near-term, Planq's developers will be releasing a wallet app that integrates a full wallet system, as well as a gateway or hub that enables this and other apps to communicate with the Planq blockchain. As a result, it will be easier for developers to build solutions on the platform. Over time, more and more tools will be added to the libraries, making development faster and more efficient.

Use Cases

While the uses of Planq are limitless, there are a few straightforward use cases that show its potential to contribute to the evolution of the blockchain space.

Secure Interpersonal Communication

It is important to maintain the privacy of messages while interacting with others, regardless of whether you're on a blockchain or not. With Planq, users will be able to have their messages encrypted, protecting them from third parties that may want to intercept or interfere with the communication.

This means that even if someone were to successfully snoop on a network you were using to connect to Planq's platform, all they would get would be a nonsensical arrangement of letters and symbols. Because they don't have the decryption key, your messages are useless to them.

As a result, you can exchange all kinds of information—including sensitive data if you want—over the Planq platform without having to worry about someone stealing your data.

Instantly Send and Receive Funds

Another core feature of Planq's solution is the ability to send crypto-assets to others directly within the chat app. The app will integrate seamlessly with your crypto wallet, making it easy to transmit funds to someone you're chatting with. There's no need to leave the app and go to another platform or website to send crypto-assets.

For example, suppose Sam is sitting at home chatting with a friend, Keisha, on Planq. Keisha's at the mall. Sam realizes he needs to buy a gift for his parents' anniversary, which is the following day. He can then shoot a quick message to Keisha asking her to pick up a gift. With a few more taps, Sam can send Keisha the funds she needs to purchase the gift— all without leaving the app.

Keisha then makes the purchase, which ends up being less than what Sam sent. In a few moments, Keisha can send Sam the difference, squaring things up.

All of Sam and Keisha's interactions are encrypted, including the amounts sent, what they said to each other, and the item purchased. In the end, both the communication and the transaction is secure.

Due to the lightweight consensus mechanism Planq uses, transactions like the one between fictional Sam and Keisha are as inexpensive as they are quick and convenient. There's no need to worry about transaction fees that could make sending or receiving crypto-assets too expensive to be worth it. Also, it doesn't matter where the participants are located, because the Planq blockchain works just as well for its users regardless of the countries they're in.

App Development in Developing Countries

In addition to the barriers created by users needing a desktop to build apps, when end users need a desktop to interact with the app, it limits the number of people who can get the most out of a digitized solution. Planq helps eliminate this pain point.

Example: A Health Information App

For example, imagine a health clinic is operating in a small town in rural India. While the clinic itself can afford a few desktop computers, most of the doctors and nurses don't have their own workstations at the clinic. Furthermore, it would be unreasonable to institute a BYOD (bring your own device) policy that pressured them to purchase their own computers and commute with them each day when they went to work, especially because their family members might need to use such devices as well.

With Planq, someone can develop a simple app that enables users to submit basic medical information for the patients they see, as well as payment information, progress updates, and prescription data. To maintain privacy standards associated with health information, all information submitted to the blockchain can be encrypted. If an unauthorized individual were to try to break into the system, they would only be able to retrieve encrypted, impossible-to-read data.

As a doctor prescribes a medication, they can enter the type, dosage, and directions for how to take it right into the app on their phone. Because the people in charge of billing have access to the same system, they can tell the patient what they owe as they leave or set up a crypto-payment arrangement, if necessary.

Other users can access the system as well, including the local pharmacist and other health care providers, such as therapists or others involved in the patient's treatment plan. With Planq, all these people need is a mobile device that can connect to the internet. They can then exchange patient information securely.

While for traditional solutions this kind of system might necessitate a separate server and significant software and hardware tools, with Planq, all information can be securely stored and provided on the blockchain.

Example: Cross-Border Payments in a Developing Country

Next, let's imagine a young man named Gatimu has an importation business in his home country of Kenya. He strategically locates his base of operations in the northwest of the country to take advantage of the proximity of Uganda, South Sudan, and Ethiopia, but he also imports goods directly from neighboring Tanzania and Somalia. Instead of relying on costly, time-consuming money transfers or all-cash payments—which eventually have to be converted—Gatimu can simply download Planq's app and have the people he exports from do the same.

This allows both Gatimu and his business partners to make crypto-asset transfers without the involvement of a trusted third party.

For example, if Gatimu is purchasing coffee from a Ugandan merchant, he wouldn't have to worry about converting Ugandan shillings to Kenyan shillings. Both businessmen could open their Planq app and perform the crypto-transaction within moments.

Also, because you can chat within the app, Gatimu and his Ugandan associate can negotiate a price they're both comfortable with right inside the app. When they come to a figure they agree on, Gatimu can send the funds. He can also time the transaction to happen as he receives and then inspects the coffee at the border.

Technical

The technical infrastructure driving Planq is designed to enhance both simplicity and efficiency for users. With Planq, users can rely on:

- Fast transactions
- Consistent value
- A simple, logical, fair governance system
- A secure, decentralized architecture

Planq meets these objectives through precisely engineered solutions for:

- Optimal block time
- Inflation management
- Achieving bonding/staking goals
- Decentralization

Block Time

The average block time on Planq is 5 seconds. This creates several unique advantages for users, particularly those using Planq while on the go with a mobile device.

Planq's Block Time vs. Average Ethereum Block Time

The average block time for Ethereum is between 12 and 14 seconds. Planq, with an average block time of 5 seconds, generates blocks in 41.6% to 35.7% of the time it takes to form the average Ethereum block. This provides users with:

• **Faster transaction execution**. While using Planq on a mobile device, quicker transactions equate to faster crypto-payments and a lack of delays when receiving crypto-assets. • **More consistent performance on weaker networks**. The Wi-Fi or mobile cellular signal, especially

in some developing countries, can be inconsistent or spotty. With Planq's quick transactions, users don't have to rely on a Wi-Fi or cellular signal for long periods of time. A moment of good reception is enough for a transaction to execute.

Inflation

Inflation on Planq is set to slide between a minimum of 7% and a maximum of 20% annually. It changes dynamically based on how many coins are locked up for staking.

Adjusting the rate of inflation generates interest in staking, ensuring Planq's consensus mechanism continues to operate efficiently. Here's a brief explanation as to why this is true:

The Connection Between Staking and How Well the Blockchain Works

When you choose to stake some of your Planq, you're locking it up in the blockchain and electing to be part of the transaction validation process. As a reward for maintaining the Planq blockchain, you earn $PLQ.

By incentivizing people to stake, Planq ensures there are always enough nodes present to verify transactions. Users don't have to "wait in line" for several minutes—or longer—while their transactions get validated. They can simply tap their way through a quick transaction and it will be finished in a matter of a few seconds—or less.

For a detailed description of the Tokenomics, please see Appendix I to this white paper.

Bonding goal

To meet its near-term growth objectives, Planq has set an initial bonding goal of 30%. In other words, the goal is for 30% of all coins to be staked. In this way, there will be more than adequate participation, supporting the network's infrastructure and enhancing the end-user experience.

Decentralization

The Planq governance infrastructure enables everyone holding coins to vote on the operation of the network. This means everyday investors have the power to help decide parameter changes and other modifications to the network or its policies.

For example, if a proposal is put forth to adjust an inflation target, coin holders can have a say as to whether the adjustment passes or gets rejected. This puts the future of Planq in the hands of coin holders instead of a centralized governing body, fairly distributing decision-making power amongst participants.

Planq's governance model is very similar to that of Cosmos, which uses the ATOM token. Here's a basic breakdown of how Planq's governance works.

People Who Stake Get to Vote—1 token = 1 vote

Only those who choose to stake their coins are allowed to vote on the future of Planq. The "weight" of a participant's voice is directly proportional to the number of coins they've staked. One coin = one vote.

For example, if User A staked 500 coins and User B staked 1,000, User B would get 1,000 votes to cast toward a decision, while User A would get 500 votes.

The Governance Structure

Planq's governance structure consists of the following elements:

- Submitting proposals
- Voting
- Inheritance rules for non-voters
- Claiming deposits

Submitting Proposals

Once users make an irrevocable deposit in $PLQ, they are qualified to submit a proposal. There is a minimum deposit users need to reach before a proposal is put before other users for a vote.

To submit a proposal, a user has to send it using a specific message code. This alerts the governance infrastructure that the message contains a proposal. Once the minimum deposit is in place, the module automatically presents the test of the proposal to the other users.

While this format checks whether messages have been properly structured, it doesn't check the content of the proposal itself.

The Role of Deposits in the Proposal Process

As mentioned, a proposal needs to be accompanied by a deposit in order to be considered valid and submitted for voting. The user who submits the proposal has a few options:

- They can fulfill the minimum deposit requirements on their own, which will automatically make the proposal eligible for voting.
- They can submit an amount less than the minimum deposit and add to it later. Once they surpass the minimum deposit amount, the proposal can be voted on.
- They can wait for others token holders to increase the deposit by sending deposit transactions.

The proposal needs to surpass the minimum deposit limit before a certain amount of time has elapsed. If it doesn't meet the minimum deposit requirements in time, it will be

automatically destroyed by the system. This means it gets removed and burned, and the contents of the proposal can no longer be considered for voting.

Voting

The voting process is automatically initiated once the deposit level gets to a certain level. At this point, the proposal is confirmed and the system starts the voting process.

Once a vote has begun, those who have bonded their Planq tokens are allowed to participate. To do so, they have to submit transactions, which are used to validate their votes.

Once a specific period of time has passed, voting closes. At this point, the votes get tallied. If the vote dictates that the proposal has passed, its contents get put into action.

The Different Kinds of Votes

When a user submits a vote, they have four choices:

- Yes. A yes vote is simply a vote in favor of the proposal.
- No. A no vote indicates you disagree with the proposal, but you don't necessarily feel it is harmful to the future of Planq or its users.
- NoWithVeto. A NoWithVeto vote is a stronger objection to the proposal. It indicates that the voter feels the proposal is either spammy, submitted just to make a point, or may be harmful to the future of the platform.
- Abstain. When a user abstains from voting, they choose to take an impartial stance in regards to the proposal. Even though an Abstain vote doesn't take a position, it still gets added to the total number of votes needed to meet the quorum threshold, which is necessary for the vote to get validated.

How Weighted Votes Work

With weighted votes, a staker has the option of splitting their votes up amongst multiple different choices. This can be a useful tool for stakers that are organizations consisting of several people. Some of the organization's members may want to vote one way while others disagree and would prefer to cast their vote in another direction.

For example, suppose a proposal is put forth that 50% of a staking organization wants to vote "Yes" for, 25% want to vote "No" for, 15% want to vote "NoWithVeto" for, and 10% want to cast an "Abstain" vote for. The organization can simply allocate the proper

percentages of their voting power to each choice, enabling each member of the organization to have their opinion counted.

Voting Thresholds and NoWithVeto Votes

In a simple scenario without "NoWithVeto" votes, all the votes are counted and tallied, and the "Abstain" votes, although counted, are not factored into the ratio of votes that get tallied. If the "Yes" votes account for more than 50% of the total, the proposal passes. For example, if there were 2,000 "Yes" votes, 1,500 "No" votes, and 1,000 "Abstain" votes, the proposal would pass, because about 57% of the votes that could be tallied (2,000 out of 3,500) were "Yes" votes.

When there are "NoWithVeto" votes equaling more than 1/3 of the total votes, the proposal fails, regardless of how many "Yes" votes there are. For example, suppose there were a total of 10,000 votes included in the tally. 6,000 were "Yes" votes, 3,500 were "NoWithVeto" votes, and 500 were "No" votes. Even though the number of "Yes" votes outnumbers the combination of "No" and "NoWithVeto" votes 6,000 to 4,000 and more than 50% are "Yes" votes, the proposal still wouldn't pass, because the "NoWithVeto" votes account for more than 1/3 (35%) of the total votes cast.

Inheritance

To understand how inheritance works, you first need to know what the terms "delegator" and "validator" mean. Here's a basic breakdown:

- A **validator** is a node that participates in the block's consensus process.
- A **delegator** delegates stakes to a validator, which increases the voting power of the validator.

In a way, this system is similar to that of a board of directors. Suppose everyone on a board of directors owns shares in a company, and the power of their votes is proportionate to the number of shares they own. Suppose there are 5 people on the board, and one of them, Karen, owns 10,000 shares of the company. The other board members have more shares, 11,000 each.

But Karen knows a bunch of shareholders who aren't on the board and who are willing to use their stake in the company to increase the power of her vote. She gets the votes of people who own a total of 5,000 shares, and this effectively increases her voting power by 50%, giving her the sway associated with 15,000 shares instead of 10,000. In effect, Karen gets more voting power, and other shareholders get to have their opinions counted. The validator/delegator mechanism on Planq's blockchain is similar.

The inheritance principle comes into play when a delegator either doesn't vote, votes before its validator, or votes after its validator.

- When a delegator doesn't vote, it inherits the vote of its validator. In other words, the validator's vote becomes that of the delegator.
- When a delegator votes before its validator, it does not inherit the vote of its validator.
- When a delegator votes after its validator, the delegator's vote overrides that of the validator.

Claiming Deposits After a Vote

After the vote has concluded, those who deposited in order to put the proposal up for a vote can either claim their deposit—or get it back—or their deposit gets burned, meaning they don't get it back, depending on the result of the vote:

- If a proposal passes, those who deposited get their deposits refunded. • If a proposal doesn't pass because there were more "No" votes and less than a third of the votes were "NoWithVeto," those who deposited also get their funds returned to them.
- If a proposal is defeated because more than 1/3 of the votes cast were "NoWithVeto" votes, then those who deposited to ensure the proposal went up for a vote have their deposits burned. In other words, they don't get their funds back.

This helps limit the number of potentially harmful proposals, particularly because those who support them essentially watch their funds go up in smoke.

Specific rights, obligations and risks are attached to $PLQ. The conditions under which $PLQ will be offered to the public and – amongst others – the rights, obligations and risks attached to $PLQ are set forth in the "General Coin Sale Terms and Conditions", which are attached as Annex II to this white paper.

The proceeds from the sale of $PLQ will be utilised by the Planq in its sole discretion.

Please note that crypto-assets may lose their value in part or in full, crypto-assets may not always be transferable, crypto-assets may not be liquid, and that utility tokens may not be exchangeable against the good or service promised in the crypto-asset white paper, especially in case of failure or discontinuation of the project.

RISK WARNING: crypto-assets are not covered by the investor compensation schemes in accordance with Directive 97/9/EC of the European Parliament and of the Council. Also, crypto-assets are not covered by the deposit guarantee schemes established in accordance with Directive 2014/49/EU of the European Parliament and of the Council.

Annex I – Tokenomics

Tokenomics Planq

Technical

Bonded goal	30%
Block time avg	5s
Blocks per year	6,311,520
Max Validators	100
Initial Exchange	1 ETH = 10000 PLQ

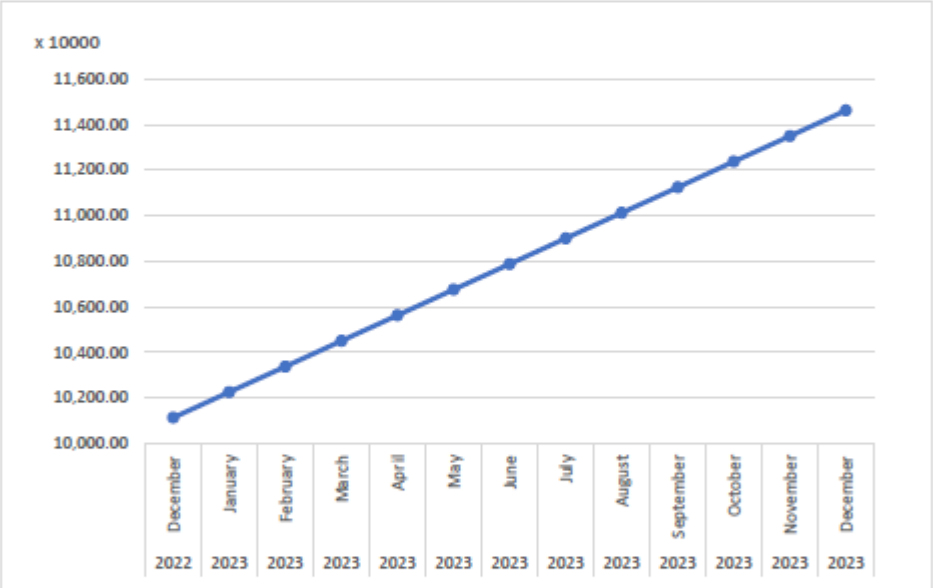
Inflation

Inflation Min	7.00%
Inflation Avg	14%
Inflation Max	20%
Initial Supply	100,000,000.00
1. Year increase	13,500,000.00

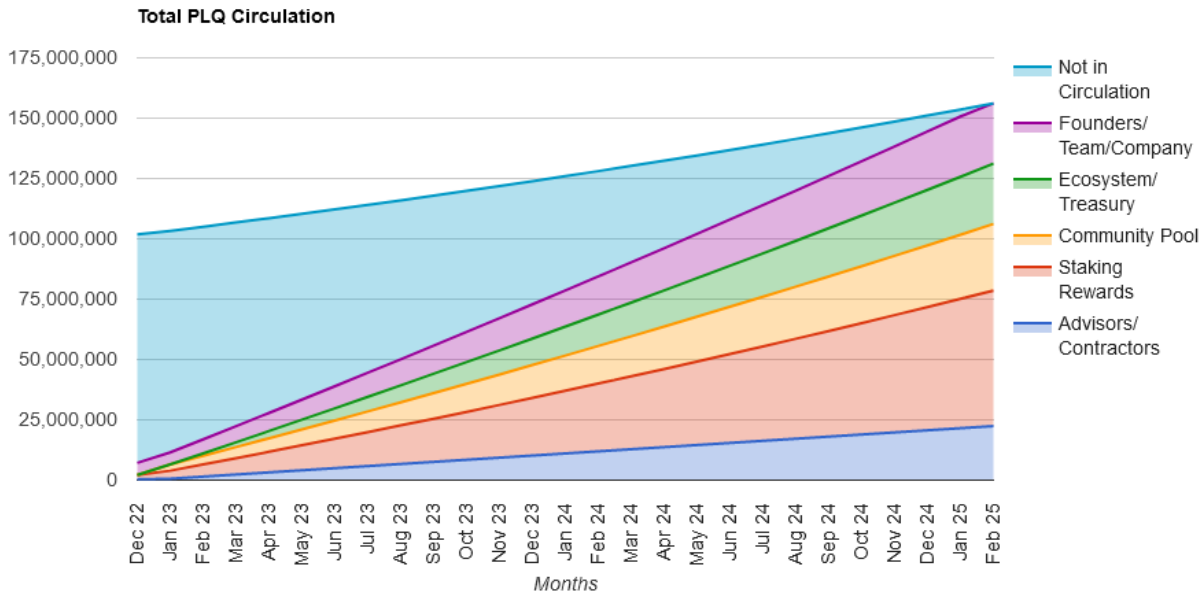
Distribution

Founders/Team/Company	25,000,000.00	25.00%
Ecosystem/Treasury	25,000,000.00	25.00%
Community Pool	27,592,324.00	27.59%
Advisors/Contractors	22,407,676.00	22.41%
	100,000,000.00	**100.00%**

Avg. Inflation Chart



Year	Month	PLQ Supply	PLQ bonded
2022	December	101,125,000.00	30,337,500.00
2023	January	102,250,000.00	30,675,000.00
2023	February	103,375,000.00	31,012,500.00
2023	March	104,500,000.00	31,350,000.00
2023	April	105,625,000.00	31,687,500.00
2023	May	106,750,000.00	32,025,000.00
2023	June	107,875,000.00	32,362,500.00
2023	July	109,000,000.00	32,700,000.00
2023	August	110,125,000.00	33,037,500.00
2023	September	111,250,000.00	33,375,000.00
2023	October	112,375,000.00	33,712,500.00
2023	November	113,500,000.00	34,050,000.00
2023	December	114,625,000.00	34,387,500.00



Interactive version to be found on: https://plang.network/whitepaper#tokenomics

Annex II - General Coin Sale Terms and Conditions

Last amended on: 09 February 2023
Version 1.2

These General Coin Sale Terms and Conditions (hereinafter referred to as: "**Terms**") apply to all legal relations between Planq Dev B.V. (hereinafter referred to as: the "**Company**") and you. These terms are divided into the following Sections:

1. Definitions

In these Terms, the following terms, always capitalised and used in both singular and plural, have the following meanings:

1.1.	**Blockchain:**	the Planq blockchain;
1.2.	**Buyer:**	the Party entering into a Coin purchase with the Company;
1.3.	**Company:**	Planq Dev B.V., as further described in Section 2 of these Terms;
1.4.	**Dispute:**	any dispute arising out of and/or in connection with the use and/or purchase of Coins;
1.5.	**Distribution Contract:**	the Blockchain-based smart contract that governs the delivery of Coins purchased under these Terms, on the Coin Distribution Date;
1.6.	**Gas Fees:**	financing fees for the network of computers running the decentralised Planq network to facilitate transactions, including the sale or purchase of Coins under these Terms, over this network;
1.7.	**Governmental:**	any nation or government, any state or other political subdivision thereof, any entity that exercises legislative, executive, judicial or administrative functions of or pertaining to government, including but not limited to any governmental agency, regulator, agency, department, council, committee or agency and any court, tribunal or

arbitrator(s) with competent jurisdiction and any self-regulatory organisation, as well as private entities exercising quasi-governmental, regulatory or judicial functions anywhere in the world, insofar as they relate to (any of the) parties, Coins and/or the Project;

1.8. **Intellectual Property Rights:** all intellectual property rights and related rights, including but not limited to copyrights, database rights, domain names, trade name rights, trademark rights, design rights, neighbouring rights, patent rights, (rights to) trade secrets and know-how;

1.9. **Other Buyers:** other parties with which the Company has entered into or expects to enter into separate purchase agreements;

1.10. **Party:** Buyer and/or the Company, both separately and jointly;

1.11. **Prohibited Person:** a citizen, resident of, or person established or residing in any region where the sale or purchase of Coins is prohibited or prohibited during the sale/purchase of Coins, or any entity, including, but not limited to, any company or partnership incorporated or organised in or under the laws of any region where the sale or purchase of Coins is prohibited or prohibited during the term of the sale/purchase of Coins;

1.12. **Project:** Planq Project, as further described in the White Paper;

1.13. **Purchase Price:** price per Coin;

1.14. **Sanctions:** sanctions imposed by a public authority;

1.15. **Coin:** the fungible $PLQ coin, which will be distributed on the Planq blockchain;

1.16. **Coin Distribution Date:** the date of the Coin Distribution Event;

1.17. **Coin Distribution Event:** the closing of the final phase of the initial sale of Coins by the Company;

1.18. **Coin Purchase Amount:** the number of Coins that the Buyer would receive for the Purchase Price upon purchase of Coins on the Coin Distribution Date in connection with the Coin Distribution Event, mathematically represented as (Total Purchase Price / Purchase Price), for example: (USD 500,- / USD 1,-) = 500 Coins;

1.19. **Total Purchase Price:** the total of the Purchase Price multiplied by the Coin Purchase Amount, in Purchase Currency;

1.20. **US Person:** citizen, resident of, or any person domiciled or resident in the United States of America, including the states, territories, or district of Columbia, or any entity, including, without limitation, any corporation or partnership incorporated or organised in or under the laws of the United States of America, any state or territory thereof, or the District of Columbia;

1.21.	**Website:**	the Planq website, available at https://planq.network;
1.22.	**White Paper:**	one or more documents (whether or not entitled "White Paper") that may be changed from time to time in the Company's sole discretion, explaining – among others – the Coin and Project.

2. Contact details Planq Dev B.V.

Planq Dev B.V.

Business address:
Copernicusstraat 11
6003 DE Weert
Netherlands

3. General

3.1. These General Terms and Conditions (hereinafter referred to as: the ''Terms'') contain the terms and conditions that govern your use and purchase of the Coin(s). These Conditions shall be binding on the Parties when You: (a) click the check box on the Website to indicate that You have read, understand and agree to the Terms; (b) buy the Coin(s); or (c) use the Coin(s). You agree to be bound on this basis, and confirm that You have read in full and understands these Terms on which You are bound.

3.2. The Company has prepared a White Paper and other materials concerning the (sale of) Coins and the Project. The Buyer warrants that it has received a copy of the White Paper and that it agrees with the content thereof. The Buyer accepts the obligation to immediately read new versions of the White Paper as made available to the Buyer. If Buyer does not agree with new versions of the White Paper, its only remedy is to terminate (in Dutch: "beëindigen") the Agreement. Buyer acknowledges that no (other) rights can be derived from the White Paper and/or its content.

3.3. Buyer acknowledges and understands that the proceeds from the sale of Coins will be utilised by the Company in its sole discretion, and as described in the White Paper.

3.4. In the event of any conflict between what is provided in the White Paper and these Terms, the following order of precedence shall apply:

I. These Terms
II. The White Paper

4. Purchase, sale and distribution of Coins

4.1. Insofar You purchase Coins from the Company, the Company sells to You Coins under the following conditions.

4.2. By buying a Coin on the Website or any other platform, You agree to pay applicable fees, including but not limited to, any transaction fees and *Gas Fees* as applicable. Gas Fees fund the network of computers that run the decentralised Planq network, meaning that the Buyer will need to pay a gas fee for each transaction that occurs via the Planq network. The Company does not have any insight into or control over these payments or transactions, nor does the Company have the ability to reverse any transactions. Accordingly, the Company will have no liability to Buyer and/or to any third party for any claims and/or damages that may arise as a result of any transaction of the Coin that You engage in.

4.3. The Purchase Price of Coins purchased by the Buyer may differ from the Purchase Price of Coins purchased by Other Buyers, and the price per Coin may vary as determined by a secondary market. In addition, the Company makes no warranties or representations regarding the development of a secondary market for the Coins. The price per Coin may fall below the price paid by initial Coin Buyers.

4.4. On or about the Coin Distribution date, the Company shall deliver to Buyer the Coin Purchase Amount. Provided, however, that if no Coin Distribution Event occurs, for example because the Presale Cap has not been reached, Company shall refund the Purchase Price to Buyer as soon as possible. On the other hand, in such an event Buyer will not receive any Coins.

4.5. The Company reserves the right to change the timing or period of the coin distribution event for any reason, including, but not limited to, bugs in the Distribution Contract or the unavailability of the Website or other unforeseen procedural or security issues.

4.6. The Company will provide specific procedures on how the Buyer may seek to purchase Coins through the Website and/or other platforms. By purchasing Coins, Buyer acknowledges and understands and has no objection to such procedures and specifications. Failure to properly use the Website and follow such procedures may result in Buyer not receiving any Coins. Any buyer of Coins may lose some or all of the amounts paid for Coins. Unauthorised access or use of the Website and/or the receipt or purchase of Coins through any other means are not sanctioned or agreed to in any way by Company. Buyer should take great care to verify the accuracy of the universal resource locator ((https://)www.) for the Website used to purchase Coins.

4.7. Buyer understands and consents to the participation of Company's past, present and future employees, officers, directors, contractors, consultants, note holders, suppliers, vendors, service providers and any other stakeholders in the purchase and/or distribution of Coins, including people who may work on the development and implementation of the Project or who may work for businesses that Company may establish with a portion of the proceeds from the Coin Distribution Event. Buyer acknowledges and agrees that some of these people may receive Coins without making a payment. Buyer understands and assumes all risks associated with the purchase of Coins, including but not limited to the risk of losing the entire Purchase Price and receiving no Coins.

4.8. Coins will be distributed to Buyers pursuant to the Distribution Contract. The Company makes no representations or warranties, express or implied, including, without limitation, any warranties of title or express or implied warranties of merchantability, satisfactory quality, or fitness for a particular purpose, or as described with respect to the Distribution Contract or Coins or their utility, or the ability of anyone to purchase or use. Without limiting the foregoing, the Company does not represent or warrant that the process of purchasing and/or receiving Coins will be uninterrupted and/or error-free or that Coins are reliable and/or error-free. As a result, Buyer acknowledges and understands that Buyer may never receive Coins and may lose the entire amount Buyer paid to the Company. Buyer shall provide an accurate digital and Planq network compatible wallet address to Company for receipt of Coins distributed to Buyer pursuant to the Distribution Contract. Company is not responsible for inaccuracies in and/or incompatibility of digital wallet addresses provided to Company.

4.9. The Coins are not being offered to Prohibited Persons. Prohibited Persons are strictly prohibited and restricted from purchasing and using Coins, and the Company is not soliciting purchases by Prohibited Persons in any way. If a Prohibited Person uses the Distribution Contract and/or purchases and/or uses Coins, such Prohibited Person has done so on an unlawful, unauthorised and fraudulent basis, and if the Prohibited Person has not yet received

any Coins this purchase is null and void. Company is not bound by a purchase of Coins if this purchase has been done by a Prohibited Person or if Buyer has purchased Coins on behalf of a Prohibited Person, and the Company may take all necessary and appropriate actions, in its sole discretion, to invalidate this purchase, including referral of information to the appropriate authorities. Any Prohibited Person who uses the Distribution Contract and/or purchases and/or uses Coins shall be solely liable for, and shall indemnify, defend and hold harmless the Company and the Company Parties from any claims, proceedings, losses and/or direct and/or indirect damages incurred by the Company and/or the Company Parties that arises from or is a result of such Prohibited Person's unlawful, unauthorised or fraudulent use of the Distribution Contract and/or the receipt or purchase and/or use of Coins.

4.10. The Coins are not being offered to U.S. Persons. U.S. Persons are strictly prohibited and restricted from purchasing and using Coins, and the Company is not soliciting purchases by U.S. Persons in any way. If a U.S. Person uses the Distribution Contract and/or purchases and/or uses Coins, such U.S. Person has done so on an unlawful, unauthorised and fraudulent basis, and if the U.S. Person has not yet received any Coins, this purchase is null and void. Company is not bound by a purchase of Coins if this purchase has been done by a U.S. Person or if Buyer has purchased Coins on behalf of a U.S. Person, and the Company may take all necessary and appropriate actions, in its sole discretion, to invalidate this purchase, including referral of information to the appropriate authorities. Any U.S. Person who uses the Distribution Contract and/or purchases and/or uses Coins shall be solely liable for, and shall indemnify, defend and hold harmless the Company and the Company Parties from any claims, proceedings, losses and/or direct and/or indirect damages incurred by the Company and/or the Company Parties that arises from or is a result of such U.S. Person's unlawful, unauthorised or fraudulent use of the Distribution Contract and/or the receipt or purchase and/or use of Coins.

4.11. To the extent that a Government Entity will not qualify the Coin as a security token ("**security**"), the Buyer may, even if it qualifies as a U.S. Person, use the Distribution Contract and/or purchase and/or use Coins, as if they were not prohibited from doing so.

4.12. To the extent that a Government Entity will qualify the Coin as a security token ("**security**"), the Buyer, including in any event if the Buyer qualifies as a U.S. Person, is strictly prohibited from using the Distribution Contract and/or purchase and/or use Coins.

4.13. The sale of Coins and Coins themselves are not securities, commodities, swaps on either securities or commodities or financial instruments of any kind. The purchase of Coins is not intended to be an investment for the purposes of the U.S. federal securities laws. The sale of Coins and Coins themselves are not intended to be a "financial instrument" subject to regulation in the EU under the EU Directive 2004/39/EC on Markets in Financial Instruments ; a "specified investment" subject to regulation under the Financial Services and Markets Act 2000 ; a "security" subject to regulation under the EU Prospectus Directive; "electronic money" subject to regulation under Directive 2009/110/EC , or a "payment instrument" or "money remittance" or "payment transactions" subject to regulation under Directive 2015/2366 . Purchases and sales of Coins are not subject to the protections of any Laws governing those types of financial instruments. These Terms and all other documents referred to in these Terms including without limitation the White Paper 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, a security, commodity, or a swap on either a security or commodity or any other type of financial instrument.

4.14. Buyer may not participate in the Coin Distribution Event or purchase Coins for investment purposes. Coins are not designed for investment purposes and should not be considered as a

type of an investment. Buyer acknowledges, understands and agrees that Buyer should not expect and there is no guarantee or representation or warranty by Company that: (a) the Project will ever be adopted; and (b) the Project will be adopted as developed by Company Parties and not in a different or modified form.

5. No other rights

5.1. The purchase of Coins: (a) does not give the Buyer any rights of any kind in any form in relation to the Company or its income or assets, including, but not limited to, voting, distribution, redemption, liquidation, ownership (including all forms of Intellectual Property Rights) or other financial and/or legal rights; (b) is not a loan to the Company; and (c) does not provide the Buyer with any ownership or other interest in the Company.

5.2. The Company retains all Intellectual Property Rights to the Project and to the Coins. You may not use the Company's Intellectual Property Rights for any reason without the Company's prior written consent.

5.3. The Buyer only acquires the right to use (in Dutch: "gebruiksrecht") the Distribution Contract in order to obtain Coins and the right to use (in Dutch: "gebruiksrecht") the Coins.

6. Buyer's obligations

6.1. Buyer warrants to take reasonable and appropriate steps to secure access to: (i) any device the Buyer uses, or is associated with, the Buyer's account, in connection with the purchase, delivery and use of Coins; (ii) private keys of the Buyer's digital wallet; and (iii) any other username, password or other login or identification information. In the event that the Buyer is no longer in possession of the Buyer's private keys or any device associated with the Buyer's account or is unable to provide the Buyer's login or identification information, the Buyer may lose all the Buyer's delivered Coins and/or access to the Buyer's account.

6.2. The Buyer expressly acknowledges, understands and agrees that the Company uses the Distribution Contract. The purchase of Coins is at the Buyer's sole risk. The Distribution Contract and Coins are each held to be delivered and subsequently delivered, used and acquired on an "AS IS" basis and on an "AS AVAILABLE" basis with no representations, warranties, promises or guarantees of any kind by the Company, and that the Buyer shall rely on its own research and investigation thereof.

6.3. The Buyer bears full responsibility for verifying the identity, legitimacy and authenticity of the Coins the Buyer purchases.

6.4. The Company is under no obligation to reclaim Coins and the Buyer acknowledges, understands and agrees that all purchases of Coins are non-refundable and the Buyer will not receive any money or other compensation for Coins purchased.

6.5. The Buyer has the obligation to report any inaccuracies in data supplied or specified payment details immediately to the Company.

6.6. Buyer warrants that it shall, at the Company's request and on its own initiative, promptly provide the Company with any information and documents that the Company, in its sole discretion, requires and/or deems necessary or appropriate to comply with any applicable law, regulation and/or agreement, or court (incl. arbitration) decisions, including for the benefit of any customer due diligence. The Buyer acknowledges that the Company may refuse to distribute Coins to the Buyer until requested information is provided.

6.7. The Buyer acknowledges, understands and agrees that: (a) the purchase, receipt and/or transfer of and transactions in Coins may have tax consequences for the Buyer; (b) the Buyer

is solely responsible for the Buyer's compliance with the Buyer's tax obligations; and (c) the Company bears no liability or responsibility with respect to any tax consequences for the Buyer.

7. Warranties and risks

7.1. The Buyer warrants that it:

7.1.1. is not a Prohibited Person;

7.1.2. has all required powers to enter into and perform a Coin purchase and to perform all relevant (legal) acts;

7.1.3. and

7.1.3.1. if he is a natural person, is at least eighteen (18) years of age, or has obtained parental (or guardian) consent to enter into a Coin purchase; or

7.1.3.2. if it is a legal entity, it is properly organised, validly exists and complies with all applicable laws and regulations.

7.2. The Buyer warrants to have sufficient knowledge and experience in business, technology and financial matters, including sufficient knowledge of blockchain and cryptographic tokens and other digital assets, smart contracts, storage mechanisms (such as digital or token wallets), blockchain-based software systems and blockchain technology, etcetera. In order to assess the risks and merits of the purchase and delivery of Coins, including but not limited to the matters set forth in these Terms, and that it is able to bear the risks thereof, including loss of all paid amounts, loss of Coins. The Buyer warrants to have obtained sufficient information to make an informed decision to purchase Coins.

7.3. The Buyer has been given the opportunity to ask questions to, and the Buyer has received satisfactory answers from the Company regarding the Project and the purchase of Coins. The Buyer acknowledges that Other Buyers may have received different information from the Company regarding the purchase of Coins. The Buyer does not rely on the Company for legal, investment or tax advice but has obtained independent legal, investment and tax advice to the extent the Buyer has deemed necessary or appropriate in connection with the Buyer's decision to purchase Coins as described herein.

7.4. The Buyer warrants that the funds, including virtual currency or cryptocurrency, that the Buyer uses to purchase Coins are not derived from or related to any unlawful activity, including but not limited to money laundering or terrorist financing, and the Buyer will not use Coins to fund, participate in or otherwise support illegal activities.

7.5. The Buyer warrants that neither the Buyer, nor any person having a direct or indirect economic interest in the Buyer or in Coins acquired by the Buyer, or any person for whom the Buyer acts as an agent or nominee in connection with Coins, is (i) subject of Sanctions, (ii) organised or located in a country or territory that is subject to Sanctions or (iii) otherwise a party with which the Company is prohibited from doing business under applicable laws and regulations.

7.6. The Buyer may not at any time be able to obtain, sell or otherwise trade Coins or for the price the Buyer has paid. The Buyer agrees that: (a) Coins may have no value; (b) there is no guarantee or representation of liquidity for Coins; and (c) the Company is not and will not be responsible or liable for the market value of Coins, the transferability and/or liquidity of Coins and/or the availability of a market for Coins through third parties or otherwise.

7.7. The Project is still under development and may undergo significant changes over time. While the Company intends the Project to have the features and specifications set forth in the White Paper, the Company may make changes to such features and specifications, any of which could mean that the Project no longer meets the Buyer's initial expectations. The Buyer agrees.

7.8. Development of the Project may be halted for a number of reasons, including, but not limited to, lack of public interest, lack of funding, lack of commercial success or prospects, or departure of key personnel.

7.9. The continued success of the Project is dependent on the interest and participation of third parties. There can be no assurance or guarantee that there will be sufficient interest in or use of the Project.

7.10. The Project may fail to ensure the critical involvement and cooperation of key participants. The Company and/or the Project may face competition from other entities that have more capital or resources and offer a wider range of products and services that may outperform the Project. The Company and/or the Project may be subject to actions by private parties regarding Intellectual Property Rights and other contractual matters. The (international) laws, regulations and/or rules applicable to technology industries, including but not limited to those related to blockchain technology, may affect or limit the design, implementation and operation of the Project.

8. Blockchain specific risks

8.1. On the Blockchain, the timing of block production is determined by proof of stake. Purchase currencies contributed to the Distribution Contract in the last seconds of a distribution period may not be recognised for that period. The Buyer acknowledges and understands that the Blockchain may not include the Buyer's transaction at the time the Buyer expects and the Buyer may not receive Coins on the same day the Buyer requests through the Website to make delivery of the Coins.

8.2. The Blockchain can be subject to periodic congestion where transactions can be delayed or lost. Individuals may also intentionally spam the Blockchain network in an attempt to gain advantage in purchasing cryptographic Coins. The Buyer acknowledges and understands that the Blockchain may not record the Buyer's transaction when the Buyer wishes, or may not record the Buyer's transaction at all.

8.3. The source code underlying the Coins, the Distribution Contract and Coin smart contracts and/or the Blockchain may contain errors, bugs, defects or inconsistencies that could jeopardise the predictability, usability, functionality, stability and security of the Coins. The Company makes no warranty that any errors will be identified or that the source code will be error-free.

8.4. In addition, changes or updates to the aforementioned source code or the Blockchain may lead to unexpected or unintended results that could adversely affect the utility or functionality of the Coins or related services. Changes in source code that constitute upgrades may be necessary in connection with the development of the Coins or related services, and buyer’s failure to participate in such upgrades may result in the loss of some or all of the coin functionality.

8.5. Coins may be expropriated and/or hackers or other malicious groups or organisations may attempt to disrupt the Distribution Contract or Coins in various ways, including, but not limited to, malware attacks, denial-of-service attacks, consensus-based attacks, Sybil attacks, smurfs and spoofing. In addition, because the Blockchain platform and the Coins are based on open source software, there is a risk that Blockchain smart contracts may contain intentional or unintentional bugs or weaknesses that could negatively affect Coins or result in the loss of the Coins of the Buyer, the loss of the Buyer's ability to access or control the Buyer's Coins or the loss of the Total Purchase Price. In the event of such software error or weakness, there may be no remedy and Coin holders cannot be guaranteed any remedy, refund or compensation.

8.6. Coins purchased and delivered by the Buyer may be held by the Buyer in the Buyer's digital wallet or vault, which requires a private key or combination of private keys for access. Accordingly, the loss of the required private key(s) associated with the Buyer's digital wallet or Coins in which Coins are stored will result in the loss of such Coins, access to the Buyer's coin balance and/or any initial balances in blockchains created by third parties. In addition, any third party who gains access to such private key(s), including by accessing credentials of a hosted wallet or vault service that the Buyer uses, may misuse the Buyer's Coins. The Company is not responsible for such losses.

8.7. It is the Buyer's responsibility to ensure that the address of the digital wallet provided to the Company and/or third parties for the delivery of Coins can accept all types and categories of coins, including Ethereum (ERC)-compliant coins. The Company is not responsible if the wallet provided by the Buyer cannot accept Coins distributed by the Company and/or third parties. The Buyer assumes all responsibility with respect to the foregoing and the Company shall not be liable for the foregoing.

8.8. The Project and the matters set forth in the White Paper are new and untested. The Project may not be completed, implemented or (fully) executed. Even if the Project is completed, implemented or executed, it may not function as intended, and any Coins associated with it may not have functionality that is desirable or valuable. Technology changes quickly and Coins and the Project can become obsolete.

8.9. The Project will be dependent, in whole or in part, on third parties to adopt and execute it and to further develop, deliver and otherwise support it. There is no assurance or guarantee that these third parties will complete their work, perform their obligations properly, or otherwise meet anyone's needs, any of which could have a material adverse effect on the Project.

8.10. If the Buyer requests delivery of the Coins from an exchange or wallet over which the Buyer has no control, Coins may be allocated to that exchange or wallet; therefore, the Buyer may never receive or recover the Buyer's Coins. In addition, if the Buyer chooses to hold or hold Coins through a cryptocurrency exchange service or other third party, the Buyer's Coins may be stolen or lost. In addition, third parties may not recognize the Buyer's claim to Coins if and when they are launched by third parties under the distribution rules set forth in the Project. If the Buyer uses a cryptocurrency exchange service, an exchange or a wallet over which it has no control, this is done at the Buyer's own and sole risk.

9. Liability

9.1. The Company shall not be responsible or liable to Buyer for any loss and assume no responsibility for, and shall not be liable to Buyer for, any use of the Coins, including but not limited to any loss, damage or claim arising out of: (i) user error, for example if the Buyer forgets his password(s), incorrect transactions or mistyped addresses; (ii) server failure or data loss; (iii) corrupted (wallet) files; (iv) loss of Coins.

9.2. The Company’s liability for attributable shortcoming in the performance of a purchase of Coins or any other wrongful act or otherwise is excluded, insofar permitted by mandatory law.

9.3. If the Company is liable to the Buyer for damage, the Company’s liability is limited to compensation for direct damage up to a maximum of the amount of the Purchase Price (excluding VAT, if applicable) stipulated for the purchase of Coins. Under no circumstances will the Company’s total liability for direct damage, on whatever legal basis, exceed EUR 1,000.- (thousand euros).

9.4. Direct damage is exclusively understood to mean:

9.4.1. material damage to property;

9.4.2. reasonable costs incurred to prevent or limit direct damage that could be expected as a result of the event on which the liability is based; and

9.4.3. reasonable costs incurred to determine the cause of the damage.

9.5. Liability of the Company for indirect damage (indirect damage) is excluded. Indirect damage is understood to mean all damage not expressly designated as direct damage in the previous paragraph, including but not limited to consequential damage, lost profits, lost savings, reduced goodwill, damage due to business interruption, damage due to materials or software of third parties and damage due to mutilation, destruction or loss of data and/or documents.

9.6. The exclusions and limitations referred to in the previous paragraphs of this Section 9 do not apply if and insofar as the damage is the result of intent or gross negligence on the part of the Company or its management.

9.7. Unless compliance by the Company is permanently impossible, the Company is only liable for attributable shortcomings if the Buyer gives the Company notice of default without delay, whereby a reasonable period is set for remedying the shortcoming, and the Company also after that period has imputably failed in the fulfilment of its obligations. The notice of default must contain a complete and detailed description of the shortcomings, so that the Company is given the opportunity to respond adequately.

9.8. A condition for the exercise of any right of the Buyer with regard to compensation is always that the Buyer reports the damage to the Company in writing as soon as possible, but at the latest within thirty (30) days after the damage has arisen.

9.9. Any claim for compensation against the Company lapses by the mere lapse of three (3) months after the claim arose, unless the Buyer has instituted a legal claim for compensation before the expiry of that period. This does not affect the Buyer's obligation to complain.

9.10. The Buyer indemnifies the Company against all claims from third parties and resulting damage as a result of a failure by the Buyer in the fulfilment of its obligations, including but not limited to the Coin purchase.

10. Term and termination

10.1. Any Coin purchase under these Terms is entered into for an indefinite period.

10.2. In addition to the other remedies available to the Company, the Company is at all times, at its sole discretion, without prior written notice or explanation and without becoming liable to the Buyer, entitled to:

10.2.1. Suspend or terminate (temporarily or permanently) the right to access the Project and/or use of the Coins, in the event that the Company, at its sole discretion, deems such termination necessary. This includes, without limitation, the situation where the Buyer does not (in time), in full or properly meet its obligations and/or warranties, or where the Buyer fails to comply with these Terms;

10.2.2. (temporarily) restrict the Buyer’s activities in connection with the Project and/or Coins.

10.3. The Buyer acknowledges that the Coins are generated at the request of and specifically for the Buyer, so the Coins are by their nature irrevocably mixed with the other Coins after delivery, and that the Coins are subject to fluctuations in the (financial) (crypto) markets, over which the Company has no influence and that this can occur within the withdrawal period, so that Buyer has no right of withdrawal (in Dutch: “herroepingsrecht”). Buyer acknowledges that the delivery of the Coin(s) is the delivery of digital content that is not delivered on a tangible medium. Buyer gives the Company the explicit prior consent to proceed immediately with the performance of the delivery of the Coin(s) and declares that it thereby waive its right of revocation (in Dutch: “ontbinding”).

10.4. The Company is authorised to rescind (in Dutch: “ontbinden”) the Coin purchase due to an attributable failure (in Dutch: “toerekenbare tekortkoming”) in the performance of the Coin purchase and/or these Terms if the Buyer, without a notice of default being necessary (in Dutch: “ingebrekestelling”), is attributable failing to fulfil its obligations under the Coin purchase and/or these Terms.

10.5. The Company may terminate (in Dutch: “beëindigen”) any Coin purchase in its sole discretion and without becoming liable for compensation of damages, including but not limited to, due to changes in taxes, securities, corporate or other laws, or if the Company determines in its sole discretion that a Coin (purchase) constitutes a security or other form of financial instrument subject to is subject to regulation by a government agency.

10.6. If, at the time of rescission (in Dutch: “ontbinding”), the Buyer has already received (parts of) the Coin(s) under these Terms, this/these (parts) of the Coin(s) and the associated payment obligations shall not be subject to an obligation to undo (in Dutch: “ongedaanmakingsverplichting”, “ongedaanmakingsverbintenis”).

10.7. Amounts invoiced by the Company prior to rescission (in Dutch: “ontbinding”) or termination (in Dutch: “beëindiging”) in connection with the Coin(s) already properly performed under these Terms shall remain payable in full and shall become immediately due and payable at the time of rescission (in Dutch: “ontbinding”) or termination (in Dutch: “beëindiging”).

10.8. Upon any termination (in Dutch: “beëindiging”) or rescission (in Dutch: “ontbinding”) of the Coin purchase under these Terms, the Buyer’s right to access the Project and use the Coin(s) shall cease to exist immediately, without any right to compensation whatsoever.

10.9. All provisions which are meant to survive the termination (in Dutch: “beëindiging”) or rescission of the Coin Purchase shall survive such termination or rescission (in Dutch: “ontbinding”).

11. Dispute resolution

11.1. The Buyer and the Company will work together in good faith to resolve any Dispute. If the Parties are unable to resolve a Dispute within ninety (90) days after all Parties have received written notice of such Dispute, such Dispute shall be finally settled by arbitration as defined in Sections 11.2 and 11.3 below.

11.2. Any Dispute shall be referred to and finally resolved by arbitration under the rules of the *Stichting Geschillenoplossing Automatisering* (SGOA) in effect at the time of the arbitration. The number of arbitrators is one (1), chosen by the Company. The seat, or legal place, of arbitration is The Hague (in Dutch: ''Den Haag''). The language of instruction in the arbitration proceedings is Dutch. All documents to be supplied are in Dutch.

11.3. If the Buyer is a consumer, or if a provisional or conservatory injunction is required, the Buyer may initiate legal proceedings before the competent court. The competent court is the Amsterdam District Court in the Netherlands, unless mandatory law stipulates otherwise.

12. Miscellaneous

12.1. These Terms are governed by and drafted under the laws of The Netherlands. Unless mandatory law provides otherwise, the laws of The Netherlands apply exclusively. The Vienna Sales Convention does not apply.

12.2. If any provision of these Terms is held by a court of competent jurisdiction to be invalid, ineffective or unenforceable for any reason, the Parties will negotiate in good faith to amend

these Terms to best achieve the Parties' original intent, in an acceptable manner so that the transactions contemplated hereby are carried out as fully as possible as originally contemplated.

12.3. The Company reserves the right to change these Terms without notice to the Buyer. It is the Buyer's responsibility to regularly check the Website for changes.

12.4. The legal status of cryptographic coins, digital assets and blockchain technology is unclear or uncertain in many jurisdictions. It is difficult to predict how and if government agencies will regulate such technologies. It is also difficult to predict how and if a government agency could make changes to existing laws, regulations and/or rules that affect cryptographic coins, digital assets, blockchain technology and its applications. Such changes can negatively affect coins in several ways, for example by establishing that coins are regulated financial instruments that require registration. The Company may suspend the distribution of Coins, development of the Project or operations in any jurisdiction in the event that Governmental action makes it illegal or commercially undesirable to continue.

12.5. The industry in which the Company operates is new and may be subject to increased surveillance and control, including investigations or enforcement actions. There can be no assurance that Governmental Agencies will not investigate the Company's activities and/or take enforcement action against the Company. Such activities by Government Agencies may or may not be the result of targeting the Company in particular. All of this could subject the Company to convictions, settlements, fines or penalties, or cause the Company to restructure its operations and operations or discontinue offering certain products or services, all of which could damage the Company's reputation or lead to increased operational costs, which in turn have a material adverse effect on Coins and/or the development of the Project. The Buyer acknowledges and accepts these options.

12.6. The Buyer agrees and acknowledges that all agreements, notices, disclosures and other communications provided by the Company to the Buyer under these Terms and/or in connection with the Buyer's purchase of Coins shall be made by the Company in its sole discretion and may be provided to the Buyer in electronic form at its discretion.

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