

MaskNetwork Token (MSK) ICO: Terms & Conditions

The following Terms and Conditions (“Terms”) govern the sale of MaskNetwork Tokens (“MSK”) to crowdsale participants (“Purchasers” collectively, and “Purchaser” individually).

This document describes the ICO (ICO) in which the MaskNetwork Token (“MSK”) is sold. It is not a solicitation for investment and does not pertain in any way to an offering of securities in any jurisdiction. Individuals, businesses, and other organizations should carefully weigh the risks, costs, and benefits of acquiring MSK early in the ICO versus waiting to purchase MSK on open, third-party exchanges.

Ownership of MSK carries no rights express or implied. Purchases of MSK are non-refundable. Purchasers should have no expectation of influence over governance of MaskNetwork.

By participating in the sale of MSK, you expressly acknowledge and represent that you have carefully reviewed the Terms and fully understand the risks, costs, and benefits of purchasing MSK and agree to be bound by these Terms. As set forth below, you further represent and warrant that, to the extent permitted by law, you are authorized to purchase MSK in your relevant jurisdiction, are of a legal age to be bound by these Terms, and will not hold liable for any losses or any special, incidental, or consequential damages arising out of, or in any way connected to the sale of MSK, now or in the future, MaskNetwork and its affiliates.

WARNING: DO NOT PURCHASE MSK IF YOU ARE NOT AN EXPERT IN DEALING WITH CRYPTOGRAPHIC TOKENS AND BLOCKCHAIN-BASED SOFTWARE SYSTEMS

Purchases of MSK should be undertaken only by individuals, entities, or companies that have significant experience with, and understanding of, the usage and intricacies of cryptographic tokens, like bitcoin (“BTC”), and blockchainbased software systems. Purchasers should have functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. While MaskNetwork will be available to assist Purchasers of MSK during and after the sale, MaskNetwork will not be responsible for lost BTC or MSK resulting from actions taken by, or omitted by Purchasers. Note, in particular, that MSK Purchasers should take great care to write down their private keys and not lose it so as to be sure that they will be able to access their MSK when it becomes available after the ICO. If you do not have such experience or expertise, then you should not purchase MSK or participate in the ICO of MSK.

WARNING: CRYPTOGRAPHIC TOKENS MAY EXPERIENCE EXTREME PRICE VOLATILITY

MaskNetwork tokens do not represent any formal or legally binding investment. Cryptographic tokens that possess value in public markets, such as BTC, have demonstrated extreme fluctuations in price over short periods of time on a regular basis. A Purchaser of MSK should be prepared to expect similar fluctuations, both down and up, in the price of MSK denominated in BTC or United States dollars (“USD”) or currencies of other jurisdictions. Such fluctuations are due to market forces and represent changes in the balance of supply and demand. MaskNetwork cannot and does not guarantee market liquidity for MSK and therefore there may be periods of time in which MSK is difficult to buy or sell. Additionally, due to different regulatory dictates in different jurisdictions and the inability of citizens of certain countries to open accounts at exchanges located anywhere in the world, the liquidity of MSK may be markedly different in different countries and this would likely be reflected in significant price discrepancies. By purchasing MSK, you expressly acknowledge and represent that you fully understand that MSK may experience volatility in pricing and will not seek to hold MaskNetwork liable for any losses or any special, incidental, or consequential damages arising from, or in any way connected to, the sale of MSK.

WARNING: THE PURCHASE OF MSK ENTAILS A NUMBER OF RISKS.

The purchase of MSK carries with it a number of risks. Prior to purchasing MSK, you should carefully consider the risks listed below and, to the extent necessary, consult an appropriate lawyer, accountant, or tax professional. If any of the following risks are unacceptable to you, you should not purchase MSK. By purchasing MSK, and to the extent permitted by law, you are agreeing not to hold MaskNetwork liable for any losses or any special, incidental, or consequential damages arising from, or in any way connected, to the sale of MSK, including losses associated with the risks set forth below

TERMS AND CONDITIONS

1. Overview of ICO of MSK MaskNetwork will produce and market a quantity of MSK in a pre-sale event called ICO, to be conducted on its web site at <http://www.masknetwork.com>. (ICO). Purchasers in the ICO will acquire MSK in exchange for BTC, WAVES, ETH and ETC at predefined sale prices over a period of thirty (30) days. Purchasers of MSK in the ICO will be granted user accounts on the aforementioned website that will enable them to claim their purchase at the end of the ICO. All MSK pre-sold in this manner will be created on the MaskNetwork blockchain after the end of the ICO, although there are no guarantees that this will occur within a given timeframe.
2. The ICO will begin at 00:00:00 UTC on 24 May, 2017. The sale will run for 30 days and will end at 23:59:59 UTC on 24 June, 2017, or whenever the cap of \$1.275 million has been reached.

3. **MSK Pricing Based on the performance of other recent blockchain project launches**
MaskNetwork management has determined that this ICO shall be partitioned and sold at increasing price points as the sale proceeds. Full details about these price points will be provided in a timely manner to Purchasers in the ICO and will be available on the website at the time of purchase.
4. **Disclosure of Purchases** To enable MSK Purchasers to have as much information as possible to guide their decision-making process, MaskNetwork will disclose in real time the total funds collected in the MSK ICO to enable the Purchaser to develop an understanding of the size of the existing MaskNetwork funding pool at the time of their MSK purchase.
5. **Purchase of MSK from the MaskNetwork Website** MaskNetwork will maintain a store interface, which can be used to purchase MSK. The store interface will be available on the MaskNetwork website (<http://www.masknetwork.com>). Instructions for purchasing MSK with BTC and other cryptocurrencies using the store interface will be embedded and available for review on the MaskNetwork website during the duration of the ICO. Failure to follow these instructions may limit, delay, or prevent a Purchaser from obtaining MSK. Any questions about these instructions should be directed to support@masknetwork.com.
6. **Acceptance of Terms and Conditions of the MaskNetwork Token Sale** As a first step in the purchase process, MaskNetwork will present the Purchaser with these Terms, and associated documents. By placing an order for MSK, the Purchaser:
 - consents and agrees to the Terms;
 - represents and warrants that the Purchaser is legally permitted to purchase MSK in the Purchaser's jurisdiction and is legally permitted to receive products of Romanian origin;
 - represents and warrants that the Purchaser is of a sufficient age to legally purchase MSK or has received permission from a legal guardian who has reviewed and agreed to these Terms;
 - represents and warrants that the Purchaser will take sole responsibility for any restrictions and risks associated with the purchase of MSK as set forth below; and
 - represents and warrants that the Purchaser has an understanding of the usage and intricacies of cryptographic tokens, like BTC, and blockchain-based software systems.
7. **Independent Confirmation of Purchases** During the purchase process on the website, MaskNetwork will provide Purchasers with a unique intermediary cryptocurrency address. Using this address, Purchasers can track and confirm that the Purchaser's cryptocurrency has been received at that address. Knowledge of the unique intermediary address does not constitute a purchase receipt or indicate in any way that any party possessing such knowledge has rights to or ownership of the purchased MSK.

8. Receipt of MSK and the Purchase Email As part of the purchase process, and in order to purchase MSK, a Purchaser will need to provide an email address (the “Purchase Email”). The Purchase Email will be used to email the Purchaser a notice of the creation of the Purchaser’s account on its website. By purchasing MSK, and to the extent permitted by applicable law, the Purchaser agrees not to hold MaskNetwork liable for any losses or any special, incidental, or consequential damages arising out of, or in any way connected to, Purchaser’s failure to secure their account.
9. MSK Will Only Be Available For Sale on the MaskNetwork Website MaskNetwork will only sell MSK through the MaskNetwork website, available at <http://www.masknetwork.com>. To the extent that any third-party website or service offers MSK for sale during the ICO or facilitates the sale or transfer of MSK in any way during the ICO, such third-party websites or services are not sanctioned by MaskNetwork or its affiliates. As a result, MaskNetwork prohibits the use of these third-party websites or services for the purchase of MSK prior to the end of the ICO.
10. Fraudulent Attempts to Double Spend BTC MaskNetwork will monitor all potential transactions for fraudulent attempts to double spend BTC. Any detected double spend of BTC will result in no MSK being delivered to the associated Purchaser.
11. MaskNetwork Will Not Purchase MSK During ICO MaskNetwork warrants that it will not purchase MSK in its own sale. Furthermore MaskNetwork warrants that it will not purchase MSK from any third party, or acquire MSK in any manner, or acquire future control of MSK, during the period of the ICO.
12. Certain Risks Associated with the Purchase of MSK The purchase of MSK carries with it significant risk. Prior to purchasing MSK, the Purchaser should carefully consider the below risks and, to the extent necessary, consult a lawyer, accountant, and/or tax professionals prior to determining whether to purchase MSK.
 - MSK will be stored in a wallet, which can only be accessed with a password selected by the Purchaser. If a Purchaser of MSK does not maintain an accurate record of their password, this may lead to the loss of MSK. As a result, Purchasers must safely store their password / private keys in one or more backup locations that are well separated from the primary location. In order to access one’s MSK the password that the Purchaser entered is required; loss of this may lead to the loss of a Purchaser’s MSK.
 - Any third party that gains access to the Purchaser’s Purchase Email may be able to gain access to the Purchaser’s MSK. The Purchaser must take care not to respond to any inquiry regarding their purchase of MSK, including but not limited to, email requests purportedly coming from the website or a similar-looking domain.

- Cryptocurrencies have been the subject of regulatory scrutiny by various regulatory bodies around the globe. MaskNetwork could be impacted by one or more regulatory enquiries or regulatory action, which could impede or limit the ability of MaskNetwork to continue to develop their platform.
- It is possible that MaskNetwork will not be used by a large number of external businesses, individuals, and other organizations and that there will be limited public interest in the use of peer-to-peer currencies. Such a lack of interest could impact the development of the MaskNetwork Platform. MaskNetwork cannot predict the success of its own marketing efforts or the efforts of other third parties. There is no guarantee of revenues or profits resulting from the marketing activities of the MaskNetwork.
- The Purchaser recognizes that MaskNetwork's software is currently under development and may undergo significant changes before release. The Purchaser acknowledges that any expectations regarding the form and functionality of the Platform held by the Purchaser may not be met upon release of the Platform, for any number of reasons including a change in the design and implementation plans and execution of the implementation of the MaskNetwork Platform.
- The Purchaser understands that while the MaskNetwork Team will make reasonable efforts to complete the core software, it is possible that an official completed version of the Platform may not be released and there may never be an operational MaskNetwork Platform.
- Hackers or other groups or organizations may attempt to steal the BTC and cryptocurrency revenue from the ICO. To account for this risk, MaskNetwork has and will continue to implement comprehensive security precautions to safeguard the BTC and cryptocurrency obtained from the sale of MSK. Multi-factor security measures will be taken to protect cryptocurrency and MSK including but not limited to physical elements, multi-signature keys, splitting of funds, hot/cold wallet partitioning and diversification. Moreover, regular security audits of hot and cold wallets will be conducted by internal and external teams.
- Advances in code cracking, or technical advances such as the development of quantum computers, could present risks to cryptocurrencies and the MaskNetwork Platform, which could result in the theft or loss of MSK. To the extent possible, MaskNetwork intends to update the protocol underlying the MaskNetwork Platform to account for any advances in cryptography and to incorporate additional security measures, but cannot it cannot predict the future of cryptography or the success of any future security updates.

- The loss or destruction of a private key by MaskNetwork used to access may be irreversible. MaskNetwork's loss of access to its private keys or a data loss relating to MaskNetwork could adversely affect the value of MSK.
- MaskNetwork Platform is a new product, thus contributing to price volatility that could adversely affect the value of MSK. The factors affecting the further development of the digital assets industry, as well as the MaskNetwork Platform, include:
 - continued worldwide growth in the adoption and use of MSK and other digital assets;
 - government and quasi-government regulation of MSK and other digital assets and their use, or restrictions on or regulation of access to and operation of the MaskNetwork Platform or similar digital asset systems;
 - the maintenance and development of the software of the MaskNetwork Platform;
 - changes in consumer demographics and public tastes and preferences;
 - the availability and popularity of other similar products; and
 - general economic conditions and the regulatory environment relating to the MaskNetwork Platform and digital assets.
- Intellectual property rights claims may adversely affect the operation of the MaskNetwork Platform. Third parties may assert intellectual property claims relating to the holding and transfer of digital assets and their source code. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in the MaskNetwork Platform's long-term viability may adversely affect the value of MSK. Additionally, a meritorious intellectual property claim could prevent end-users from accessing the MaskNetwork Platform.
- Cryptocurrency exchanges on which MSK may trade may be relatively new and largely unregulated and may therefore be more exposed to fraud and failure than established, regulated exchanges for other products. To the extent that the cryptocurrency exchanges representing a substantial portion of the volume in MSK trading are involved in fraud or experience security failures or other operational issues, such cryptocurrency exchange failures may result in a reduction in the price and can adversely affect the value of MSK. A lack of stability in the cryptocurrency exchanges and the closure or temporary shutdown of cryptocurrency exchanges due to fraud, business failure, hackers or malware, or government-mandated regulation may reduce confidence in the MaskNetwork Platform and result in greater volatility in the price.
- Political or economic crises may motivate large-scale sales of MSK, which could result in a reduction in the price and adversely affect the value of MSK. Digital assets such as MSK, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of transacting, and it is unclear how such

supply and demand will be impacted by geopolitical events. Large-scale sales of MSK would result in a reduction in the price.

- It is possible that a digital asset other than MSK could have features that make it more desirable to a material portion of the digital asset user base, resulting in a reduction in demand for MSK, which could have a negative impact on the use and price of MSK. It is possible that a comparable product could become materially popular due to either a perceived or exposed shortcoming of the MaskNetwork Platform that is not immediately addressed by the MaskNetwork Team, or a perceived advantage of a comparable product that includes features not incorporated into the MaskNetwork Platform. If this product obtains significant market share, it could have a negative impact on the demand for, and price of, MSK.
- MSK transactions are irrevocable and stolen or incorrectly transferred MSK may be irretrievable. As a result, any incorrectly executed MSK transactions could adversely affect the value of MSK. Cryptocurrency transactions are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction or, in theory, control or consent of a majority of the processing power on the host blockchain platform. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of MSK or a theft of MSK generally will not be reversible and there may be no compensation for any such transfer or theft. Such loss could adversely affect the value of MSK.
- It is possible that, due to any number of reasons, including without limitation the failure of business relationships or marketing strategies, that the MaskNetwork Platform and all subsequent marketing from the money raised from the same of MSK may fail to achieve success.

13. All Purchases of MSK Are Non-Refundable

ALL PURCHASES OF MSK ARE FINAL. PURCHASES OF MSK ARE NON-REFUNDABLE. BY PURCHASING MSK, THE PURCHASER ACKNOWLEDGES THAT MASKNETWORK IS NOT REQUIRED TO PROVIDE A REFUND FOR ANY REASON, AND THAT THE PURCHASER WILL NOT RECEIVE MONEY OR OTHER COMPENSATION FOR ANY MSK THAT IS NOT USED OR REMAINS UNUSED.

14. Taxation of MSK and Taxation Related to the ICO

MaskNetwork makes no representations concerning the tax implications of the sale of MSK or the possession or use of MSK. The Purchaser bears the sole responsibility to determine if

the purchase of MSK with BTC or the potential appreciation or depreciation in the value of MSK over time has tax implications for the Purchaser in the Purchaser's home jurisdiction. By purchasing MSK, and to the extent permitted by law, the Purchaser agrees not to hold any of the MaskNetwork Parties liable for any tax liability associated with or arising from the purchase of MSK.

15. Privacy

Although MaskNetwork requires that Purchasers provide an email address, MaskNetwork will not publish any identifying information related to MSK purchases, without the prior written consent of the Purchaser. Purchasers may be contacted by email by MaskNetwork regarding a purchase. Such emails will be informational only. MaskNetwork will not request any information from Purchasers in an email.

16. Disclaimer of Warranties

THE PURCHASER EXPRESSLY AGREES THAT THE PURCHASER IS PURCHASING MSK AT THE PURCHASER'S SOLE RISK AND THAT MSK IS PROVIDED ON AN "AS IS" BASIS WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF TITLE OR IMPLIED WARRANTIES, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE (EXCEPT ONLY TO THE EXTENT PROHIBITED UNDER APPLICABLE LAW WITH ANY LEGALLY REQUIRED WARRANTY PERIOD TO THE SHORTER OF THIRTY DAYS FROM FIRST USE OR THE MINIMUM PERIOD REQUIRED). WITHOUT LIMITING THE FOREGOING, NONE OF THE MASKNETWORK PARTIES WARRANT THAT THE PROCESS FOR PURCHASING MSK WILL BE UNINTERRUPTED OR ERROR FREE.

17. Limitations Waiver of Liability

THE PURCHASER ACKNOWLEDGES AND AGREES THAT, TO THE FULLEST EXTENT PERMITTED BY ANY APPLICABLE LAW, THE DISCLAIMERS OF LIABILITY CONTAINED HEREIN APPLY TO ANY AND ALL DAMAGES OR INJURY WHATSOEVER CAUSED BY OR RELATED TO USE OF, OR INABILITY TO USE, MSK OR THE MASKNETWORK PLATFORM UNDER ANY CAUSE OR ACTION WHATSOEVER OF ANY KIND IN ANY JURISDICTION, INCLUDING, WITHOUT LIMITATION, ACTIONS FOR BREACH OF WARRANTY, BREACH OF CONTRACT OR TORT (INCLUDING NEGLIGENCE) AND THAT NONE OF THE MASKNETWORK PARTIES SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING FOR LOSS OF PROFITS, GOODWILL OR DATA, IN ANY WAY

WHATSOEVER ARISING OUT OF THE USE OF, OR INABILITY TO USE, OR PURCHASE OF, OR INABILITY TO PURCHASE, MSK. THE PURCHASER FURTHER SPECIFICALLY ACKNOWLEDGES THAT MASKNETWORK PARTIES ARE NOT LIABLE FOR THE CONDUCT OF THIRD PARTIES, INCLUDING OTHER PURCHASERS OF MSK, AND THAT THE RISK OF PURCHASING MSK RESTS ENTIRELY WITH THE PURCHASER. TO THE EXTENT PERMISSIBLE UNDER APPLICABLE LAWS, UNDER NO CIRCUMSTANCES WILL ANY OF THE MASKNETWORK PARTIES BE LIABLE TO ANY PURCHASER FOR MORE THAN THE AMOUNT THE PURCHASER MAY HAVE PAID TO MASKNETWORK FOR THE PURCHASE OF MSK. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES OR THE LIMITATION OR EXCLUSION OF LIABILITY FOR CERTAIN TYPES OF DAMAGES. THEREFORE, SOME OF THE ABOVE LIMITATIONS IN THIS SECTION AND ELSEWHERE IN THE TERMS MAY NOT APPLY TO A PURCHASER. IN PARTICULAR, NOTHING IN THESE TERMS SHALL AFFECT THE STATUTORY RIGHTS OF ANY PURCHASER OR EXCLUDE INJURY ARISING FROM ANY WILFUL MISCONDUCT OR FRAUD OF MASKNETWORK.

18. Dispute Resolution

- MaskNetwork and Purchaser (the “Parties”) agree to make good faith efforts to resolve any dispute, controversy or claim arising between them relating to this pre-sale and their respective rights and obligations hereunder arising under this Agreement (a “Dispute”).
- If the Parties, or their designated representatives, are unable to resolve the Dispute within ten (10) business days after referral of the matter to them, the Parties will submit the Dispute for resolution pursuant to paragraph c. of this Section.
- Except with respect to Disputes concerning (i) the right of either Party to apply to a court of competent jurisdiction for an interim or interlocutory injunction or other provisional remedy to preserve the status quo or prevent irreparable harm or (ii) any Disputes that may arise in connection with a breach of a Party’s obligations of confidentiality hereunder, if any Dispute is not resolved pursuant to paragraphs a. and b. above, the Parties will, acting reasonably, agree mutually on the forum for resolution of the Dispute by arbitration as set out in this Section.
- After the completion of the procedures set forth in paragraph b. and agreement by the Parties to enter into binding arbitration in accordance with paragraph c. of this Section, either Party may within thirty (30) calendar days refer the Dispute to arbitration by serving written notice of its intention to arbitrate the Dispute to the other Party.

- The arbitration will be conducted by a single arbitrator to be mutually agreed to by the Parties within three (3) business days following the date of the referral of the Dispute to arbitration.
- The arbitrator will have reasonable expertise and experience in arbitrating commercial disputes involving agreements for the provision of consulting and contractual disputes.

19. Force Majeure

MaskNetwork is not liable for failure to perform solely caused by:

- unavoidable casualty
- delays in delivery of materials
- embargoes,
- government orders,
- acts of civil or military authorities
- acts by common carriers
- emergency conditions (including weather conditions), or
- any similar unforeseen event that renders performance commercially implausible.

If an event of force majeure occurs, the party injured by the other's inability to perform may elect to suspend the Agreement, in whole or part, for the duration of the force majeure circumstances. The party experiencing the force majeure circumstances shall cooperate with and assist the injured party in all reasonable ways to minimize the impact of force majeure on the injured party.

20. Complete Agreement

These Terms set forth the entire understanding between each Purchaser and MaskNetwork with respect to the purchase and sale of MSK. For facts relating to the sale and purchase, the Purchaser agrees to rely only on this document in determining purchase decisions and understands that this document governs the sale of MSK and supersedes any public statements about the ICO made by third parties or by MaskNetwork or individuals associated with any MaskNetwork parties, past and present and during the ICO. There are no warranties, representations, covenants, or agreements, express or implied, between the parties except those expressly set forth in this Agreement. This Agreement may only be amended by a written document duly executed by the parties.

22. Severability

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

23. No Waiver

The failure of MaskNetwork to require or enforce strict performance by the Purchaser of any provision of these Terms or MaskNetwork's failure to exercise any right under these agreements shall not be construed as a waiver or relinquishment of MaskNetwork's right to assert or rely upon any such provision or right in that or any other instance. The express waiver by MaskNetwork of any provision, condition, or requirement of these Terms shall not constitute a waiver of any future obligation to comply with such provision, condition or requirement. Except as expressly and specifically set forth in these Terms, no representations, statements, consents, waivers, or other acts or omissions by MaskNetwork shall be deemed a modification of these Terms nor be legally binding, unless documented in physical writing, hand signed by the Purchaser and a duly appointed officer, employee, or agent of MaskNetwork.

24. Updates to the Terms and Conditions of the MSK ICO

MaskNetwork reserves the right, at its sole discretion, to change, modify, add, or remove portions of the Terms at any time during the sale by posting the amended Terms on the MaskNetwork website. Any Purchaser will be deemed to have accepted such changes by purchasing MSK. The Terms may not be otherwise amended except in a signed writing executed by both the Purchaser and MaskNetwork. For purposes of this agreement, "writing" does not include an e-mail message and a signature does not include an electronic signature. If at any point you do not agree to any portion of the then-current version of the Terms, you should not purchase MSK.

25. Cooperation with Legal Authorities

MaskNetwork will cooperate with all law enforcement enquiries, subpoenas, or requests provided they are fully supported and documented by the law in the relevant jurisdictions. MaskNetwork will endeavour to publish any legal enquiries upon receipt. 26.