

**TERMS AND CONDITIONS OF USE  
FOR USERS ACQUIRING  
SKRAPs TOKENS**

These Terms of Use are effective as of 7th November, 2017.

PLEASE, READ THESE TERMS AND CONDITIONS OF USE (“Terms”) CAREFULLY BEFORE ACQUIRING SkrapS TOKENS OR USING THE SERVICES DESCRIBED HEREIN. BY UTILIZING THE WEBSITE LOCATED AT <http://www.Skraps.io> (“Website”), SERVICES AND PRODUCTS OFFERED THEREIN, YOU ACKNOWLEDGE THAT YOU HAVE READ THESE TERMS AND CONDITIONS AND THAT YOU AGREE TO BE BOUND BY THEM.

These Terms constitute a legally binding contract between SkrapS, Inc., (“Company”) and a user acquiring SkrapS tokens.

Company’s constitution is defined in its Memorandum and Articles of Association and its objects, as set out in Company’s Memorandum of Association are unrestricted. Company is generally subject to the laws of The British Virgin Islands.

**Company is not a financial institution and does not provide investment services, including investment advice or any other licensed financial services.**

**IF YOU DO NOT AGREE TO ALL OF THE TERMS AND CONDITIONS OF THIS AGREEMENT, YOU ARE NOT AN AUTHORIZED USER OF THESE SERVICES AND YOU SHOULD NO USE THIS WEBSITE NOR ACQUIRE SkrapS TOKENS.**

COMPANY RESERVES THE RIGHT TO CHANGE, MODIFY, ADD OR REMOVE PORTIONS OF THESE TERMS AT ANY TIME FOR ANY REASON. WE SUGGEST THAT YOU REVIEW THESE TERMS PERIODICALLY FOR CHANGES. SUCH CHANGES SHALL BE EFFECTIVE IMMEDIATELY.

**THIS DOCUMENT DOES NOT CONSTITUTE INVESTMENT ADVICE OR COUNSEL OR SOLICITATION FOR INVESTMENT IN ANY SECURITY AND SHALL NOT BE CONSTRUED IN THAT WAY. THIS DOCUMENT DOES NOT CONSTITUTE OR FORM PART OF, AND SHOULD NOT BE CONSTRUED AS, ANY OFFER FOR SALE OR SUBSCRIPTION OF, OR ANY INVITATION TO OFFER TO BUY OR SUBSCRIBE FOR, ANY SECURITIES.**

**ACQUISITION OF SkrapS TOKENS DOES NOT PRESENT AN EXCHANGE OF CRYPTOCURRENCIES FOR ANY FORM OF ORDINARY SHARES OR SECURITIES ISSUED BY COMPANY.** HOLDERS OF SkrapS TOKENS ARE ONLY ENTITLED TO THE CERTAIN OTHER RIGHTS WITHIN THE SOFTWARE PLATFORM IN ACCORDANCE WITH THE TERMS SET OUT HEREIN.

Supporting the ICO is voluntary. No person will be deemed as committed or obliged to support the ICO as a result of visiting the Website, requesting or reading any materials made available on the Website.

Each user will, upon acquiring SkrapS tokens, be deemed as having perused and comprehended the Terms in full (among other things, the risk factors of the project) and having voluntarily accepted all the terms and conditions including but not limited to the disclaimers made and the risks disclosed herein.

COMPANY EXPRESSLY DISCLAIMS ANY AND ALL RESPONSIBILITY FOR ANY DIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND WHATSOEVER ARISING DIRECTLY OR INDIRECTLY FROM:

- RELIANCE ON ANY INFORMATION CONTAINED IN THIS DOCUMENT; OR

- ANY ERROR, OMISSION OR INACCURACY IN ANY SUCH INFORMATION; OR
- ANY ACTION RESULTING THEREFROM; OR
- USAGE OR ACQUISITION OF Skraps TOKENS, AVAILABLE THROUGH THE WEBSITE.

Company reserves the right to terminate your access to the Website for any reason, including but not limited to breaches of these Terms, on its sole and absolute discretion.

**SUPPORTING THE ICO, ACQUIRING OF Skraps TOKENS AND/OR USE OF WEBSITE CONSTITUTES A VIOLATION OF OUR TERMS WHERE PROHIBITED BY APPLICABLE LAW.**

**THESE TERMS HAVE NOT BEEN AND WILL NOT BE SUBMITTED TO, REGISTERED WITH, REVIEWED OR VERIFIED BY ANY REGULATORY AUTHORITY IN ANY JURISDICTION.**

## **1. DEFINITIONS**

1. The following terminology applies to these Terms and Conditions of Use, the Risks disclaimer and any and all other agreements between you and us:

In these Terms, the following terms shall have the meaning specified below:

- **“Applicable Law(s)”** in relation to a party shall include all and any statutes and subordinate legislation and common law; regulations; ordinances and by-laws; directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organization;
- **“Blockchain”** means a distributed database that maintains a continuously growing list of records called blocks in an open ledger, providing a transparent and reliable basis for automated contracting and payments resulting from real-time commercial activity;
- **“Bitcoin (BTC)”** means the digital currency and payment system using peer-to-peer transactions verified by network nodes and recording in a public distributed ledger;
- **“Client,” “Customer,” “User,” “You,” and “Your”** refer to you, a legal or natural person participating in the Initial Coin Offering of Skraps tokens by purchasing Skraps tokens, accessing the Website, the website of Company and accepting our Terms;
- **“Company,” “Ourselves,” “Website,” “We,” and “Us”** collectively refer to the Website and the corporate entity Skraps, Inc., and to its owners, operators, employees, directors, officers, employees, agents, insurers, suppliers, attorneys and any or all of its affiliates;
- **“Skraps,” “Skraps TOKENS,” “TOKEN”** and the ticker symbol **“SCR P”** all refer to the decentralized, asset-backed, return-focused and investment-grade coin-digital blockchain based asset on offer through the Initial Coin Offering (ICO);
- **“ETH”** (the native crypto-tokens on Ethereum blockchain) or any crypto-tokens resulting from any further forking of the Ethereum;
- **“Ethereum,” “Ether”** all refer to an open-source, public, blockchain-based distributed computing platform featuring smart contract (scripting) functionality;
- **“ICO”** is an acronym for "Initial Coin Offering" and refers to a process of capital raising by which funds are raised during the sale of Skraps tokens to the Users;
- **“Party”** refers to either You or Us;
- **“Pre-ICO”** is the preliminary part of the Initial Coin Offering (ICO) (if any);
- **“Risk”** means information set out in this document and, in particular, should evaluate the following risks in connection with acquiring and holding Skraps tokens.
- **“Smart contracts”** (“Smart contract system”) - are self-executing contractual states, stored on the Ethereum blockchain, which nobody controls and therefore everyone can trust;
- **“Terms”** means these Terms and Conditions of Use;
- **“Tokens”** means cryptographic Skraps tokens distributed by the Company during the ICO;
- **“Wallet”** also referred to as "digital wallets" and means a software program where Bitcoins and other cryptocurrencies are stored on the Blockchain and facilitate sending and receiving of Bitcoins and other cryptocurrencies and gives ownership of the balance to the User;
- **“Website”** is the Website on the Internet at address <http://www.Skraps.io>;
- **“Whitepaper”** is an informational document issued by the Company and highlighting the main

features of Skraps tokens, available for download at <http://www.Skraps.io>.

In these Terms, unless otherwise specified, words indicating the singular shall be understood to include the plural and vice versa and words indicating gender include all genders.

## **2. GENERAL INFORMATION**

1. By acquiring Skraps tokens, you (a “User,” regardless of whether you are an individual or entity) are agreeing to be legally bound by these Terms. If any term is unacceptable to you, please do not visit, access or use <http://www.skraps.io>.

2. By visiting, accessing or using <http://www.skraps.io> and/or acquiring Skraps tokens, you have warrant and guarantee that you are at least eighteen (18) years old, have the legal capacity to accept these Terms and to agree to be bound by it in its entirety. Feel free to print and keep a copy of these Terms, but please understand that we reserve the right to change any of these terms at any time.

You also warrant that you have full capacity to contract under applicable law; only transacting with legally obtained funds that belong to you; not furthering, performing, undertaking, engaging in, aiding, or abetting any unlawful activity through your relationship with us or through your use of the Website; and, comporting with and obeying all applicable laws.

3. The Website offers on its and other platforms the ability for Users to acquire Skraps tokens from the Initial Coin Offering. An “Initial Coin Offering” (“ICO”) is a crowdfunding method that distributes Skraps tokens.

**4. SKRAPTS TOKENS DO NOT ORIGINATE AND DO NOT PROVIDE ANY RIGHTS FOR PARTICIPATION IN PROPERTY, JOINT STOCK OR AUTHORIZED CAPITAL OF ANY ASSOCIATIONS, PARTNERSHIPS, COMPANIONSHIPS OR ANY OTHER FORMS OF LEGAL ENTITIES OF WHATEVER JURISDICTION.**

**SKRAPTS TOKENS DO NOT PROVIDE THEIR HOLDERS WITH ANY ADDITIONAL RIGHTS IN MATERIAL, AS WELL AS NON-MATERIAL NATURE, EXCEPT FOR THOSE RIGHTS THAT ARE STIPULATED IN THE WHITEPAPER.**

5. The Website will offer to its Users the opportunity to invest in its ICO, should the User express an interest in the ICO investment.

6. It is the User’s responsibility to affirm and understand the terms of the ICO before making any investment decisions. Subject to these Terms, any invitations to participate in the ICO shall not be in any event construed as investment advice.

7. By using the Website or its related services, including Skraps tokens offering process, you expressly agree to be bound by all of the Terms set forth. In accepting these Terms, you acknowledge that you have read them, understand them, and had an opportunity to seek an independent financial and/or legal advice prior to agreeing to them.

8. At any point, if you do not agree to any portion of these Terms, you should not proceed to use the Website or participate in the Initial Coin Offering, or acquire Skraps tokens from the Initial Coin Offering.

## **3. ICO AND SKRAPTS TOKENS DISTRIBUTION**

1. Distribution of Skraps tokens shall be conducted during the Initial Coin Offering. The total number of SKRAPTS token which will be ever created is **110,000,000**:

- 66,000,000 of Skraps tokens will be available as part of the token sale in ICO and whitelist;
- 11,000,000 of Skraps tokens will be reserved for founders and advisors/team;
- 5,500,000 of Skraps tokens will be reserved for spending in Marketing and Bounty programs;
- 16,500,000 of tokens will not be issued at the time of ICO and will be reserved for a future.

2. During the ICO 60% (66,000,000.00) of created Skraps tokens will be offered publicly. The ICO will run for [30] days, starting from 18 December, 2017 until 18 January, 2018.

3. The price of one Skraps token during the ICO will increase as the weeks go by:

- for investors at whitelist stage, 1 SKRP token will be available for 0.00005 BTC;
- After the launch of ICO, investors in the 1st week can buy SKRP token at 0.00006 BTC;
- After then, the price will increase by 0.00001 BTC every week.

4. Investors can acquire Skraps tokens by paying in BTC or ETH.

5. **100%** of the value proceeds of the ICO will be used in the following proportions and directions:

- [50]% of the total amount raised during ICO will be used for Skraps platform development;
- [30]% of the total amount raised during ICO will be used for the marketing campaign;
- [10]% of the total amount raised during ICO will be distributed among founders and the team of the project;
- [3]% of the total amount raised during ICO will be paid for legal advisory;
- [2]% of the total amount raised during ICO will be paid for exchange fees;
- [5]% of the total amount raised during ICO will be distributed for other campaigns.

6. The Company reserves the right to change the start date of the ICO as well as the right to extend the sale duration for any reason, including the unavailability of the Website or other unforeseen security or procedural issues without any duty to provide explanation to the users or the public. Although we do not currently anticipate doing so, it also reserves the right to shorten the sale duration or cancel it for any reason. Any such changes will be published on the Website.

7. The Skraps tokens will be listed on several online exchange platforms within [ 2 ] weeks after the end of the ICO. Unsold Skraps tokens will be destroyed.

8. The User understands and accepts that while the individuals and entities, including the Company, assigned to this task will make reasonable efforts to develop Skraps tokens System, it is possible that such development may fail and Skraps tokens become useless and/or valueless due to technical, commercial, financial, regulatory or any other reasons.

9. The User recognizes that we do not warrant the period of time for which the Skraps tokens will be operational. Skraps tokens may be abandoned by the Company for a number of reasons, including a lack of interest from the public, a lack of funding or competing services that seek to develop similar products or any other reason.

10. **The User understands that the Company will not provide any refund of the purchase price for Skraps tokens under any circumstances and/or any conditions.**

11. Notwithstanding any provision in these Terms, the Company is not obliged or committed to sell any or all of the Skraps tokens during the ICO, and reserves the right to terminate the ICO or otherwise alter the allocation and price of Skraps tokens as it deems fit without prior notice. We reserve the right to pause the ICO. We do not expect to make such changes or take such action, but may do so in exceptional and unforeseen circumstances beyond our control, e.g. DDoS attacks, network overload or any other reason.

11. Each User shall be responsible for keeping relevant Wallets intact and secure at any time. We shall not be held liable for the wallet of any User being hacked, stolen or lost, in which case the delivery of purchased Skraps tokens could fail, become impossible or be sent in error.

#### **4. TAXATION**

1. The Users bear full responsibility for timely and correct calculation and payment of all taxes due in accordance with the legislation applicable to the Users. The Service is not a tax agent of the User, as well as it does not advise the User on the order of calculation and/or the payment of taxes.

2. All User`s factual and potential tax obligations are User`s concern and we are not in any case and under no conditions bound to compensate for User tax obligation or give the User any advice related to tax issues, including but not limited what kind of filing or reporting you need to do with the competent tax authority, which taxes and to which extent Users are obliged to pay, which tax exemptions you are eligible to etc.

## **5. INTELLECTUAL PROPERTY**

1. We retain all right, title and interest in all of our intellectual property, including inventions, discoveries, processes, marks, methods, compositions, formulae, techniques, information, source code, brand names, graphics, user interface design, text, logos, images, information and data pertaining to the Skraps tokens and ICO, whether or not patentable, copyrightable or protectable in trademark, and any trademarks, copyrights or patents based thereon.

2. You may not use any of our intellectual property for any reason, except with our express, prior, written consent.

3. THESE TERMS SHALL NOT BE UNDERSTOOD AND INTERPRETED IN A WAY THAT THEY WOULD MEAN ASSIGNMENT OF INTELLECTUAL PROPERTY RIGHTS.

4. We do not grant you any licenses, express or implied, to the intellectual property of the Company as expressly authorized by these Terms. You are being granted a non-exclusive, non-transferable, revocable license to access and use the Website and Skraps tokens strictly in accordance with these Terms.

5. As a condition of your use of the Website and Skraps tokens you warrant to us that you will not use the Website or Skraps tokens for any purpose that is unlawful or prohibited by these Terms.

6. You may not use Skraps tokens in any manner that could damage, disable, overburden, or impair the Company. You may not obtain or attempt to obtain any materials or information through any means not intentionally made available or provided for through the Website. **ANY LIMITATIONS SHALL NOT BE UNDERSTOOD IN A WAY THAT THE USERS ARE NOT ALLOWED TO TRANSFER Skraps TOKENS TO THIRD PARTIES.**

7. All Company`s IP rights are the property of the Company and is protected by copyright, trademark and other laws that protect intellectual property and proprietary rights. You agree to observe and abide by all copyright and other proprietary notices, legends or other restrictions contained in any such content and will not make any changes thereto.

8. You will not modify, publish, transmit, reverse engineer, participate in the transfer or sale, create derivative works, or in any way exploit any of our IP rights, in whole or in part, found on the Website or associated products and services.

9. Our IP rights are not for resale. Your use of the Skraps tokens does not entitle you to make any unauthorized use of any Skraps tokens.

10. You will use Skraps tokens solely for your personal use, and will make no other use of Skraps tokens without the express written permission of the Company. You agree that you do not acquire any ownership rights in any Company`s IP rights.

## **6. ACCURACY OF INFORMATION**

1. An information provider is any company or person who directly or indirectly provides us and/or the User with information (“**Information Provider**”). Such information could include overall market data, quotations from other exchanges, markets, dealers and/or miners, etc.

2. While we strive to provide you with accurate information, we cannot guarantee that any information on the Website will always be accurate. As a result, we are not liable to you, any other person or any institution:

- For the accuracy, completeness, timeliness or correct order of information;
- For any changes or updates to these Terms, with or without notice;

- For any decision you make or action you take by relying on any of the information on the Website;
- For any transaction you initiate or attempt that is not completed;
- For any transaction that is completed;
- For the price at which you buy or sell Skraps tokens;
- If you are not able to buy or sell Skraps tokens;
- For any law, rule, regulation, action, enforcement or order in your jurisdiction that makes the use, ownership, purchase or sale of Skraps tokens illegal or impermissible; and
- For any failure set forth in these Terms.

3. PLEASE ALSO NOTE THE RISKS INCURRED WITH ACCESSING, BUYING, USING OR SELLING SKRAPTS TOKENS AS STATED IN OUR RISKS DISCLOSURE.

4. You acknowledge that you are solely responsible for determining the nature, potential value, suitability, and appropriateness of these risks for you, and that we do not give you any advice or recommendations regarding Skraps tokens including the suitability and appropriateness of, and investment strategies for Skraps tokens. **You acknowledge and agree that you shall acquire and use Skraps tokens at your own risk.**

5. Under no circumstances may you enter restricted areas of any computer or network of the Website or any of its parties, or perform any functions that are not authorized under these Terms. It is strongly recommended that you do not access the Website from an unsecured or public computer and/or network.

6. We may modify any or all of Website without notice. Part of or all of Website may periodically be unavailable during planned or unplanned downtime. You acknowledge and agree that we are not liable or responsible to you for any inconvenience, losses or damage to you as a result of such downtime.

## **7. RISK DISCLOSURES**

**1. ACQUIRING AND TRADING BITCOIN, ETHER, SKRAPTS TOKENS OR ANY OTHER BLOCKCHAIN ASSET CARRIES A HIGH LEVEL OF RISK, AND MAY NOT BE SUITABLE FOR YOU. YOU SHOULD BE AWARE THAT YOU MAY SUSTAIN A TOTAL LOSS OF THE FUNDS.**

2. The Skraps tokens are not a security or a currency. Skraps tokens are not an investment and should not be held as an investment or for speculative or financial purposes. There is no guarantee – indeed there is no reason to believe – that Skraps tokens will increase in value.

3. Skraps tokens may be subject to high volatility in terms of price and Skraps tokens may – and likely will - decrease in value. This document does not constitute or form part of, and should not be construed as any offer for sale or subscription of, or any invitation to offer to buy, or subscribe for, any securities, nor should it or any part of it form the basis of, or be relied on in any connection with, any contract or commitment whatsoever.

4. The Skraps tokens do not grant its holder ownership or equity in the Company or the right to participate in the control, direction or decision-making of the Company.

**5. Anyone who decides to hold Skraps tokens by making a donation during the ICO acknowledges, agrees and certifies that they are doing so not for investment but to participate in the Skraps community and to support and to participate on the Skraps network.**

6. Do not make a donation and acquire Skraps tokens if you do not have experience with, and an understanding of, the usage of blockchain-based software systems and cryptographic tokens like Bitcoin.

7. Prior to donating under the Pre-ICO or ICO, 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 acquire Skraps tokens.

8. When participating in the ICO, please consider the following risks:

- The risk of loss in acquiring Skraps tokens may be substantial and losses may occur over a short period of time;

- The price and liquidity of Skraps tokens has been subject to large fluctuations and may be subject to large fluctuations in the future;
- Legislative and regulatory changes or actions in your local jurisdiction or at the international level may adversely affect the use, transfer, exchange and value of Skraps tokens;
- In your jurisdiction, the Company may not be regulated as a financial institution, any Skraps tokens deposits in your personal account may not be considered deposits under the laws, rules or regulations applicable in your jurisdiction and may not be subject to applicable deposit insurance protection;
- Skraps tokens are not legal tender, are not backed by any government, transactions may not be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable, some Skraps tokens transactions shall be deemed to be made when recorded on a public ledger, which is not necessarily the date or time that you initiate the transaction.

### **Risk of losing access to Skraps tokens due to loss of private keys**

Users must send bitcoin from a Bitcoin address from which the donor controls the private keys. Failure of the user to safeguard these keys will result in the loss of Skraps tokens. Best practices dictate that users safely store their private keys in one or more backup locations geographically separated from the working location.

### **Risks associated with user credentials**

Any third party that gains access to the Skraps tokens holder's login credentials or private keys may be able to dispose of the token holder's Skraps tokens. To minimize this risk, holders should guard against unauthorized access to their electronic devices.

### **Risk of unfavorable regulatory or legal action in one or more jurisdictions**

Cryptographic tokens, cryptocurrencies and blockchain technologies have been the subject of scrutiny by various regulatory bodies and agencies around the world and currently face an uncertain regulatory landscape. In the near term, certain jurisdictions may adopt laws, regulations, or directives that affect blockchain technology, cryptographic tokens, cryptocurrencies and their end-users.

One or more countries may take regulatory actions in the future that severely restricts acquiring, owning, holding, selling, or using or converting cryptographic assets into fiat currency.

The functioning of the Skraps network and Skraps tokens could be impacted by one or more legal or regulatory inquiries or actions, including but not limited to restrictions on the use or possession of digital tokens like Skraps tokens, which could impede or limit the development of the Skraps network. The effect of any future regulatory change on the Skraps tokens and the Skraps network is impossible to predict.

The ability for users to interact with the Skraps network in some or all jurisdictions could be eliminated by future regulation and/or legal action. In the event that it is not legal for users to interact with the Skraps network in such jurisdictions, the user base may be adversely affected.

**Further it is possible that regulatory bodies in one or more jurisdictions may seek to censor content available on the Skraps platform or restrict access to the Skraps blockchain for an extended period of time or indefinitely, which may adversely affect the Skraps network.**

### **Risk of insufficient interest in the network or distributed applications**

It is possible that the Skraps network will not be used by a large number of businesses, individuals, and other organizations and that there will be limited public interest in the creation and development of our applications. Such a lack of interest could impact the development of the Skraps network and therefore the potential uses and value of the Skraps tokens.

### **Risk that Skraps tokens will not meet the expectations of Skraps tokens holders**

The Skraps network and blockchain are presently under development and may undergo significant changes before release. Any expectations regarding the form and functionality of the Skraps tokens by holders of Skraps tokens may not be met upon release, for any number of reasons, including a change in the design and implementation plans and execution of the Skraps network.

### **Risk of theft and hacking**

Hackers or other groups or organizations may attempt to interfere with our network or the availability of Skraps tokens in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks.

### **Risk of security weaknesses**

Our network consists of open source software that is itself based on open source software. There is a risk that the developers funded by the Company, or other third parties may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructural elements of our network interfering with the use of or causing the loss of Skraps tokens.

### **Risk of weaknesses or exploitable breakthroughs in the field of cryptography**

Advances in cryptography, or technical advances such as the development of quantum computers, could present risks to cryptographic tokens and our platform, which could result in the theft or loss of Skraps tokens.

### **Risk of significant volatility in digital currencies**

The value of cryptographic tokens, including bitcoin and the Skraps tokens, is highly volatile and can be affected by a number of factors, including, without limitation, market sentiment, blockchain news, attacks and/or hacks, potential regulatory measures, global or regional political, economic or financial events and situations and the launch of new competing cryptographic tokens.

Further, we will use donations received from the ICO to fund development of our network.

The donations made will be denominated in bitcoin, and possibly converted into other cryptographic tokens or fiat currencies to pay for such things as network development expenses.

If the value of bitcoin or other cryptographic tokens fluctuates unfavorably during or after the ICO, we may not be able to fund development, or may not be able to sponsor development of the our blockchain in the manner that it intended or promised.

### **Risk of exchanges and an illiquid market for Skraps tokens**

There are currently no exchanges upon which Skraps tokens might trade. Exchanges on which certain other cryptographic tokens like bitcoin currently trade are relatively new and are subject to unclear and uncertain regulatory oversight.

Such exchanges may therefore be more exposed to fraud, security failures and other operational issues than established, regulated exchanges for other products. To the extent that the Skraps tokens are listed on any exchanges in the future, and any exchange representing a substantial portion of the volume in Skraps tokens trading experiences fraud and/or operational or security failure, such an event could result in the loss of Skraps tokens and/or a reduction in the value or liquidity of the Skraps tokens. Even if Skraps tokens are listed on an exchange, if there are very few people buying or selling Skraps tokens, the market for Skraps tokens could be illiquid.

### **Risk of uninsured losses**



Unlike bank accounts or accounts at some other financial institutions, funds held using the blockchain network are generally uninsured.

In the event of loss or loss of value, there is no public insurer or private insurer, to offer recourse to the token holders.

### **Risk of dissolution of our project**

It is possible that, due to any number of reasons, including without limitation, an unfavorable fluctuation in the value of bitcoin, unfavorable fluctuation in the value of Skraps tokens, the failure of developers to complete projects or their unwillingness to complete projects, ascendancy of competitors and/or competing intellectual property claims, the Skraps network may no longer be a viable project and may dissolve or fail to launch.

### **Risk of taxation**

Skraps tokens holders may be subject to adverse or unexpected tax implications or consequences in one or more jurisdictions if donations are made under the ICO, Skraps tokens are held, Skraps tokens appreciate or depreciate in value over time.

You should consult your own legal counsel and tax advisor as to legal and tax matters concerning Skraps tokens.

### **Unanticipated risks**

**Digital currencies and cryptographic tokens are new and untested technologies.**

**In addition to the risks set forth herein, there are risks that cannot be anticipated. Risks may further materialize as unanticipated combinations or variations of the risks set forth herein.**

9. The market value of Skraps tokens may be derived from the continued willingness of market participants, which may result in the potential for permanent and total loss of value of a particular Skraps tokens should the market for those tokens disappear.

10. The nature of Skraps tokens may lead to an increased risk of fraud or cyber-attack, and may mean that technological difficulties may prevent the access to or use of your Skraps tokens.

11. The prices quoted on the Website or electronic online exchanges may not necessarily reflect the broader market.

12. The use of electronic trading or exchange systems and communication networks to facilitate trades exposes you to risks associated with the system including the failure of hardware and software system or network down timed access or connection failures. You acknowledge that we shall not be responsible for any services disruptions, errors or delays that you may experience while using its services.

13. Cryptocurrency trading is one of the riskiest forms of investment available on the financial markets and is only suitable for sophisticated individuals and institutions. Given the possibility of losing an entire investment, speculation in cryptocurrency exchange markets should only be conducted with capital funds that if lost will not significantly affect your financial wellbeing.

14. You should neither construe any of the material contained herein as business, financial, investment, hedging, trading, legal, regulatory, tax, or accounting advice nor make this service the primary basis for any investment decisions made by or on behalf of you, your accountants, or your managed or fiduciary accounts, and you may want to consult your business advisor, attorney, and tax and accounting advisors concerning any contemplated transactions.

**15. YOU ACKNOWLEDGE AND AGREE TO PARTICIPATE IN THE ICO AND USE THE WEBSITE AT YOUR OWN RISK. THE POINTS NOTED ABOVE APPLY TO ALL USERS. HOWEVER, THIS BRIEF STATEMENT DOES NOT DISCLOSE ALL OF THE RISKS ASSOCIATED WITH ACQUIRING OF SKRAPs TOKENS. YOU SHOULD, THEREFORE, CAREFULLY CONSIDER WHETHER SUCH ACQUIRING IS SUITABLE FOR YOU IN LIGHT OF YOUR CIRCUMSTANCES AND FINANCIAL RESOURCES. PLEASE CAREFULLY CONSIDER YOUR OBJECTIVES, LEVEL OF EXPERIENCE, AND RISK APPETITE BEFORE PARTICIPATING IN THE ICO AND USING THE WEBSITE.**

#### **8. SYSTEM DISRUPTIONS OR MALFUNCTIONS**

1. We use commercially reasonable efforts to provide Users with a reliable and secure service. From time to time, interruptions, errors or other deficiencies in service may occur due to a variety of factors, some of which are outside our control.

2. In no event shall we, or our employees, directors, officers, employees and affiliates, be liable to you or others for any damages, direct, indirect, consequential or special, including, without limitation, all losses, costs, expenses, loss of profits, loss of business revenue or failure to realize expected savings arising from or out of the existence, furnishing, or functioning of the Website, or any act or omission in connection with your accessing the Website.

3. We are not liable by reason of acting or failing to act due to an error in any acquiring request actually received by us, or not being received by us. We are not responsible for any losses, damages or personal injury that any person suffers as a result of a User accessing the Website.

#### **9. USER'S REPRESENTATIONS AND WARRANTIES**

1. To acquire Skrap's tokens during the ICO each User shall represent and warrant to us and our affiliates that:

- All the information submitted by the User to the Company is true, complete, valid and non-misleading;
- He/she/it IS NOT a citizen, resident, tax resident of any other jurisdiction where supporting the ICO, acquiring Skrap's tokens and/or using the Skrap's system is or may be prohibited by applicable national law; and (iii) a company or association or body of persons, located, corporate or unincorporated in a jurisdiction where supporting the ICO, acquiring Skrap's tokens and/or using the Skrap's system is or may be prohibited by applicable national law.
- the User understands blockchain, distributed ledger technology and cryptocurrency and is fully aware of the financial risks associated with the ICO;
- the User's acquiring of Skrap's tokens is voluntary and based on its own independent judgment without being coerced, solicited or misled by anyone else;
- the User is permitted by the laws of his jurisdiction to acquire of Skrap's tokens and is legally permitted to acquire, receive, hold and sell tokens;
- No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority is required on his/her part in connection with the participation in the ICO;
- the User is experienced in and capable of maintaining and safekeeping the private key of the sending address out of which he/she makes any payment for purchasing of Skrap's tokens during the ICO;
- the User agrees that Skrap's tokens during the are not redeemable and do not necessarily have market value;
- the User does not contemplate to use Skrap's tokens for any speculative, illegal or non-ethical purpose; and
- The User is not acting as a nominee or agent for or on behalf of any third party.

2. All the above representations and warranties made by a User shall be true, complete, accurate and non-misleading on and from the date of that User making any payment hereunder throughout the ICO and onwards.

## **10. NO REPRESENTATION OR WARRANTY BY US**

1. We do not make, and hereby disclaims, any representation or warranty with respect to Skraps tokens (including their respective merchantability or fitness for any particular purpose).
2. Each User's decision to support the ICO and purchase any Skraps tokens shall be made based on his/her own knowledge of Skraps tokens and the information disclosed on the Website. Without prejudice to the generality of the foregoing, each User will acquire or sell any Skraps tokens on an "as is" basis, irrespective of the technical specifications, parameters, performance or function thereof.

## **11. LIABILITY**

1. The Company, its affiliates and respective officers, employees or agents will in regard to the Website and Skraps tokens not be liable to you or anyone else for any damages of any kind, including, but not limited to, direct, consequential, incidental, special or indirect damages (including but not limited to lost profits, trading losses or damages that result from use or loss of use of this Website and Skraps tokens), even if we have been advised of the possibility of such damages or losses, including, without limitation, from the use or attempted use of Skraps tokens and the Website.
2. Further, neither we nor any of our affiliates or licensors will be responsible for any compensation, reimbursement, or damages arising in connection with:
  - (a) your inability to use the to the Website or Skraps tokens, including without limitation as a result of any termination or suspension of Bitcoin or Ethereum network or this agreement, including as a result of system failures or other interruptions;
  - (b) any investments, expenditures, or commitments by you in connection with this agreement or your use of or access to the to the Website and acquiring Skraps tokens; or
  - (c) any unauthorized access to, alteration of, or the deletion, destruction, damage, loss or failure to store any data, including records, private key or other credentials, associated with to the Website and Skraps tokens.
3. You waive your right to demand the return of Skraps tokens you acquired or sold, including, without limitation, a demand for specific performance.
4. You will defend, indemnify, and hold harmless the Company, its affiliates and licensors, and each of its respective employees, officers, directors, and representatives from and against any claims, damages, losses, liabilities, costs, and expenses (including reasonable attorney fees) arising out of or relating to any claim concerning these Terms or User's use of the Website and Skraps tokens contrary to these Terms.
5. If the Company or its affiliates are obligated to respond to a third-party subpoena or other compulsory legal order or process described above, the User will also reimburse the Company for reasonable attorney fees, as well as our employees' and contractors' time and materials spent responding to the third-party subpoena or other compulsory legal order or process at reasonable hourly rates.
6. The information, software, products, and services included in or available through the Website may include inaccuracies or typographical errors. Changes are periodically added to the information herein.
7. The Company and/or its suppliers may make improvements and/or changes to the Website at any time. The Company makes no representations about the suitability, reliability, availability, timeliness, and accuracy of the to the Website and Skraps tokens, information, software, products, services and related graphics contained on the Website for any purpose.
8. **TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, SKRAPTS TOKENS ARE PROVIDED "AS IS" WITHOUT WARRANTY OR CONDITION OF ANY KIND.**
9. The Company hereby disclaims all warranties and conditions with regard to the Website and Skraps tokens, information, software, products, services and related graphics, including all implied warranties or conditions of merchantability, fitness for a particular purpose, title and non-infringement.

10. The User may not use Skraps tokens in any manner that could damage, disable, overburden, or impair other Users, other Skraps tokens, the Website or the Company.

## **12. INDEMNITY**

1. To the full extent permissible by applicable law:

(a) The Company makes no, and hereby disclaims all, representations or warranties of any kind, express or implied, as to the availability, operation and use of the Website, including but not limited to warranties of performance, functionality, merchantability, fitness for a particular purpose, title, non-infringement, and implied warranties arising from course of dealing or course of performance; and

(b) You release and indemnify the Company in respect of any Claim or Loss which may arise in consequence of your use of the Website or Skraps tokens, including in consequence of any breach of these Terms by you.

2. The above indemnity:

(a) extends to Claims incurred or suffered by Company's officers, employees, agents or sub-contractors; and

(b) extends to and includes all Losses incurred in defending and/or settling any Claims, including legal costs on a full indemnity (solicitor/own-client) basis.

## **13. DISCLAIMER OF WARRANTIES AND LIABILITY**

1. We are not giving investment advice, tax advice, legal advice, or other professional advice by allowing you to use the Website or acquire Skraps tokens, the ability to purchase or sell Skraps tokens or the storage of Skraps tokens of fiat currency, and we do not recommend, or endorse that you acquire or sell Skraps tokens or make any investment. Before engaging in any trading or investment activity, you should consult a verified professional.

2. ANY WEBSITE SERVICES ARE PROVIDED TO YOU ON A STRICTLY "AS IS," "WHERE IS" AND "WHERE AVAILABLE" BASIS.

3. WE SHALL NOT BE LIABLE TO A USER OR ANYONE ELSE FOR ANY LOSS OR INJURY RESULTING DIRECTLY OR INDIRECTLY FROM YOUR USE OF THE WEBSITE, ACQUISITION OF SKRAPS TOKENS, INCLUDING ANY LOSS CAUSED IN WHOLE OR PART BY ANY INACCURACIES OR INCOMPLETENESS, DELAYS, INTERRUPTIONS, ERRORS OR OMISSIONS, INCLUDING, BUT NOT LIMITED TO, THOSE ARISING FROM THE NEGLIGENCE OF THE COMPANY OR CONTINGENCIES BEYOND THEIR CONTROL IN PROCURING, COMPILING, INTERPRETING, COMPUTING, REPORTING, OR DELIVERING SKRAPS TOKENS OR THE INFORMATION THEREIN.

4. IN NO EVENT SHALL WE BE LIABLE TO YOU OR ANYONE ELSE FOR ANY DECISION MADE OR ACTION TAKEN BY YOU IN RELIANCE ON, OR IN CONNECTION WITH YOUR USE OF THE WEBSITE, THE INFORMATION THEREIN OR ACQUISITION OF SKRAPS TOKENS.

5. IN NO EVENT SHALL WE BE LIABLE TO USER, WHETHER IN CONTRACT OR TORT, FOR ANY DIRECT, SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES OR ANY OTHER DAMAGES OF ANY KIND EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY THEREOF.

6. We may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant or other legal process, which a party reasonably and in good faith believes to be valid. A User agrees to indemnify, defend and hold the Company harmless from all actions, claims, liabilities, losses, costs, attorney's fees, and damages associated with our or their compliance with any process that such party believes reasonably and in good faith to be valid.

## **14. DISCLAIMER REGARDING ICO**

1. **NO ADVICE.** You agree that the Company will not provide you with any investment or other advice regarding the suitability of any ICOs, Skraps tokens or related investment products. A User will not solicit or rely upon (if given) any such advice from us or any of our employees or agents.

2. **NO LIABILITY.** You agree to make your own judgments and decisions with respect to the ICO, Skraps tokens or related product independently and without relying on the Company. You assume full responsibility for all your investment decisions. Neither we nor any of our employees or agents shall incur any liability in connection therewith.

3. **NO LIABILITY FOR TECHNICAL ERRORS.** We cannot and shall not guarantee the integrity and security of the ICO and Skraps tokens. The Company under no circumstance will assume liability or be held responsible for the technical failure of Skraps tokens, which may result in a complete loss of your funds and investment.

### **15. LIMITATION OF LIABILITY**

1. Nothing in these Terms is to be read as excluding, restricting or modifying the application of any legislation which by law cannot be excluded, restricted or modified. Any representation, warranty, condition or undertaking which (but for this clause) would be implied in this document by law, is excluded to the fullest extent permitted by law.

2. We are not liable to the User for any Claims (arising in contract, tort, statute or otherwise, or as a result of a force majeure) which may arise in consequence of, or in connection with, your acquisition or use of Skraps tokens, use of the Website and these Terms.

3. The User indemnify and hold harmless the Company for all Claims (arising under contract, tort, statute or otherwise, or as a result of force majeure), which may be made against the Company or arise as a consequence of, or in connection with, your acquisition or use of Skraps tokens, use of the Website and these Terms.

4. Notwithstanding any other provision of these Terms and to the fullest extent permitted by law, the Company will not be liable to you for consequential, indirect or special losses or damages of any kind (including, without limitation, loss of profit, loss or corruption of data, business interruption or indirect costs) suffered by you as a result of any act or omission whatsoever of the Company, its officers, employees, agents or sub-contractors.

5. If you have any liability to the Company under these Terms, then the Company may set-off that liability against any liability it has to you.

6. The User acknowledges and agrees that, to the fullest extent permitted by any applicable law, the User will not hold any developers, auditors, contractors or founders of the ICO, the blockchain System liable for any and all damages or injury whatsoever caused by or related to the use of, or the inability to use Skraps tokens, the ICO or blockchain system 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 developers, auditors, contractors or founders of the Company or the blockchain System shall not 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 the inability to acquire, sell or use of Skraps tokens, to use the blockchain System and/or to participate in the ICO.

7. The User further specifically acknowledges that developers, auditors, contractors or founders of the Company, Skraps tokens, Smart Contract System and/or the Services are not liable, and the User agrees not to seek to hold them liable, for the conduct of third parties, including other creators of Skraps tokens, and that the risk of acquiring, creating, holding and using Skraps tokens entirely with the User.

**8. BY ACQUIRING, SELLING OR HOLDING SKRAPTS TOKENS, AND TO THE EXTENT PERMITTED BY LAW, THE USER AGREES NOT TO HOLD ANY THIRD PARTY (INCLUDING DEVELOPERS, AUDITORS, CONTRACTORS OR FOUNDERS OF THE COMPANY) LIABLE FOR ANY REGULATORY IMPLICATIONS OR LIABILITY ASSOCIATED WITH OR ARISING**

## **FROM THE ACQUIRING, CREATION OR OWNERSHIP OF SKRAPs TOKENS OR ANY OTHER ACTION OR TRANSACTION RELATED TO SKRAPs TOKENS.**

9. The Company does not guarantee the permanent and uninterrupted operation of the Website or Skrap tokens and does not take any responsibility for direct, indirect, accidental, special, circumstantial or punitive damages, including but not limited to the losses in the form of lost profit for the mistakes and/or technical issues in operation of the Website or Skrap tokens, or restriction of the access to the Website on the territory of any jurisdiction.

### **16. AMENDMENTS**

1. The Company reserves the irrevocable right to change, modify, add, or remove portions of these Terms at any time during the ICO and afterwards by posting the amended Terms on the Website, as well as making a public announcement.

2. The revised version of the Terms will be effective at the time the Company posts it on the Website unless indicated otherwise. If you do not agree to be bound by the amended or modified Terms, you must cease accessing or using Skrap tokens or the Website immediately.

### **17. COMPLIANCE**

All Website services shall cooperate with all law enforcement inquiries, subpoenas, or requests provided they are fully supported and documented by the law in the relevant jurisdictions.

### **18. JURISDICTION**

THESE TERMS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF ENGLAND AND WALES WITHOUT GIVING EFFECT TO ITS PRINCIPLES OF CONFLICTS OF LAWS.

### **19. ARBITRATION CLAUSE**

1. ANY DISPUTE, CONTROVERSY OR CLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, OR THE BREACH, TERMINATION OR INVALIDITY THEREOF, SHALL BE FINALLY SETTLED BY ARBITRATION IN ACCORDANCE WITH THE ARBITRATION RULES OF THE ARBITRATION INSTITUTE OF THE STOCKHOLM CHAMBER OF COMMERCE.

2. THE ARBITRAL TRIBUNAL SHALL BE COMPOSED OF THREE ARBITRATORS. THE SEAT OF ARBITRATION SHALL BE STOCKHOLM. THE LANGUAGE TO BE USED IN THE ARBITRAL PROCEEDINGS SHALL BE ENGLISH. THIS CONTRACT SHALL BE GOVERNED BY THE SUBSTANTIVE LAW OF ENGLAND AND WALES.

### **20. SEVERANCE**

If any court or competent authority finds that any provision of these Terms (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of these Terms shall not be affected.

### **21. INVALIDITY**

IF ANY PROVISION OF THESE TERMS SHALL BE HELD TO BE ILLEGAL, VOID, INVALID OR UNENFORCEABLE UNDER THE APPLICABLE LAWS OF ANY JURISDICTION, THE LEGALITY, VALIDITY AND ENFORCEABILITY OF THE REMAINDER OF THESE TERMS IN THAT JURISDICTION SHALL NOT BE AFFECTED, AND THE LEGALITY, VALIDITY AND ENFORCEABILITY OF THE WHOLE OF THIS AGREEMENT IN ANY OTHER JURISDICTION SHALL NOT BE AFFECTED.

## **22. MISCELLANEOUS**

1. All materials, published on the Website or elsewhere, are not binding and do – unless explicitly referred to herein – not form part of these Terms, and are of descriptive nature only.
2. The Company and its affiliates will not be liable for any delay or failure to perform any obligation under these Terms where the delay or failure results from any cause beyond our reasonable control, including acts of God, labor disputes or other industrial disturbances, electrical, telecommunications, hardware, software or other utility failures, hacker attacks, earthquake, storms or other elements of nature, blockages, embargoes, riots, acts or orders of government, acts of terrorism, or war, changes in blockchain technology (broadly construed), changes in Bitcoin, Ethereum or any other blockchain protocols or any other force outside of our control.
3. The Company and the User are independent contractors, and neither party, nor any of their respective affiliates, is an agent for the other for any purpose or of the authority to bind the other.
4. These Terms do not create any third-party beneficiary rights in any individual or entity.
5. THE USER WILL NOT ASSIGN THESE TERMS, OR DELEGATE OR SUBLICENSE ANY OF YOUR RIGHTS UNDER THESE TERMS, WITHOUT OUR PRIOR WRITTEN CONSENT. ANY ASSIGNMENT OR TRANSFER CONTRARY TO THESE TERMS WILL BE VOID.
6. Subject the foregoing, these Terms will be binding upon, and inure the benefit of the parties and their respective successors and assigns. The failure or omission by the Company to enforce any provision of these Terms will not constitute a present or future waiver of such provision nor limit our right to enforce such provision at a later time.

## **23. ACCEPTANCE OF TERMS**

1. By using the Website and/or the acquisition of Skraps tokens, a user confirms that, to the extent permitted by law, he/she is authorized to acquire Skraps tokens and to fully understand and to be bound by these Terms regarding his/her relevant jurisdiction.
2. If you access or use the Website and/or acquire Skraps tokens, then you indicate that you agree to these Terms. If you do not agree to any of the specific Terms herein you may not take part in the ICO, acquire Skraps tokens and access or use the Website.
3. These Terms govern the creation, acquisition, transfer and holding of the Skraps tokens and supersede any public statements about the launch of Skraps tokens and/or the Smart Contract System made by anyone in the past, present and future.
4. If you have any questions, please contact us by e-mail at [Info@skraps.io](mailto:Info@skraps.io).