

# KARATBANK ICO

## TERMS AND CONDITIONS

**Last Updated: 20 February 2018**

Please read these Terms and Conditions (hereinafter – the “**Terms**”) carefully before using the website <http://karatbank.io/> (hereinafter – the “**Website**”), as they affect your obligations and legal rights, including, but not limited to, waivers of rights and limitation of liability. If you want to participate in the upcoming KaratBank Initial Coin Offering (hereinafter – the “**ICO**”), you should also read these Terms and accept them. If you do not agree with these Terms, you shall not use the Website or buy KaratBank Coins.

### 1. DEFINITIONS

**1.1 Account** – a User’s account on the Website, which is created and used to buy KaratBank Coins. A User is given access to an Account upon its successful creation through providing <http://karatbank.io> all the required information. Only authorized Users have a right to buy KaratBank Coins on the Terms provided herein.

**1.2 Agreement** – these Terms and all other operating rules, policies, and procedures that may occasionally be published on the Website (including privacy policy, cookie policy, etc.).

**1.3 Bitcoin or BTC** – a consensus network that enables a new payment system and a completely digital form of money; the first decentralized peer-to-peer payment network that is powered by its users with no central authority or middlemen.

**1.4 Blockchain** – type of distributed ledger, comprised of unchangeable, digitally recorded data in packages called blocks.

**1.5 KaratBank Initial Coin Offering** – period of time from 15 February 2018 to 15 April 2018, when the User is able to buy KaratBank Coins.

**1.6 KaratBank Coins** – cryptographic digital coins, which are a software product (digital resources) created by the Website Owner. KaratBank Coins are not securities and shall not be considered as such.

**1.7 KaratBank eWallet** – a state-of-the-art blockchain wallet that permits users to buy, sell, manage and hold digital coins and assets.

**1.8 User** – anyone who uses the Website, with or without prior registration and authorization using the Account.

**1.9 Website Owner**, Karatbank PTE LTD – a foundation that is registered under the laws of Singapore. In no way shall (company) be deemed a partner, employer or agent for any User or providing any financial services thereto.

### 2. GENERAL INFORMATION

**2.1** These Terms are a legally binding Agreement between you, the User, on the one part, and the Website Owner on the other part, also individually referred to as a “Party” and collectively as the “Parties”.

**2.2** These Terms define basic mutual rights and obligations of the Website Owner and the Users, either registered or just visiting certain pages of the Website, during their use of the Website, including but without limitation, for the purpose of buying the KaratBank Coins.

**2.3** By using the Website, the Users accept these Terms in full and agree to be bound thereby and comply therewith.

**2.4** These Terms are effective at the time the Users begin using the Website. The Users may withdraw from their obligation under the Terms at any time by discontinuing the use of the Website.

**2.5** The User acknowledges and accepts that:

- these Terms are subject to change, modifications, amendments, alterations or supplements at any time without prior written notice, at the Website Owner's sole discretion, by updating this posting at the "Last Updated" section; the User's continued use of the Website after the amendments etc. shall constitute the User's consent hereto and acceptance hereof;
- the Website Owner reserves the right, at its own and complete discretion, to modify or to temporarily or permanently suspend or eliminate the Website, and/or disable any access to the Website.

**2.6** By using this Website, you covenant, represent, and warrant that:

- you are of an age of majority to enter into this Agreement, meet all other eligibility and residency requirements, and are fully able and legally competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth herein and to abide by and comply herewith;
- you are aware of all the merits, risks and any restrictions associated with cryptocurrencies (their buying and use) and Blockchain-based systems, as well as knowing how to manage them, and you are solely responsible for any evaluations based on such knowledge of yours;
- you have necessary and relevant experience and knowledge to deal with cryptocurrencies and Blockchain-based systems, as well as a full understanding of their framework.

**2.7** You shall not use the Website if you are prohibited under the applicable law from using it. In particular, should any limitation or prohibition as to your purchase or use of any amount of the KaratBank Coins exist under the applicable law, we persistently recommend you not to use this Website and not to buy KaratBank Coins.

### **3. SALE OF KaratBank Coins**

**3.1** You may purchase the KaratBank Coins within the period of KaratBank Initial Coin Offering set out herein and on different exchanges after that.

**3.2** During the ICO, the Website Owner is going to sell allocated KaratBank Coins. The number of KaratBank Coins allowed for purchase by one User is limited to a minimum of 1,000 KaratBank Coins and no maximum amount. The KaratBank Coins may be issued in other optional ICO rounds. The KaratBank Coins are Ethereum-based cryptocurrencies.

**3.3** The KaratBank Coins will provide their holders' access to the KaratBank Ecosystem (system, not legal entity).

**3.4** Any User who wants to buy the KaratBank Coins shall register an Account on the Website using real name and email address, as well as have Bitcoin (BTC) or accepted Altcoins in any wallet. You can only buy the KaratBank Coins via your Account. To buy the KaratBank Coins, you shall send an amount of FIAT currencies, Bitcoin or Altcoins which is equal to the amount of KaratBank Coins that you would like to receive to the Bitcoin Wallet and/or Altcoin Wallet address which is specified in your Account.

**3.5** The KaratBank Coins purchased hereunder may be sold and transferred by the User at any time after the ICO via cryptocurrency exchanges if the KaratBank Coins are listed in any.

**3.7** BY BUYING KARATBANK COINS THE USER HEREUNDER REPRESENTS AND WARRANTS THAT HIS/HER FUNDS IN NO WAY CAME FROM ILLEGAL OR UNETHICAL SOURCES.

**3.8** YOU ARE ONLY ALLOWED TO PURCHASE KARATBANK COINS IF YOU COVENANT, REPRESENT, AND WARRANT THAT YOU ARE NOT A RESIDENT OF CANADA, PEOPLES REPUBLIC OF CHINA, THE REPUBLIC OF SINGAPORE AND NEITHER A U.S. CITIZEN OR PERMANENT RESIDENT OF THE UNITED STATES, NOR DO YOU HAVE A PRIMARY RESIDENCE OR DOMICILE IN THE UNITED STATES, INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, AND ANY OTHER POSSESSIONS OF THE UNITED STATES. IN ORDER TO BUY KARATBANK COINS YOU COVENANT, REPRESENT, AND WARRANT

THAT NONE OF THE OWNERS OF THE COMPANY, OF WHICH YOU ARE AN AUTHORIZED OFFICER, ARE U.S. CITIZENS OR PERMANENT RESIDENTS OF THE UNITED STATES, NOR DO THEY HAVE A PRIMARY RESIDENCE OR DOMICILE IN THE UNITED STATES, INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, AND ANY OTHER POSSESSIONS OF THE UNITED STATES. SHOULD THIS CHANGE AT ANY TIME, YOU SHALL IMMEDIATELY NOTIFY THE KARATBANK FOUNDATION. THE FOUNDATION SHALL RESERVE THE RIGHT TO REFUSE SELLING KARATBANK COINS TO ANYONE WHO DOES NOT MEET THE NECESSARY CRITERIA FOR THEIR BUYING, AS SET OUT HEREUNDER AND BY THE APPLICABLE LAWS. IN PARTICULAR, THE FOUNDATION MAY REFUSE SELLING KARATBANK COINS TO U.S. CITIZENS, PERMANENT RESIDENTS OF THE UNITED STATES, OF CANADA, PEOPLES REPUBLIC OF CHINA, THE REPUBLIC OF SINGAPORE AND THOSE USERS WHO DO NOT MEET ANY CRITERIA SPECIFIED IN CLAUSE 2.6.

## **4. RISK FACTORS**

### **Acknowledgment and Assumption of Risks.**

Buying KaratBank Coins involves substantial risk of total loss and it is not suitable for every investor. The valuation of KaratBank Coins may fluctuate, and as a result, participants may lose more than their original investment or the entire investment. Before deciding to participate in the KaratBank ICO, potential participants must carefully consider their investment objectives, level of experience and risk appetite. You acknowledge and agree that there are risks associated with purchasing KaratBank Coins, holding KaratBank Coins, and using KaratBank Coins, as disclosed in the Whitepaper. BY PURCHASING KARATBANK COINS, YOU EXPRESSLY ACKNOWLEDGE, ACCEPT AND ASSUME THESE RISKS, including but not limited to the risks described below:

#### **4.1 Dependence on computer infrastructure**

The KaratBank Foundation's dependence on functioning software applications, computer hardware and the Internet implies that the KaratBank Foundation can offer no assurances that a system failure would not adversely affect the use of your KaratBank Coins. Despite the KaratBank Foundation's implementation of all reasonable network security measures, its processing centre servers are vulnerable to computer viruses, physical or electronic break-ins or other disruptions of a similar nature. Computer viruses, break-ins or other disruptions caused by third parties may result in interruption, delay or suspension of services, which would limit the use of the KaratBank Coins.

#### **4.2 Regulatory risks**

The issue of tokens and Coins may be a new concept in some jurisdictions, which may then apply existing laws or introduce new regulations regarding these applications, and such regulations may conflict with the current KaratBank Foundation concept. This may result in the need to make substantial modifications, including but not limited to the KaratBank ICO termination, the loss of KaratBank Coins, and the suspension or termination of all ICOs.

#### **4.3 Force Majeure**

The KaratBank Foundation's performance may be interrupted, suspended or delayed due to force majeure circumstances. For the purposes of the Whitepaper, "force majeure" shall mean extraordinary events and circumstances which could not be prevented by the Foundation and shall include: acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics,

lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies, other circumstances beyond the Foundation's control, which were not in existence at the time of Whitepaper release.

#### **4.4 Value of KaratBank Coins**

Once purchased, the value of KaratBank Coins may significantly fluctuate due to various reasons. The KaratBank Foundation does not guarantee any specific value of the KaratBank Coins over any specific period of time. The KaratBank Foundation shall not be held responsible for any change in the value of KaratBank Coins.

Please note that the KaratBank Foundation project may be subject to other risks not foreseen by its team at this time.

### **5. USER REGISTRATION AND ACCOUNT**

**5.1** For the purpose of buying KaratBank Coins, you will create an individual Account including a login and a password. You warrant that all information you have provided for your Account is current, complete and accurate.

**5.2** You hereby expressly consent that you are solely responsible for the use of your login and password and for everything done using your registration details. You agree to keep your login information and password private. You are solely responsible for any loss or damage you or we may suffer as a result of your failure to do so.

**5.3** You may deactivate your account at any time and for any reason at your discretion. We may terminate your use of the Website at any time if you violate these Terms, at our sole discretion and without prior notice and without any liability or further obligation of any kind whatsoever to you or any other party, when we find such measures reasonable and/or necessary in a particular situation.

### **6. THIRD-PARTY WEBSITES AND SERVICES**

**6.1** The pages of the Website may contain links to third-party websites and services. Such links are provided for your convenience, but their presence does not mean that they are recommended by the KaratBank Foundation. In addition, the KaratBank Foundation does not guarantee their safety and conformity with any user expectations. Furthermore, we are not responsible for maintaining any materials referenced from another site and make no warranties for that site or this service in such context.

**6.2** The KaratBank Foundation assumes no obligations in the event of any damage or loss, or any other impact, directly or indirectly resulting from the use of any content, goods or services available on or through any such third-party websites and resources.

### **7. INDEMNIFICATION**

**7.1** To the extent allowable pursuant to applicable law, the KaratBank Foundation and/or its subsidiaries, affiliates, directors, officers, employees, agents, successors, and permitted assignees shall be indemnified by the user in cases arising out of a breach of any warranty, representation, or obligation hereunder.

### **8. DISCLAIMER OF WARRANTIES AND LIMITATION OR LIABILITY**

**8.1** THIS WEBSITE AND THE KARATBANK COINS ARE PROVIDED ON AN "AS IS" BASIS AND WITHOUT ANY WARRANTIES OF ANY KIND, EITHER EXPRESSED OR IMPLIED.

YOU ASSUME ALL RESPONSIBILITY AND RISK WITH RESPECT TO YOUR USE OF THE WEBSITE AND BUYING OF ANY AMOUNT OF THE KARATBANK COINS AND THEIR USE.

**8.2** YOU HEREBY EXPRESSLY AGREE THAT, TO THE MAXIMUM EXTENT PERMITTED BY THE APPLICABLE LAW, THE WEBSITE OWNER DOES NOT ACCEPT ANY LIABILITY FOR ANY DAMAGE OR LOSS, INCLUDING LOSS OF BUSINESS, REVENUE, OR PROFITS, OR LOSS OF OR DAMAGE TO DATA, EQUIPMENT, OR SOFTWARE (DIRECT, INDIRECT, PUNITIVE, ACTUAL, CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY OR OTHERWISE), RESULTING FROM ANY USE OF, OR INABILITY TO USE, THIS WEBSITE OR THE MATERIAL, INFORMATION, SOFTWARE, FACILITIES, SERVICES OR CONTENT ON THIS WEBSITE, FROM BUYING OF THE KARATBANK COINS OR THEIR USE BY THE USER, REGARDLESS OF THE BASIS, UPON WHICH THE LIABILITY IS CLAIMED AND EVEN IF WEBSITE OWNER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.

**8.3** YOU UNDERSTAND AND AGREE THAT THE WEBSITE OWNER SHALL NOT BE HELD LIABLE TO AND SHALL NOT ACCEPT ANY LIABILITY, OBLIGATION OR RESPONSIBILITY WHATSOEVER FOR ANY CHANGE OF THE VALUE OF THE KARATBANK COINS OR BTCS. THE WEBSITE OWNER SHALL NOT PROVIDE THE USER REFUND POSSIBILITIES (PAYOUT LIQUIDITY) FOR PURCHASED KARATBANK COINS. THE USER UNDERSTANDS AND EXPRESSLY AGREES THAT THE WEBSITE OWNER SHALL NOT GUARANTY IN ANY WAY THAT THE KARATBANK COINS MIGHT BE SOLD OR TRANSFERRED DURING OR AFTER THE ICO.

**8.4** AT ANY CASE, TOTAL AMOUNT OF OUR AGGREGATE LIABILITY HEREUNDER MAY NOT EXCEED 500 (FIVE HUNDRED) US DOLLARS. IF APPLICABLE LAW DOES NOT ALLOW ALL OR ANY PART OF THE ABOVE LIMITATION OF LIABILITY TO APPLY TO YOU, THE LIMITATIONS WILL APPLY TO YOU ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW. YOU UNDERSTAND AND AGREE THAT IT IS YOUR OBLIGATION TO ENSURE COMPLIANCE WITH ANY LEGISLATION RELEVANT TO YOUR COUNTRY OF DOMICILE CONCERNING USE OF THIS WEBSITE AND USE AND BUYING OF THE KARATBANK COINS, AND THAT THE WEBSITE OWNER SHOULD NOT ACCEPT ANY LIABILITY FOR ANY ILLEGAL OR UNAUTHORIZED USE OF THIS WEBSITE AND USE AND BUYING OF THE KARATBANK COINS. YOU AGREE TO BE SOLELY RESPONSIBLE FOR ANY APPLICABLE TAXES IMPOSED ON KARATBANK COINS PURCHASED HEREUNDER.

**8.5** THE WEBSITE OWNER DOES NOT WARRANT OR REPRESENT THAT ANY INFORMATION ON THE WEBSITE IS ACCURATE OR RELIABLE OR THAT THE WEBSITE WILL BE FREE OF ERRORS OR VIRUSES, THAT DEFECTS WILL BE CORRECTED, OR THAT THE SERVICE OR THE SERVER THAT MAKES IT AVAILABLE IS FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. WEBSITE OWNER SHALL NOT BE LIABLE FOR UNINTERPRETED AVAILABILITY OF THE WEBSITE AT ALL TIMES, IN ALL COUNTRIES AND/OR ALL GEOGRAPHIC LOCATIONS, OR AT ANY GIVEN TIME.

## **9. INTELLECTUAL PROPERTY RIGHTS**

**9.1** The Website Owner has valid, unrestricted and exclusive ownership of rights to use the patents, trademarks, trademark registrations, trade names, copyrights, know-how, technology and other intellectual property necessary to the conduct of selling of the KaratBank Coins and its activities generally.

**9.2** In no way shall this Agreement entitle the User for any intellectual property of the Website Owner, including the intellectual property rights for the Website and all text, graphics, user interface, visual interface, photographs, trademarks, logos, artwork, and computer code, design, structure, selection, coordination, expression and other content connected to the Website.

Arrangement of such content is owned by the KaratBank Foundation and is protected by the Intellectual Property Rights and fair competition laws.

**9.3** There are no implied licenses under the Agreement, and any rights not expressly granted to the User hereunder are reserved by the KaratBank Foundation.

## **10. JURISDICTION AND DISPUTE RESOLUTION**

**10.1** All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the laws of Singapore.

**10.2** To resolve any dispute, controversy or claim between them arising out of or relating to this Agreement, or the breach thereof, the Parties agree first to negotiate in good faith for a period of not less than sixty (60) days following written notification of such controversy or claim to the other Party.

**10.3** If the negotiations do not resolve the dispute, controversy or claim to the reasonable satisfaction of all Parties during such period, then the Parties irrevocably and unconditionally submit to the exclusive jurisdiction of Singaporean courts under the applicable law, as set out in clause 9.1. hereof.

## **11. Know Your Customer (KYC)**

One of the objectives of the KaratBank Foundation is to promote a “Know Your Client” policy as a cornerstone principle for its business ethics and practices.

This means that all Users or clients must provide the Foundation with information of their true identity, the nature of their business and also the intended purpose of their transactions.

All KaratBank Foundation clients and Users have an obligation to follow these KYC procedures which are mandatory in order to prevent the KaratBank Foundation from being exposed to Money Laundering.

## **12. MISCELLANEOUS**

**12.1** Entire Agreement. This Agreement is intended to fully reflect the terms of the original agreement between the Parties. No provision of the Agreement shall be considered waived unless such waiver is in writing and signed by the Party that benefits from the enforcement of such provision. No waiver of any provision in the Agreement, however, will be deemed a waiver of a subsequent breach of such provision or a waiver of a similar provision. In addition, a waiver of any breach or a failure to enforce any term or condition of the Agreement will not in any way affect, limit, or waive a Party’s rights hereunder at any time to enforce strict compliance thereafter with every term and condition hereof.

**12.2** Assignment. The KaratBank Foundation may, at its sole discretion, assign its rights and/or delegate its duties under this Agreement. You may not assign your rights or delegate your duties, and any assignment or delegation without the written consent of the KaratBank Foundation, which the KaratBank Foundation may withhold at its sole discretion, shall be void.

**12.3** Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the Parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the Parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

**10.4** The User may send any questions regarding the use of the Website, of the KaratBank Coins or regarding this Agreement via e-mail to [info@karatbank.sg](mailto:info@karatbank.sg).