

BUBBLETONE

Terms of Token Sale

Last Updated: 19 April 2018

Please read carefully these Terms of Token Sale (hereinafter – the “**Terms**”) before purchasing UMT tokens, as they affect your obligations and legal rights, including, but not limited to, waivers of rights and limitation of liability. If you do not agree with these Terms, you shall not purchase UMT tokens. By purchasing UMT tokens during Token Sale Period from **Multi Digital Services Ltd**, incorporated as a company in the jurisdiction of Cayman Islands with the registered address at the offices of Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008, Cayman Islands, (hereinafter – the “**Seller**”), you (hereinafter – the “**Buyer**”) will be bound by these Terms, and thus your purchase of UMT tokens is subject to these Terms.

Each of the Buyer and the Seller is a “**Party**,” and together the “**Parties**”.

RECITALS

WHEREAS, the Seller intends to develop a decentralised public system for mobile connectivity providers as described in more details in the White Paper located at www.bubbletone.io (the “**Project**”).

WHEREAS, the Seller will issue its internal ERC20 digital tokens called UMT (hereinafter – the “**UMT tokens**”) which will be used as in-platform membership certificates granting ability to perform work within the platform, for value distribution, as well as to power the Bubbletone platform; and

WHEREAS, the Seller is holding a main token sale campaign (hereinafter – the “**Token Sale**”) from 1 February 2018 to 20 May 2018 (hereinafter – the “**Token Sale Period**”, the “**Sale Period**”) to raise funds for further development of the Project. The Token Sale will also end once all the funds as set forth herein are raised; and

WHEREAS, the Buyer is willing to purchase the UMT tokens pursuant to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing, the Parties, intending to be legally bound, hereby agree to the following:

1. **Use of UMT Tokens.** The Buyer understands and accepts that the UMT tokens may be used as UMT platform membership and as means to power the Bubbletone system only. He/she understands and accepts that ownership of the UMT tokens in no way grants any rights, express or implied, other than the right to use the UMT tokens as Bubbletone platform membership certificates granting ability to perform work within the platform, for value distribution, and to power the Bubbletone platform. The Buyer expressly agrees that the UMT tokens are

not intended as securities, are not registered with any government entity as the securities, shall not be considered as such, are not intended to be a digital currency, commodity or any other kind of financial instrument, do not represent any share, stake or security or equivalent rights, including, but not limited to, any right to receive future revenue shares, voting rights with respect to the Seller and intellectual property rights, and do not represent any ownership right. The Seller has prepared a White Paper to describe matters related to the Project, included, but not limited to, any technological aspects and software matters.

2. **Scope of Terms.** The Buyer hereunder commits to purchase the UMT tokens for Ethereum tokens (hereafter the “ETH”) or other cryptocurrencies available for contribution at www.bubbletone.io and the Seller hereby expressly agrees to sell to the Buyer UMT tokens. In order to do so the Buyer will transfer payment as set forth herein and the Seller will allocate an amount of UMT tokens which is equivalent to the payment to the ETH-address or other relevant addresses of the Buyer once the UMT tokens issuance ends. Unless otherwise stated herein, these Terms of Token Sale govern only purchase of UMT tokens by the Buyer from the Seller during the Token Sale Period. The use of UMT tokens and relations between the Parties may be governed by any other applicable terms and policies.

3. **Acceptance, Purchase Price and Payment.** By buying UMT tokens hereunder, the Buyer expressly accepts all terms and conditions described herein and agree to be bound thereby and comply therewith. Pricing during different time slots are provided in Schedule 1 hereto.

4. **Other Conditions of UMT tokens Purchase.** The Seller will issue UMT tokens once Token Sale ends. During the Sale Period, the Seller is willing to sell 500 000 000 (five hundred million) tokens which constitutes 50% of total amount of the UMT tokens, which will be issued by the Seller. **Hard cap is \$15,000,000.** If ETH rate falls more than 20% of the current rate in USD equivalent, the Seller reserves the right to increase this hard cap accordingly.

All unsold tokens will be burnt.

The Seller reserves the right to allocate certain amount of UMT tokens for sale to accredited investors on the terms to be determined later on at its sole discretion.

The token distribution will be carried out using specially deployed the token sale smart contract. The Buyer may be required to manually set his/her wallet to watch the token sale smart contract `0xc9A28767817c8cc73590ecD2E83988b95fbE5053` to receive UMT tokens after their issuance by the Seller which shall be made after the Seller’s Token Sale ends. The Buyer may purchase UMT tokens via any Ethereum client or with other crypto currencies options, if available on www.bubbletone.io website. BUT USE OF ANY ONLINE EXCHANGE SERVICES (E.G., KRAKEN, COINBASE, POLONIEX AND ANY OTHER.), AS WELL AS USE OF JAXX AND MULTI_SIGNATURE WALLETS WILL LEAD TO THE LOST OF ALL ETH PAID HEREUNDER. The UMT tokens purchased during the Token Sale may be sold and transferred by the User

at any time after the Token Sale via cryptocurrency exchanges, if the UMT tokens are listed on any (WHETHER TO LIST UMT TOKENS ON CRYPTOCURRENCY EXCHANGES OR NOT IS SOLELY AT THE DISCRETION OF CRYPTOCURRENCY EXCHANGES).

TO THE EXTENT ALLOWABLE PURSUANT TO APPLICABLE LAW OF REGULATION, THE PURCHASE OF THE UMT TOKENS BY THE BUYER FROM THE SELLER IS FINAL, AND THUS THERE ARE NO REFUNDS AND/OR CANCELLATIONS.

5. **Purchase Limitations.** THE OFFER AND SALE OF UMT TOKENS HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR UNDER THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE UMT TOKENS MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT (A) IN AN OFFSHORE RESALE TRANSACTION TO A NON-U.S. PERSON AS PERMITTED BY REGULATIONS UNDER THE U.S. SECURITIES ACT, (B) TO AN ACCREDITED INVESTOR IN COMPLIANCE WITH REGULATION D UNDER THE SECURITIES ACT, OR (B) PURSUANT TO ANOTHER APPLICABLE EXEMPTION THEREFROM.

THE TOKENS HAVE NOT BEEN APPROVED OR RECOMMENDED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY STATE OR INTERNATIONAL REGULATORY AUTHORITY NOR HAS THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY U.S. STATE OR OTHER NON-U.S. REGULATORY AUTHORITY APPROVED THE OFFER AND SALE OF THE TOKENS OR THE TERMS OF THIS TRANSACTION.

IN ORDER TO BUY UMT TOKENS AND BY BUYING UMT TOKENS, THE BUYER COVENANTS, REPRESENTS AND WARRANTS THAT IT IS NOT CITIZEN/PERMANENT RESIDENT/COMPANY FROM ANY JURISDICTION, WHERE PURCHASE OF UMT TOKENS IS ILLEGAL, RESTRICTED OR REQUIRES SPECIAL ACCREDITATION. THE SELLER SHALL RESERVE THE RIGHT TO REFUSE SELLING UMT TOKENS TO ANYONE WHO DOES NOT MEET CRITERIA NECESSARY FOR THEIR BUYING, AS SET OUT HEREUNDER AND BY THE APPLICABLE LAW.

IN PARTICULAR, THE SELLER MAY REFUSE SELLING UMT TOKENS TO THOSE USERS WHO DO NOT MEET ANY OTHER CRITERIA SPECIFIED HEREIN. IT IS ALSO FORBIDDEN TO PURCHASE UMT TOKENS USING FUNDS THAT CAME FROM ILLEGAL OR UNETHICAL SOURCES. AND BY BUYING UMT TOKENS HEREUNDER, THE BUYER REPRESENTS AND WARRANTS THAT HIS/HER FUNDS IN NO WAY CAME FROM ILLEGAL OR UNETHICAL SOURCES, THAT THE BUYER IS NOT USING ANY PROCEEDS OF CRIMINAL OR ILLEGAL ACTIVITY, AND THAT NO TRANSACTION INVOLVING UMT TOKENS ARE BEING USED TO FACILITATE ANY CRIMINAL OR ILLEGAL ACTIVITY.

THE BUYER REPRESENTS AND WARRANTS THAT IT IS NOT AND DOES NOT REPRESENT ANY INDIVIDUAL, LEGAL ENTITY OR PARTNERSHIP UNDER ANY SANCTIONS REGIME INTRODUCED, INTER ALIA, BY U.S., EU OR UNITED NATIONS AND THAT IT IS NOT FROM ANY TERRITORY SANCTIONED OR EMBARGOED BY AUTHORITIES MENTIONED ABOVE.

6. **Representations and Warranties.** By buying UMT tokens, the Buyer represents and warrants that:

- a. he/she has read and understand these Terms, Bubbletone Terms of Use, White Paper and Privacy Policy (available at www.bubbletone.io)
- b. he/she is of an age of majority to enter into these Terms, meet all other eligibility and residency requirements, and are fully able and legally competent to enter the terms, conditions, obligations, affirmations, representations and warranties set forth herein and to abide by and comply herewith;
- c. he/she will be solely responsible for any applicable taxes imposed on the UMT tokens purchased hereunder;
- d. he/she has in-depth knowledge and deep understanding of the crypto market, Blockchain-based systems and cryptocurrencies, as well as obtained sufficient information about the Buyer and UMT tokens to enter these Terms, and thus to purchase UMT tokens;
- e. he/she is aware of and knows how to manage all the merits, risks and any restrictions associated with crypto market, Blockchain-based systems and cryptocurrencies;
- f. he/she understands that crypto market is highly speculative and volatile in nature and that these Terms is in no way an investment advice or an offer to invest, as well as he/she is not purchasing UMT tokens for any investment, speculative or other financial purposes.
- g. he/she understands that the UMT Tokens are being offered in a transaction not involving any public offering within the United States within the meaning of the U.S. Securities Act, and that the UMT Tokens have not been registered under the U.S. Securities Act.
- h. he/she is purchasing the UMT Tokens, for his/her own account and not with a view to, or for resale in connection with, the distribution thereof.

7. **Acknowledgment and Assumption of Risks.** By buying of the UMT tokens, the Buyer represents/warrants and accepts that:

- there are certain risks associated with purchasing UMT tokens, holding UMT tokens, and using UMT tokens. By purchasing UMT tokens, the Buyer expressly acknowledge and assume such risks, including, but not limited to, risk of losing access to tokens due to loss of private key(s), risks associated with the Ethereum Protocol, risk of mining attacks, risk of hacking and security weaknesses, risks associated with markets for tokens, etc.;
- that the token sale smart contract is still in an early development stage and unproven, why there is no warranty that the process for creating UMT tokens will be uninterrupted or error-free and why there is an inherent risk that the Smart-Contract System could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of ETH and/or UMT tokens;

- that the blockchain technology allows new forms of interaction and that it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology based applications, which may be contrary to the current setup of the Smart-Contract System and which may, inter alia, result in substantial modifications of the Smart-Contract System and/or the UMT tokens protocol, including its termination and the loss of UMT tokens for the Buyer.
- we intend to use the contributions to fund the development of the Project. The contributions received will be denominated in ETH or other cryptographic currencies, and may be converted into other cryptographic and fiat currencies. If the value of ETH or other currencies fluctuates unfavorably during or after the contribution period or thereafter, we may not be able to fund the development of, or may not be able to maintain, the system or the services of the Project in the intended manner.
- it is possible that, due to any number of reasons, including, but not limited to, the failure of commercial relationships, or intellectual property ownership challenges, we may no longer be viable to operate and the Seller and/or its key affiliates may be dissolved.
- functioning of Bubbletone ecosystem largely depends on participation of telecom providers across the globe in Bubbletone blockchain. It is difficult to predict the speed of adoption by such telecom providers and lack of participation may affect the value of Bubbletone and UMT token.
- Bubbletone blockchain is anticipated to utilise Graphene platform. There may be technical faults inherent to Graphene that may prevent the Project to function as intended.
- cryptographic tokens such as UMT are based on new and largely untested technology. In addition to the risks included herein, there are other risks associated with your contribution, participation in the UMT token sale, acquisition, holding and use of UMT, including those that we cannot anticipate. Such risks may further materialise as unanticipated variations or combinations of the risks discussed herein.
- in order to acquire UMT token you will need to pass KYC/AML procedures and as a result may be prevented from participating in the Token Sale. The Seller is under no obligation to explain the reasons for failure to pass KYC/AML by potential Buyer.

8. Disclaimer of Warranties and Limitation of Liability. THE UMT TOKENS ARE TO BE 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 BUYING OF ANY AMOUNT OF THE UMT TOKENS AND THEIR USE. THE BUYER HEREBY EXPRESSLY AGREES THAT, TO THE MAXIMUM EXTENT PERMITTED BY THE APPLICABLE LAW, THE SELLER 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, AS WELL AS FROM PURCHASING OF THE UMT TOKENS, REGARDLESS OF THE BASIS, UPON WHICH THE LIABILITY IS CLAIMED AND EVEN IF THE SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. THE BUYER UNDERSTANDS AND AGREES THAT THE SELLER SHALL NOT BE HELD LIABLE TO AND SHALL NOT ACCEPT ANY LIABILITY, OBLIGATION OR RESPONSIBILITY WHATSOEVER FOR ANY CHANGE OF THE VALUE OF THE UMT TOKENS. THE BUYER UNDERSTANDS AND EXPRESSLY AGREES THAT THE SELLER SHALL NOT GUARANTY IN ANY WAY THAT THE UMT TOKENS MIGHT BE SOLD OR TRANSFERRED DURING OR AFTER THE TOKE SALE. IF APPLICABLE LAW DOES NOT ALLOW ALL OR ANY PART OF THE ABOVE LIMITATION OF LIABILITY TO APPLY TO THE BUYER, THE LIMITATIONS WILL APPLY TO THE BUYER ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW. THE BUYER UNDERSTANDS AND AGREES THAT IT IS HIS/HER OBLIGATION TO ENSURE COMPLIANCE WITH ANY LEGISLATION RELEVANT TO HIS/HER COUNTRY OF DOMICILE CONCERNING PURCHASING OF THE UMT TOKENS, AND THAT THE SELLER SHOULD NOT ACCEPT ANY LIABILITY FOR ANY ILLEGAL OR UNAUTHORIZED PURCHASING OF THE UMT TOKENS. THE BUYER AGREES TO BE SOLELY RESPONSIBLE FOR ANY APPLICABLE TAXES IMPOSED ON TOKENS PURCHASED HEREUNDER.

9. **Indemnification.** To the extent allowable pursuant to applicable law, the Buyer shall indemnify, defend, and hold the Seller and/or its subsidiaries, affiliates, directors, officers, employees, agents, successors, and permitted assignees harmless from and against all claims, damages, losses, suits, actions, demands, proceedings, expenses, and/or liabilities (including but not limited to reasonable attorneys' fees incurred and/or those necessary to successfully establish the right to indemnification) filed/incurred by any third party against the Buyer arising out of a breach of any warranty, representation, or obligation hereunder.

10. **Intellectual Property Rights.** In no way shall these Terms entitle the Buyer for any intellectual property of the Seller. There are no implied licenses under these Terms, and any rights not expressly granted to the Buyer hereunder are reserved by the Seller.

11. **Jurisdiction and Dispute Resolution.** All questions concerning the construction, validity, enforcement and interpretation of these Terms shall be governed by and construed and enforced in accordance with the laws of Cayman Islands. Any controversy or claim (collectively, "Disputes") arising out of or relating to this Agreement or the breach thereof, shall be settled in the courts of Cayman Islands.

To resolve any Dispute, controversy or claim between the Parties arising out of or relating to these Terms, or the breach thereof, the Parties agree first to negotiate in good faith for a period of not less than thirty (30) days following written notification of such controversy or claim to the other Party. Notice to Company shall be sent by e-mail to Company at info@bubbletone.io.

Notice to you shall be by email to the then-current email address in your notice. Your notice must include (a) your name, postal address, email address and telephone number, (b) a description in reasonable detail of the nature or basis of the Dispute, and (c) the specific relief that you are seeking. If you and the Seller cannot agree how to resolve the Dispute within thirty (30) days after the date notice is received by the applicable Party, then either you or the Seller may, as appropriate file a claim in the court of Cayman Islands. A Dispute cannot be brought as a class or other type of representative action, whether within or outside of litigation, or on behalf of any other individual or group of individuals as well as to resolve a Dispute as a representative of another individual or group of individuals. The governing law of these Terms (including all other operating rules, policies, and procedures that may be issued by the Seller and published from time to time at www.bubbletone.io) shall be the substantive law of Cayman Islands, without regard to conflict of law rules or principles (whether of Cayman Islands or any other jurisdiction) that would cause the application of the laws of any other jurisdiction.

12. **Miscellaneous.** These Terms, together with the schedules constitute the entire agreement between the Buyer and the Seller relating to the Buyer's purchase of the UMT tokens from the Buyer during the Sale Period. No provision of these Terms 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 these Terms, 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 these Terms 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. If any term, provision, covenant or restriction of these Terms 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. The Seller may assign the Seller's rights and obligations under these Terms. Any notice or other communication given or made under these Terms shall be and may be delivered in electronic form. At any time, the Seller may make changes to these Terms as reasonably required to comply with applicable law or regulation. In cases of changes, the amended Terms will be published on www.bubbletone.io.

"Last Updated" date above will be updated as well. The amended Terms will be effective immediately. In no way, the Seller shall be liable for any delay or failure to perform any obligations under these Terms as a result of a cause beyond the Seller's reasonable control. These Terms and purchasing of the UMT tokens by the Buyer in no way create any exclusive relationship between the Buyer and the Seller nor any partnership, joint venture, employment or agency.

Schedule 1

UMT token sale pricing schedule

Stage	Start Date	End Date	Token price / Minimum amount	Vesting
Stage 1	Feb 1 2018 - 0:00 AM*	Feb 10 2018 - 11:59 PM	0.00019 ETH/UMT – 1 ETH min	10% each week
Stage 2	Feb 11 2018 - 0:00 AM	Feb 20 2018 - 11:59 PM	0.00021 ETH/UMT – 1 ETH min	10% each week
Stage 3	April 20 2018 - 12:00 PM	May 20 2018 - 11:59 PM	0.00025 ETH/UMT – 0.1 ETH min	No vesting

*timing in this table is Greenwich Mean Time (GMT) zone