

## BOS Platform Foundation Donation and BOS Allocation Terms and Explanatory Note

### 1. Principles

1. The following Terms (“Terms”) govern the contribution procedure (“Contributions” collectively, and “Contribution” individually) to the BOS Platform Foundation (“Foundation”) by contributors (“Contributors” collectively, and “Contributor” individually) and the subsequent allocation of transferable cryptographic blockchain-based digital information units called BOScoin (“BOS”) to Contributors.
2. The Foundation promotes and develops new technologies and applications, especially in the fields of new open and decentralized software architectures. A dominating but not exclusive focus is set on the promotion and development of the so-called BOS platform (“BOS Platform” or “The Client”) and / or respective protocol and the related technologies (together “BOS Project”), as well as the promotion and support of applications using such platform and / or protocol. For more information on the BOS Project please read the respective whitepaper (“The Whitepaper”) accessible at <https://boscoin.io/wp-content/themes/boscoin/src/pdf/BOScoinWhitePaper.pdf>.
3. When the Foundation judges that The Client has been sufficiently developed to allow the BOS Platform to be launched, the Foundation will issue a public announcement recommending what initial state (“Genesis State”) it should have.

The Genesis State will include allocations of BOS that are essential for the BOS Platform to operate. The recommended allocations of BOS will reflect early contributions made for the development of the network, and Contributions made to support the Foundation. However, since the BOS Platform will be operated by an independent community of participants around the world using The Client, the community has discretion to adopt or not to adopt the recommendation. Therefore, the Foundation cannot guarantee to any party that they will have an initial allocation of BOS, because this depends upon the discretion of the community. **The Contributor understands and accepts that the Foundation cannot guarantee that Contributors shall have any allocation of BOS when the BOS Platform is created by the community after deployment of the Client.**

4. The Contributor understands and accepts that while the individuals and entities, including involved entities assigned to this task, will make reasonable efforts to develop and complete the BOS Platform, **it is possible that such development may fail and that the BOS Platform, as well as the entire BOS Project and/or any BOS will not be created, become useless and/or valueless due to technical, commercial, regulatory or any other reasons** (see also Chapter 7 regarding Risks).
5. The Contributor is also aware of the risk that even if all or parts of the BOS Platform and/or BOS Project are successfully developed and released in full or in parts, due to a lack of public interest, the BOS Platform and/or BOS Project could be fully or partially abandoned, remain commercially unsuccessful, or shut down for lack of interest or other reasons. **The Contributor therefore understands and accepts that the Contribution to the Foundation, and/or the allocation, use and ownership of BOS, carries significant financial, regulatory and/or reputational risks (including the complete loss of value (if any) of BOS and attributed features).**

6. By contributing to the Foundation, the Contributor expressly agrees to all of the terms and conditions set forth here (the Terms). The Contributor confirms to have carefully reviewed the Terms and fully understands the risks and costs of making a Contribution to the Foundation for the development of the BOS Project.
7. This document does not constitute a prospectus of any sort, is not a solicitation for investment and does not pertain in any way to an offering of securities in any jurisdiction. It is a description of the functionality of a blockchain-based crowdfunding campaign and of the plans regarding the implementation of the BOS Platform and/or BOS Project.
8. By contributing to the Foundation, and/or by receiving, using and holding BOS, no form of partnership, joint venture or any similar relationship between the Contributors, the Foundation and/or other individuals or entities involved with the BOS Platform and/or BOS Project is created.

## **2. Representations and Warranties of Contributor**

10. The Contributor understands and accepts that BOS do not represent or constitute any ownership right or stake, share or security or equivalent right in or relating to the Foundation, The Client, the BOS Project and/or any software, any public or private company, corporation, entity or property.
11. By contributing to the Foundation, and/or by receiving, using and holding of BOS, the Contributor represents and warrants that:
  - a. the Contributor understands and expressly accepts that due to legal uncertainties and complexity of US financial regulations, the Foundation will not accept any risk associated with any Contributions of US persons by residency or citizenship (“US-Persons”);
  - b. the Contributor hereby accepts any and all risks, costs and damages associated with Contributions from any US-Persons, US entity or US entity related in any way to the Contributor.
  - c. the Contributor has a deep understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens, like bitcoin (BTC) and ether (ETH), and blockchain-based software systems;
  - d. the Contributor is legally permitted to receive and hold and make use of BOS in the Contributor’s jurisdiction;
  - e. the Contributor is legally permitted to receive software and contribute to the Foundation;
  - f. the Contributor is of a sufficient age to legally obtain BOS;
  - g. User will follow precisely the instructions regarding the Contribution as published on the [\[Fundraiser Plan\]](#). Failure to assure this may have the result that User will not gain access to his BOS.

- h. the Contributor will take sole responsibility for any restrictions and risks associated with the receiving and holding of BOS;
- i. the Contributor is not contributing to the Foundation to obtain BOS for the purpose of speculative investment and intends to use BOS to participate in the BOS Platform and/or BOS Project;
- j. the Contributor is not obtaining or using BOS for any illegal purposes;
- k. the Contributor waives the right to participate in a class action lawsuit or a class-wide arbitration against any entity or individual involved with the Contribution to the Foundation, with the allocation of BOS and with the operation of the BOS Platform and/or BOS Project;
- l. the Contributor understands the Contribution to the Foundation and the allocation of BOS do not involve the purchase of shares or any equivalent in any existing or future public or private company, corporation or other entity in any jurisdiction;
- m. the Contributor understands and expressly accepts that there is no warranty whatsoever on BOS and/or the success of the BOS Platform and/or BOS Project, expressed or implied, to the extent permitted by law, and that BOS is created and obtained at the sole risk of the Contributor on an “as is” and “under development” basis and without, to the extent permitted by law, any warranties of any kind, including, but not limited to, warranties of title or implied warranties, merchantability or fitness for a particular purpose;
- n. the Contributor understands that Contributor has no right against any other party to request any refund of Contributions made to the Foundation;
- o. the Contributor understands that with regard to BOS no market liquidity may be guaranteed and that the value of BOS over time (if any) may experience extreme volatility or depreciate in full;
- p. the Contributor understands that the Contributor bears the sole responsibility to determine if the Contribution to the Foundation, the allocation, use or ownership of BOS, the potential appreciation or depreciation in the value of BOS over time (if any), the sale and purchase of BOS and/or any other action or transaction related to the BOS Platform and/or BOS Project have tax implications; by contributing to the Foundation, and/or by receiving, using or holding BOS, and to the extent permitted by law, the Contributor agrees not to hold any associated party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the Contribution to the Foundation, the allocation, use or ownership of BOS or any other action or transaction related to the BOS Platform and/or BOS Project.
- q. the Contributor is contributing in his own name and on its own account and not on behalf of any other person or with BTC of a third party;

### 3. BOS Project Contribution Procedure

#### 3.1. Qualification

12. Any Contribution made to the Foundation during the Contribution Period as described below is qualified as a **non-refundable donation**, except a respective portion of a **non-refundable administration support fee** of an amount of BTC equal to USD 150'000 in total, calculated using the exchange rates as provided by CoinMarketCap or equivalent service chosen by the Foundation at the end of the Contribution Period
13. Contributions can be made using bitcoin (BTC).

#### 3.2. Contribution Period

14. The contribution period starts on May 10, 2017 and will last for 41 days or until the Contribution target of BTC 6'902.34221965 has been reached ("Contribution Target"), whatever is earlier ("Contribution Period").

#### 3.3. Contribution Software

15. Contributions in BTC must be made by using the contribution software ("Contribution Software") provided by the Foundation on [\[www.boscoin.io\]](http://www.boscoin.io). Any BTC Contribution to the Foundation without using the Contribution Software may not lead to a recommendation for BOS allocation as set forth below (see section 4).
16. In order to log into the Contribution Software, the Contributor has to provide an e-mail address ("Login E-Mail") and an encrypted password ("Login Password").
17. The Contribution Software will create an individual BTC address for every Contributor, into which the Contributor transfers the BTC he intends to contribute ("Contribution Address"). The information regarding the individual Contribution will be recorded by the Contribution Software according to para 21. The Contributor will need to securely store the Login E-Mail as well as the Login Password to prevent the risk of losing its BOS.
18. The maximum Contribution amount per Contributor will be 300 BTC.
19. The minimum Contribution amount per User will be 0.01 BTC.
20. Maximal Creation Amount: After the deployment of the Client, a maximal amount of 500'000'000BOS shall be created ("Total BOS Amount of the Genesis State"). The BOS Platform will create further BOS according to the mechanisms implemented up to a maximum of 5'000'000'000'000 BOS and over a duration of 178 years ("Maximal BOS amount", see also para 30).

#### 3.5. Contribution Information

21. Contributions made to the Foundation during the Contribution Period are being recorded by the Contribution Software on a special database, which will be published on [\[www.boscoin.io\]](http://www.boscoin.io). The Contribution Software records the Login E-Mail, the Login Password, the

amount of Contributed BTC and the date and time of the Contribution (“Contribution Information”).

22. Upon a successful Contribution having been made, the Contribution Information will be recorded, reflecting the quantity of BOS the Foundation shall propose to allocate to the Contributor in proportion to his Contribution. Such allocation shall be proposed in accordance to the mechanism set forth below (see section 5).
23. For the Contribution of one BTC, as recorded by the Contribution Information, the Foundation will recommend the allocation of 40’000 BOS in the Genesis State to the relevant Contributor. For early contributions made previously to the Contribution Period (“Early Contributions”), the Foundation will recommend the allocation of approx. 47’000 BOS in the Genesis State to the relevant early contributor (“Early Contributor”).

#### **4. BOS Project Execution**

26. It remains at the Foundation's sole discretion to decide how to allocate the Contributions received in order to develop and execute the BOS Platform and/or the BOS Project.
27. The Contributor understands and accepts that he has no influence on the governance and decisions of the Foundation.
28. The Foundation has the right to engage subcontractors to perform the entire or partial development and execution of the BOS Platform and/or BOS Project.
29. The Contributor understands and accepts that developing and creating the BOS Platform and/or BOS Project requires substantial research and development effort. It is possible that substantial conceptual, commercial or technical changes could be made during that process. The Contributor further understands and accepts, that the level of development of the BOS Project depends on the amount of Contributions received, and the amount of software and community support.
30. The Contributor understands and accepts, that only a part of the Maximal BOS Amount of 5’000’000’000’000 BOS will be created for Contributions made by Contributors (Total BOS Amount of the Genesis State, see para 20). Further Sources of the creation of BOS by the BOS Platform are confirmation rewards (“Confirmation Rewards”, reward for confirming a block), freezing rewards (“Freezing Rewards”, reward for holding BOS in a node) and the commons budget (“Commons Budget”, will be issued with every block and which will be held on a public account). This ongoing creation of BOS shall run over a period of 128 years.

#### **5. BOS Allocation Proposal**

31. Operation of the BOS Platform involves transferable cryptographic blockchain-based digital information units called BOS. BOS allows its holders to deploy and run software code, receive Confirmation Rewards and Freezing Rewards (if a Contributor uses the BOS for staking), and to vote on network governance issues in the network (if the corresponding BOS holder is running a node). To run a node involves the freeze of at least 40’000 BOS by staking. One node shall lead to one vote and votes shall in general occur once per month. The amount of the rewards depends on the amount of BOS staked.

32. When the Foundation judges in its sole discretion both that The Client is sufficiently developed to launch the BOS Platform and that it is an appropriate time to launch the BOS Platform, it will issue the recommendation how the Genesis State should be. In the Genesis State, it shall recommend the allocations of BOS as set forth below.
33. It remains in the community's discretion to adopt or not to adopt the Genesis State that the Foundation recommends. The Foundation cannot guarantee to Contributors that they shall have any allocation and/or creation of BOS as set forth in these terms.
34. The Foundation shall recommend in the Genesis State the allocations of BOS according to the principles set forth below and under Section 3.5 above:
- **Pool A:** 55.2% of the Total BOS Amount of the Genesis State shall proposed to be allocated to Contributors who made Contributions to the Foundation during the Contribution Period.
  - For Pool A, the Foundation will recommend BOS to be created and allocated to the Contributors in accordance to their respective Contributions according to the recorded Contribution Information. There shall be a recommendation of 40'000 BOS per one BTC contributed during the Contribution Period.
  - **Pool B:** 26.8% of Total BOS Amount of the Genesis State shall be proposed to be allocated to early contributors, which have made early Contributions to the Foundation before the Contribution Period.
  - For Pool B, the Foundation will recommend BOS to be created and allocated to the Contributors in accordance to their respective Contributions according to the recorded Contribution Information. There shall be a recommendation of approx.. 47'000 BOS per one BTC contributed during the Contribution Period.
  - **Pool C:** 8% of the Total BOS Amount of the Genesis State shall proposed to be allocated to Advisors, Management, Founders and other persons who have supported the BOS Project in an early stage.
  - **Pool D:** 8% of the Total BOS Amount of the Genesis State shall proposed to be allocated to the Foundation. These BOS shall be used by the Foundation at its own discretion for the development and maintenance of the BOS Platform and/or BOS Project.
  - **Pool E:** 2% of Total BOS Amount of the Genesis State shall proposed to be allocated to participants of the bounty program.
35. The Allocation of BOS will be conducted to Contributors' BOS wallet ("BOS Wallet"). After the deployment of the Genesis Block, the Contributor will be able to create the BOS Wallet on the BOS Platform and to obtain a genesis transaction code ("Genesis Transaction Code"). In order to obtain this Genesis Transaction Code, the Contributor has to identify himself with his Login E-Mail and his Login Password. By inputting these two parameters into the genesis transaction (the first transaction for Contributors to gain access to their BOS), the Contributor will have the BOS transferred to his BOS Wallet and be able to use them freely.

## 6. Audit of the Contribution Software and other Software involved

37. The Contribution Software and all other Software Systems involved in the Contribution process have been, on a reasonable effort basis, audited and approved by technical experts with regard to their functionality. The technical experts have further confirmed that the Contribution Software and the other Software Systems involved in the Contribution process have, with regard to both accuracy and security, been programmed according to the current state of the art.
38. However, the Contributor understands and accepts that the used software and technology is still in an early development stage and its application of experimental nature which carries significant operational, technological, financial, regulatory and reputational risks. Accordingly, while the audit conducted raises the level of security and accuracy, the Contributor understands and accepts that the audit does not amount to any form of warranty, including direct or indirect warranties that the Contribution Software and the other Software Systems involved in the Contribution process are fit for a particular purpose or do not contain any weaknesses, vulnerabilities or bugs which could cause, inter alia, the complete loss of BTC and/or BOS.

## 7. Risks

39. The Contributor understands and accepts the risks in connection with the Contribution to the Foundation, and/or with the allocation, use and ownership of BOS, as exemplary set forth above and hereinafter. In particular, but not concluding, the Contributor understands the inherent risks listed hereinafter:
- **Risk of software weaknesses:** The Contributor understands and accepts that the underlying software application and software platform, The Client (BOS Platform), the Contribution Software, the storage software for the Contribution Information and other involved software and technology and technical concepts and theories are still in an early development stage and unproven, why there is no warranty that the process for receiving, use and ownership of BOS will be uninterrupted or error-free and why there is an inherent risk that the software and related technologies and theories could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of BOS.
  - **Regulatory risk:** The Contributor understands and accepts 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 contribution process and which may, inter alia, result in substantial modifications of the BOS Platform and/or the BOS Project, including its termination and the loss of BOS for the Contributor. Further, the Contributor accepts and bears risks with respect to US regulations that may regulate Contribution and/or potential custody of BOSs.
  - **Risk of abandonment / lack of success:** The Contributor understands and accepts that the allocation of the BOS and the development of the BOS Platform and/or Project may be abandoned for a number of reasons, including lack of interest from industry and/or the public, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects). The Contributor therefore understands that there is no assurance that, even if the BOS Platform and/or the BOS Project is partially or fully

developed and launched, the Contributor will receive any functionality through the BOS held by him.

- **Risk associated with other applications:** The Contributor understands and accepts that the BOS Platform and/or BOS Project may give rise to other, alternative projects, promoted by unaffiliated third parties, under which BOS will have no intrinsic value.
- **Risk of loss of Login E-Mail and/or Login Password:** BOS may only be accessed using a two-step identification, which consists of the Login E-Mail and the Login Password. Contributor understands and accepts that if his Login E-Mail and/or Login Password got lost or stolen, the obtained BOS associated with the Contributor's Contribution will be unrecoverable and will be permanently lost.
- **Risk of theft:** The Contributor understands and accepts that the underlying software application and software platform, The Client (BOS Platform), the Contribution Software, the storage software for the Contribution Information, other involved software, other technology components and/or platforms may be exposed to attacks by hackers or other individuals that could result in theft or loss of BOS, or the theft or loss of Contributions, impacting the ability to develop and launch the BOS Platform and/or the BOS Project.
- **Risk of blockchain mining attacks:** The Contributor understands and accepts that, as with other public blockchain based systems that depend upon independent miners, the BOS Platform and/or the BOS Project may be susceptible to mining attacks including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks. Any successful attacks present a risk to the BOS Platform, expected proper execution and sequencing of BOS transactions, and expected proper execution and sequencing of software computations.
- **Risk of governance attacks and failure:** The Contributor understands and accepts that the BOS Platform uses an in-built decentralized governance system ("Governance System"). For these reasons, it is possible that the Governance System adopts proposals that have an adverse effect on the useful functioning of the BOS Platform and/or the BOS Project and/or the value of BOS. If the Governance System is attacked, or becomes controlled either directly or indirectly by some party who makes unwise decisions, or the community generally makes unwise decisions, the value of BOS held by a Contributor might be greatly reduced or even permanently lost.

## 8. Taxation

40. The Contributor bears the sole responsibility to determine if his Contribution to the Foundation, the allocation, use or ownership of BOS, the potential appreciation or depreciation in the value of BOS over time (if any), the sale and purchase of BOS and/or any other action or transaction related to the BOS Platform and/or the BOS Project have tax implications for him.
41. By contributing to the Foundation, and/or by receiving, using or holding BOS, and to the extent permitted by law, the Contributor agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or



arising from the Contribution to the Foundation, the allocation, use or ownership of BOS or any other action or transaction related to the BOS Platform and/or BOS Project.

## **9. No Liability**

42. The Contributor acknowledges and agrees that, to the fullest extent permitted by any applicable law, the Contributor will not hold the Foundation, any developers, auditors, contractors or founders and/or the BOS Platform liable for any and all damages or injury whatsoever caused by or related to the use of, or the inability to use, the Contribution Software, the BOS Wallet, the storage software for the Contribution Information, the BOS or the BOS Project 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 Contribution Software, the BOS Wallet, the storage software for the Contribution Information, the BOS or the BOS Project 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 use of the Contribution Software, the BOS Wallet, the storage software for the Contribution Information, the BOS or the BOS Project.
43. The Contributor further specifically acknowledges that developers, auditors, contractors or founders of the Contribution Software, the BOS Wallet, the storage software for the Contribution Information, the BOS or the BOS Platform and/or BOS Project are not liable, and the Contributor agrees not to seek to hold them liable, for the conduct of third parties, including other creators of BOS, and that the risk of creating, holding and using BOS rests entirely with the Contributor.
44. By receiving, holding or using BOS, and to the extent permitted by law, the Contributor agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any regulatory implications or liability associated with or arising from the allocation, ownership or use of BOS or any other action or transaction related to the BOS Platform and/or BOS Project.

## **10. Miscellaneous**

45. The Contributor agrees that if any portion of these Terms is found illegal or unenforceable, in whole or in part, such provision shall, as to such jurisdiction, be ineffective solely to the extent of such determination of invalidity or unenforceability without affecting the validity or enforceability thereof in any other manner or jurisdiction and without affecting the remaining provisions of the Terms, which shall continue to be in full force and effect.
46. The Contribution Software and The Client are located in Alderney. Consequently, the contribution procedure, and the BOS creation and allocation are considered to be executed in Alderney.
47. The Terms govern the Contributions to the Foundation, and the allocation, use and ownership of BOS and supersede any public statements about the launch of BOS Platform and/or BOS Project and/or the BOS made by anyone in the past, present and future.

48. The applicable law is Swiss law. Any dispute arising out of or in connection with the creation of the BOS and the development and execution of the BOS Platform and/or BOS Project shall be finally settled by the ordinary courts of the registered domicile of the defendant.