

## General Terms and Conditions

for the purchase of Welltrado Token during the Welltrado ICO

(the "Agreement")

It is agreed between Welltrado Ltd., with a company number 11294182, Primrose street London EC2A 2EX London, United Kingdom

- hereinafter „Welltrado“, „We“ or „Us“ -

and the **customer** (the "Customer" or "you").

- hereinafter „the Customer“ or „you“ -.

### 1. Preamble

Welltrado is aiming to develop a global alternative investment marketplace targeting the P2P lending and crowdfunding platforms (“Market Place Lending” or “MPL” and “MPL-Platforms”). Welltrado offers a smart contract platform (the “Platform”) to invest into such MPL-Platforms. Welltrado provides information and support for investment decisions and offer tools to manage the investments. Key elements of this process will be managed through blockchain applications.

### 2. Definitions

2.1 Consumer is every natural person who enters into a legal transaction for purposes that predominantly are outside of their trade activity, or self-employed occupation.

2.2 Entrepreneur

2.3 GTC are the general terms and conditions provided by the Website

2.4 “Market Place Lending” or “MPL” and “MPL-Platforms”

2.5 Website encompasses all content provided by Welltrado under the URL <https://welltrado.io/>

2.6 WTL is the Welltrado token sold according to this Agreement

2.7 Trading Platforms are online trading platforms for token/coins.

### **3. Scope of the Agreement/Quality of WTL**

3.1 For the purchase of WTL, particularly through our Website, these general terms and conditions of Welltrado, as amended from time to time (the "GTC"), apply. These GTC also apply in the context of ongoing business relations for future business, even if these GTC should have come to the knowledge of the Customer only after the first conclusion of the contract between the contracting parties.

### **4. Conditions of the Token-Sale**

#### **4.1 Public Token-Sale**

The ICO will be conducted as a public token sale. Therefore, WTL issued for the ICO can be purchased through our Website.

#### **4.2 Amount of Tokens**

Welltrado issues a total amount of WTLs for purchase in exchange of which (65000000) are issued in a public sale (the "Public Sale Amount").

#### **4.3 Sales period**

4.3.1 The Public Sale Amount of Tokens will be issued in the public sale beginning as of (30<sup>th</sup> of April 2018) at (12:00GMT) and ending as of the earlier of (25<sup>th</sup> of June 2018) at (12:00 GMT) or complete sale of the Public Sale Amount. Welltrado reserves the right to extend the Sales Period up to one month by notice issued on the Website prior to the end of the Sales Period.

#### **4.4 Minimum sales amount**

If the sales amount of 1500000 WTL (the "Minimum Sales Amount") is not reached until the point of time of expiration of the Sales Period, any Payment Amount received by Welltrado in accordance with clause 4 will be returned to the Customers' wallet sender address within [365 days] following expiration of the Sales Period. Customers cannot use any received WTL. For determination of the Minimum Sales Amount, all WTL sold in during the Sales Period are taken into account.

#### **4.5 Restrictions of Issue**

4.5.1 The Issue of Tokens is limited to Customers not acting in their capacity as consumers. Consumer means every natural person who enters into a legal transaction for purposes

that predominantly are outside its trade, business or profession (the “Consumer”) You confirm by submitting the order that You do not act in the capacity as Consumer.

4.5.2 Individuals with citizenship or regular place of residence or legal entities having their registered office in the People’s Republic of China (“China”), Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”), Republic of Singapore (“Singapore”), Republic of Korea (“South Korea”), the United States of America (“USA”), Germany and Austria are (currently) excluded from the Issue with the following exception for the USA: Admitted are non-U.S. persons (“Non-U.S. Persons”) as defined under Regulation S under the Securities Act (“Regulation S”) in compliance with Regulation S, and pursuant to other exemptions of similar import in the laws of the states and other jurisdictions where the offering will be made. For residents or nationals of the USA, the offering and the subscription are strictly limited to accredited investors (“Accredited Investors”) as defined in Rule 501(a) (“Rule 501(a)”) of Regulation D (“Regulation D”) under the U.S. Securities Act of 1933, as amended (the “Securities Act”) in reliance upon the exemption from registration provided by Section 4 (a)(2) of the Securities Act (“Section 4(a)(2)”) and Rule 506(c) (“Rule 506(c)”) of Regulation D. Excluded are subscriptions from Investors who have their place of business in or are resident or nationals of the People’s Republic of China, the Republic of Korea, the Republic of Singapore and Canada.

4.5.3 By registering on our Website pursuant to clause 4 you create an account. You reach your account by entering your chosen password. In the account, you can purchase WTL, check Order details and payment status and enter information required for KYC/AML check.

## **5. Conclusion of the Contract / Order Process**

### **5.1 Binding offer by Customer**

The publication of the Issue of WTL on the Website is non-binding and does not constitute a binding offer by Welltrado to conclude an Agreement with You. The publication of the Issue is an invitation to Customers to submit a binding purchase-offer (*invitatio ad offerendum*). By clicking the button “Place Order with the Liability to Pay “buy tokens” at the end of the process required for submitting an order for WTL on our Website (the “Order Process”), You make a binding legal offer. You will be guided through the Order Process by Our Website.

### **5.2 Placement of a Binding Purchase-Offer**

An order of WTL through Our Website is only possible after prior personal registration on the Website, by entering your name, a valid e-mail address, nationality and country of residence and/ or business seat as well as submitting the skin off your passport or

identity card. You can specify the desired number of WTL Token and view and correct your entries by using the corrective aids provided and explained in the Order Process at any time before submitting your order.

You can submit an order only by ticking the checkboxes:

5.2.1 “I hereby accept the General Terms and Conditions of Welltrado”,

5.2.2 “I hereby confirm that I am neither a citizen of, nor have my regular place of residence in), nor am a legal entity with a registered office in the [(i) People’s Republic of China, (ii) Hong Kong Special Administrative Region of the People’s Republic of China, (iii) Republic of Singapore, (iv) Republic of Korea,(v) Austria, (vi) Germany, (vii) United States of America; (vi) not a “U.S. Person” as defined under Regulation S under the Securities Act of 1933, as amended, in compliance with Regulation S.”

Upon Our receipt of Your offer, We will send an email confirming the receipt of Your offer (the “Confirmation Email”) without undue delay. The Confirmation Email does not represent Our acceptance of Your offer.

### 5.3 Payment

#### 5.3.1 WTL Price

The price per WTL is (0.001ETH). For the order of WTL, You shall provide to Us the respective amount of any of the crypto currencies (BTC, ETH, LTC) (the “Payment Amount”). No other crypto or fiat currencies will be accepted. The amount of WTL allocated to You will be automatically calculated by Our smart contract. Any payments shall be made at Your own expense free of charge for Us and for Our free disposal. Accordingly, any amounts deducted and not received by Us will not count as payments. All kinds of remittance fees, transaction costs and the like with regard to the transfer of the Payment Amount to Us shall solely be borne by You.

#### 5.3.2 Prerequisite for Token Allocation

Only Payment Amounts We receive within the respective Sales Period pursuant to clause **Error! Reference source not found.** of this Agreement will be considered for the allocation of WTL to You.

In Order to enable our smart contract to allocate WTL to You, it is necessary that You use a wallet of which You can identify and control the private key (the “Compatible Wallet”) and provide us with this Compatible Wallet’s public address. Wallets that are stored or hosted on online trading platforms for token/coins (“Trading Platforms”) are not Compatible Wallets.

Also, the allocation of WTL to You by our smart contract requires a precursory Know Your Customer (“KYC”) and Anti-Money-Laundering (“AML”) check. You are therefore required to provide us with personal information required for the KYC/AML check according to section 5.2 during the registration process on Our Website. For the purpose of the KYC and AML check, we will transfer the aforementioned data to [(Finpass) name of service provider]. Neither (Finpass), nor Us will transfer this data to third parties. (Finpass) may use the aforementioned data solely for the purpose of conducting the AML and KYC checks. Any other use of the aforementioned data is prohibited.

### 5.3.3 Payments in [ETH, BTC, LTC]

Payments in [(ETH, LTC, BTC) Crypto] shall be made using Compatible Wallet. Wallets that are stored or hosted on Trading Platforms are not Compatible Wallets. A Compatible Wallet and its public address are required to verify Your payment of the Payment Amount. It is Your WTL will not be provided to subsequently announced wallets deviating from the wallet from which payments in (ETH, LTC, BTC) had been made. If an incompatible wallet is used, we are not obligated to reimburse the received amount of (ETH, LTC, BTC). We accept no liability for the loss or non-deliverability of WTL when using Incompatible Wallets.

### 5.4 Acceptance of Your Purchase-Offer by Us; Allocation of Tokens

The number of WTL corresponding to Your Payment Amount will be automatically sent to Your wallet address once provided you have passed the required KYC/AML test. By such sending of WTL, We accept Your offer to purchase WTL and conclude a contract with You.

### 5.5 Storage of Contract Text

In case Your purchase-offer is accepted by Us and a contract is therefore concluded, We will not store the contractual text and keep it ready for a later download. It is in Your sole responsibility to store the text of the contract. For this purpose, We will provide You with the opportunity to download the contractual text as PDF-file upon Our acceptance of the aforementioned binding purchase-offer to Us. Please note, that through Our smart contract, only the public address of Your Compatible Wallet, the Payment Amount and the Amount of WTL allocated to Your Compatible Wallet will be stored in the [(ETH) Blockchain].

### 5.6 Refusal of Your Purchase-Offer

We reserve the right to refuse Your order at any time without giving any reason until our acceptance of your offer pursuant to the preceding provisions of clause **Error!**

**Reference source not found.****Error! Reference source not found.** In case of such refusal, Your payment will be refunded. Refunds will be made the same way as the payment was done, unless agreed upon otherwise.

## 6. Characteristics of the WTL

### 6.1 Transferability

We do not restrict the transferability of WTL. In particular, the transfer of WTL does not require our consent.

### 6.2 Term of the WTL

There is no time limit on the WTL

## 7. Warranties and Representations of the Customer

7.1 You understand that, pursuant to the provisions set forth in clause **Error! Reference source not found.** of this agreement, WTL are not delivered unless We have received the Payment Amount prior to the end of the Sales Period. You must therefore ensure that we receive the Payment Amount during the Sales Period.

7.2 You are aware that only You have the private key to Your wallet and the right to dispose of Your WTL. Without Your private key, You have no possibility to dispose of or even access your WTL. You are solely responsible for taking effective technical and organizational measures to secure Your private key, wallet, or other storage devices or mechanisms you use. You are solely responsible for any damages incurred as a result of loss, theft or other activities in connection with Your private key.

7.3 You are aware that the transfer of allocated WTL to You will only be successful, if a Compatible Wallet pursuant to clause **Error! Reference source not found.** of this agreement is used. Wallets that are stored or hosted on Trading Platforms are not Compatible Wallets.

7.4 You acknowledge and agree that there are risks associated with the purchase, possession, and use of WTL some of which are disclosed and explained as part of ANNEX A to this Agreement. By entering into the Agreement, You acknowledge these risks and acknowledge that You are responsible for any damages suffered as a result of any realisation of such risks.

## 8. Liability

- 8.1 In case of claims that are based on intent or gross negligence on Our part, Our legal representatives or Our assistants, We are liable according to the provisions of applicable law.
- 8.2 In the event of negligent breach of principal contractual duties, We shall only be liable for predictable, typically occurring damages. A principal contractual obligation is an obligation the fulfilment of which is essential for proper execution of the contract, the breach of which jeopardizes reaching the contractual object and on observance of which the other party to the contract may duly rely.
- 8.3 The limitations of liability pursuant to the preceding clauses **Error! Reference source not found.** and **Error! Reference source not found.** do not apply insofar as We fraudulently concealed a defect or assumed a guarantee for the quality of the Tokens.
- 8.4 Any liability for a culpable damage to life, body and health and liability under the United Kingdom Product Liability Act remains unaffected by the preceding limitations.
- 8.5 In all other cases, Our liability towards Customers is excluded.
- 8.6 The limitations of liability pursuant to the preceding clauses **Error! Reference source not found.** to **Error! Reference source not found.** apply accordingly for Our legal representatives and assistants if claims are asserted directly against them.

## 9. Set-off

You are not entitled to set-off, unless your counterclaims are legally established or undisputed.

## 10. Amendments to these T&Cs

We may occasionally amend these T&Cs pursuant to the following provisions. In case of such amendment, We will notify you six (6) weeks in advance by email (the "Amendment Agreement"). At the same time, we will inform you that the Amendment Agreement shall replace this Agreement if you do not object by email to the Amendment Agreement within a period of two weeks from that point of time the Amendment Agreement reaches you by email

## 11. Data-Protection

We collect and store Your data necessary for the business transaction. When processing Your personal data, We comply with the statutory provisions. Details can be found in our privacy policy, which can be accessed through Our Website under <https://welltrado.io/privacy-policy>

## **12. Written-Form[, Text-Form]**

- 12.1 This Agreement will affect all prior arrangements regarding its subject matter, regardless of whether We have agreed with You in writing or orally. Verbal collateral agreements do not exist.
- 12.2 Modifications and amendments, additions and the repeal of these T&Cs must be in writing to be effective. This also applies to the amendment of this written form clause itself. The above written form requirement does not apply to agreements made orally between us and you after conclusion of the contract. Also in this case, we agree that a written confirmation is required for the content of an oral agreement.
- 12.3 Unless otherwise stated in these T&Cs, it is sufficient to comply with the written form also by using text form according to sec. 126b BGB, e.g. email.

## **13. Miscellaneous**

### **13.1 Applicable law**

This contract between Us and You and all other contracts entered into hereunder are subject to the laws of the Federal Republic of United Kingdom excluding the UN Sales Convention (CISG).

### **13.2 Contract Language**

The language(s) available for the contract is English.

### **13.3 Legal venue**

If You are a merchant within the meaning of the United Kingdom Commercial Code a legal entity under public law or a special fund under public law, the exclusive place of jurisdiction for all disputes arising from contractual relationships between Us and You is at Our registered office. However, We are also entitled to file a lawsuit at Your place of business. The above does not apply in cases where another legal venue is already mandatory by law.

### **13.4 Severability**

Should any of the provisions of these T&Cs or an agreement entered into hereunder be or become invalid or unenforceable in whole or in part, the validity or the enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Under circumstances in which these T&Cs or an agreement entered into hereunder proves to be incomplete, a supplementary interpretation in accordance with the meaning and the

purposes of the respective agreement under due consideration of the legitimate interest of the parties involved shall be applied.

## ANNEX A

### Risks

#### 1. General remarks on risks associated with purchase, possession and use of WTL

This Annex A contains a list of the risks known to Us in connection with the purchase, possession and use of WTL. Please note that further unknown and unforeseeable risks cannot be ruled out. Risks and uncertainties that are currently unknown to Us could have a material adverse effect on Our envisaged business model and business operations as well as on WTL and have a detrimental effect on Us. We do not accept any liability for damages caused by any risks, which are unknown to Us and could not have been justifiably foreseen by Us.

You should carefully read and consider the following risk factors in combination with the further information contained on Our Website. The occurrence of individual or the cumulative interaction of various risk factors may have significant adverse effects on the envisaged business model, business operations and WTL.

The following presentation of the risk factors does not replace the necessary expert advice by a suitable advisor of Your choice. The order in which the following risks are listed does not indicate the probability of their occurrence and/or the extent of the potential (economic) effects. At the same time, the selection and content of the risk factors are based on assumptions that could subsequently prove to be incorrect.

#### 1. Business model of Welltrado

##### 1.1 Competing business models or products

The future business development of Our business model requires that We can maintain a good position in the market and constantly expand Our customer base. In this respect, there are risks of more intense competition and the success of competitors. In this context, We should also consider the potential loss of acceptance of Our offer by customers. It is conceivable that third parties may operate or develop a platform or product similar to Our business model and/or try to copy or rebuild the business model, which could have adverse consequences for Us and the WTL.

##### 1.2 Success of Our business model

We are committed to the successful implementation of the business model. However, there is a risk that the business model will not be implemented for financial, technical or other reasons, such as lack of sufficient funding or lack of success after implementation of the business model. Should the business model have to be abandoned, this may also result in the dissolution of Welltrado due to the discontinuation of its business purpose.

### 1.3 Financing in part by cryptocurrency funds

Adverse developments of [(ETH, BTC, LTC) accepted cryptocurrencies for payment] value during and after Our ICO could result in Our incapacity to implementing the business model as planned, and thus prevent WTL from being used as planned and/or being used to only a limited extent or even render WTL unusable.

### 1.4 Key person risk

The implementation of the business strategy and the company's goals and thus the further development of Welltrado are based in particular on the knowledge, skills and experience of the managing directors and other core team members. The omission of one or more of these key persons could have a detrimental effect on the general business activity and in particular on the further development of the business model.

## **2. Regulatory framework**

### 2.1 General legal framework

The national and international regulatory framework of Blockchain, distributed ledger technology in general and of applications related to it, is not yet resolved and clarified. Hence the regulatory framework may change. Therefore, it is possible that the interpretation and application of existing laws and regulations may be amended or adapted, which may affect Our business model and/or the contract concluded with You.

Blockchain and distributed ledger technology and related applications could also be the subject of legislative initiatives at national and international level. Changes to the regulatory framework, such as the extension of licensing, prospectus and other obligations as well as prohibitions, could adversely affect the intended business model. This includes in particular the risk that acquired WTL cannot be used or can no longer be used for its intended purpose due to changes in the regulatory framework and may become unusable under certain circumstances. Naturally, we do not have any influence on future legislative activities, which may adversely affect Our business model.

### 2.2 Tax issues

We have not examined the tax treatment of the purchase, possession and use of WTL. The purchase, possession and use of WTL could entail tax consequences, in particular information obligations and taxation, among other things according to capital yields and/or income law principles. It is the sole responsibility of the purchaser and owner of a WTL to obtain any necessary qualified tax advice regarding the purchase, possession and use of WTL.

### 3. Risks associated with WTL

#### 3.1 Wallet (ERC20 standard)

For a successful purchase of WTL in exchange for ETH, it is essential that You use a wallet that you use to send [(ETH, LTC, BTC) Cryptocurrencies] to us is compatible with the ERC20 standard. You alone are responsible for ensuring compatibility with the ERC20 standard.

In particular, You should not use a wallet provided by a Trading Platform such as Kraken or Coinbase. These wallets are not suitable for the reception of WTL. We expressly point out that if You use such incompatible wallet, You run the risk of not being able to access your WTL and/or not being able to use the acquired WTL. We are not aware of the type of wallet from which You are conducting the [(ETH, LTC, BTC) Cryptocurrencies] transaction to Our smart contract address. Please note, that even if you use an incompatible wallet, the corresponding number of WTL in exchange for [(ETH, LTC, BTC) Cryptocurrencies] will be sent to you automatically controlled by our smart contract. In such cases, We will not reimburse [(ETH, LTC, BTC) Cryptocurrencies] sent by You, should You be unable to access or use the acquired WTL.

If, contrary to this explicit warning, You use an incompatible wallet for the transaction, You are required to contact the respective wallet provider to find a solution to the problem. Naturally, we have no possibility to influence the handling of the problem by the wallet provider.

#### 3.2 Tradability of WTL

The tradability of WTL requires that it is traded and listed on an appropriate Trading Platform. A corresponding listing of WTL has not yet taken place and no statements can be made at this time as to whether and when such a listing will take place.

For the sake of completeness, We point out that virtual currencies and/ or tokens are generally subject to considerable fluctuations in value and price and that WTL can therefore also exhibit increased or high volatility. This concerns the future development of WTL and the exchange rate at which WTL could possibly be exchanged into other tokens/ coins in the future. A forecast of the future performance of WTL or market liquidity is therefore not given. In particular, no statements can be made as to whether a liquid secondary market is or will be developing for WTL. The offer or sale of WTL by the purchaser to a third party (secondary market) is the sole responsibility of the respective parties which also have to observe the legal framework conditions (see clause 2 (Regulatory framework) of this **Annex A**).

#### 3.3 References of financial regulators

In general, it can be observed that national and international financial regulators have increasingly pointed out possible risks associated with the acquisition of coins or tokens, recently. In November 2017, for example, the German Federal Financial Supervisory Authority ("**BaFin**") or the European Securities and Markets Authority ("**Esma**") published a general

reference. From these authorities' point of view, ICOs represent investments of highly speculative nature and bear the possibility of losing an investment partially or, in the worst case, even completely. We hereby expressly draw Your attention to these references.

#### **4. Risks associated with Blockchain technology**

##### **4.1 Smart Contract and Ethereum**

The smart contract we programmed for the distribution of WTL functions like an accountant. The smart contract records and stores in the Ethereum Blockchain ("Ethereum") how many WTL belong to which wallet. In order to gain access to the acquired WTL, it is crucial that you use a Compatible Wallet that meets the ERC20 standard for the sending of [(ETH, LTC, BTC) Cryptocurrencies] to our smart contract address. Please note that the smart contract refers the acquired WTL to the wallet from which [(ETH, LTC, BTC) Cryptocurrency] payment was made. This process is fully automatic and cannot be undone or subsequently changed. At the time of publication, We are not aware of any security gaps or other errors in the smart contract. If security gaps and/or other errors in the software come to our attention, we will do everything that is necessary and reasonable to correct the error. The smart contract is deployed on [(ETH) Blockchain]. The functionalities are therefore (un)directly dependent on [(ETH) Blockchain]. Errors and dysfunctionalities, including the failure of [(ETH) Blockchain], may adversely affect the business model and WTL, including the possibility that our services as well as WTL cannot be used only partially or in the worst case not at all.

##### **4.2 Private key**

A wallet and the tokens it contains can only be accessed using the private key assigned to the wallet. The owners of WTL are solely responsible for the secure storage and administration of the private key to the wallet in which WTL is held, as well as for the protection of the private key and the wallet against unauthorized access by third parties. Loss of the private key can lead to irretrievable loss of the tokens in the wallet including WTL. There is usually no recovery mechanism for lost private keys. We recommend that you seek professional advice on the safe management of private keys.

##### **4.3 Mining attacks**

[(ETH) Blockchain] is exposed to the risk of mining attacks, especially double spending attacks, 51% attacks and selfish mining attacks. Any successful attack is a risk to our smart contract, especially to its proper execution. The resulting disruptions and/or the failure of central IT facilities can lead to serious impairments of Our business activities.

##### **4.4 Hacker attacks**

It cannot be ruled out that [(ETH) Blockchain], Welltrado and future smart contracts as well as other software and hardware developed by Us will become the target of hacker attacks. Such attacks may result in adverse consequences for the functionality of our business model and/or WTL.