

# General Terms and Conditions for the Purchase of LEAF token Initial Coin Offering (ICO)

(May 15, 2020)

## Preliminary Remark

These General Terms and Conditions apply to the sale of the LEAF token within the framework of the Initial Coin Offering (ICO).

These General Terms and Conditions are agreed between Leaf Systems GmbH, a European Company (hereinafter "Company") with its registered office at Rheingoldplatz 1, 68199 Mannheim, Germany, and any legal entity or natural person (hereinafter "Participant") who fulfils the conditions laid down in these General Terms and Conditions (hereinafter "GTC") and has agreed to these General Terms and Conditions.

Only these GTC are binding for the entire sale. Other GTC which deviate from this, in particular, those of the contractual partner, do not become expressly part of the contract.

The company Leaf Systems GmbH is going to expand the new restaurant network (LEAF network) as part of the Controlled Availability Phase in order to enable innovative restaurant experiences in Summer 2020. Therefore, a multitude of participating restaurants across Europe can be expected. In these restaurants, the consumer will be able to purchase products such as meals and drinks with LEAF token, including an individual loyalty status that enables premiums, discounts and more. Access to the LEAF network is to be guaranteed by the creation of an own digital brand currency, the LEAF token. This LEAF token is not limited in quantity after the LEAF token will be made available for trade (during the later following Initial Public Leondrino Offering), but the quantity of this token is adjusted through a sustainable controlled monetary policy in order to reduce a price volatility of the token and to ensure that the token can fulfil its functions as a means of payment for the exchange of goods and services within the ecosystem of the LEAF network.

The Participant purchases LEAF tokens from Leaf Systems GmbH in the context of the Initial Coin Offering, which grants him the access to the LEAF network ecosystem with the most diverse foods and drinks offers. The Company expressly points out that the purchase of these tokens entails significant risks, which are described in detail in the risk notices in Attachment 1 of this GTC, and for which the Company cannot give any assurance that these risks will not materialise.

That having been said, the company and the Participant agree the following:

## 1. Scope and Priority of the General Terms and Conditions

### 1.1.

These GTC exclusively regulate the purchase of the token within the scope of the Initial Coin Offering, while all uses and applications of this token in the LEAF network and within this ecosystem are subject to special conditions of use. More information about the LEAF network and services can be found in the Whitepaper.

### 1.2.

If there are inconsistencies between these GTC, including the risk information (see Annex A) and the Whitepaper, these GTC, including the risk information (see Annex A) shall prevail.

### 1.3.

These GTC exclusively regulate the contractual relationship between the Company and the Participant of this Initial Coin Offering and therefore do not grant any rights or claims to any third party, not even with third-party protective effect.

## 2. Price of the Token and Lifecycle of the Token

### 2.1.

The price is 0.40 EUR per LEAF token. Accepted currencies are the EURO and ETH. If you pay using VISA credit card, you can also pay in USD or CHF or GBP. Pricing based on supply and demand of the token will start with the introduction of the LEAF token to at least one exchange for public trading (planned for September 2021).

### 2.2.

The Company performs a second tokens sale of the tokens as part of its ICO as follows:

The sale starts on May 15, 2020 at 14:00 CEST and ends on August 7, 2020 at 13:59:59 CEST.

### 2.3.

The following discounts apply during the ICO of the LEAF token:

- in the first three weeks from May 15, 2020 to June 5, 2020, 20 %, which leads to a price of 0.32 EUR per token.
- in the following three weeks from June 5, 2020 to June 26, 2020, 10 %, which leads to a price of 0.36 EUR per token.
- in the following three weeks from June 26, 2020 to July 17, 2020, 5 %, which leads to a price of 0.38 EUR per token.
- in the following three weeks from July 17, 2020 to August 7, 2020 no discount will be granted.

### 2.4.

The LEAF token goes through a controlled lifecycle ("Lifecycle Management"), which is characterized by the following phases:

#### a)

During the **initial Consumer Engagement Phase**, Leaf Systems GmbH distributed a limited number of tokens. In this phase, investors were able to secure contingents for the upcoming branded currency LEAF token via a Convertible Loan ("Leondrino Convertible") and/or SAFT contracts ("Simple Agreement for Future Token").

#### b)

During the current second phase, the **Seed Circular Economy Phase**, LEAF tokens purchased within the ITO are converted from Leondrino token class D to Leondrino token class C and with that, the ICO is starting.

With the start of the ICO on May 15, 2020, users can purchase LEAF tokens, whereby the volume of tokens per person and transaction is limited to a value of EUR 250 per transaction and EUR 2,500 per day and EUR 10,000 per month. The determination of this limit is at the discretion of Leaf Systems GmbH unless it is not limited by restrictions of regulators in countries of origin of Participants or the regulatory requirements which the service provider Leondrino Germany (Leondra GmbH) has to comply with.

c)

During the following third phase, the **Growth Circular Economy Phase** the change from Leondrino token class C to Leondrino token class B takes place. With this conversion, users can now trade LEAF tokens within the LEAF network ecosystem to a limited extent. As part of the Initial Public Leondrino Offering (ILO), the LEAF token is introduced to public trading via one or more exchanges. The previous LEAF token of Leondrino token class B are converted into LEAF token of Leondrino token class A and can now be publicly traded on exchanges and allow the purchase of all goods, products, and services within the LEAF network. The marketing of the tokens purchased by the investor for public tradability is part of the service provided by Leaf Systems GmbH and expressly requested by the investor, provided that he activates this option.

d)

After the Initial Public Offering (ILO), the fourth phase starts as **Post-ILO-Phase**, in which there are only restrictions on the transaction volume for professional investors.

e)

In the last phase, the **Sustainable Circular Economy Phase**, passive money supply management takes place according to the monetary policy agreed between the Leondrino Germany and Leaf Systems GmbH.

### 3. Technical Requirements for Participation

To purchase the LEAF token, each Participant needs a Leondrino Wallet, through which the token sale will be offered. The Company reserves the right to impose additional guidelines for certain wallet requirements.

### 4. Conditions of Participation

4.1.

The Participant assures that he/she has reached at least 18 years of age (legal age) and that he/she is capable of conducting business to effectively complete the purchase of the tokens and to be able to use the digital branded currency in the LEAF network. If legal regulations make the use of goods or services in the LEAF network conditional upon reaching a higher age limit, the Participant undertakes not to purchase tokens and use these until this age limit has been reached.

4.2.

If the Participant acts on behalf of another legal entity, he/she assures that he/she is entitled to conclude the contract on behalf of this legal entity and that it is responsible for the violation of these GTC alongside him/her.

### 5. Purpose of the LEAF token in the LEAF network Ecosystem

5.1.

The purpose of the LEAF token is to provide access to premium products or discounts of restaurants in the LEAF network and to use the services and products offered there. The LEAF token has the function as a digital branded currency to ensure the payment for the exchange of services, goods, and products within the ecosystem of the LEAF network.

5.2.

The purchase, possession, and receipt of the token grants the right to access the premium products or discounts of restaurants in the LEAF network and to use the services and products offered there as a means of payment with a prescribed acceptance obligation. By contrast, the purchase of the token does not confer any ownership rights or a right to shares or securities in Leaf Systems GmbH. Likewise, the purchaser of tokens does not acquire any contractual claims for future shares of earnings, distributions or intellectual property rights or any other forms of participation in the ecosystem or the company Leaf Systems GmbH, which operates this ecosystem or the companies associated with it.

## **6. Cancellation, Withdrawal from the Purchase Agreement / Suspension of the Sale**

6.1.

Token purchases are final in the sense that no refunds or cancellations of purchases can take place unless required by mandatory legal regulations or these GTC expressly provide for it.

6.2.

The Company may at any time, in its sole discretion, reject or cancel purchase requests for tokens and limit their amount.

6.3.

Furthermore, the Company may suspend the sale of tokens at its sole discretion. This may be due in particular to suspicion of systematic fraud in the purchase of tokens or excessive utilization of the Company's IT systems or the IT system of its external service providers.

## **7. Responsibility for the Security of the Wallet and the Storage Medium**

The Participant is responsible for implementing appropriate measures to secure his or her wallet, safe or another storage mechanism that he or she uses to obtain and own the purchased tokens. This includes any necessary private keys which will be used with the introduction of LEAF token to the public trade or other credentials to access the storage medium. In case of loss of the private key or other access data, it is possible to no longer have access to the acquired tokens. The Participant is therefore responsible for losses, costs or other expenses in connection with the lost access data.

## **8. Provision of Information**

The Company may, in its sole discretion, require the Participant to provide information necessary to comply with or not violate applicable laws or regulations in connection with the sale of the tokens. By purchasing the token, the Participant agrees to provide the information requested by the Company immediately upon request. The Company is entitled to withhold or suspend the sale of Token until the Participant has provided the requested information and ensures that the sale of the Token does not violate any applicable laws or regulations.

## **9. Guarantees and Warranties of the Participant**

By purchasing the tokens, the Participant declares and guarantees the following:

9.1.

The Participant has read and understood these GTC, including the Risk Information in the Annex A and the Whitepaper and Legal Notice.

9.2.

The Participant confirms that he/she has read and understood the instruction on the right of withdrawal under Clause 20 of these GTC.

9.3.

The Participant acknowledges having a sufficient understanding of the technical, financial and business issues related to the purchase and use of token including cryptographic tokens, storage mechanisms (such as token wallets and blockchain technologies) to understand these GTC and to understand the associated risks for him/her and their scope.

9.4.

The Participant agrees and acknowledges that the LEAF token is not in any way security or any other form of investment product and that this token is intended to act as currency and means of payment within the LEAF network ecosystem but has no further added value.

9.5.

The Participant agrees that this token also does not grant any other rights in any form in relation to the LEAF network ecosystem or the Company or affiliated companies operating in this network, whether in the form of shares, participations or contractual claims to future earnings, profit distributions or other rights under company law, such as voting rights, information rights, etc.

9.6.

The Participant assures that he/she has taken note of the phases of the life cycle of the LEAF token with its restrictions regarding the purchase and its usability (see Section 2.4 of the General Terms and Conditions) and that according to this life cycle of the LEAF token (Section 2.4 a - e of the GTC) it can only be used in the ecosystem to a limited extent, and within the framework of the ICO, the purchase of the token is limited in amount according to transaction and client.

9.7.

With the purchase of these tokens, the Participant assures that he/she fulfils all tax obligations applicable in his country resulting from this purchase and use.

9.8.

During the Initial Coin Offering (ICO), the purchase of LEAF token is only permitted to citizens of certain countries and Europeans with permanent residence in these certain countries. In the first phase, the participant therefore assures that he/she is a citizen of Germany, Austria or Switzerland or a European citizen with permanent residence in one of these countries. The Participant assures that he/she is expressly not a citizen or permanent resident of one of the following countries: Bosnia and Herzegovina, the Democratic People's Republic of Korea, Ethiopia, Iran, Iraq, Sri Lanka, Syria, Trinidad and Tobago, Tunisia, Vanuatu and Yemen, but also the People's Republic of China and Cuba.

9.9.

The Participant warrants that he/she is not a U.S. citizen or permanent resident of the United States, nor has a principal or secondary residence in the United States, including Puerto Rico, the U.S. Virgin Islands and other territories forming part of the territory of the United States. In case the participant is a citizen of the U.S., then he/she must provide evidence of his status of an "Accredited Investor" as part of the KYC process.

9.10.

The Participant assures that he/she also does not act as owner or authorized signatory or as representative for a company or an enterprise which has its permanent place of business in the states mentioned under 9.8. and 9.9. of the General Terms and Conditions.

9.11.

The Participant assures that he/she is not underlying the regulations of a politically exposed person. As a part of the KYC procedure, politically exposed persons are generally excluded from the token sale.

9.12.

The Participant warrants that he/she is not a citizen or resident of any territory in which the law prohibits the purchase or use of such tokens or related services or the acceptance and delivery of such tokens, decree, regulation, contract or administrative act. Furthermore, the participant assures that he/she also does not act on behalf of another legal entity (e.g., managing director or authorized signatory) for which law prohibits the purchase of these tokens or the services associated or the use of the services or the acceptance or delivery of these tokens, decree, regulation, contract or administrative act.

9.13.

The participant agrees that he is not reselling the tokens he/she purchased to buyers in the United States unless such resale is registered with the U. S. Securities and Exchange Commission (SEC) or an applicable exception applies.

9.14.

The participant confirms that the information provided to the company is true, correct and complete.

9.15.

The Participant warrants that, provided that he has purchased LEAF tokens on behalf of another legal entity, he/she has been duly authorized by that legal entity to act on its behalf and that it has been properly established by the applicable laws of the legal system of its organization.

9.16.

The Participant confirms that he/she does not use LEAF tokens for money laundering or terrorist financing.

9.17.

The Participant confirms that he/she is aware that the repurchase or exchange of tokens in the original currency is excluded.

## **10. Taxes**

10.1.

It is the responsibility of the Participant to determine for him/herself whether and which taxes are due on his/her purchase of tokens, be it sales tax, utility tax or value added tax. In this respect, the Participant undertakes to report and transfer the correct taxes to the tax authorities.

10.2.

The purchase price for the token is a net amount that does not include any further taxes. The Company is not responsible for reporting or withholding taxes resulting from the sale of the tokens. If law requires withholding taxes in a country, these taxes are incurred in addition to the purchase of the token and are shown as statutory taxes in addition to the net sales price of the token. The Company will take no liability for any additional taxes.

## **11. Knowledge and Recognition of the Legal Notice and Risk Warning in Accordance with Annex A**

The Participant declares that he/she has read and understood the legal information in accordance with Annex A of these GTC and expressly acknowledges that he/she is aware of the risks associated with the purchase, possession, and use of the tokens as described and explained in Annex A. By purchasing the tokens, the Participant expressly acknowledges these risks and accepts them.

## **12. Limitation of Liability**

### 12.1.

The Company operates its service carefully and reliably. Nevertheless, interruptions or losses may occur as a result of unavoidable events for which the Company is not responsible or maintenance work which is necessary for the operation of the Service. The Company will endeavor to rectify any malfunctions or interruptions as quickly as possible.

### 12.2.

The Company is only obliged to pay damages in case of intent or gross negligence. Liability for slight negligence is excluded, except for personal injury.

### 12.3.

The Company is not liable for indirect or consequential damages, for example to software or hardware of the participant or a third party, or for resulting lost profits or pecuniary damages or for damages resulting from claims of third parties against the Participant. In particular, the Company shall not be liable for damage caused by unavoidable interruptions to operations or which is necessary to carry out work necessary for operations or to avoid disruptions to operations or which is attributable to events for which the Company is not responsible, such as in particular network disturbances, computer breakdowns or criminal activities by third parties.

### 12.4.

The Company does not accept liability for loss of data of participants in which the Company is not at fault, e. g. due to hacker attacks. The Participant will be informed immediately about the occurrence of a data loss.

### 12.5.

The Company assumes no liability for the tokens stored in the wallet for the Participant, nor for the Participant's data stored there, nor for transactions between the Participants' wallets.

### 12.6.

The limitations and exclusions of liability mentioned in sections 12.1.-12.5. of these GTC also apply to consumers, unless these contradict mandatory legal regulations.

## **13. No Recommendation or Offer of Securities**

### 13.1.

The Whitepaper with the Legal Notice and these Terms and Conditions, together with Annex A, do not constitute a recommendation to sell or an invitation to purchase tokens by the Company. There is also no obligation to enter into a contract for the purchase of these tokens.

13.2.

In particular, the Whitepaper with the legal information does not constitute a prospectus or offer document of any kind and is not to be understood as an offer of securities or as an offer of other forms of investment products.

## **14. Migration of Tokens**

The tokens are created as Leondrino Token of token class C. If Leondrino token class B is reached, the tokens will be converted to an ERC-20 token or ERC-223 token via at least one licensed exchange regulated in the German jurisdiction immediately before introduction to public trading, unless a more modern and publicly accessible Leondrino Token Standard has been achieved by then to exchange LEAF token for other Leondrino and fiat currencies (at least to exchange LEAF for EUR) on the Leondrino MainNet. The company reserves the right to migrate the tokens based on ERC-20 or ERC-223 to another protocol and to generate replacement tokens on the new protocol ("Replacement Token") in the future if this is necessary or useful for the operation of the ecosystem. It is at the discretion of the Company to determine whether there is a need or usefulness for changing the protocol.. If the Company decides to migrate the tokens, it may no longer provide support for the token already present in the old ecosystem, except for services related to the migration process. By purchasing these tokens, the Participant accepts that he/she may in future have to convert the tokens he/she purchases during the token sale into Replacement Tokens to continue to participate in the ecosystem and benefit from the tokens. The rules based on the token design such as initial limits on token supply and the later management of token supply based on a transparent monetary policy remain unaffected.

## **15. No Class or Representative Mediation**

All disputes arising from this contractual relationship arising from the individual contractual relationship between the respective Participant and the Company can also only be asserted in court by the Participant him/herself. In this way, class actions or other representative proceedings are ruled out to enable a person, as a representative of a group, association or other persons, to bring about a judicial decision

## **16. Applicable Law and Place of Jurisdiction**

16.1.

These GTC are subject - as far as legally permissible - exclusively to the law of the Federal Republic of Germany. This applies to all legal disputes arising from this contractual relationship, including those concerning its existence or nonexistence.

16.2.

The place of jurisdiction for all disputes arising from this contractual relationship - as far as legally permissible - is Mannheim.

## **17. Amendments to the General Terms and Conditions**

The Company is entitled to amend, modify, or replace these GTC, including the risk notices in Annex A, by other provisions without the consent of the other contracting party.

## **18. Conditions of the Purchase Contract / Registration According to the Money Laundering Act**

### 18.1.

The conclusion of the purchase contract requires that the Participant has agreed to these GTC and has registered completely with the company and does not belong to the group of persons described in sections 9.8. to 9.11. of these GTC and fulfils the requirements of section 4.1. of these GTC.

### 18.2.

The Company is subject to the Money Laundering Act and Art. 8 of the 3<sup>rd</sup> EU Money Laundering Directive for obtaining information about the Participant. In accordance with the requirements of the Money Laundering Act, the Participant must provide the data collected by the company in full and truthfully in accordance with the Know Your Customers (KYC) procedure at the time of conclusion of the contract. For identification, the Company shall, in particular, collect the full name, date of birth, place of birth, full address and nationality of natural persons and may inspect a valid official photo ID in order to provide proof of the information. In the case of legal persons, the company name, the legal form, the registration number, the address of the registered office and the name of the legal representative must be indicated. The verification of this information may be carried out using trade or cooperative register extracts or similar official registers or directories. Should further information obligations arise from the Money Laundering Act, the Participant is obliged to do so. These duties above to provide information also apply to the beneficial owner within the framework of identification in accordance with the Money Laundering Act.

### 18.3.

If it should turn out that the Participant does not fulfil his obligations to cooperate according to section 4.2. of these GTC for proper identification or if it turns out during the registration procedure that the Participant does not fulfil the personal conditions for participation of 4.1 of these GTC or belongs to the group of persons named in section 9.8-9.11 of these GTC, no contract will be concluded. In this case, the Company will reimburse the Participant for the purchase price if the Participant has already acquired the corresponding tokens. All transaction fees associated with this refund shall be borne by the Participant.

## 19. Severability Clause

Should single provisions of these GTC be inadmissible, invalid or unenforceable, this shall not affect the validity of the remaining clauses of these GTC. In the absence of a provision, this gap shall be replaced by a valid provision that comes closest to the will of both parties.

## 20. Cancellation Policy

### Cancellation

You are entitled to revoke this contract within fourteen days, without stating any reasons. The cancellation period is fourteen (14) days from the contract conclusion date, following the purchase of LEAF tokens.

To exercise your right of withdrawal, you must inform us at (Leaf Systems GmbH, Rheingoldplatz 1, 68199 Mannheim, Germany, email: [office@leaf-systems.eu](mailto:office@leaf-systems.eu); Tel.: +49 621 8618-86796) by sending a letter by post or an email) detailing your decision to rescind this contract. You may use the attached model cancellation form, but it is not obligatory.

To uphold the cancellation period, it is sufficient for you to send the notification to exercise your right of cancellation before the expiry of the cancellation period.

### Consequences of Cancelling and Withdrawal

If you choose to withdraw from this contract, we shall refund all payments we have received from you without delay, including shipping costs (except for additional costs arising in the event of selecting a method of shipping different from the most cost-efficient standard delivery offered by us), no later than fourteen days from the date on which we have received the notice of withdrawal from this contract. The refund shall be issued via the same payment method that you provided for the original transaction, unless otherwise explicitly agreed with you; under no circumstances will you be charged fees for the processing of this refund.

## Withdrawal Form

(If you would like to revoke the contract, please fill out this form and send it back to us.)

to

Leaf Systems GmbH  
Rheingoldplatz 1  
68199 Mannheim  
Germany

Phone: +49 621 8618-86796

email: [office@leaf-systems.eu](mailto:office@leaf-systems.eu)

I/We hereby revoke the purchase agreement concluded by me/us for the following goods/services

Amount LEAF token \_\_\_\_\_

Purchased on \_\_\_\_\_

Received on \_\_\_\_\_

Name and address of the consumer:

\_\_\_\_\_

\_\_\_\_\_  
Place, Date

\_\_\_\_\_  
Signature

## **Annex A**

### **Legal Notice**

PLEASE READ THROUGH THE WHITEPAPER CAREFULLY BEFORE YOU DECIDE ON THE PURCHASE OF LEAF TOKENS – PARTICULARLY THE IMPORTANT TIPS BELOW, INCLUDING FURTHER INFORMATION ABOUT RISKS. IF YOU HAVE QUESTIONS ABOUT LEAF SYSTEMS GMBH (THE “COMPANY”), ITS BUSINESS PROJECTS, THE LEAF TOKEN OR OTHER FACTS IN THIS CONNECTION, GET ADVICE FROM A COMPETENT BUSINESS, LEGAL, TAX OR OTHER CONSULTANT. IF YOU HAVE DOUBTS OR IF FACTS REMAIN THAT YOU DO NOT UNDERSTAND, YOU SHOULD STAND BACK FROM THE PURCHASE.

### **No Prospect and no Offer to Purchase a Security or Financial Instrument**

The LEAF tokens are designed as pure utility tokens and should not therefore represent their structure according to any securities or financial instruments. The Whitepaper does not therefore represent any prospect or offer document for securities or financial instrument, nor is it intended to represent a prospect or an offer document for securities or financial instruments in any jurisdiction. The Whitepaper merely serves as a project description but represents neither an invitation to purchase nor requests to issue an invitation to bid for purchase of the LEAF tokens. In this respect, The Whitepaper also does not represent any investment recommendation for purchase of the LEAF tokens or for disinvestment of other securities, financial instruments or other assets.

### **No Official Check or Approval**

The Whitepaper has not been checked or approved by any authorities. Neither has it been submitted to any authority for checking or approval. There are no express legal requirements for the content of this Whitepaper, the structure of the Whitepaper and the information contained therein are based solely on the decisions of the Company’s management. Any legal relationships between a Purchaser of LEAF token and the Company are not substantiated by the Whitepaper, but by separate contracts, documents, or conditions in which the rights and obligations of a Purchaser and the Company are regulated. In this respect, in the event of any ambiguity in the presentation in this Whitepaper, the regulations of the said contracts, documents or conditions take precedence over the presentation in the Whitepaper.

### **Excluded Buyers**

The Initial Coin Offering (ICO), is initially aimed exclusively at buyers who are either citizens of Germany, Austria or Switzerland or European citizens whose domicile, tax domicile or usual place of residence is in Germany, Austria, or Switzerland. In a second step, citizens from the other permitted countries can also participate. The Token Sale (including any Pre-Sale) is not intended for buyers who are resident, tax resident or ordinarily resident, or who initiate the purchase of tokens from or through a country where the sale or purchase of cryptocurrencies is forbidden or only permitted under certain conditions (such as an official permit); that have been classified by the Financial Action Task Force (FATF) with regard to money laundering and the financing of terrorism as high-risk countries or countries under observation or against whom embargoes or sanctions have been imposed, especially by the United States of America or the EU (“excluded third parties”). Bosnia and Herzegovina, the Democratic People's Republic of Korea, Ethiopia, Iran, Iraq, Sri Lanka, Syria, Trinidad and Tobago, Tunisia, Vanuatu, and Yemen, but also the People's Republic of China and Cuba (“Excluded Countries”).

There are also restrictions for citizens of the United States of America. They may only participate in a Token Sale if they prove they are a so-called Accredited Private Investor as defined in Rule 501 of Regulation D,

enacted in accordance with the Securities Act 1933. It is sufficient for the proof to truthfully complete the form provided in the KYC process called ACCREDITED INVESTOR CERTIFICATION (see also Annex B), sign the same and finally get the details supplied therein confirmed by their own tax consultant.

Further information on the subject of Accredited Investors can be found via the following links:

- <https://www.investor.gov/introduction-investing/investing-basics/glossary/accredited-investors>
- <https://www.investopedia.com/articles/investing/092815/how-become-accredited-investor.asp>

Should it transpire during the KYC process that an interested participant cannot successfully complete the KYC process because of having previously given false details or because of his or her citizenship or other inconsistencies, participation in the Token Sale is denied to him or her. In the event of denial, payment of the investment sum is reversed, and the refused participant must bear the full costs of this reversal him- or herself.

The Whitepaper as well as these GTC may not be reproduced in whole or in part, regardless of the manner, and may not be passed to third parties without this required information and without the further information about risk. The Whitepaper may also not be passed to excluded third parties in whole or in part, regardless of the manner.

### **High-risk of Loss**

Purchase of LEAF tokens entails significant risks. Buyers should not therefore use a substantial portion of their assets to purchase LEAF tokens and should be able to cope economically with a total loss of the money spent. Buyers should also have gained experience already with cryptocurrencies from young companies, understand the economic and technical interdependencies of the company's business activity and LEAF token and be able to assess its effects on the value of the LEAF tokens. If a buyer does not have the relevant experience, this nevertheless is not cause for any increased information obligation on the part of the company.

### **Loan Financing Not Recommended**

Financing the purchase of LEAF tokens with a loan is strongly advised against. Because the obligations to repay interest and principal remain, even if the LEAF tokens purchased become worthless. Even the buyer's private insolvency would not be excluded in such a case.

### **The Whitepaper Does Not Replace Competent Advice**

The buyer is hereby advised that this Whitepaper merely gives an overview of the planned investment and business activity of the company and the LEAF token. The Whitepaper cannot however replace any economic, legal, tax or other advice. Every buyer should therefore check the concomitant opportunities and risks independently and where necessary with the aid of external consultants prior to purchase. Buyers are particularly recommended to get advice on the legal, regulatory and tax consequences of a purchase. The company accepts no liability for the personal financial objectives set by buyers with the purchase of LEAF token.

### **Calculations, Projections and Statements About the Future**

All calculations or projections presented in this Whitepaper are essentially based on the experiences or assessments of the company's management. In this respect this Whitepaper also contains statements about the future – particularly subjective objectives for the future business development of the company, which are however associated with uncertainty and risk. These statements reflect the current assessments and expectations of the company with regard to future events. These assessments and expectations may contain errors of perception or evaluation and thus be proved incorrect.

Calculations have been prepared with care and commercial foresight. Nevertheless, the possibility cannot be excluded that events or developments not taken into account in the calculations or projections may lead to significant deviations in the actual results for the company and thus also where applicable to deterioration in the value of the LEAF token from that calculated or projected.

There can therefore be no guarantee that the developments and results described in this Whitepaper are actually achieved. The buyer bears the risk of diverging developments and results.

## **Further Information About Risk:**

### **Regulatory and Other Risks**

The Company assumes that issue by the company, purchase of the LEAF tokens and payment for services from the Company with the LEAF tokens (pure utility token) – in each case by non-excluded third parties – are not subject to any separate regulation. However, the regulatory and broadly the legal framework for cryptocurrencies, blockchain and distributed ledger technology, smart contracts and their applications nationally and internationally are nowhere near fully developed and secure. The possibility cannot be excluded therefore that, because of national or international official or statutory measures or because of jurisprudence, the issue, purchase and administration (including trading) of, or payment for, products or services with cryptocurrencies will be wholly or partly prohibited or only possible subject to certain conditions.

This may lead to significant negative effects on the company's business model (e.g. in the case of an official or statutory decree for the reversal of issued LEAF tokens or the cessation of business operations) and on the benefits or value of the LEAF token through to the insolvency of the company or the complete uselessness or worthlessness of the LEAF token.

Likewise, the possibility is not excluded that companies providing the trading opportunity of cryptocurrencies such as the LEAF token as third parties are prohibited, without an appropriate official permit to further maintain the trading platform it operates, so that there may be no trading platforms to exchange the LEAF token into other cryptocurrencies or Fiat currencies (thus legal national currencies such as Euros). This could also result in issued LEAF tokens becoming useless or worthless for their buyers.

### **LEAF token Grants no Property or Administrative Rights in the Company**

The LEAF token is intended and structured as pure utility tokens to pay for products and services from the Company and within the LEAF network. LEAF tokens grant no property or administrative rights in the company, i.e. they in no way grant participation in the gain or loss and asset development of the company or any voting rights in resolutions of the company, participation rights at shareholder meetings of the company or other shareholder rights. As pure utility tokens, LEAF tokens are not suitable as an investment or asset in the business development of the Company.

## **Exclusion of Refund**

As a pure utility token, a refund of the purchase price for issued LEAF tokens against the return of the LEAF tokens issued is excluded. Buyers of the LEAF tokens must therefore take into account that the money used by them to buy LEAF tokens is tied up in these and at best can be changed back into Fiat currencies via third party trading systems, if these are available. If no third party can be found who is prepared to exchange purchased LEAF tokens for fiat currencies, the buyer runs the risk of his or her purchased LEAF tokens being useless or worthless.

## **Tradability and Fluctuations in Value of LEAF token**

Tradability of the LEAF token cannot be assured. Although the Company aspires to have the LEAF token listed for trade with one or more trading systems, the possibility cannot be excluded that the Company is not successful in finding one or more appropriate trading systems who are prepared or in a position to list the LEAF token for trade. Even if it is successful in getting the LEAF token listed for trade on one or more trading platforms, the possibility cannot be excluded that trading does not take place through lack of buyer or seller interest.

Even if and to the extent that it is successful in getting the LEAF token listed for trade on one or more trading facilities, it should be borne in mind that the exchange rate set and thus the value of purchased LEAF tokens are subject to quite significant, if short-term, fluctuations. The possibility can also not be excluded that exchange rates or values of the LEAF tokens develop quite differently in different trading systems. The performance of the LEAF tokens in trading systems can be massively influenced by the performance of other cryptocurrencies, such as Bitcoin or Ether, even if the operational activities of the business offer no reason or starting point for any change in value.

The Company does not guarantee that trading systems on which the LEAF tokens are listed for trade set prices or exchange rates transparently or are in a position to meet any statutory or official requirements.

A buyer must further take into account that trading purchased LEAF tokens is likely to have costs associated that the buyer must also finance and that places a further burden on the intrinsic value of purchased or traded LEAF tokens.

## **Dependency on Computer Infrastructure**

Both the company's operational business model and the functionality of the LEAF tokens are to a great extent dependent on the presence and permanent availability of a functioning computer infrastructure. For the Company and its ecosystem partners, this especially applies to the operation of the infrastructure, in the purchase of the LEAF tokens and with the company's customers. Any faults or stresses in a functioning computer infrastructure (including internet with appropriate capacities) would put a strain on development and expansion and operational activities, but also on the opportunity to use the LEAF tokens until they became useless or valueless. Inadequate functionality of the necessary infrastructure could also significantly slow down the processing speed of transactions with the LEAF token and thus have a lasting negative influence on the usability or intrinsic value of the LEAF token.

## **Operational Risks of the Company**

Like any company, especially any young company such as this, the Company is exposed to operational risk. So, the development of the planned products and services can be significantly retarded or prove wholly or

partly impossible. Also, the possibility cannot be excluded that the company is not successful in establishing itself on the market with the planned products or services. The possibility also cannot be excluded that the company is not successful in purchasing and maintaining adequate licenses required for carrying out business operations; equally, licenses granted could be queried by third parties, which can regularly lead to the high costs of legal defense or law enforcement. Significant strains on operational activities can also arise nationally and internationally from competitors, the development of new products and techniques or the regulation of the company's business operations. Operational risks, particularly those referred to above, can lead to the insolvency of the company. At the same time, operational risk can put a lasting negative strain on the LEAF token until they become useless or worthless.

### **Lack of Financing of the Company**

The Company as a young company depends on generating adequate funding for the development and expansion of the business (including the maintenance of an infrastructure for using the LEAF token). The income from issuing the LEAF tokens is initially designated for this. Should the Company not be successful in generating adequate funding, e.g. in the event of failure of the LEAF token ITO, there is a risk that the company cannot develop and expand its business operations as planned and as the case may be has to wholly or partly cease its business operations or even declare itself insolvent. Such a development could have a lasting negative effect on the usability or intrinsic value of the LEAF token until they become useless or worthless.

### **Technical Risks**

The LEAF tokens are inherently technology-based. Their usability and their intrinsic value are thus like all technology-based products or services exposed to many technical risks, which the company cannot exclude. These include particularly system faults, code failures, programming errors, hardware failures, data loss or theft, hacking or hacker access or technical strains on processing speed. Technical risks can lead to lasting negative effects on the usability or intrinsic value of LEAF tokens until they become useless or worthless.

### **Risks in the Personal Management of Tokens**

Like any cryptocurrency, the LEAF tokens are also exposed to risks in personal management. Particular risks in personal management are failure or theft of the hardware used for the safeguarding of purchased LEAF tokens, loss of access codes, user names, passwords or private keys for access to infrastructure, by which purchased LEAF tokens are safeguarded (e.g. wallets), so that purchased LEAF tokens can no longer be disposed of and they are thus lost to the purchaser. Risks of identification may arise if you decide to transfer your LEAF token to an ERC20 or ERC-223 token. The risk would be that your wallet number and corresponding transaction data would be published in the Ethereum Blockchain. An identification of users is unlikely, but cannot be completely excluded since your data is pseudonymized in the blockchain. There is also the risk that wrongly initiated transactions because of the way blockchain technology works can no longer be reversed and transferred LEAF tokens are irrevocably lost. It should also be borne in mind that, because of the technology used for the LEAF tokens on the one hand and the undeveloped or little developed legal framework on the other hand, use of inherited LEAF tokens is not actually possible.

### **Tax Risks**

Just as the legal framework in connection with cryptocurrencies is not explicit and clear, the national and international tax qualification of transactions with cryptocurrencies both for the company and for buyers of cryptocurrencies are not conclusively resolved. The possibility should not be excluded therefore that

transactions with cryptocurrencies both with the Company and with buyers lead to tax burdens that put a strain on the operational activities of the Company or the usability or intrinsic value of purchased LEAF tokens until they become useless or worthless.

#### **Disclosure of Personal Data in Response to Official Measures**

Buyers are obliged to identify themselves prior to purchasing the LEAF tokens in accordance with the anti-money laundering regulations and regulations on the financing of terrorism and on tax evasion and to this end to disclose its personal data to the company. Buyers of the LEAF tokens should anticipate that the Company may be compelled to disclose such personal data collected to competent authorities, because of national or international official or statutory measures.

#### **Risk Interaction and Risk Accumulation**

Each of the risks represented can have lasting negative effects on the usability and intrinsic value of the LEAF tokens in its own right. The possibility is not excluded of several risks simultaneously materializing, mutually triggering, or reinforcing each other and thus further increasing the lasting negative effects. Both the materialization of individual risks and the materialization of cumulative risks can lead to the complete uselessness or worthlessness of the LEAF tokens.

## Annex B

### INDIVIDUAL ACCREDITED INVESTOR CERTIFICATION

I hereby certify that I am familiar with the definition of the term “accredited investor” as defined in Rule 501 of Regulation D issued pursuant to the Securities Act of 1933, as amended, and that I meet the criteria to qualify as an accredited investor, in the category or categories indicated by my initials below.

1. [            ] I am a director, executive officer, or general partner of the issuer of the tokens being offered or sold, or a director, executive officer, or general partner of a general partner of that issuer.
2. [            ] I am a natural person whose individual net worth, or joint net worth with that of my spouse, is at least \$1,000,000, excluding the value of my primary residence, but including indebtedness secured by such residence in excess of the value of such residence, and calculated in accordance with the below-described rules.
3. [            ] I am a natural person who had individual income in excess of \$200,000 in each of the two most recent years or joint income with my spouse in excess of \$300,000 in each of those years and I have a reasonable expectation of reaching the same income level in the current year.

Rules regarding primary residences: In calculating my net worth, I have (i) excluded my primary residence as an asset, (ii) excluded debt secured by such residence, up to the estimated fair market value of the residence; (iii) included the amount of any increase on the debt secured by the primary residence incurred within 60 days prior to the purchase of the tokens (unless related to the acquisition of the primary residence); and (iv) included debt in excess of the fair market value of the primary residence.

\_\_\_\_\_  
Place, Date

\_\_\_\_\_  
Signature Investor

Address Investor: \_\_\_\_\_  
  
\_\_\_\_\_

\_\_\_\_\_  
Print Name Investor

Confirmation by Tax Consultant:

\_\_\_\_\_  
Place, Date

\_\_\_\_\_  
Signature Tax Consultant

\_\_\_\_\_  
Print Name Tax Consultant

\_\_\_\_\_  
Official Stamp Tax Consultant