

## 1. Token Classification and Usage

VAULT (“VLT”) is a transferable ERC-20 compliant digital utility token deployed on the Ethereum network. VLT enables consumers, law firms and corporations to utilize the Contract Vault platform and Marketplace while incentivizing content creators to create and maintain high-quality contracts on the Contract Vault Marketplace.

The Contract Vault Marketplace is the heart of the Contract Vault ecosystem providing a wide array of conventional and smart contract templates and applications by Contract Vault itself and partners such as legal and technical experts.

VLT is used throughout the Contract Vault ecosystem, in particular to consume services or to increase visibility in the Contract Vault Marketplace:

- a) **Consumers** may use VLT to access services such as conventional and smart contract templates on the Contract Vault Marketplace, and may receive VLT by rating and reviewing Marketplace items and services or by signing up for value-added services provided by business customers.
- b) **Businesses** may use VLT to access conventional and smart contract templates as well as for offering their value-added services to Contract Vault users. They may receive VLT through white-labelled applications.
- c) **Law Firms** may receive VLT by creating or auditing content on the Contract Vault Marketplace, usage of their offered contract templates or providing manual legal support to clients. They may use VLT to access smart contract templates for or on behalf of their clients.
- d) **Service Providers** such as legal professionals and blockchain experts may receive VLT by providing, modifying or auditing content but also by offering their expertise directly to Contract Vault users. Legal professionals can also provide arbitration or mediation services in cases of disputes or act as trust-worthy oracles.

## 2. Usage Token; No Ownership, Revenue or Governance Rights

**Usage Token:** Ownership of VLT carries no rights express or implied other than a limited right to use VLT as a means to enable usage of and interaction with and within the Contract Vault Platform, if and to the extent the Contract Vault Project has been successfully completed and launched.

**No Ownership, Revenue or Governance Rights:** In particular, VLT do not represent or constitute any ownership right or stake, share or security or equivalent rights nor any right to receive future revenues, shares or any other form of participation or governance right in or relating to the Contract Vault Project, to the Contract Vault Platform and/or to Contract Vault and/or its affiliates. The VLT does not create or confer any enforceable contractual or other obligations against any third party (including Contract Vault, Contract Vault Team Members or other developers, auditors, contractors or founders associated with the VLT, the Contract Vault Project and/or Contract Vault).

## 3. Token Functionality

VLT is only for use in connection with the Contract Vault Project under the terms of the Smart Contract System and only constitutes a transferable representation of attributed functions specified in the Smart Contract System.

VLT is a usage token which enables users to participate on the Contract Vault Platform. In practice, VLT may act as a usage token in the Contract Vault network and a settlement token on the Contract Vault Marketplace.

Ownership of a VLT carries no rights express or implied other than the right to use the VLT as a means to enable usage of and interaction with and within the Contract Vault Platform, if successfully completed and deployed. Beyond this, ownership of a VLT carries no rights express or implied. In particular, a holder of VLT has no right to claim any ownership right or stake, intellectual property rights, equity or equivalent rights or any other form of participation in or relating to the Contract Vault Project and/or Contract Vault.

Through the allocation of VLT to a user, such user receives no right to receive any revenues generated by the intellectual property rights developed as part of the Contract Vault Project or any other assets. The sole and exclusive usage rights of these intellectual property rights are retained by Contract Vault and/or its affiliates.

#### 4. **Audit of the Smart Contract System**

The Smart Contract System has been, on a reasonable effort basis, audited and approved by a technical expert. The technical expert has confirmed that the Smart Contract System has, with regard to both accuracy and security, been programmed according to the current state of the art.

However, smart contract 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 audit does not amount to any form of warranty, including direct or indirect warranties that the Smart Contract System and/or the VLT are fit for a particular purpose or do not contain any weaknesses, vulnerabilities or bugs which could cause, inter alia, the complete loss of funds and/or VLT.

#### 5. **Supply and Allocation**

**Maximum Token Amount:** The aggregate maximum amount for the entire allocation of VLT (including private Pre-Crowdsale for certain entities and individuals, the Phase I and the Phase II Sale, as well as contributions from private entities and individuals of strategic value for the Contract Vault Project) will be defined as a hard cap and amounts to the equivalent of CHF 45,000,000 (excluding fees arising from or related to the contribution process (Maximum Goal). Vault Token LTD may, at its discretion, determine that the Maximum Goal is reached when the aggregate amount of funds transferred to the Smart Contract System is close to the Maximum Goal, even though the actual amount of purchases accepted by the Smart Contract System would be less than the Maximum Goal (e.g. if the aggregate amount of purchases does not sum up to exactly the Maximum Goal).

**Total VLT Token Supply:** The aggregate maximum VLT supply will be 900'000'000 VLT. The aggregate amount of VLT will depend on the effectively made supply during the private Pre-Crowdsale, the Phase I and the Phase II Sale and will be referred to as total VLT token supply (Total VLT Token Supply).

**Token Sale Period:** The VLT sale period (Token Sale Period) starts on the date and time set to be announced on the Vault Token Website and continues for a period of six (6) weeks or the moment when the Maximum Token Amount has been reached, whichever occurs earlier.

- a) Phase I of the Public Token Sale will begin on 1<sup>st</sup> May 2018 and end 30<sup>th</sup> June 2018. Participants in Phase I will receive up to 25% bonus tokens (1 CHF = 12.5 VLT). A maximum of 50% of the Public Sale Pool (see below) will be available during Phase I.

- b) Phase II of the Public Token Sale will begin on 15<sup>th</sup> July 2018 and end on 31<sup>st</sup> August 2018. All remaining VLT of the Public Sale Pool (see below) will be available during Phase II.

**Exchange Rate:** The rate in the Token Sale shall be 10 VLT for every purchase equivalent to 1 CHF. The relative ETH/CHF exchange rate shall be displayed as an estimate to the Participant prior to the contribution and calculated by the Company on the basis of an averaged ETH/CHF exchange rate which shall be acquired from multiple independent sources at the time of the contribution.

**Token Distribution:** The allocation of VLT will be determined as set out below. The users purchasing in Phase I or Phase II will be distributed VLT from the Public Sale Pool. The aggregate amount of VLT that will be distributed from the Public Sale Pool at the end of the Token Sale Period will depend on how much Funds are contributed.

- a) The **Public Sale Pool** consists of a maximum of 50% of the Total VLT Token Supply. The Public Sale Pool is intended to be created by the Smart Contract System at the end of the Token Sale Period and ultimately distributed (directly or via third parties) to users that have made purchases (either in the Phase I and/or the Phase II).
- b) The **Company Reserve Pool** consists of 180,000,000 VLT (i.e. at least 20% of the Total VLT Token Supply) and will be allocated to Contract Vault and/or its affiliates as a company reserve and for long-term budget.
- c) The **Early Contributors & Advisors Pool** consists of 112,500,000 VLT (i.e. at least 12.5% of the Total VLT Token Supply) and will at Vault Token LTD's discretion be allocated and distributed to early contributors, partners, advisors and strategic partners of the Contract Vault Project. The VLT in this pool may be subject to an individual lock-up period.
- d) The **Contract Vault Founders and Team Pool** consists of 90,000,000 VLT (i.e. at least 10% of the Total VLT Token Supply). This pool will be allocated and distributed to persons who participated as managers, founders, or team members, or worked to develop the ideas, implementations and supporting structures of the Contract Vault Project. The VLT in this pool are subject to a lock-up period and will not be transferable until 01 January 2019 (or such longer time as determined by Contract Vault in its full discretion).
- e) The **Marketing Pool** consists of 67,500,000 VLT (i.e. at least 7.5% of the Total VLT Token Supply) and will be allocated to Contract Vault for distribution to the community of the Contract Vault Project (via rewards, airdrops etc.). The effective distribution will be fully at the discretion of Vault Token LTD.

## 6. Token Sale Process

Upon commencement of the Token Sale Period, the registered, approved and whitelisted Users may transfer their ETH to the Smart Contract System at the address provided on the Vault Token Website. Each User cannot contribute more than the whitelisted amount. If User sends a transaction that exceeds such limit, the transaction will fail and the ETH in that transaction are returned or the User may be asked to provide further information for the compliance with new requirements for an adjusted whitelisting. The VLT in the Token Sale will be allocated among the contributing Users on a first come, first served basis. Vault Token LTD reserves the right to accept other/additional payment methods and currencies.

## **7. VLT Distribution**

Upon receipt and acceptance of a User's contribution, the Smart Contract System will allocate a corresponding amount of VLT to the User's Ethereum address. The VLT will be untransferable until they are released as set out in Clause 11.

## **8. Undistributed VLT**

Any VLT in the Public Sale Pool that have been created but for which no Contribution has ultimately been received will be burned after Phase II of the Token Sale.

## **9. No Refund**

All Sales are final and may not be reversed. Contributions that entitle a User to VLT are nonrefundable. Any contributions that do not entitle the User to VLT (e.g. due to the amount of Sales exceeding the Maximum VLT Token Amount) will be automatically sent back to the sending address. By contributing to the Contract Vault Project, the User acknowledges that he/she/it has no right to request a refund for any reason, and that the User will not receive money or other compensation for any VLT that is not used or remains unused. Contract Vault or its affiliates shall not be liable for any losses caused by the User attempting to purchase from an exchange, smart contract or other nonstandard single access address.

## **10. Original Smart Contract System:**

To the extent that any third-party website, service or smart-contract offers VLT during the Token Sale Period or facilitates the allocation or transfer of VLT in any way during the Token Sale Period, such third-party websites or services are, unless explicitly mentioned in these Terms, not authorized by Contract Vault and have no relationship in any way with Contract Vault.

## **11. Transferability of VLT**

VLT cannot be transferred until the VLT have been released. The VLT transferability will be released at Contract Vault's discretion when the Token Sale Period is over and all VLT (including VLT from the private Pre-Crowdsale and Phase I) have been allocated and distributed; the process is currently expected to take a few weeks after the conclusion of the Token Sale Period. VLT in the Company Reserve Pool (which are or will be allocated to Contract Vault Team Members) shall become transferable on 01 January 2019 (or such longer time as determined by Contract Vault in its full discretion).