



TERMS AND CONDITIONS OF ONL TOKEN INITIAL COIN OFFERING (ICO)

PLEASE READ THESE TERMS AND CONDITIONS OF ONL TOKEN ICO (“**TERMS**”) CAREFULLY. NOTE THAT THE TERMS CONTAIN BINDING CLAUSES WHICH AFFECT YOUR LEGAL RIGHTS. IF YOU DO NOT AGREE TO THESE TERMS, DO NOT PURCHASE ONL TOKENS.

A. This document includes binding terms and conditions of the transaction between you (“**Purchaser**”, “**User**”, “**you**”) and, as the case may be, (1) ONLIVE LTD, a company organized and existing under British law, having its registered seat in London, address: 7 The Courtyard, Buntsford Drive, Bromsgrove, West Midlands, United Kingdom, B60 3DJ QW, company number 10033768, or (2) ONLIVE FUND OÜ, a company organized and existing under the laws of the Republic of Estonia, having its registered seat in Tallinn, address: Laki 30, 12915 Tallinn, Estonia (ONLIVE LTD and ONLIVE FUND OÜ shall be jointly referred to as the “**Companies**” and each of them separately the “**Company**”, and also may be referred to as “**we**” or “**us**”). Each of you and the Company are a “**Party**”, and together the “**Parties**.” You accept these Terms when you purchase ONL tokens (“**ONL Tokens**”, “**Tokens**”).

B. ONL Tokens is usual digital product (digital goods, digital commodities), developed by the Company as variety of digital tokens, specified by standard Ethereum ERC20 Token Standard (ERC20). The existence of this good maintains by smart contract developed by the Company and Ethereum blockchain developed by third parties. The Purchaser states that he knows all the aspects of such goods. The ONL Tokens can be issued by the Company only once during token sale period and within the limits stipulated by token sale. ONL Tokens issuance is technically impossible after token sale neither for the Company nor for any other persons including the developers of Ethereum. ONL Tokens functions are determined by standard ERC20 and possibilities included into smart contract ONL Tokens of the Company – this is, for example, receiving and storing, termination (“burning”), transfer to the other user of Ethereum. Some of those mentioned above of others sphere of application of ONL Tokens may appear in course of time – upon an initiative of the Company or without the participation and intention of the Company in accordance with blockchain technology. Since the moment of receiving of ONL Tokens by the Purchaser into its ownership for the aim of individual usage, the Company loses the possibility as well as instruments of full influence on ONL Tokens – since that moment ONL Tokens are considered to be Purchaser’s property, and the deal on the creative and transfer of such property from the Company to the Purchaser is considered to have been paid and legally closed. ONL Tokens are proposed for utilitarian usage and are integral element of the OnLive Platform (“**Platform**”). ONL Token is used as a fee currency of transmission and transcoding services to incentivise decentralised computing required for the video broadcasts. Usage of Platform, including, but not limited to usage of ONL Tokens in Platform may be guided by separate agreements with Platform users.

C. The Platform will be launched in 2018. So, ONL Tokens product is type of permanent tickets (certificates, coupons) for making of specified transactions on Platform in the future. The token sale is the form of pre-order for usage of Platform. Blockchain was determined as database for keeping of data about release of good, its movement and redemption due to the fact of its reliability (permanence guaranteed by decentralizing) and popularity. Purchase of ONL Tokens is subject to these Terms. By purchasing ONL Tokens from us, you will be bound by these Terms and all terms incorporated by reference.

YOU AND THE COMPANY AGREE AS FOLLOWS:

1. Purchase of ONL Tokens. Subject to the Terms, the Company agrees to sell to you and you agree to purchase from Company a specific number of ONL Tokens at the price listed on on.live (“**Site**”) depending on the time of purchase.
2. Scope of Terms. Unless otherwise stated herein, these Terms govern the ONL Tokens Initial Coin Offering (ICO) process including purchase of ONL Tokens from the Company during pre-sale period (pre-ICO) from 22.01.2018 to 22.02.2018 and sale period (ICO) from 11-03-2018 to 11-04-2018 (jointly “**Sale Period**”) or until a hard cap as provided in White Paper is reached, whichever is sooner (“**Hard Cap**”). Any payment received by the Company after the end of the Sale Period will be accepted only if it was originated during the Sale Period. Company may request to provide evidence of payment from Purchaser. The Company has the right

to enter into agreement with any of Purchasers on special conditions (including commercial conditions) which may be different from those stipulated by these Terms.

3. Purchase Procedure. Purchase procedure for ONL Tokens including registration, payment and distribution, is described in detail on the Site.

4. Terms and Conditions of ONL Token. Also, the ONL Token terms and conditions are as set forth in the White Paper (since it is custom for blockchain community in respect of sale of goods which are similar to ONL Tokens) located at Site, which terms are incorporated herein by reference.

5. Cancellation; Refusal of Purchase Requests. The purchase of ONL Tokens from the Company is final upon the distribution of ONL Tokens and there will be no refunds or cancellations except as specifically provided in these Terms. The Company reserves the right to cancel any ONL Token purchase or refuse any purchase requests at Company's sole discretion for any reason. In such case, Company will issue a refund in the same form of payments as was made by you and to the same wallet address, bank account, or a third-party payment processor where your funds were transferred from. We may deduct the transaction cost from the refund amount, if any.

6. Acknowledgment and Assumption of Risks. You acknowledge and agree that by purchasing, owning, and using ONL Tokens, you expressly acknowledge and assume the following risks:

(a) Risk of Losing Access to ONL Tokens Due to Loss of Private Key(s), Custodial Error, or Your Error. A private key, or a combination of private keys, is necessary to control and dispose of ONL Tokens stored in your digital wallet or vault. Accordingly, loss of the requisite private key(s) associated with your digital wallet or vault storing ONL Tokens will result in loss of such ONL Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet service you use, may be able to misappropriate your ONL Tokens. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store ONL Tokens, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your ONL Tokens. Additionally, your failure to precisely follow the procedures set forth for buying and receiving ONL Tokens, including, for instance, if you provide an incorrect personal wallet address, or provides an address that is not ERC-20 compatible, may result in the loss of your ONL Tokens.

(b) Risks Associated with the Ethereum Protocol. Because the ONL Tokens are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on ONL Tokens. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the ONL Tokens, including the utility of the ONL Tokens, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.

(c) Risk of Mining Attacks. As with other decentralized cryptographic tokens based on the Ethereum protocol, the ONL Tokens are susceptible to attacks by miners in the course of validating ONL Token transactions on the Ethereum blockchain, including, but not limited to, double-spend attacks, majority mining power attacks, and selfish mining attacks. Any successful attacks present a risk to ONL Tokens, including, but not limited to, accurate execution and recording of transactions involving ONL Tokens.

(d) Risk of Hacking and Security Weaknesses. Hackers or other malicious groups or organizations may attempt to interfere with the Site or the ONL Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing.

(e) Risks Associated with Markets for ONL Tokens. If secondary trading of ONL Tokens is facilitated by third-party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation. Furthermore, to the extent that third parties do ascribe an external exchange value to ONL Tokens (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero.

(f) Risk of Uninsured Losses. Unlike bank accounts or accounts at some other financial institutions, ONL Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss of ONL Token or loss of utility value, there is no public insurer or private insurance arranged by the initiator to offer recourse to you.

(g) Risks Associated with Uncertain Regulations and Enforcement Actions. The regulatory status of the ONL Tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulations with respect to such technology and its applications, including ONL Tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law or regulations affecting distributed ledger technology and its applications. Regulatory actions could negatively impact ONL Tokens in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of the ONL Tokens constitutes unlawful activity or that the ONL Tokens are a regulated instrument that require registration or licensing of those instruments or some or all of the parties involved in the purchase, sale and delivery thereof. The

Company may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

(h) **Risks Arising from Taxation.** Tax treatment and characterization of ONL Tokens is uncertain. You must seek your own tax advice in connection with purchasing ONL Tokens, which may result in adverse tax consequences to you, including withholding taxes, income taxes, indirect taxes and tax reporting requirements.

(i) **Risks Arising from Lack of Governance Rights.** Because ONL Tokens confer no governance rights of any kind with respect to the Company and the owner of the Platform, all decisions involving the Platform or the Company itself will be made by the Company and the owner of the Platform at their sole discretion, including but not limited to, decisions to discontinue the Platform, to create and sell more ONL Tokens for use in the Platform, or to sell or liquidate the Company. These decisions could adversely affect the Platform and the utility of any ONL Tokens you own.

(j) **Risks Associated with Lack of Information.** Purchasers may not be able to obtain all information it would want regarding the Company, the ONL Tokens, the Platform, or the ONL Token ICO on a timely basis or at all. It is possible that Purchasers may not be aware on a timely basis of material adverse changes that have occurred. While the Company has made efforts to use open-source development for the ONL Tokens, this information may be highly technical by nature. As a result of these difficulties, as well as other uncertainties, Purchasers may not have accurate or accessible information about the Platform.

(k) **Risks Associated with Transfer Restrictions.** The ONL Tokens have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), the securities laws of any state or the securities laws of any other jurisdiction and therefore cannot be offered, sold, pledged or otherwise transferred, except as described in the section entitled "Transfer Restrictions" in these Terms. These restrictions may adversely impact your ability to resell the ONL Tokens or the price at which you may be able to resell them, if at all. ONL Tokens are not redeemable at the option of the holder and holders of ONL Tokens will not have the right to withdraw their capital. It is not contemplated that the ONL Tokens will ever be registered. Each Purchaser must represent that it will only sell or transfer its ONL Tokens in accordance with the restrictions set forth under "Transfer Restrictions" in these Terms and in a manner permitted by applicable laws and regulations. Consequently, Purchasers must be prepared to bear the risk of an investment in ONL Tokens for an extended period of time.

(l) **Unanticipated Risks.** Cryptographic tokens such as ONL Tokens are a new and untested technology. In addition to the risks included above, there are other risks associated with your purchase, possession, and use of the ONL Tokens, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed above.

NONE OF THE INFORMATION PRESENTED ABOVE IS INTENDED TO FORM A BASIS FOR ANY INVESTMENT DECISION, AND NO SPECIFIC RECOMMENDATIONS ARE INTENDED. THE COMPANY EXPRESSLY DISCLAIMS ANY AND ALL RESPONSIBILITY FOR ANY DIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND WHATSOEVER ARISING DIRECTLY OR INDIRECTLY FROM: (I) RELIANCE ON ANY INFORMATION CONTAINED IN THESE TERMS, (II) ANY ERROR, OMISSION OR INACCURACY IN ANY SUCH INFORMATION, OR (III) ANY ACTION RESULTING FROM SUCH INFORMATION.

7. **Representations and Warranties.** In connection with the purchase of the ONL Tokens, you represent to Company the following:

(a) You are aware of the terms and conditions of the ONL Tokens and have acquired sufficient information about the ONL Tokens to reach an informed and knowledgeable decision to acquire the ONL Tokens.

(b) You have sufficient understanding of cryptographic tokens, token storage mechanisms (such as token wallets), and blockchain technology to understand the terms of these Terms and to appreciate the risks and implications of purchasing the ONL Tokens.

(c) You understand that the ONL Tokens confer only the rights described in these Terms and White Paper, and confer no other rights of any form with respect to the Company, including, but not limited to, any ownership, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights.

(d) You shall not purchase ONL Tokens for any uses or purposes other than to use ONL Tokens as provided in the White Paper and these Terms, including, but not limited to, any investment, speculative or other financial purposes.

(e) YOU UNDERSTAND THAT THE ONL TOKENS ARE NOT DIGITAL CURRENCY, SECURITY, COMMODITY OR ANY OTHER KIND OF FINANCIAL INSTRUMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES LAW OF ESTONIA, THE SECURITIES ACT AND SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER COUNTRY, INCLUDING THE SECURITIES LAWS OF ANY JURISDICTION IN WHICH PURCHASER IS RESIDENT.

(f) You have satisfied yourself as to the full observance of the laws of your jurisdiction in connection with any invitation to purchase the ONL Tokens or any use of these Terms, including the legal requirements within its jurisdiction for the purchase of the ONL Tokens, (ii) any foreign exchange restrictions applicable to such purchase, and (iii) any governmental or other consents that may need to be obtained.

(g) Your purchase, payment for, and continued beneficial ownership of the ONL Tokens will not violate any applicable laws of your jurisdiction.

(h) You shall comply with any applicable tax obligations in all relevant jurisdiction arising from the purchase of ONL Tokens.

(i) You understand that Site these Terms, as well as White Paper, can be translated into several languages, but only the information placed in English shall bound the Parties of this Terms. Versions of websites and documents translated into other languages are for informational purposes only.

(j) You understand that you shall be guided by that version of White Paper which is put on Site at the moments of ONL Tokens purchase or later.

(k) If you are purchasing Tokens on behalf of any entity, you are authorized to accept these Terms on such entity's behalf and that such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity (references to "you" in these Terms refer to you and such entity, jointly).

(l) You understand that the Company cannot comply with the requirements of all the jurisdictions worldwide while doing business. If any provisions of this document break or to transgress or to violate the law to which Purchaser is subjected to, then Purchaser's jurisdiction law shall prevail. The Purchaser entering into relationship with the Company shall oblige its jurisdiction law.

8. Indemnification.

(a) To the fullest extent permitted by applicable law, you shall indemnify, defend and hold harmless Company and Company's respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns ("**Company Parties**") from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys' fees) that arise from or relate to: (i) purchase or use of ONL Tokens, (ii) your responsibilities or obligations under these Terms, (iii) your breach of these Terms, or (iv) your violation of any rights of any other person or entity, and (v) your violation of any laws.

(b) Company reserves the right to exercise sole control over the defence, at your expense, of any claim subject to indemnification under Section 8(a). This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between you and Company.

9. Disclaimers.

(a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN WRITING BY COMPANY, (A) THE ONL TOKENS ARE SOLD ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, AND WE EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES AS TO THE ONL TOKENS, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NONINFRINGEMENT; (B) COMPANY DOES NOT REPRESENT OR WARRANT THAT THE ONL TOKENS ARE RELIABLE, CURRENT OR ERROR-FREE, MEET PURCHASER'S REQUIREMENTS, OR THAT DEFECTS IN THE ONL TOKENS WILL BE CORRECTED; AND (C) COMPANY CANNOT AND DOES NOT REPRESENT OR WARRANT THAT THE ONL TOKENS OR THE DELIVERY MECHANISM FOR ONL TOKENS ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

(b) Some jurisdictions do not allow the exclusion of certain warranties or disclaimer of implied terms in contracts with consumers, so some or all of the exclusions of warranties and disclaimers in this Section may not apply to you.

10. Limitation of Liability.

(a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (i) IN NO EVENT WILL COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR USE OF THE ONL TOKENS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE); AND (ii) IN NO EVENT WILL THE AGGREGATE LIABILITY OF COMPANY AND THE COMPANY PARTIES (JOINTLY), WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS OR THE USE OF OR INABILITY TO USE THE ONL TOKENS, EXCEED THE AMOUNT YOU PAY TO THE COMPANY FOR THE ONL TOKENS.

(b) Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this Section may not apply to you.

11. Transfer Restrictions.

(a) The issuance and sale of the ONL Tokens have not been registered under the Securities Act or any other applicable securities laws and, unless so registered, to the extent the ONL Tokens are deemed to be securities, the ONL Tokens may not be offered, sold, pledged or otherwise transferred, including without limitation, within the United States or to or for the account of any U.S. Person, as defined in the Securities Act (“**U.S. Person**”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws.

(b) Each Purchaser will be deemed to represent, warrant, and agree as follows:

(i) I am fully in compliance with these Terms.

(ii) I am acquiring the ONL Tokens solely for my own account and not as nominee or custodian for another person or entity.

(iii) I am not:

(A) a U.S. Person;

(B) acquiring ONL Tokens as nominee or custodian for another person or entity;

(C) executing the application for purchasing ONL Tokens within the United States; or

(D) acting on behalf of a trust which has any beneficiaries or trustees that are U.S. Persons

(iv) I did not acquire and will not transfer any ONL Tokens within the United States of America, its territories or possessions (jointly “**United States**”).

(v) I did not engage (except as specifically authorized by the Company) and will not engage in any activity relating to the sale of ONL Tokens in the United States.

(vi) the acquisition of ONL Tokens under these Terms and further use or transfer of ONL Tokens do not violate the laws of my jurisdiction.

12. **Release.** To the fullest extent permitted by applicable law, you release Company and the Company Parties from responsibility, liability, claims, demands and/or damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between you and the acts or omissions of third parties. You expressly waive any rights you may have under statute or common law principles that would otherwise limit the coverage of this release to include only those claims, which you may know or suspect to exist in your favour at the time of agreeing to this release.

13. **Governing Law.** The validity, interpretation, construction and performance of these Terms, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of Estonia, without giving effect to principles of conflicts of law.

14. Dispute Resolution; Arbitration.

PLEASE READ THE FOLLOWING SECTION CAREFULLY BECAUSE IT REQUIRES YOU TO ARBITRATE CERTAIN DISPUTES AND ONL AIMS WITH COMPANY AND LIMITS THE MANNER IN WHICH YOU CAN SEEK RELIEF FROM COMPANY.

(a) The law of the Republic of Estonia shall apply to these Terms.

(b) All disputes arising from these Terms will be settled by the negotiations of the parties. If the disputes resulting from these Terms could not be settled by the negotiations of the parties within a reasonable timeframe, the dispute will be solved in the Harju County Court, in Tallinn, Estonia.

15. Miscellaneous.

(a) **Entire Agreement.** These Terms set forth the entire agreement and understanding of the Parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

(b) **Amendments.** These Terms may be modified by Company at any time for any reason by placing modified Terms on the Site. We will provide notice of any amendment to these Terms by posting any revised terms to the Site or by any other method we deem appropriate. We are not obligated to provide notice in any other method beyond these. Any change to these Terms will be effective immediately upon such notice and apply to any ongoing or subsequent purchases of ONL Tokens.

(c) **Binding Agreement.** These Terms provide the legally binding terms and conditions for the sale and purchase of the ONL Tokens. By purchasing the ONL Tokens, you acknowledge its understanding and acceptance. You are bound by the Terms in existence at the time of your purchase of ONL Tokens. If you are making a purchase on behalf of the legal entity, you understand and accept these Terms on behalf of that entity (to which refers to “you” shall also apply) and warrant that you are duly authorized to act on behalf of that legal entity.

(d) Successors and Assigns. Except as otherwise provided in these Terms, these Terms and the rights and obligations of the parties hereunder will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives. Company may assign any of its rights and obligations under these Terms. No other party to these Terms may assign, whether voluntarily or by operation of law, any of its rights and obligations under these Terms, except with the prior written consent of the Company.

(e) Severability. In the event any provision of these Terms is found to be invalid, illegal, or unenforceable the remaining provisions of these Terms shall nevertheless be binding upon Company and you with the same effect as though the void and unenforceable part had been severed and deleted.

(f) Headings. The article headings of these Terms are included for the convenience only and shall not affect the construction or interpretation of these Terms.

(g) Acceptance. You expressly agree with and accept these Terms and all terms incorporated herein by reference by proceeding with the purchase of ONL Tokens.

(h) Termination. Company may terminate this Agreement with any one of you, i.e. to refuse the further service.