

FunFair Technologies Token Creation Event Terms & Conditions

1. Principles

1 By transferring Ether (ETH) or other accepted ERC20 tokens to the Smart Contract System and the Smart Contract System creating FUN Tokens ("FUN"), or by transferring Bitcoin (BTC), ZCASH or Fiat to the relevant FunFair deposit addresses, the User understands and accepts that the User makes a contribution into a Smart Contract System or deposit address for the development of the FunFair Project, as described in the FunFair Whitepaper ("FunFair Project" / "the Whitepaper"). For the Whitepaper and/or further information on the FunFair Project, visit: www.funfair.io. The information contained in the Whitepaper and on the website are of descriptive nature only, are not binding and do – unless explicitly referred to herein – not form part of the Terms as set forth under para. 4 below.

2 The User understands and accepts that while the individuals and entities, including FunFair Technologies (hereafter FunFair) assigned to this task will make reasonable efforts to develop and complete the FunFair Project, it is possible that such development may fail and User's FUN become useless and/or valueless due to technical, commercial, regulatory or any other reasons (see also Chapter 5 regarding Risks).

3 The User is also aware of the risk that even if all or parts of the FunFair Project are successfully developed and released in full or in parts, due to a lack of public interest, the FunFair Project could be fully or partially abandoned, remain commercially unsuccessful or shut down for lack of interest, regulatory or other reasons. The User therefore understands and accepts that the transfer of ETH or other ERC20 tokens to the Smart Contract System, or BTC, ZCASH or Fiat to the relevant deposit address, and the creation of FUN by the Smart Contract System carry significant financial, regulatory and/or reputational risks (including the complete loss of value of created FUN if any, and attributed features of the FunFair Project).

4 The User furthermore understands and accepts that - as the creation of the FUN as well as the assignment of the execution of the FunFair Project are smart contract based – the terms and conditions applicable thereon are set forth in the Smart Contract System Code, consisting of multiple interconnected software codes, existing on the Ethereum blockchain at as set forth on the website: www.funfair.io. To the extent the terms contained herein or in any other document or communication contradict to the ones set forth in the Smart Contract System, the terms of the Smart Contract System prevail. Furthermore, neither this document nor any other document or communication may modify or add any additional obligations to FunFair or publisher of these terms or developer of the Smart Contract System and/or any other person, entity and/or affiliates involved with the deployment of the Smart Contract System and the setting up of the FunFair Project beyond those set forth in the Smart Contract System.

5 By transferring ETH or other ERC20 tokens to the Smart Contract System, or by transferring BTC, ZCASH or Fiat to the relevant deposit address, the User expressly agrees to all of the terms and conditions set forth in Smart Contract System Code existing on the Ethereum blockchain (at the addresses set forth under para 4) and in this document (together the "Terms"). The User further confirms to have carefully reviewed the Smart Contract System Code, its functions and the terms and conditions set forth in this document and to fully understand the risks and costs of creating FUN and contributing into a Smart Contract System for the development of the FunFair Project.

6 This document does not constitute a prospectus of any sort, is not a solicitation for investment and does not pertain in any way to an initial public offering or a share/equity offering and does not pertain in any way to an offering of securities in any jurisdiction. It is a description of the functionality of a Smart Contract System.

7 By transferring ETH or other ERC20 tokens to the Smart Contract System, or BTC, ZCASH or Fiat to the relevant deposit address, and/or receiving FUN, no form of partnership, joint venture or any similar relationship between the Users and FunFair and/or other individuals or entities involved with the deployment of the Smart Contract System and the setting up of the FunFair Project is created.

8 The contribution into the Smart Contract System will not involve any Fiat currencies and will strictly be done in cryptocurrencies (ETH and other ERC20 tokens).

2. FUN Creation Function

2.1 Contribution

9 Accepted ERC20 tokens: The Smart Contract System accepts contributions of the following token: GNT, REP, PLU, MKR, GNO, BAT, DGD, ICN, ANT, SNGLS, 1ST, WINGS, MLN, RLC, XAUR, SWT, GUP, EDG, VSL, DICE

10 Token Pools: During the Creation Period, an open amount of FUN is planned to be created by the Smart Contract System, all of equal value and functionality.

11. Phase 1 of FUN token creation is a limited token creation event. Phase 1 begins at the Ethereum block mined soonest after 14:00:00 UTC on June 22, 2017. Fiat currencies, Bitcoin, Zcash, Ethereum and other ERC20 tokens can be contributed to a smart contract or address for an initial period.

100 FUN will be issued per 1.00 USD(United States Dollar) equivalent received.

The Phase 1 creation crediting period will end no later than July 7, 2017 at 14:00 UTC. If 500 million (500,000,000) FUN have been created at any time before Jul 7, 2017 14:00 UTC, token creation will continue for 4 additional hours at that time. After 4 hours or 1 billion FUN are issued, the crediting period will cease, the receiving contract will be marked "finished" and it will reject Ether from that time on by calling throw.

As soon as Phase 1 closes, additional tokens will be created in an amount equal to three times the amount sold during the Phase 1 creation crediting period and held in trust until the Phase 2 token issuance event.

At some point following the Phase 1 close, the Phase 2 token issuance event will begin. In Phase 2, all tokens held in trust will be offered in a Dutch auction. Whatever tokens remain unsold in this event will be distributed pro rata to holders of tokens sold in Phase 1 issuance.

12 Maximum Contribution Quantity: The Maximum Contribution Amount is the amount contributed in ETH corresponding to the value of USD 10'000'000 calculated according to the exchange rate as specified on coinmarketcap.com at the Start of the Creation Period. Only contribution made in ETH will be taken into consideration for the calculation of the Maximum Contribution Quantity. If during the 4 Hour Extension, the Maximal Contribution Amount has been reached, the Creation Period will automatically end.

13 Maximum contribution of Contribution Token other than ETH: It remains within the discretion of FunFair to at any time stop the acceptance of Contribution Tokens other than ETH during the creation Period. FunFair may inform on such decision after its implementation on its website.

14 Creation Period: The Creation Period starts with the deployment of the Smart Contract System and the initiation of its start function ("Start of the Creation Period") and lasts for a maximal duration of 15 days (Maximal Duration Of Creation Period, unless extended by the 4 Hour Extension period according to para. 15 or reduced if the Maximum Contribution Quantity has been reached according to para. 12).

15 4 Hour Extension period: If ETH contributions in an amount corresponding to the value of USD 5'000'000, calculated according to the exchange rate as specified on coinmarketcap.com at the Start of the Creation Period have been made, the Creation Period shall last an additional 4 hours (even if thereby extending or reducing the duration of the Creation Period) and then automatically terminate.

If within these 4 hours, ETH contributions total in an amount of USD 10'000'000 will be made, the 4-hour period will end and the Creation Period will finish.

16 Minimal / Maximal contribution amounts per User: No minimal or maximal contribution amounts per User are inbuilt in the Smart Contract System.

17 FunFair reserve the right to refuse any contribution in ERC20 tokens that are considered high volume and/or high risk. These contributions will be returned to the specific contributor after the ICO has finished

18 Creation and Allocation of FUN: The creation and allocation of FUN by the Smart Contract System are initiated by the User sending an amount of Contribution Tokens to the Smart Contract System, located on the Ethereum blockchain at the addresses set forth on the website, which triggers a smart contract operation.

19 Phase 1 Bonus Tranches will be calculated by summing only the Ethereum contributions made to the crowdsale contract. There will be five bonus tranches. * Tranche 1: All valid Phase 1 contributions made between the first Ethereum contribution and the first Ethereum contribution in which the total amount of ETH contributed exceeds \$1mm at the published exchange rate shall be considered "Tranche 1" contributions and credited 150 FUN / USD of value contributed. * Tranche 2: All valid Phase 1 contributions made between after the final Ethereum contribution in Tranche 1 to the first Ethereum contribution in which the total amount of ETH contributed exceeds \$2mm at the published exchange rate shall be considered "Tranche 2" contributions and credited 140 FUN / USD of value contributed. * Tranche 3: All valid Phase 1 contributions made between after the final Ethereum contribution in Tranche 1 to the first Ethereum contribution in which the total amount of ETH contributed exceeds \$3mm at the published exchange rate shall be considered "Tranche 3" contributions and credited 130 FUN / USD of value contributed. * Tranche 4: All valid Phase 1 contributions made between after the final Ethereum contribution in Tranche 1 to the first Ethereum contribution in which the total amount of ETH contributed exceeds \$4mm at the published exchange rate shall be considered "Tranche 4" contributions and credited 120 FUN / USD of value contributed. * Tranche 5: All valid Phase 1 contributions made between after the final Ethereum contribution in Tranche 1 to the first Ethereum contribution in which the total amount of ETH contributed exceeds \$5mm at the published exchange rate shall be considered "Tranche 5" contributions and credited 110 FUN / USD of value contributed. Valid contributions made after the final contribution credited as Tranche 5 shall receive no bonuses.

Valid contributions made after the final contribution credited as Tranche 5 shall receive no bonuses.

20 No Refund: The User understands and accepts that all contributions / purchases of FUN are final and may not be reversed. Contributions of Contribution Tokens and purchases of FUN are non-refundable. By purchasing FUN, the user acknowledges that he has no right to request a refund for any reason, and that the User will not receive money or other compensation for any FUN that is not used or remains unused.

21 Assure to use the original Smart Contracts: Only the Smart Contract(s) existing at the addresses set forth under para 4 will issue FUN during the Creation Periods. Access to this Smart Contract will be available through the FunFair website at www.funfair.io. To the extent that any third-party website, service or smart-contracts offers FUN during the Creation Periods or facilitates the sale or transfer of FUN in any way during the Creation Periods or at any time up to the release of the Genesis Block, such third-party websites or services are, unless explicitly mentioned on the FunFair website at www.funfair.io, not authorised by FunFair and have no relationship in any way with FunFair.

22 Transferability of FUN during the Creation Period: Any and all FUN will be locked, and are therefore not transferable, until Creation Period has ended as set forth in the Smart Contract System. After the end of the Token Sale, all FUN will become tradable.

23 Excluded contributions: The following payments will not be accepted

Any ERC20 transfer mined before the block height and transaction number of the first accepted Ethereum payment will be refunded within two days of the completion of the contribution period.

Any Bitcoin or ZCash transfer mined before the timestamp of the first accepted Ethereum payment will be refunded within two days of the completion of the contribution period.

Any ERC20 transfer mined after the block height and transaction number of the block in which the Ethereum contract is marked finished will be refunded within two days of the completion of the contribution period.

Any Bitcoin or ZCash transfer mined after the timestamp of the block in which the Ethereum contract is marked finished will be refunded within two days of the completion of the contribution period. Blinded Zcash transactions will be cheerfully accepted, but not credited in any way

24 You are advised NOT to send any cryptocurrency from exchanges like Coinbase, Poloniex or Kraken. In addition DO NOT make use of any Multi-Signature wallet as we will not support them and your transaction will not go through. By doing so your cryptocurrency may be permanently lost, and the FUN may not be created.

2.2 Pricing

25 If an individual contribution exceeds a level, then the conditions of the lower level apply for the entire contribution. The first Contribution Token contributed as part of the individual contribution defines the exchange rate for the entire contribution. With regard to Contributions consisting of different Contribution Tokens, each transfer of one type of Contribution Tokens (e.g. an ERC20 token and ETH) is considered to qualify as a separate Contribution.

26 FUN are only for use in connection with the FunFair Project under the terms of the Smart Contract System and under the terms of the FunFair Project (to be released), and only constitute a transferable representation of attributed functions of the Smart Contract System.

2.5 Representation and Warranties of User

27 By transferring Contribution Tokens to the Smart Contract or relevant deposit addresses and creating FUN, the User represents and warrants that:

- the user is not a citizen or resident of a country, whose legislation conflicts with the present sale of FUN and/or the FunFair Project in general.
- the User confirms not be a US-citizen and/or US-resident.
- the User has a deep understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens, like bitcoin (BTC) and Ether (ETH), and blockchain-based software systems;
- the User understands and accepts that there is no warranty or assurance that the network of miners will allocate the FUN to the Users as proposed by these Terms.
- the User has carefully reviewed the code of the Smart Contract System located on the Ethereum blockchain at the addresses set forth under para 4 and fully understands and accepts the functions implemented therein;
- the User is legally permitted to transfer Contribution Tokens to the Smart Contract System, create and obtain FUN in the User's jurisdiction;

- User will contribute Contribution Tokens from a Wallet or Wallet service provider that technically supports the FUN. User understands and accepts, that failure to assure this may have the result that User will not gain access to his FUN;
- the User is legally permitted to receive software and contributing to the Smart Contract System for the development of the FunFair Project;
- the User is of a sufficient age to legally create and obtain FUN;
- the User will take sole responsibility for any restrictions and risks associated with the creation of FUN by the Smart Contract System as set forth below;
- the User is not submitting Contribution Tokens to the Smart Contract System to obtain FUN for the purpose of speculative investment;
- the User is not obtaining or using FUN for any illegal purposes;
- the User is purchasing the functionality of the FUN issued by the Smart Contract System primarily to support the development, testing, deployment and operation of the FunFair Project, being aware of the commercial risks associated with the FunFair Project;
- the User waives the right to participate in a class action lawsuit or a classwide arbitration against any entity or individual involved with the creation of FUN;
- the User understands the creation of FUN does not involve the purchase of shares or any equivalent in any existing or future public or private company, corporation or other entity in any jurisdiction;
- the User understands that the transfer of Contribution Tokens to the Smart Contract System, the creation of FUN and the development of the FunFair Project carries significant financial, regulatory and reputational risks as further set forth in the Terms;
- the User understands and expressly accepts that there is no warranty whatsoever on FUN, the Smart Contract System and/or the success of the FunFair Project, expressed or implied, to the extent permitted by law, and that the Smart Contract System is used and FUN are created and obtained at the sole risk of the User on an "as is" and "under development" basis and without, to the extent permitted by law, any warranties of any kind, including, but not limited to, warranties of title or implied warranties, merchantability or fitness for a particular purpose;
- the User understands that the User has, other than as implemented in the Smart Contract System in case the Activation Threshold has not been reached (see para 14), no right against any other party to request any refund of the Contribution Tokens submitted to the Smart Contract System for the creation of the FUN under any circumstance; and that
- the User understands with regard to FUN no market liquidity may be guaranteed and that the value of FUN over time may experience extreme volatility or depreciate in full;
- the User understands that the User bears the sole responsibility to determine if the User's contribution to the Smart Contract System for the development of the FunFair Project, the transfer of Contribution Tokens to the Smart Contract System, the creation, ownership or use of FUN, the potential appreciation or depreciation in the value of FUN over time, the sale and purchase of FUN and/or any other action or transaction related to the FunFair Project have tax implications for him; by creating, holding or using FUN, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors (e.g. contractors or founders) liable for any tax liability associated with or arising from the creation, ownership or use of FUN or any other action or transaction related to the FunFair Project.

28 As part of the creation process the User will use their own account (address) on the Ethereum network, with a private key associated to this address and password. The password is used to encrypt the User's private key. Following the creation of FUN by the Smart Contract System, the FUN will be

transferred to the User's address by the Smart Contract System. The User understands that the User must keep his password and private key safe and that the User may not share them with anybody. The User further understands that if his private key and/or password is lost or stolen, the User will not be able to generate a new password or recover his private key, and if the User also loses his private keys and password, the FUN associated with the User's account (address) will be unrecoverable and will be permanently lost. Furthermore, the User understands that there is no recovery mechanism for lost keys and passwords, so no one will be able to help the User retrieve or reconstruct a lost password and private keys and provide the User with access to any lost FUN.

3. FunFair Project Execution

29 Fair shall use the funds only for the purpose of the development and execution of the FunFair Project and has the right to engage subcontractors to perform the entire or partial development and execution of the FUN Project. The scope of the development work will be triggered by the amount of contribution received during the Creation Period as set forth in the FUNFAIR Whitepaper.

30 The User understands and accepts that the User may not have any expectation of influence over governance on the FunFair Project.

31 The User understands and accepts that the FunFair Project will need to go through substantial development works as part of which they may become subject of significant conceptual, technical and commercial changes before release. User understands and accepts that as part of the development, an upgrade of the FunFair platform may be required and that, if User decides not to participate in such upgrade, he may no longer use his FUN and that non-upgraded FUN may lose their functionality in full.

4. Audit of the Smart Contract System

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

33 However, the User understands and accepts that 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 User understands and accepts that the audit does not amount to any form of warranty, including direct or indirect warranties that the Smart Contract System and the FUN are fit for a particular purpose or do not contain any weaknesses, vulnerabilities or bugs which could cause, inter alia, the complete loss of Contribution Tokens and/or FUN.

5. Risks

34 The User understands and accepts the risks in connection with transferring Contribution Tokens to the Smart Contract System or relevant deposit addresses and creating FUN as exemplary set forth above and hereinafter. In particular, but not concluding, the User understands the inherent risks listed hereinafter:

- Risk of software weaknesses: The User understands and accepts that the Smart Contract System concept, the underlying software application and software platform (i.e. the Ethereum blockchain) is still in an early development stage and unproven, why there is no warranty that the process for creating FUN will be uninterrupted or error-free and why there is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of Contribution Tokens and/or FUN.
- Regulatory risk: The User understands and accepts that the blockchain technology allows new forms of interaction and that it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology based applications, which may be contrary to the current setup of the Smart Contract System and which may, inter alia, result in

substantial modifications of the Smart Contract System and/or the FunFair Project, including its termination and the loss of FUN for the User.

- Risk of abandonment / lack of success: The User understands and accepts that the creation of the FUN and the development of the FunFair Project may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects). The User therefore understands that there is no assurance that, even if the FunFair Project is partially or fully developed and launched, the User will receive any benefits through the FUN held by him.
- Risk associated with other applications: The User understands and accepts that the FunFair Project and/or particular FunFair Projects may give rise to other, alternative projects, promoted by unaffiliated third parties, under which FUN will have no intrinsic value.
- Risk of loss of private key: FUN can only be accessed by using an Ethereum wallet with a combination of User's account information (address), private key and password. The private key is encrypted with a password. The User understands and accepts that if his private key file or password respectively got lost or stolen, the obtained FUN associated with the User's account (address) or password will be unrecoverable and will be permanently lost.
- Risk of theft: The User understands and accepts that the Smart Contract System concept, the underlying software application and software platform (i.e. the Ethereum blockchain) may be exposed to attacks by hackers or other individuals that could result in theft or loss of FUN or Contribution Tokens, impacting the ability to develop the FunFair Project.
- Risk of Ethereum mining attacks: The User understands and accepts that, as with other cryptocurrencies, the blockchain used for the Smart Contract System is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks. Any successful attacks present a risk to the Smart Contract System, expected proper execution and sequencing of FUN transactions, and expected proper execution and sequencing of contract computations.
- Risk of incompatible Wallet service: The User understands and accepts, that the Wallet or Wallet service provider used for the contribution, has to be technically compatible with the FUN. The failure to assure this may have the result that User will not gain access to his FUN.

6. Taxation

35 The User bears the sole responsibility to determine if his contribution into the Smart Contract System or deposit addresses for the development of the FunFair Project, the creation, ownership or use of FUN, the potential appreciation or depreciation in the value of FUN over time, the sale and purchase of FUN and/or any other action or transaction related to the FunFair Project have tax implications for him.

36 By creating, holding or using FUN, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the creation, ownership or use of FUN or any other action or transaction related to the FunFair Project.

7. No Liability

37 The User acknowledges and agrees that, to the fullest extent permitted by any applicable law, the User will not hold any developers, auditors contractors or founders of the FUN, the Smart Contract System and/or FunFair liable for any and all damages or injury whatsoever caused by or related to the use of, or the inability to use, FUN or the Smart Contract System under any cause or action whatsoever of any kind in any jurisdiction, including, without limitation, actions for breach of warranty, breach of contract or tort (including negligence) and that developers, auditors contractors or founders of the Smart Contract System, the FUN and/or the FunFair Project shall not be liable for

any indirect, incidental, special, exemplary or consequential damages, including for loss of profits, goodwill or data, in any way whatsoever arising out of the use of, or the inability to use of the Smart Contract System, the FunFair Project and/or FUN.

38 The User further specifically acknowledges that developers, auditors, contractors or founders of the FUN, Smart Contract System and/or the FunFair Project are not liable, and the User agrees not to seek to hold them liable, for the conduct of third parties, including other creators of FUN, and that the risk of creating, holding and using FUN rests entirely with the User.

39 By creating, holding or using FUN, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any regulatory implications or liability associated with or arising from the creation, ownership or use of FUN or any other action or transaction related to the FunFair Project.

8. Miscellaneous

40 The User understands and accepts that the network of miners will be ultimately in control of the Smart Contract System. The User understands that a majority of these miners could agree at any point to make changes to the official Smart Contract System and to run the new version of the Smart Contract System. Such a scenario could lead to FUN losing intrinsic value.

41 The User agrees that if any portion of these Terms is found illegal or unenforceable, in whole or in part, such provision shall, as to such jurisdiction, be ineffective solely to the extent of such determination of invalidity or unenforceability without affecting the validity or enforceability thereof in any other manner or jurisdiction and without affecting the remaining provisions of the Terms, which shall continue to be in full force and effect.

42 The Terms govern the creation, ownership and use of FUN and supersede any public statements about the launch of FUN and/or the Smart Contract System made by anyone in the past, present and future.

22 June 2017 (0.2.2)