TERMS AND CONDITIONS

THESE TERMS AND CONDITIONS APPLY TO THE SMART CONTRACT SYSTEM, INCLUDING THE SGR TOKEN DEPLOYED ON THE ETHEREUM BLOCKCHAIN AND THE SGN TOKEN DEPLOYED ON THE ETHEREUM BLOCKCHAIN, AND ANY SMART CONTRACT SYSTEM REFERRED TO THEREIN (THE "SMART CONTRACT SYSTEM") (THE ADDRESS OF SGR AND SGN TOKENS AND THE SMART CONTRACT WILL BE PUBLISHED ON THE COMPANY WEBSITE), AND THE WEBSITE LOCATED AT www.Sogur.com (THE "WEBSITE") AND THE SERVICES OFFERED THROUGH THE WEBSITE. IF YOU DO NOT AGREE TO ANY OF THE PROVISIONS OF THESE TERMS AND CONDITIONS YOU MUST STOP USING THE WEBSITE, SMART CONTRACT SYSTEM AND SERVICES IMMEDIATELY.

Scope of the Terms and Conditions

1. These Terms and Conditions ("**Terms**") are a binding agreement between Sögur Monetary Technologies, a UK company established under the laws of England and Wales, with a registered address at 201 Haverstock Hill, C/O Fkgb Accounting Ltd, London, NW3 4QG, England and headquarter office at Madison Building, Midtown, Queensway, Gibraltar GX11 1AA, Gibraltar ("**us**", "**our**", the "**Company**" or "**we**") and you, the person and/or entity who uses the Services described herein and/or the Website ("**User**", "**you**", "**your**" or "**yourself**") and/or who holds SGR and/or SGN Tokens as defined below or who wishes to use, send or receive SGR Tokens.

2. By holding Saga Genesis Tokens ("**SGN Tokens**"), and/or Sögur Tokens ("**SGR Tokens**", and together with SGN Tokens, the "**Tokens**"), or by transferring Ether ("**ETH**"), or Tokens to the Smart Contract System, and/or by using the Website and/or by opening an account to use the Services as defined below, the User expressly agrees to these Terms and the terms and conditions set forth in the Smart Contract System code existing on the Ethereum blockchain , which are incorporated by reference herein. The User further confirms that he/she fully understands the risks and costs associated with the creation, holding and use of the Tokens and the Smart Contract System. Further, upon activation of the Smart Contract System the use thereof shall be subject to the Sögur Whitepaper ("**Whitepaper**") and Sögur Monetary Model ("**Monetary Model**"), as amended from time to time, both of which are incorporated herein by reference and located on our Website.

3. This document does not constitute a prospectus or offering document of any sort, is not a solicitation for investment, 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 merely an agreement between you and us, governing your use of our Website, Services, the Tokens and Smart Contract System.

4. By holding SGN Tokens, by transferring ETH, SGN Tokens, and/or SGR Tokens to the Smart Contract System and/or receiving ETH and/or SGR Tokens, by using the Website and/or opening a user account to use the Services as set out below, no form of partnership, joint venture, or any similar relationship shall be created between the Users and the Company, and/or other individuals or entities involved with the deployment, setting up and maintenance of the Smart Contract System.

5. We shall be entitled to modify, change, or amend the Terms at any time in accordance with its governing law and regulations. We shall post the amended Terms on the Website, stating the date of the last amendment, and you are advised to check for any such updates from time to time. To the extent that any such amendment imposes material obligations on users and/or would require their preparation or action, we shall give reasonable advance notice before such amendment comes into force. Your continued use of the Website, Services, Smart Contract System and/or Tokens following any amendment to these Terms constitutes your acceptance of the amendment and consent to be bound by the amended Terms. In the event you do not accept any amendment, your sole and exclusive remedy shall be to cease using our Website, Services, Smart Contract System and/or Tokens.

As the Sögur project is smart contract based - the terms and conditions applicable thereon are set forth in the Smart Contract System, consisting of interconnected software codes, existing on the Ethereum blockchain as part of the Smart Contract System. To the extent that these Terms or the terms of any other document or communication with the User conflict with the terms of the Smart Contract System, the terms of the Smart Contract System shall prevail.

General Terms of Use

6. Any criminal activity or fraudulent acts committed by you or under your supervision, responsibility and/or control through use of the Website and/or Services (as defined below) is forbidden. You affirm and declare that you shall not perform or attempt to perform any such activity, including but not limited to, fraud, money laundering, illegal gambling operations, terrorist financing, or malicious hacking. You also agree not to hide your IP location, for instance through a VPN service, and you shall always disclose your accurate and true location. In the event we determine, in its sole discretion, that any activity you perform by using the Services and/or through the Website is suspicious or related to any prohibited activity, we may cancel or suspend your access to the Website, block any outstanding transactions, deny any new transactions, and/or freeze any funds that may be available to you through our Services. You understand that you shall be held liable for losses incurred by us or by any third party due to your non-compliance with and/or violation of any of the foregoing rules. We shall be entitled to inform any relevant authorities or entities (including credit reference agencies and law enforcement authorities) of any payment fraud or other criminal activity and may also engage collection services to recover payments.

Privacy Policy

7. In addition to the Terms, please review our Privacy Policy located on our Website ("**Privacy Policy**") which sets out how we collect and use your personal information to provide the Services, and which is incorporated herein by reference.

The Service/s and Principles

The Services

8. Our services ("**Services**") are composed of the following:

a) Deployment and maintenance of the Smart Contract System: the Smart Contract System enables you to effect the transactions detailed below as follows:

- Purchase from the Smart Contract System and sell to the Smart Contract System SGR Tokens having the functions described on the Website and in Sögur 's Whitepaper, by paying into/redeeming by ETH (each, an "**SGR Transaction**");

- Hold SGR Tokens in your personal digital wallet, and transfer (send/receive) SGR Tokens between supporting digital wallets;

- Hold, transfer (send/receive) and convert SGN Tokens into SGR Tokens, by sending SGN Tokens to the Smart Contract System and receiving in return, a certain number of SGR Tokens, based on the conversion rate as described in the Whitepaper, subject to the terms and conditions of the SGN Tokens and the documents governing their use (each, an "**SGN Transaction**", and together with the SGR Transactions, the "**Transactions**"). SGN Transactions shall be subject, in addition to the terms and conditions herein, to the specific terms and conditions of the SGN Tokens, and any applicable agreement between the SGN holder and the Company;

- Vote on certain items brought for vote of the Token holders, in accordance with the Sögur Constitution ("**Constitution**"), as published on the Website

   all in accordance with the terms and conditions set forth herein.

b) User registration according to Section 5 below; and

c) Hosting of the Company's Website, which includes: (i) a personal area on which the User registers an account with us (a mandatory requirement in order to affect any SGR Transaction or SGN Transaction), and may also include additional personal information regarding the user account with us; and (ii) a public area showing general information regarding us and the Sögur economy.

We do not undertake to make all of the Services available to all Users at all times, and it is explicitly agreed that the launch of the Services may be gradual and limited in scope, jurisdiction or otherwise.

The Principles

9. We promote and develop new technologies and applications, especially in the fields of new open and decentralized software architectures. A dominating but not exclusive focus is set on the promotion and development of the so-called Sögur Protocol implemented as the Smart Contract System and the related technologies, as well as the promotion and support of applications using such Smart Contract System.

10. For a detailed description of the Smart Contract System, including but not limited, to SGR price calculation mechanism ("SGR Price Calculation Mechanism") please review the Whitepaper and the Monetary Model on our Website.

11. The User understands that the Transactions will not involve any fiat currencies and will strictly be done in cryptocurrencies (ETH) or SGR Tokens, or SGN Tokens respectively.

12. The User understands and accepts that while the individuals and entities, including the Company, assigned to this task will invest reasonable efforts to deploy the Smart Contract

System, it is possible that such development may fail and User's Tokens may become useless and/or valueless due to technical, commercial, regulatory or any other reasons (see also Section 11 regarding Risks).

13. The User is also aware of the risk that even if all or parts of the Smart Contract System are successfully developed and released in full or in parts, due to a lack of public interest, the Smart Contract System 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 use of the Services carries financial, regulatory and/or reputational risks (including the complete loss of value of Tokens, and the inability to use the Smart Contract System).

14. The User furthermore understands and accepts that - as the Sögur project is smart contract based - the terms and conditions applicable thereon are set forth in the Smart Contract System, consisting of interconnected software codes, existing on the Ethereum blockchain as part of the Smart Contract System. To the extent that these Terms or the terms of any other document or communication with the User conflict with the terms of the Smart Contract System, the terms of the Smart Contract System shall prevail. The User understands that neither these Terms nor any other document or communication with the User may modify the Smart Contract System terms nor impose any additional obligations on the Company, or any other representative on behalf of the Company, beyond those set forth in the Smart Contract System. Furthermore, neither this document nor any other document or communication may modify or add any additional obligations to the Company, or the publisher of these Terms, or the developer of the Smart Contract System, and/or any other person, the Company, and/or affiliates involved with the deployment of the Smart Contract System, and the setting up of the Smart Contract System, beyond those set forth in the Smart Contract System.

Account Registration

General Undertakings

15. In order to initiate any Transaction, the User understands that he/she will have to undergo our registration process and be accepted on our approved list ("**Approved List**"). If the User is approved and accepted to be placed on the Approved List following the complete registration process, which shall include Know Your Customer ("**KYC**") procedures, as defined and further detailed below, the User shall become an "**Authorised User**", and his/her wallet "**Authorised Wallet**", allowing such Authorised User to:

   - purchase SGR Tokens from the Smart Contract System in exchange for ETH;
   - sell SGR Tokens to the Smart Contract System in exchange for ETH;
   - receive, hold and transfer SGN Tokens (subject to the terms and conditions applicable thereto); and/or
   - convert SGN Tokens into SGR Tokens via the Smart Contract System;

   through their Authorised Wallet.

16. We reserve the right to refuse to accept any person to our Approved List, in our sole and complete discretion, including but not limited to, due to such person's failure under our internal compliance and security checks, our suspicion that such person may be involved in any illicit

activity, or for any other reason whatsoever. We also reserve the right to remove any person from the Approved List at any time and for any reason whatsoever, thus limiting, suspending or restricting such person's use of the Services and/or Website. You understand that our decisions regarding the acceptance and/or removal of any person to or from the Approved List relies upon, among others, input received from independent third parties and is within our sole and absolute discretion, and we are under no obligation to provide feedback on the exact nature of our findings nor to justify the rejection of any User, at any time.

17. Our Anti Money Laundering ("**AML**") Policy includes ongoing monitoring, which includes periodic screening and analysis of your activity within the Service/s ("**Ongoing Monitoring**"), which may be followed by our requests to receive additional information and/or documentation ("**Extended Due Diligence**" or "**EDD**"). Upon review of the results of your KYC, Ongoing Monitoring, and/or the review of your EDD, we reserve the right to limit your ability to use the Services and/or immediately suspend or terminate your use of the Services, as we deem appropriate, as well as suspend or terminate any pending Transactions; and we reserve the right to seek any other remedy for which we may be entitled in case of any violation, and we may take further actions against you as applicable.

18. In addition to the ability to initiate Transactions through their Authorised Wallets, the Authorised Users may be granted additional rights and benefits not granted to other persons, including non-authorised users, all in our sole discretion. For example (and without derogation from the generality of the above), we may provide Authorised Users with the ability to participate in certain governance aspects of the Sögur project, which may be unavailable to other persons, including non-authorised users. For more information, see our Governance Model available on the Website. User may choose to apply to become Authorised User at any time (which may be accepted or denied at our full discretion). User acknowledges that he/she understands that we have legitimate reasons to confer such privileges upon Authorised Users and not on other persons, and hereby irrevocably waives any claims against us or any person on its behalf in connection therewith.

KYC and AML Policy

19. As part of our KYC procedures and in order to be accepted on the Approved List, we will conduct a verification process to verify your registration details and confirm your identity and eligibility to participate in the Services ("**Registration Details**"). During this verification process, we may request certain documents from you, which may include proof of address, such as a utility bill, proof of your payment method and a copy of a government issued identity card. We reserve the right to require certified or notarized copies at your expense. You understand that we shall be under no obligation to accept any documents as valid. In addition to documentation, we may also choose to verify your identity through a video and/or audio call conference, and take any additional measures deemed necessary or advisable by us, in our sole discretion, for the purpose of verifying your identity, information and documentation (collectively, "**KYC Process**").

20. Along with our KYC Process, we have implemented in our AML Policy certain checks to detect, prevent and report money laundering, terrorism financing, and other illegal or illicit activities . Money laundering means the disguising of the source of proceeds derived from criminal activity so that it appears as though it came from legitimate sources of income. In order to prevent any criminals from laundering or attempting to launder criminal proceeds through our Website or Services, we had adopted the AML Policy.

20. You acknowledge and agree that in order to conduct such verification process and/or background checks, in accordance with our KYC Process and AML Policy, we and/or third party services providers may perform inquiries, directly or indirectly through third party service providers to identify and prevent fraud, suspicious activity, mis-identification, money laundering or any other prohibited activity. We reserve the right to take any action we deem necessary with respect to the outcome of such inquiries. You agree and consent to our global transfer, if necessary, of your information as required for our legitimate business purposes. We will retain your information to perform KYC checks for the period necessary to perform the KYC/AML reviews, and as required to comply with our legal obligations. We may be obligated by applicable laws to hold certain AML-related information as confidential and refrain from disclosing it to third parties, including the User. In any event the User wishes to obtain his or her AML-related information, We will assess its legal obligations in this regard, and may, in its sole discretion, provide such User with all, parts, or none of the User's AML-related information ("**AML Report**"). The AML Report, if provided to the User, is proprietary and confidential, and may not be shared by the User with any third parties whatsoever without the prior written consent by us.

Creation of SGR Tokens Procedure

General Undertakings

21. **Usage License and Conversion Function**: Ownership of SGR Tokens and/or SGN Tokens carries no rights, whether express or implied, other than a limited right to use the Smart Contract System and its functionalities as further specified below and subject to the terms and conditions contained herein.

22. **No Ownership, Revenue or Governance Rights**: In particular, User understands and accepts that **the Tokens 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 Smart Contract System and/or the Company.**

23. **No Refund**: The User understands and accepts that all Transactions are final and may not be reversed. The User further acknowledges that it is its sole responsibility to verify that any transaction, payment or delivery of Tokens or ETH is made to the correct electronic address ("public key") of the recipient's digital wallet. Any such delivery to an incorrect address may result in the sender's funds being permanently and irrevocably lost. we will not be able to assist in retrieving such lost funds, and the User acknowledges that we, or anyone on our behalf, shall bear no responsibility whatsoever in relation thereto.

24. **Authorisation to use the original Smart Contracts**: Only the Smart Contract System will issue SGR Tokens. Access to this Smart Contract System will be available through any ERC20 compatible wallet. To the extent that any third-party website, service or smart-contract offers SGR Tokens or facilitates the allocation or transfer of Tokens in any way, such third-party websites or services are, unless explicitly mentioned on the Website, not authorised by the Company and have no relationship in any way with the Smart Contract System.

25. **Smart Contract System Freeze / Abort**: we may, at any time and at its sole discretion temporarily stop the functions of the Smart Contract System, in whole or in part.

Triggering the Transaction, Creation and Allocation of SGR Tokens

26. In order to effect a **conversion** of SGN Tokens into SGR Tokens, the User must transfer SGN Tokens to the Smart Contract System. The Smart Contract System will transfer the respective SGR Token amount back to the Authorised Wallet sending the SGN Tokens. User's SGN Tokens must be sent from an Authorised Wallet owned by an Authorised User (i.e., not an address of a currency exchange such as Poloniex, Coinbase, Bitfinex, etc.).

28. In order to effect a Transaction to **buy** SGR Tokens, the User must send an amount in ETH to the Smart Contract System, located on the Ethereum blockchain, which triggers a smart contract operation. The Smart Contract System will calculate the amount of SGR Tokens the Authorised User is entitled to, based on the ETH/SGR Conversion Rate, as defined below, and will create, allocate, and issue the SGR Tokens in an amount corresponding to User's Transaction to User's Authorised Wallet address from which the ETH was sent. User's ETH must be sent from an Authorised Wallet owned by an Authorised User.

29. In order to effect a Transaction to **sell** SGR Tokens, the User must transfer SGR Tokens to the Smart Contract System. The Smart Contract System will calculate the amount of ETH the Authorised User is entitled to, based on the ETH/SGR Conversion Rate, and transfer the corresponding ETH amount to User's Authorised Wallet address from which the SGR Tokens were sent. User's SGR Tokens must be sent from an Authorised Wallet owned by an Authorised User. Upon unavailability of ETH in the Smart Contract System, the actual transfer of ETH to the Authorised Wallet may be reasonably delayed ("**Deferred Payments**"). In such cases the Smart Contract System will maintain a list of Deferred Payments, which will be settled in ETH on a 'First Come First Served' manner ("FIFO") and based on the SGR Token Price at the time of the original sell Transaction occurred, and based on the Conversion Rate at the time of the actual receipt of ETH.

30. **Price Band**: The User understands that the Price Band included within the Price Calculation Mechanism (as set out in our Monetary Model) opens a spread between the buying and the selling price of the SGR Token (i.e. the SGR Token price when selling back to the Smart Contract System is lower than the SGR Token price when buying it from the Smart Contract System, at each given time).

31. **Reconciliation Adjustment**: The User understands that in accordance with the SGR Price Calculation Mechanism, the periodic updating of the Reserve value into the Smart Contract System may also simultaneously update the SGR Price Calculation Mechanism, effectively creating a positive or negative reconciliation adjustment to SGR price.

32. Any attempt to perform a Transaction from a non-Authorised Wallet will fail and the Transaction will not be effected (i.e. the Tokens or ETH will be returned to the sender).

33. We reserve the right to allow Users to buy and/or sell SGR Tokens by using other means of payment at any time in the future, whether directly through us or through third parties, but does not undertake to do so.

Conversion Rate

34. The price of an SGR Token shall be stated in "**SDR**" ("Special Drawing Rights" which are supplementary foreign-exchange reserve assets defined and maintained by the International Monetary Fund ("**IMF**")) (the "**SGR Token Price**").

35. Conversion between ETH, paid to/by the User, and the SDR value of an SGR Token is done based on the last known ETH price update that we will receive from its liquidity providers ("**Last Known Buy/Sell ETH Price**"), and price updates of the FIAT currencies composing the SDR that we will receive from its operating banks or financial data service providers (together "**Updates**"), to update the Smart Contract System accordingly ("**ETH-SDR / SDR-ETH Conversion Rates**"). We will implement such Updates at its sole discretion and on a best efforts basis.

36. We may limit the amount of ETH that can be converted to SDR (or SDR to ETH) between consecutive Updates ("**Transaction Limit**"). Such Transaction Limit is relying, among others reasons, on the availability of ETH in the respective Last Known Buy/Sell ETH Price.

37. For the purposes of these Terms, "liquidity providers" shall mean third party service providers that underwrite or provide financing for transactions in ETH and then provide market maker services or assist in the trading of ETH. We may, in its sole discretion, use more than one liquidity provider, and change, add or remove any liquidity provider it uses, in a manner which may affect the pricing quote available through the Smart Contract System. We do not warrant that the Conversion Rates available to Users will be equal to rates quoted or offered on any exchange or market.

38. The SGR Token Price as well as the amount of SGR Tokens allocated for every one ETH (the "**ETH/SGR Conversion Rate**") will be published on the Website and is an approximate price that will be continuously updated on the Website on a best efforts basis.

39. SGR Token Price and ETH/SGR Conversion Rate, as stated in the Website are an estimation and may change by the time the Transaction is received by the Smart Contract System.

40. It is hereby clarified and agreed that the provision of the Services, and all Transactions, are subject to our AML Policy and internal procedures. We may, under its AML Policy and in its sole discretion, set thresholds and limits on the values or amounts of SGR and/or SGN an Authorised Wallet may hold or transact ("**Thresholds**"). we reserve all rights to change, impose or remove any Thresholds at any time, in its sole discretion, with or without notice to User.

41. It is hereby further clarified and agreed that for the purpose of the above mentioned Thresholds, the SGR value shall be determined by us in our sole discretion, based on the buy and sell prices at the applicable time, as set by the Price Calculation Model. We will determine the SGN value as the higher of: (i) the value of the SGR Tokens entitled to be received by the SGN Token holder at the time such SGN Tokens arrive in the User's Authorized Wallet; or (ii) any other value we may decide upon, according to the best estimated value (i.e. any other SGN Token price for which we sold the SGN Tokens prior to the current Transaction).

SGR Purchase/Sale through Third Parties

42. In addition to the Transactions described above, SGR Tokens may be offered for sale/purchase by third parties, whether or not related to or commercially engaged with us. We will endeavor (and reserves the right) to engage with such third parties for the purpose of allowing users and potential users to join the Sögur ecosystem and buy/sell SGR Tokens by using various means of payment and offering additional use cases for the SGR Token.

43. Whether or not related to or commercially engaged with us, we assume no responsibility whatsoever for the actions of such third parties. Any transaction, service, agreement or dispute between User and such third parties, regarding the purchase/sale/use of SGR Tokens or otherwise, shall not involve us in any way, and User hereby irrevocably releases us from any claim against it in this regard. By allowing any such third party to sell/purchase/use SGR Tokens, or by referring User in any way (including links on the Website or public announcements regarding any collaboration between us and the third party), we do not endorse the third party's website, services or business, and assumes no responsibility whatsoever with regards thereto. Any such third party's website, services or business shall be governed by the applicable laws, regulations and commercial agreements between users and the relevant third parties, and not by these Terms.

Representations and Warranties of User

44. By making any use of the Services (other than using the public area of the Website described in paragraph 8.c.(ii) above), the User represents and warrants that:

   ▪ the User is not a citizen, national nor resident (tax or otherwise) of a country, whose legislation conflicts with the present allocation or any such similar activity of SGR Tokens and/or the Smart Contract System in general ("**Restricted Jurisdiction**");

   ▪ the User is not an entity (including, but not limited to any corporation or partnership) incorporated, established, registered or operating in or under the laws of such a Restricted Jurisdiction;

   ▪ without derogating from the generality of the above, User explicitly represents and warrants that he/she is not a citizen, national nor resident (tax or otherwise) of, and is not using any of the services while located in, the United States and/or Israel.

   ▪ the User will not sell, resell, transfer or otherwise grant access to the Tokens to any person or entity which was rejected by us as a user, or who is not allowed under these Terms to obtain or use the Tokens, including but not limited any person or entity in (or from) any Restricted Jurisdiction.

   ▪ The User will not, without the explicit written consent of us, operate by way of business in any manner to sell, resell, distribute, exchange, convert, market or make market for, the Tokens.

   ▪ the User acknowledges and accepts that in the event the User's jurisdiction becomes a Restricted Jurisdiction, we may restrict User's use of the Services in any way it deems appropriate.

- the User acknowledges and accepts that the Services are only provided in User's jurisdiction, and it is User's sole responsibility not to use the Services outside of his jurisdiction and/or in any Restricted Jurisdiction.

- the User has a deep understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens, cryptocurrencies like Bitcoin (BTC) and Ether (ETH), cryptocurrency/digital wallets or other related token storage mechanisms and blockchain-based software systems as well as smart contract technology;

- the User understands and accepts that there is no warranty or assurance that the network of miners will allocate the Tokens 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 and fully understands and accepts the functions implemented therein;

- the User is legally permitted to use the Services in the User's jurisdiction;

- the User will use a wallet or wallet service provider that technically supports the SGR Tokens. User understands and accepts, that failure to assure this may have the result that User will not gain access to his Tokens;

- the User is of a sufficient age to legally be bound by these Terms, and use the Services;

- the User shall be solely responsible for its use of the Services, the Tokens, the Website, and the compliance with the above with all laws and regulations applicable to it;

- the User is not using the Services for the purpose of speculative investment;

- the User is not obtaining or using Tokens, or using the Services, for any illegal purposes, including tax evasion, money laundering, terrorism financing;

- any use, transfer or action the User does with or regarding the Tokens shall at all times be in full compliance with all applicable laws and regulations (including but not limited to anti-money laundering, securities and financial laws), and the User shall bear full responsibility for any such action;

- the User has thoroughly read these Terms, including the Risks section below, prior to using the Services, and is aware and able to undertake all of the risks associated with using the Services;

- to the fullest extent permitted by law, the User waives the right to participate in a class action lawsuit or a class wide arbitration against us or any individual operating on our behalf;

- the User understands that the creation of Tokens 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 purchasing, holding and using of Tokens may carry significant financial risk as further set forth in these Terms;

- the User understands and expressly accepts that there is no warranty whatsoever on Tokens, the Smart Contract System and/or the success of the Smart Contract System, expressed or

implied, to the extent permitted by law, and that the Smart Contract System is used and Tokens 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 of merchantability or fitness for a particular purpose;

▪ the User understands that all Transactions are final, non-refundable and non-reversible. The User has no right against us or any other party to request any refund for any Transaction under any circumstance. The only manner a Transaction can be "reversed" is by making the opposite Transaction with the Smart Contract System, at the then available market conditions and Conversion Rates;

▪ the User understands that any transfer of Tokens, or ETH (like other cryptocurrencies) are recorded on the blockchain and, once completed, can not be reversed or refunded. The User acknowledges that it shall have no claims in this regard, and that it is its full responsibility to verify its transfers are correct and accurate.

▪ the User understands that the value of Tokens may experience volatility over time; and that

▪ the User understands that the User bears the sole responsibility to determine if the User's use of the Services has tax implications for him; by creating, holding, using or liquidating Tokens, and to the extent permitted by law, the User agrees not to hold us or any third party liable for any tax liability associated with or arising from the User's use of the Services.

45. The User further agrees and acknowledges that:

▪ all information in the Whitepaper and in the Website ("**Available Information**") does not constitute a prospectus or offering document of any sort and is not intended to constitute an offer of securities and/or a financial instrument in any jurisdiction or a solicitation for investment in securities, and User is not bound to enter into any contract or binding legal commitment, and no cryptocurrency or other form of payment is to be accepted on the basis of the Available Information;

▪ The Available Information does not include any financial, legal, tax, or any other form of advice, suggestion or recommendation, and does not take into account User's individual situation or needs. The User shall seek advice, to the extent required, from independent professional advisors;

▪ the Tokens, the Services, and our operations as a whole, are not currently authorised or licensed by any regulatory body in any jurisdiction.

▪ the Available Information, the Transaction, or future trading of the Tokens on any exchange or market (regulated, unregulated, primary, secondary or otherwise), shall not be construed, interpreted or deemed by User as an indication of the merits of th Company, the Transaction, the Tokens, or the Available Information;

▪ the distribution or dissemination of the Available Information or any part thereof, any copy thereof, or acceptance of the same by User, is not prohibited or restricted by the applicable laws, regulations or rules in User's jurisdiction of residence, and where any restrictions in relation to possession are applicable, User has observed and complied with all such restrictions at User's own expense and without liability to us; and

- the Tokens should not be construed, interpreted, classified, or treated as: (i) any kind of legal tender or commodity; (ii) debentures, stocks or shares issued by any person or entity (whether by us or otherwise); (iii) rights, options or derivatives in respect of such debentures, stocks or shares; (iv) rights under a contract for differences or under any other contract the purpose or intended purpose of which is to secure a profit or avoid a loss; (v) units in a collective investment scheme; (vi) units in a business trust; (vii) derivatives of units in a business trust; (viii) any other security or class of securities; or (ix) any type of investment under the applicable laws of the User's jurisdiction of residence (as amended or re-enacted from time to time) or as such term might be construed under similar legislation in any other part of the world).

46. As part of the creation process the User will use his 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 SGR Tokens by the Smart Contract System, the SGR Tokens 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. Moreover, the User understands that no recovery mechanism exists for lost keys and passwords, and we have no way to assist the User to retrieve or reconstruct a lost password or private key, and that we cannot provide that User with access to any lost Tokens. Further, we are currently unable to support the replacement of an Authorised Wallet for any User, and we will notify its Users in the event it may be able to support such replacement in the future.

47. The User hereby acknowledges and agrees that, in accordance with our Articles of Association located on the Website, we may gradually implement (in progressive phases) its desired Final Phase of Governance in accordance with its Transition Principles (as defined and described in our Articles of Association).

Intellectual Property; Website Technology

48. For the purposes of these Terms, Intellectual Property Rights or IPR means pending or granted patents, trademarks, service marks, trade names, registered and unregistered designs, trade or business names, copyright (including, but not limited to, rights in software), and any applications for any of the aforesaid, database rights, design rights, know-how, trade secrets, rights in confidential information and any other intellectual property rights whatsoever irrespective of whether such intellectual property rights have been registered or not which may subsist in any part of the world.

49. You may only install and use, if applicable, any software connected to the Website ("**Software**") and all content derived from the Software, including, but not limited to, the copyright and all other IPR in the Software, in connection with the Services for your personal and non-commercial use and in accordance with these Terms.

50. Unless explicitly stipulated otherwise herein, the Services, all of the content and all IPR relating thereto that appears related to the Services, including but without limitation, the use of the Website's name, software, web technologies, source code, concepts, artwork, photos, animations, sounds, methods of operation, moral rights, documentation, and virtual items, is the exclusive property of the Company, or is being used with permission from its licensors. We

(or its licensors as applicable) retain all rights, title and interest in and to the Services, its content and all IPR relating thereto, connected with the Services. Unless explicitly stipulated otherwise herein you agree that you have no (intellectual property) right or title in or to the Services. our name and logo, and any other trademarks included in the Services, are the property of the Company (and/or its affiliates).

51. You acknowledge and agree that any materials, including but not limited to questions, comments, feedback, suggestions, ideas, plans, notes, drawings, original or creative materials or other information or commentary you provide on our platform or one of our social media accounts, regarding us and / or the Services (collectively, "**Feedback**") that are provided by you, whether by email, posting to the Website or otherwise, are non-confidential and will become the sole property of the Company. We will own exclusive rights, including all intellectual property rights, and will be entitled to the unrestricted use and dissemination of such Feedback for any purpose, commercial or otherwise, without acknowledgment or compensation to you

52. You hereby undertake not to: (a) copy, redistribute, publish, reverse engineer, decompile, disassemble, modify, translate or make any attempt to access the source code to create derivative works of the source code, or otherwise; (b) sell, assign, sublicense, transfer, distribute or lease the Software and / or any IPR of the Company; (c) make the Software and / or any other IPR of the Company available to any third party through a computer network or otherwise; (d) export the Software and / or any IPR of the Company to any country (whether by physical or electronic means); or (e) use the Software and / or any IPR of the Company in a manner prohibited by any laws or regulations which apply to the use of the Software and / or any other IPR of the Company (collectively, and individually, the "**Prohibited Actions**").

53. You agree to indemnify us and hold us harmless for any loss, including direct and indirect damages, costs or expenses, we may suffer as a result of your Prohibited Actions. You agree to immediately notify us if you commit any Prohibited Actions or if you have knowledge of any third party committing any Prohibited Actions. You agree to provide us with reasonable assistance with any inquiry or investigation we may conduct as a result of the information provided by you in regards to the Prohibited Actions set out above.

54. You understand and bear the risk that any use of the internet may be subject to a virus attack and/or communication failure. You should use a reputable and available virus screening and prevention software at all times. We shall not bear any liability whatsoever for any damage or interruptions caused by computer viruses, spyware, Trojan horses, worms or other malware that may affect your systems, computer or other equipment, or any phishing, spoofing or other virus attacks. We caution you to carefully review any electronic messages purporting to originate from us and to be aware that electronic devices are vulnerable to phishing and spoofing scams and additional viruses. We advise you to always provide your Log In through the Website only and avoid using unauthentic communications advising you of other options to provide your Log In (or other Registration Details) to gain access to the Services offered through the Website.

Third Party Content

55. All third party product names that may legitimately appear in relation to the Services are trademarks of their respective owners. No transfer or grant of any rights under any names, marks or logos is made or is to be implied by any provision of these Terms or by making use

of the Services, and all rights in such names, marks or logos are reserved to the Company or their respective owners, as applicable.

56. To the extent that the Services or the Website contain links or any other information to third party websites, tokens or services, we does not control the availability and content of those websites, tokens or services. Any concerns regarding any such third party websites, tokens and/or service, or any link thereto, should be directed to such particular website and/or services provider. We make no representation or warranty regarding any content, goods, tokens and/or services provided by any third party, even if linked to through the Website or the Services. The linked sites are not under our control and may collect data or solicit personal information from you. We are not responsible for their content, business practices or privacy policies, or for the collection, use or disclosure of any information those sites may collect. You agree that the Services may feature advertisements from third parties. We are not responsible for the actions of third parties who advertise on the Website. Your interactions with advertisers are agreements between you and them and we have no responsibility or liability whatsoever for any such third party interactions.

Audit of the Smart Contract System

57. The Smart Contract System has been, on a reasonable efforts basis, audited and approved by technical experts. The technical experts have confirmed that the Smart Contract System has, with regards to both accuracy and security, been programmed according to the current industry standards in the blockchain industry.

49. Notwithstanding the above, the User understands and accepts that smart contract technology is still in an early development stage, and its application of an 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 SGN / SGR Tokens are fit for a particular purpose or do not contain any weaknesses, vulnerabilities or bugs which could cause, inter alia, the complete loss of ETH and/or Tokens.

Risks

58. The User understands and accepts the risks in connection with transferring using the Services, including buying, selling, transferring, holding and using the Tokens. In particular, but not limited to the following, 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, which is why there is no warranty that the process for creating SGR Tokens 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 ETH and/or Tokens.

   ▪ **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 Smart Contract System, including its termination and the loss of Tokens for the User.

- **Risk of abandonment / lack of success**: The User understands and accepts that the Project, the Tokens and the development of the Smart Contract System may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects (i.e. caused by competing projects). The User therefore understands that there is no assurance that, even if the Smart Contract System is partially or fully developed and launched, the User will receive any benefits through the Tokens held by him.

- **Risk associated with other applications**: The User understands and accepts that the Smart Contract System may give rise to other, alternative projects, promoted by unaffiliated third parties, under which Tokens will have no intrinsic value.

- **Risk of loss of private key**: The Tokens 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 Tokens 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 Tokens or ETH.

- **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 Tokens 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 Transaction, has to be technically compatible with the Tokens. The failure to assure this may have the result that User will not gain access to his Tokens.

- **Additional Risks:** The User understands and accepts the foregoing risks and also understand that this may not be a complete and comprehensive list and is fully aware that additional risks may exist in connection with the User's Transaction, the Smart Contract System, and the holding of Tokens, which may be based upon new or changing regulatory, legal, or technology requirements or other factors.

Taxation

59. The User bears the sole responsibility to determine if his contribution into the Smart Contract System for the development of the Smart Contract System, the transfer of ETH, the creation, ownership, use or liquidation of Tokens, the potential appreciation or depreciation in the value

of Tokens over time (if any), the allocation of Tokens and/or any other action or transaction related to the Smart Contract System have tax implications for him.

60. By using the Services, and to the extent permitted by law, the User agrees not to hold us or any third party (including our employees, officers, directors, developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the creation, ownership, use or liquidation of Tokens or any other action or transaction related to the Smart Contract System.

Liability; Indemnification

61. The User acknowledges and agrees that, to the fullest extent permitted by any applicable law, the User will not hold us, or any employees, officers, directors, developers, auditors, contractors or our founders and/or the Smart Contract System (collectively, "**Representatives**"), liable for any and all damages or losses whatsoever caused by or related to the use of, or the inability to use, the Tokens, Services and/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 the Company and its Representatives 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, the Smart Contract System, Services and/or the Tokens.

62. The User further specifically acknowledges that the Company and its Representatives are not liable, and the User agrees not to seek to hold them liable, for the conduct of third parties, including other Sögur users, and that all risks involved in using the Services rest entirely with the User.

63. The User shall be solely responsible for its use, sale, transfer or any action in connection with the Tokens, and for the compliance of such use, sale, transfer or action with any and all applicable laws. Without derogating from the generality of the above, the User shall be responsible for the compliance with all applicable securities, anti-money laundering, tax and financial legislation applicable to its actions.

64. You agree to indemnify the Company and its Representatives and hold them harmless for any loss, including direct and indirect damages, costs or expenses, we may suffer as a result of your breach of any of your obligations, undertaking and representations under these Terms, or as a result of your breach of applicable law. You agree to provide us with reasonable assistance with any inquiry or investigation we may conduct as a result of our suspicion that any such breach has occurred.

Miscellaneous

65. 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 the Tokens losing intrinsic value.

66. The User agrees that if any provision of these Terms is found to be 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 these Terms, which shall continue to be in full force and effect.

67. These Terms govern the use of the Services, Website, Smart Contract System and Tokens, and supersede any contradictory public statements made by anyone in the past, present and future.

68. All notices to be provided by us to User under these Terms or in connection with the User's use of the Services may be provided, at our sole discretion, by email to the User's email address provided by the User and/or by posting an update on the Website. Any notice thus provided shall be deemed received on the day of delivery. All notices, requests, inquiries or other communications by the User shall be delivered to us by email to the email address(es) posted on the Website, or through the "contact us" page on the Website.

69. The Company, in its sole discretion, may transfer and/or assign its rights and/or obligations under these Terms and its Whitepaper, in whole or in part, to an affiliated company located within the United Kingdom or elsewhere. The User may not assign any of its rights or obligations hereunder to any third party, without the prior written consent of the Company.

70. These Terms and any dispute or claim arising out of or in connection thereof, and/or the Services, Website, Smart Contract System and/or Tokens, shall be governed by and construed in accordance with the laws of England and Wales, and each Party irrevocably agrees that the courts of London, England, shall have exclusive jurisdiction to settle any such dispute or claim arising out of or in connection thereof.

These Terms and Conditions are effective as of **September 2020**.