

## TIPPER Token ('TIPPER') Sale

### Token Sale Agreement

**Last Update: 18.12.2017**

This **Token Sale Agreement** (the "TSA") shall be entered into by and between **TIPPER INC.**, which expression shall, unless it be objectionable to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns

(*hereinafter* referred to as "the Company" or "We"), **a company that is incorporated under the laws of Panama** with principal place of business at Torres de Las Americas Punta Pacifica 15<sup>th</sup> Floor, Panama City, Panama and the purchaser having signed up for the purchase of TIPPER Tokens ("TIPPERS or TPR") during the Token Pre-Sale or the Token Main Sale on the companies' website <https://www.tippereconomy.io> which expression shall, unless it be objectionable to the context or meaning thereof, be considered to mean and include its successors and permitted assigns (*hereinafter* referred to as "the Purchaser" or "You") on the date of its electronic acceptance by Purchaser.

Whereas, Company and Purchaser (*hereinafter* referred together referred to as "the Parties") desire to enter into a relationship in which the Company will provide Tokens to be used on the websites and other ventures of the TIPPER ecosystem developed by The Tipper company,

Panama City, Panama or its affiliated companies (*hereinafter* collectively referred to as "the TIPPER Company"), as explained in Agreements defined in Terms and Conditions and explained below, in exchange for consideration which has been fixed as published by the Company on its Website and/or any of the documents which make up the Agreements.

Now, therefore, in consideration of the premises, and of the mutual promises and undertakings herein contained, the Parties, intending to be legally bound, do hereby agree as follows:

- I. This TSA sets forth general rules and procedure of the TIPPER ('Token') Sale by the Company and their purchase by the purchasers. The definitions and terms used in the Agreement will have the meaning assigned to them in the Terms and Conditions ('T&C') document.
- II. The parties will agree with all the terms specified in all the Accompanying Documents in addition to the terms specified in this TSA.
- III. Subject to the terms of this TSA and all Accompanying Documents, Company sells and transfers to Purchaser the amount of TIPPER Tokens subscribed by Purchaser and Purchaser

buys the TIPPER Tokens from Company and accepts their transfer to the ERC 20 compatible wallet specified by Purchaser in the registration process.

A. GENERAL TERMS

1. Please be sure to read all the documents which form the Accompanying Documents as specified in the T&C carefully before participation in both the pre-sale and main sale of Tipper Token. Note that the Clause 9 of the T&C contains a binding arbitration clause and class action waiver, which, if applicable to you, affect your legal rights. If you do not agree to any of these terms of sale, do not visit the Website and also do not participate in the Sale of the Tokens or Use the Tokens in any manner at any time.
2. Important note: The Tipper Token is not in any way a financial or securities instrument. It is only proprietary software made for mere participatory access to the Tipper platform (subject to completion and operation) within the TIPPER ecosystem and certain other limited rights as specified in this document or Accompanying Documents.
3. The purchase of Tokens is not in any way a purchase of equity in/ or debt from the Company or its associated entities.
4. The Tokens are issued at the sole discretion of the Company on submission of the requisite payment, completion of identification procedure, submission of all necessary documents and fulfilment of all terms specified in all documents included in 'Agreements' as specified in Clause 2(d) of the T&C. The Company may refuse to allocate or sell any Tokens even on fulfilment of all conditions without assigning any reason thereof.

B. DISCLAIMER:

1. With consultation, we have been advised that our token or its related sale is not considered a security. We are operating as a company selling Tokens that will be used within TIPPER ecosystem of peer-to-peer support and other ventures by the TIPPER INC. If we conclude that any service offering does fall within the scope of a regulation we will be applying to have it regulated in our particular jurisdiction once the token sale has completed. Our Token is not a security since it is simply a form of payment that will be accepted on the TIPPER platform relative to the crowd sale - users have no rights attached to the Token, outside of the participation access provided by ownership of the token and limited rights provided under this TSA or Accompanying

Documents. The platform of the TIPPER Company are separate from the Token, and although offerings on the platforms may be categorized as a security, regulated commodities, or otherwise, and if determined to be so, the platforms will be licensed and regulated accordingly so as to be able to offer such services legally. The Tipper Company offers services through the TIPPER ecosystem, and will be accepting the usage Tokens on its platform. Nevertheless, the Token sale and the platform in the TIPPER ecosystem are separate for all sakes and purposes.

2. Tipper Token is not an investment product of any sort. This document or website does not constitute investment advice or counsel or solicitation for investment in any security and shall not be construed in that way.
3. This document or website and any related documents does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or any invitation to offer to buy or subscribe for, any securities, nor for the Tokens.
4. This is not a company share stock/derivative. It is a sale of a digital asset.
5. The purchase price of the Tokens are quoted for the token sale and sale only and may change or vary in the future or maybe be changed by the Company without any prior intimation.
6. The payment for the Tokens may be made by Users only in the cryptocurrencies or specified fiat currency in the manner specified in the Website and/or any of the Agreements.
7. The Tokens offer no rights to profits of the Company.
8. The Tokens are not designed or disingenuously devised to acquire stock or money, or any expectation of profits.
9. The Tokens may or may not be listed on various secondary markets for trading, however such trading is incidental and non-consequential to the primary purpose and the actual utility of the Token as specified in the Website and Accompanying Documents.
10. 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 this document, the TIPPER whitepaper; the Website; the Agreements; and (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

11. Any usage of term “currency” is a general term associated with internal ledger and reward system, built into the TIPPER software protocol; as it relates to the internal market value within the TIPPER ecosystem. The TIPPER Company expressly disclaim any representation that TIPPER seeks to operate as an any instrument of interstate commerce, “money”, or monetary instrument regulated by relevant governmental authorities inside or outside of the United States.
12. By purchasing the tokens from any country during any of the sale periods and/or using them in connection with the platforms (as defined below), you will be bound by this TSA and all terms incorporated by reference.
13. The TSA or any of the Agreements will not be interpreted against one party merely as it was drafted by the party.
14. The Annexures ‘A’, ‘B’ and ‘C’ are integral part of this TSA and should be read together carefully.
15. Declaration by Purchaser: I agree to the above terms and disclaimers required to receive TIPPER Tokens during this Token Sale. I also declare that I am at least 18 (Eighteen) years old, not from a Restricted State and am competent to provide valid consent to the same as per the laws applicable to me.

**Annexure A**

## **Description of Company, Network and Tokens**

### **1. *Overview of Company and Affiliates***

The *Tipper INC.*, is a business company incorporated in Panama which has been formed to conduct and oversee the TIPPER Token Sale.

### **2. *Overview of Network and Services***

TIPPER is a Token that will be used within TIPPER ecosystem of peer-to-peer support and other ventures by the TIPPER Company. The TIPPER Company at present is in phase one development of the Tier one Tipper blockchain protocol and the Tipper platform/ ecosystem. More ventures are expected in the near future in the TIPPER ecosystem including The TIPPER Wallet and TIPPER exchange.

## **Annexure B**

## **Token Sale Procedures and Specifications**

### **1. *Token Price***

The price will be 0.25 USD =1 TIPPER for the procedures set forth in Section 3 of this **Annexure B**. Company reserves the right to lower the price per Token, at its sole discretion, during the Sale Period.

### **2. *Commencement, Duration and Completion of Token Sale***

The Company will conduct a token Pre-Sale during a period (the “**Pre-Sale Period**”), which will begin on 22 January 2018 (the “**Launch Date**”) and end on 31 January 2018 or earlier or later as decided by the Company. The Pre-Sale will be followed by the Token Main Sale to be conducted in a period (the “**Main Sale Period**”) which will begin on or after 31st January 2018 and end on 10 March 2018 or earlier or later as decided by the Company. The period from the Launch Date until the end of the Main Sale is hereinafter referred to as “**Sale Period**”.

### **3. *Procedures for Buying and Receiving Tokens***

To purchase Tokens during the Sale Period, you must have certain token wallets established and operational. Specifically, you must have: (i) a cryptocurrency wallet supporting Ether if you wish to purchase the Tokens using cryptocurrency or a Fiat currency payment medium (Bank Transfer) and (ii) an Ethereum wallet that supports the ERC20 token standard in order to receive Tokens that you purchase from the Company. Company reserves the right to prescribe additional guidance regarding specific wallet requirements.

At the Launch Date, Company will make available a web application to facilitate your purchase and receipt of Tokens. If you wish to purchase Tokens, you must provide your crypto currency wallet address or bank account details on the web application as a return address. Company is collecting return addresses so that in the event that unforeseen circumstances otherwise cause Company to decide to not proceed with the sale of Tokens. Second, you will need to provide an Ethereum ERC20 compatible wallet address for the distribution of Tokens you purchase via the Smart Contract System. Company may also request certain optional information, such as an email address, through the web interface. Once the Company has received deposit from you, the Company will authorize the Smart Contract System to deliver Tokens to the Ethereum ERC20 wallet address that you provided to Company for delivery of the Tokens.

The Company anticipates that delivery of Tokens from the Smart Contract System to purchasers will occur within one to two weeks after the Sale Period concludes, but reserves the right to delay delivery up to four weeks after the conclusion of the Sale Period. Although the Company does not anticipate any security issues arising from the sale of Tokens, this four week timeframe is intended as a precautionary buffer period for Company to resolve any such security issues.

#### **4. *Tokens to be Sold***

The Company anticipates selling approximately 200,000,000 Tokens during the Sale Period out of which 20,000,000 TIPPER are proposed to be sold in the pre-sale and 200,000,000 in the Main sale. The Tokens to be sold during the Sale Period will be from a pool of Company-owned Tokens transferred from the Company Custodial Wallet to the Smart Contract System. All Tokens will be of equal value and functionality.

A total of 700 million TIPPER will be produced.

#### **5. *Tokens Retained by Company***

Tokens for public sale not sold during the Sale Period will be burned.

The Company will own approximately 40% of the total TIPPER produced (the “**Retained Tokens**”) after the sale has been completed. They are allocated to different heads contemplated for distribution as stated below. Although it has no plans to do so at this time, the Company reserves the right to burn Retained Tokens at any point during or after the Sale Period.

#### **6. Use of Proceeds from Token Sale**

The proceeds from the Token Sale are proposed to be used in the following manner:

- 30% for Marketing and platform growth
- 40% Development of the systems as well as further related technical tasks
- 10% for Legal & Regulatory to establish a regulated and secure framework that stands global crypto and classical market regulation
- 10% for Business Development, which means strategic partnerships to strengthen the entire TIPPER ecosystem
- 10% for operations.

#### **Distribution**

The total company of 700 million TIPPER is proposed to be distributed as follows:

- Founders Tokens: 15%
- Bonuses: 5%
- Bounty- bootstrapping miners and users: 15%
- Legal And Advisory: 5%
- Main Sale: 50%
- M&A Reserve, Buy Back and Options- 10%

100% of the Legal & Advisory Tokens shall be locked up for 6 months.

100% of the Bounty Tokens shall be locked up for 4 months.

50% of the Founder Tokens will be locked up for 1 year.

The envisioned expenditures and areas of development described above are provided for illustrative purposes only, and Company reserves the right to allocate its resources, including proceeds from the sale of Tokens as well as Retained Tokens at its sole discretion.

## Annexure C

### **Certain Risks Relating to Purchase, Sale and Use of Tokens**

***Important Note:*** As noted elsewhere in these Terms, the Tokens are not being structured or sold as securities or any other form of investment contract or product. Accordingly, none of the information presented in this Annexure C is intended to form the basis for any investment decision, and no specific endorsements are intended. 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 this Annexure C, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting from such information.

**By purchasing, holding and using Tokens, you expressly acknowledge and assume the following risks:**

**1. *Risk of Losing Access to Tokens Due to Loss of Private Key(s)***

It is your responsibility to take all the necessary precautions and steps to secure your digital assets. In the realm of crypto currencies a private key, or a combination of private keys, is necessary to gain access, control and dispose of Tokens stored in your digital wallet or vault. Accordingly, loss of any requisite private key(s) associated with your digital wallet(s) or vault storing Tokens will result in loss of such Tokens. Furthermore, any third party that gains access to such private key(s), including by gaining access to login authorizations of a hosted wallet service you use, may be able to misappropriate your Tokens.

**2. *Risks Associated with the Ethereum Protocol***

Because Tokens are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on the Tokens. Moreover, advances in cryptography, or technical advances such as the development of quantum computing or other peer-to-peer systems, could present risks to the Tokens by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.



### **3. *Risk of Mining Attacks***

Like all other decentralized cryptographic tokens based on the Ethereum Blockchain protocol, Tokens are prone to attacks by miners in the course of validating Token transactions on the Ethereum blockchain, including, but not limited, to double-spend attacks, majority mining power attacks, and selfish-mining attacks etc. Any successful attacks present a risk to the Network and the Tokens, including, but not limited to, accurate execution and recording of transactions involving Tokens.

### **4. *Risk of Hacking and Security Weaknesses***

Hackers or other malicious entities or organizations may try to interfere with the Network or the Tokens in a variable ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Additionally, because the Network is open-source software, there is a risk of a third party or a member of the Company team may intentionally or unintentionally introduce weaknesses into the core infrastructure of the Network, which could negatively affect the Network and the Tokens.

### **5. *Risks Associated with Markets for Tokens***

The Tokens or their equivalents are intended to be used solely within the Tipper blockchain system when operational, and Company will not support or otherwise facilitate any secondary trading or external valuation of Tokens. This limits the contemplated avenues for using Tokens to the provision or receipt of Services, and could therefore create illiquidity risk with respect to the Tokens you hold. Even if secondary trading of Tokens is facilitated by third party exchanges, these exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation.

Additionally, to the extent that third parties do attribute an external exchange value to Tokens (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero.

### **6. *Risk of Uninsured Losses***

Bank accounts or accounts at some other financial institutions are usually insured, Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss

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Of utility value, there is no public insurer, such as the Federal Deposit Insurance Corporation, or private insurance arranged by us, to offer recourse to you.

**7. *Risks Associated with Uncertain Regulations and Enforcement Actions***

Blockchain technology is fairly new and still under development therefore, currently predicting how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications is difficult, including the Network and the Tokens. Currently the regulatory status of the Tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. Likewise it is difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including the Network and the Tokens. Regulatory actions could negatively impact the Network and the Tokens in various ways, including, for purposes of illustration only, through a determination that Tokens are a regulated financial instrument that require registration or licensing. 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.

**8. *Risks Arising from Taxation***

Because the tax classification of Tokens is uncertain. It is your responsibility to seek your own tax advice in connection with purchasing Tokens, which may or may not result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements.

**9. *Risk of Alternative Networks***

In the future it is possible for alternative networks could be established that utilize the same open source code and protocol underlying the Network and attempt to facilitate services that are materially similar to the Services. The Network may compete with these alternative networks, which could negatively impact the Network and Tokens.

**10. *Risk of Insufficient Interest in the Network or Distributed Applications***

It is possible that the Network will not be used by a large number of individuals for various reasons, companies and other entities or that there will be limited public interest in the creation and development of distributed ecosystems (such as the Network) more generally. Such a lack of use or interest

could negatively impact the development or growth of the Network and therefore the potential utility of Tokens.

**11. *Risks Associated with the Development and Maintenance of the Network***

The Network is currently under development and may undergo substantial changes over time. Although we intend for the Tokens and Network to follow the specifications set forth in **Annexure A**, and intend to take commercially reasonable steps toward those ends, we may have to make changes to the specifications of the Tokens or Network for any number of legitimate reasons.

This could produce the risk that the Tokens or Network, as further developed and maintained, may not meet your expectations at the time of purchase. Furthermore, despite our good faith efforts to develop and maintain the Network, it is still possible that the Network will experience malfunctions or otherwise fail to be effectively developed or maintained, which may negatively impact the Network and Tokens.

**12. *Risk of an Unfavorable Fluctuation of Ether and Other Currency Value***

The Company plans to use the proceeds from selling of the Tokens to fund the maintenance and development of the Network, as described further in **Annexure B**. All proceeds of the Token sale will be denominated in USD, and converted into other cryptographic and fiat currencies. Moreover, some sales of the Tokens may also be denominated in other fiat or crypto currencies. In the case that the value of Ether or other currencies fluctuates unfavorably during or after the Sale Period, the Company may not be able to fund development, or may not be able to develop or maintain the Network in the manner that it originally intended.

**13. *Risk of Dissolution of the Company or Network***

It's important to note that It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of USD (or other cryptographic and fiat currencies), decrease in the Tokens' utility, the failure of commercial relationships, or intellectual property ownership challenges, the Network may no longer be viable to operate and the Company may dissolve as a result.

**14. *Risks Arising from Lack of Governance Rights***

Because Tokens deliberate no governance rights of any kind with respect to the Company, all decisions involving the Company will be made by Company at its sole discretion, including, but not limited to, decisions to create and sell more Tokens for use in the TIPPER ecosystem, or to sell or liquidate the Company. These decisions could adversely affect the TIPPER ecosystem and the Tokens you hold.

**15. *Risks Involving Trading Platform***

As the TIPPER Company provides services, which are linked to large number of financial transactions, the Services may involve the transfer and storage of large amounts of sensitive and/or proprietary information, which may be compromised in the event of a cyber- attack or other malicious activity. Similarly, the Services may be interrupted and files may become temporarily unavailable in the event of such an attack or malicious activity. Because users can use a variety of hardware and software that may interface with the Network, there is the risk that the Services may become inaccessible or interrupted based on a failure of interoperability or an inability to integrate these third-party systems and devices that the TIPPER Company does not control with the TIPPER Company's Services. The risk that the Services may face increasing interruptions and the Network may face additional security vulnerabilities could adversely affect the Network and therefore the future utility of any Tokens that you hold.

**16. *Unanticipated Risks***

Cryptographic tokens such as the Tokens are a new and untested technology, still in the early years of development. In addition to the risks included in this **Annexure C**, there are other risks associated with your purchase, holding and use of Tokens, including those that the Company cannot anticipate. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this **Annexure C**.