

RLOOP INITIAL TOKEN OFFERING TERMS & CONDITIONS

PLEASE READ THESE INITIAL TOKEN OFFERING TERMS AND CONDITIONS CAREFULLY. IF YOU DO NOT AGREE TO THESE TERMS AND CONDITIONS, DO NOT PURCHASE TOKENS OR PARTICIPATE IN THE RLOOP INITIAL TOKEN OFFERING (ITO).

Your purchase of RLP Tokens (“Tokens”) during the Pre-Initial Token Offering and the Initial Token Offering (as defined below) from rLoop Networks Limited, a limited liability company incorporated in England and Wales under company number 11377985, with its registered office at 40 Bloomsbury Way, London WC1A 2SE (“rLoop”, “we”, “or” “us”) is subject to these terms and conditions of sale (“Terms”). By purchasing Tokens from rLoop during the Initial Token Offering, you will be bound by these Terms and any terms incorporated by reference. If you have any questions regarding these Terms, please contact us at contact@rloop.org

You and rLoop agree as follows:

1. Commencement and Duration of Pre-Initial Token Offering and Initial Token Offering

rLoop will conduct a public sale of Tokens in two phases. The first phase is the Pre-ITO (the “Pre-Initial Token Offering”), which will begin at 00:00 GMT on 8 June 2018 (the “Launch Date”) and end at 11:59 GMT on the day before the ITO begins (the “Pre ITO End Date”) or when 50,000,000 rLoop (“RLP”) Tokens have been sold, whichever is earlier. The second phase is the ITO (the “Initial Token Offering”), which will begin at 00:00 GMT on a future date to be determined (the “Launch Date”) and end 60 days later at 23:59 GMT (the “Initial Token Offering End Date”) or when 200,000,000 rLoop (“RLP”) Tokens have been sold, whichever is earlier.

2. Eligibility

In order to be eligible to participate in the Initial Token Offering you must have an Ethereum wallet that supports the ERC20 token standard, in order to receive any Tokens you purchase from us. We reserve the right to prescribe additional guidance regarding specific wallet requirements. rLoop uses the Ethereum blockchain to issue RLP Tokens, based on the ERC20 standard token and designed and intended for users of the rLoop Platform. Important additional details regarding use of RLP Tokens and Platform are provided in the official rLoop Whitepaper.

3. Purchase and Sale of Tokens

- Price and Payment. The price per 1 RLP Token is 0.0008 ETH (“Price Per Token”). The Price Per Token is set in ether (“ETH”). 1 ETH is equivalent to 1,250 RLP Tokens.
- Purchase Procedure and Discounts. During the Initial Token Offering, Tokens will be available for sale with discounts as indicated from time to time on the rLoop website. Twenty five (25) percent of total RLP Tokens created will be available for public purchase during the initial token offer. A hard cap of 200,000 ETH (250,000,000 RLP Tokens) will be in place during the ITO. rLoop may indicate from time to time a soft cap, but this soft cap is subject to change at rLoop’s discretion and is not binding on any party. We reserve the right, in our sole discretion, to modify any of the procedures described herein to account for network congestion, technical challenges, or any other issues.

Where rLoop has allocated an rLoop-controlled Ethereum wallet to a prospective participant (referred to in correspondence as that prospective participant’s “unique rLoop wallet, or similar) and further when rLoop has received ETH from that prospective participant into that rLoop-controlled Ethereum wallet then:

- If the rLoop Initial Token Offering is not completed before 31 December 2019 (the “Longstop Date”), then the aforesaid ETH is returned less applicable fees and costs (see schedule).
- If rLoop concludes at its sole discretion that for any reason (including no reason) the prospective participant has not successfully completed rLoop’s onboarding procedures, then the aforesaid ETH is returned less applicable fees and costs (see schedule).
- If (2) above does not hold and the rLoop Initial Token Offering completes before the Longstop Date, then the aforesaid ETH is used to purchase RLP Tokens for and on behalf of the prospective participant according to these Terms. Note that, by default, RLP tokens will be allocated to the Ethereum wallet you use to send the ETH. We will confirm this with you before tokens are dispatched post ITO in case you want to change this.

4. Purpose and Use of Tokens in the Network

- The purpose of the Tokens is to facilitate participation on the rLoop Platform (the “Platform”) within the rLoop Network (the “Network”). Additional information regarding the Platform, the Network, and rLoop is summarized and further described in the Whitepaper available at <https://www.rloop.org/whitepaper/> (the “Whitepaper”).
- Purchase, ownership, receipt, or possession of Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of and interaction with the Platform enabled by the Network, if successfully completed and deployed. In particular, you understand and accept that Tokens do not represent or confer any ownership right or stake, share, security, or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Network and/or Company and its corporate affiliates, other than any rights specifically stated in these Terms. The Tokens are not intended to be a digital currency, security, commodity, or any kind of financial instrument.

5. Possible Migration of Tokens

- The Tokens are being created as ERC20 tokens on the Ethereum protocol. We reserve the right to migrate the ERC20 based Tokens (the “Pre-existing Tokens”) to another protocol and to generate replacement Tokens on the new protocol (the “Replacement Tokens”) in the future, should we determine, in our sole discretion, that doing so is necessary or useful to the operation of the Network.
- Should we decide to migrate the Tokens, we may no longer provide support for the Preexisting Tokens relating to the Network, the Platform, or any other operational matters, except with respect to the migration process. Although rLoop does not at this time anticipate that it will require any Pre-existing Token holders to convert their Pre-existing Tokens to Replacement Tokens, rLoop anticipates there will be significant incentives for Pre-existing Token owners to do so, since the practical utility of Pre-existing Tokens will likely diminish rapidly once the Replacement Tokens are created and in use by a significant portion of Network participants. Accordingly, by accepting these Terms you acknowledge and agree that in order for you to continue to participate in the Network or obtain utility from the Tokens you may need to convert the Tokens you purchase during the Initial Token Offering to Replacement Tokens in the future.

6. Scope of Terms

- Unless otherwise stated herein, these Terms only govern your purchase of Tokens from Company during the Initial Token Offering. Any use of Tokens in connection with participation in the Network may be

governed by other applicable terms and conditions and policies.

7. Cancellation: Refusal of Purchase Requests

All purchases of Tokens from us during the Initial Token Offering are final, and there are no refunds or cancellations except as set forth herein or as may be required by applicable laws or regulations. We reserve the right to refuse or cancel Token purchase requests at any time and at our sole discretion.

8. Acknowledgment and Assumption of Risks

You acknowledge and agree that there are risks associated with purchasing, owning, and using Tokens, as disclosed and explained in Exhibit A. By purchasing tokens, you expressly acknowledge and assume these risks.

9. Security

You are responsible for implementing reasonable measures for securing the wallet, vault, or other storage mechanism you use to receive and hold Tokens purchased from us, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). If your private key(s) or other access credentials are lost, you may lose access to your Tokens. We are not responsible for any losses, costs, or expenses relating to lost access credentials.

10. Personal Information

We may determine, at our sole discretion, that it is necessary to obtain certain information about you in order to comply with applicable laws or regulations in connection with selling Tokens to you. You agree to provide us with such information promptly upon request and acknowledge that we may refuse to sell Tokens to you until you provide such requested information and we have determined that it is permissible to sell you Tokens under applicable laws or regulations.

11. Taxes

Any amounts that you pay for Tokens are exclusive of all applicable taxes. You are responsible for determining what, if any, taxes apply to your purchase of Tokens, including, for example, sales, use, value added, and similar taxes. It is also your responsibility to withhold, collect, report and remit the correct taxes to the appropriate tax authorities. We are not responsible for withholding, collecting, reporting, or remitting any sales, use, value added, or similar tax arising from the your purchase of Tokens.

12. Representations and Warranties

By sending ETH to purchase Tokens from us, you represent and warrant that:

- You have read and understand these Terms (including all Exhibits);
 - You acknowledge and agree that there are risks associated with purchasing tokens, owning tokens, and using tokens for the provision or receipt of services in the network including (but not necessarily limited to) the risks described in exhibit A;
 - You have sufficient understanding of technical, financial and business matters (including those that relate to the Platform and Network), cryptographic tokens, token storage mechanisms (such as token wallets), and blockchain technology to understand these Terms and to appreciate the risks and implications of purchasing Tokens;
 - You understand the restrictions and risks associated with the creation of Tokens as set forth herein, and acknowledge and assume all such risks;
 - You have obtained sufficient information about the Tokens, the Platform and the Network to make an informed decision to purchase Tokens;
- You understand that the Tokens confer only the right to participate in the Network (and potentially contribute to the technical development of the Network), and confer no other rights of any form with respect to the Network or rLoop, including, but not limited to, any ownership, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights, except as stated in these Terms;
 - You are purchasing Tokens solely for the purpose of participating in the Network, and supporting the development, testing, deployment and operation of the Network, being aware of the commercial risks associated with rLoop and the Network. You are not purchasing Tokens for any other purposes, including, but not limited to, any investment, speculative or financial purpose;
 - Your purchase of Tokens complies with applicable laws and regulations in your jurisdiction, including, but not limited to, (i) legal capacity and any other threshold requirements in your jurisdiction for the purchase of the Tokens and entering into contracts with rLoop, (ii) any foreign exchange or regulatory restrictions applicable to such purchase, and (iii) any governmental or other consents that may need to be obtained;
 - You will comply with any applicable tax obligations in your jurisdiction arising from your purchase of Tokens;
 - If you are purchasing Tokens on behalf of any entity, you are authorized to accept these Terms on such entity’s behalf and that such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity (references to “you” in these Terms refer to you and such entity, jointly);
 - You are neither a U.S. citizen or permanent resident of the United States, nor do you have a primary residence or domicile in the United States, including Puerto Rico, the U.S. Virgin Islands, and any other possession of the United States. In order to buy the Tokens and by buying the Tokens you covenant, represent, and warrant that none of the owners of rLoop, of which you are an authorized officer, are U.S. citizen or permanent resident of the United States, nor do you have a primary residence or domicile in the United States, including Puerto Rico, the U.S. Virgin Islands, and any other possession of the United States. Should this change at any time, you shall immediately notify rLoop.
 - You are not (i) a citizen or resident of a geographic area in which access to or use of the Services or the acceptance of delivery of the Tokens is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other sovereign country sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce’s Denied Persons or Entity List, the U.S. Department of Treasury’s Specially Designated Nationals or Blocked Persons Lists, or the U.S. Department of State’s Debarred Parties List. You agree that if your country of residence or other circumstances change such that the above representations are no longer accurate, that you will immediately cease using the Services. If you are registering to use the Services on behalf of a legal entity, you further represent and warrant that (i) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization, and (ii) you are duly authorized by such legal entity to act on its behalf;
 - You agree that the Tokens may not be resold to United States purchasers, other than as may be permitted pursuant to applicable exemptions under the U.S. Securities Act of 1933, as amended (the “Securities Act”), including pursuant to Regulation S and/or Regulation D

promulgated thereunder. If you purchase Tokens in the Initial Token Offering, you will be unable to resell the Tokens into the United States unless such resale is registered with the U.S. Securities and Exchange Commission or unless an applicable exemption under the Securities Act applies.

- (n) You are not a citizen of a country identified by FATF as having strategic AML/KYC deficiencies, namely Afghanistan, Ethiopia, Iran, Iraq, Lao PDR, North Korea, Syria, Uganda, Vanuata and Yemen.

13. Indemnification

- (a) To the fullest extent permitted by applicable law, you will indemnify, defend and hold harmless rLoop and our respective past, present and future employees, officers, directors, contractors, consultants, attorneys, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the "Company Parties") from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys' fees) that arise from or relate to (i) your purchase or use of the Tokens, (ii) your responsibilities or obligations under these Terms, (iii) your violation of these Terms, or (iv) your violation of any rights of any other person or entity.
- (b) rLoop reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification under Section 14. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between you and rLoop.

14. Limitation of Liability

To the fullest extent permitted by applicable law (i) in no event will rLoop or any of rLoop parties be liable for any indirect, special, incidental, consequential, or exemplary damages of any kind (including, but not limited to, where related to loss of revenue, income or profits, loss of use or data, or damages for business interruption) arising out of or in any way related to the sale or use of the tokens or otherwise related to these terms, regardless of the form of action, whether based in contract, tort (including, but not limited to, simple negligence, whether active, passive or imputed), or any other legal or equitable theory (even if the party has been advised of the possibility of such damages and regardless of whether such damages were foreseeable), and (ii) in no event will the aggregate liability of rLoop and rLoop parties (jointly), whether in contract, warranty, tort (including negligence, whether active, passive or imputed), or other theory, arising out of or relating to these terms or the use of or inability to use the tokens, exceed the amount you pay to us for the tokens.

15. Governing Law and Venue

These Terms will be governed by and construed and enforced in accordance with the laws of England and Wales, without regard to conflict of law rules or principles (whether of England and Wales or any other jurisdiction) that would cause the application of the laws of any other jurisdiction.

16. Severability

If any term, clause or provision of these Terms is held unlawful, void or unenforceable, then that term, clause or provision will be severable from these Terms and will not affect the validity or enforceability of any remaining part of that term, clause or provision, or any other term, clause or provision of these Terms.

17. Miscellaneous

These Terms constitute the entire agreement between you and us relating to your purchase of Tokens from us. We may assign our rights and obligations under these Terms. Our failure to exercise or enforce any right or provision of these Terms will not operate as a waiver of

such right or provision. We will not be liable for any delay or failure to perform any obligation under these Terms where the delay or failure results from any cause beyond our reasonable control. Purchasing Tokens from us does not create any form of partnership, joint venture, or any other similar relationship between you and us. Except as otherwise provided in herein, these Terms are intended solely for the benefit of you and us and are not intended to confer third-party beneficiary rights upon any other person or entity. You agree and acknowledge that all agreements, notices, disclosures, and other communications that we provide to you, including these Terms, will be provided in electronic form.

IMPORTANT NOTE: As noted elsewhere in these Terms, the Tokens are not being structured or sold as securities or any other form of investment product. Accordingly, none of the information presented in this Exhibit A is intended to form the basis for any investment decision, and no specific recommendations are intended. RLoop 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 Exhibit A, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting from such information.

By purchasing, owning, 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), Custodial Error or your Error

A private key, or a combination of private keys, is necessary to control and dispose of Tokens stored in your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with your digital wallet or vault storing Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet service you use, may be able to misappropriate your Tokens. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store Tokens, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your Tokens. Additionally, your failure to precisely follow the procedures set forth in for buying and receiving Tokens, including, for instance, if you provide an incorrect Token Receipt Address, or provide an address that is not ERC20 compatible, may result in the loss of your Tokens.

2. Risks Associated with the Ethereum Protocol

Because Tokens and the Network are partially based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on the Network or Tokens. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the Tokens and the Network, including the utility of the Tokens for obtaining Services, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.

3. Risk of Mining Attacks

As with other decentralized cryptographic tokens based on the Ethereum protocol, the Tokens are susceptible 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. 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 groups or organizations may attempt to interfere with the Network or the Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Network is based on open-source software, there is a risk that a third party or a member of rLoop 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 are intended to be used solely within the Network and rLoop will not support or otherwise facilitate any secondary trading or external valuation of Tokens. This restricts the contemplated avenues for using Tokens to participation in the Network, which could pose a liquidity risk with respect to any Tokens you own. Even if secondary trading of Tokens is facilitated by third-party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation. Furthermore, to the extent that third parties do ascribe an external exchange value to 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

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

7. Risks Associated with Uncertain Regulations and Enforcement Actions

The regulatory status of the Tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications, including the Network and the Tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to laws and regulations 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 the purchase, sale and delivery of the Tokens constitutes unlawful activity or that the Tokens are a regulated instrument that require registration or licensing of those instruments or some or all parties involved in the purchase, sale and delivery thereof. RLoop 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

The tax characterization of Tokens is uncertain. You must seek your own tax advice in connection with purchasing Tokens, which may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements.

9. Risk of an Unfavourable Fluctuation of ETH

If the value of ETH fluctuates unfavourably during or after the Initial Token Offering, we may not be able to fund development, or may not be able to develop or maintain the Network in the manner that it intended. In addition to the usual market forces, there are several potential events which could exacerbate the risk of unfavourable fluctuation in the value of ETH, including uncertainties created by the lack of resolution to the Bitcoin scaling debate, the possibility of a so-called "Hard Fork" of Bitcoin if one of the competing camps in the scaling debate decides to force the issue; a major attack on the Ethereum network; or significant security incidents or market irregularities at one or more of the major cryptocurrency exchanges.

10. Risk of Dissolution of rLoop or Network

It is possible that, due to any number of reasons, including, but not limited to, an unfavourable fluctuation in the value of Ethereum ETH (or other cryptographic and fiat currencies), decrease in the Tokens' utility and intellectual property ownership challenges, the Network may no longer be viable to operate or rLoop may dissolve.

11. Risks Arising from Lack of Governance Rights

Because Tokens confer no governance rights of any kind with respect to the Network or rLoop, all decisions involving the Network or rLoop itself will be made by rLoop at its sole discretion, including, but not limited to, decisions to discontinue the Network, to create and sell more Tokens for use in the Network, or to sell or liquidate rLoop. These decisions could adversely affect the Network and the utility of any Tokens you own, including their utility on the Network.

12. Unanticipated Risks

Cryptographic tokens such as the Tokens are a new and untested technology. In addition to the risks included in this Exhibit A, there are other risks associated with your purchase, possession, and use of the Tokens, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this Exhibit A.