

Terms and conditions for the presale offering of OCT Tokens

These terms and conditions (**Terms**) set out the terms upon which you (**you, your, Participant**) may participate in the presale offering of the OCT Token (**Offering**) offered by Digital Silo Pty Ltd ACN 626 208 393 (**we, us, our, Issuer**).

Please read these Terms carefully. Your participation in the Offering and submission of a Buy Order indicates your acceptance of the Terms, and enters you into a binding contract with us.

Nothing on the Website should be considered an offer or solicitation to buy or sell any service or product to any person in any jurisdiction where such offer or solicitation would be unlawful.

We are related to the entity that operates and controls the Website and String Exchange.

1. The Offering

1.1 We will make 2,000,000 OCT Tokens available during pre-sale, which will be released in the following two phases:

- (1) the first 500,000 OCT Tokens will be offered for sale at \$0.70 AUD per OCT Token (**First Phase**), and
- (2) the remaining 1,500,000 OCT Tokens will be offered for sale at \$0.80 AUD per OCT Token (**Second Phase**).

1.2 As such, depending on the date on which you place your Buy Order and deposit your Contribution Amount, it is possible that you will be charged \$0.70 AUD for a number of OCT Token distributed to you, and \$0.80 AUD for some OCT Token distributed to you. The number of OCT Tokens that you will receive will be determined on the Settlement Date.

1.3 Subject to a Refund Event, remaining OCT Tokens not sold by the Settlement Date will be listed on the String Exchange for sale at \$1.00 AUD per OCT Token.

1.4 It is our intention that you will be able to use your OCT Tokens to:

- (1) purchase OctoWallet via the Website when the OctoWallet is released, which purchase price will be at a discount to the standard market rate for OCT Token holders, and
- (2) trade OCT Tokens via the String Exchange.

1.5 Despite our intention, we make no promise or representation that you will be able to use your OCT Token in the intended ways.

1.6 If you use your OCT Token to purchase an OctoWallet, the OCT Token used to purchase an OctoWallet from the Issuer will not be recirculated.

2. Who can participate in the Offering

2.1 To participate in the Offering, you must:

- (1) be an Australian resident, partnership or company (including one acting in the capacity as trustee), and
- (2) if you are an individual, be over the age of 18.

2.2 Notwithstanding the above, we retain absolute discretion in determining who may participate in the Offering and may accept or reject any Buy Order.

- 2.3 The Offering is not intended to be offered or made available to any person who resides outside Australia, and is not offered to any person in any jurisdiction where the distribution or use of the OCT Token would be contrary to any law or regulation.

3. How to participate

- 3.1 To participate in the Offering, you must have an Account and provide us with a valid ERC20 address which will support your OCT Tokens. You will not be able to receive your distribution of OCT Token unless and until you have provided us with a valid ERC20 address.
- 3.2 You acknowledge that the Account is not a wallet, and that neither we nor the Website hold your OCT Tokens, or any other cryptotokens, on your behalf.
- 3.3 To purchase OCT Tokens, you must:
- (1) login to your Account via the Website
 - (2) deposit an amount of AUD using an Authorised Payment Method, or deposit an amount of Ethereum, into your Account, and
 - (3) place a Buy Order by clicking on the “Contribute Now” button and entering your desired Contribution Amount. The AUD and/or Ethereum already deposited in your Account must be equal to or great than the Contribution Amount you insert.
- 3.4 If the Contribution Amount entered is greater than the value of AUD and/or Ethereum in your Account, the Buy Order will be invalid and will not be processed. It is your responsibility to ensure there are sufficient funds (AUD and/or Ethereum) in your Account to complete a Buy Order.
- 3.5 There is a limit of 1,000 OCT Tokens for each participant in the Offering. If your desired Contribution Amount is greater than the cost of 1,000 OCT Token, the surplus AUD or Ethereum will remain in your Account.
- 3.6 For the avoidance of doubt, we will not refund the Contribution Amount after a valid Buy Order has been confirmed, unless a Refund Event occurs or unless we are otherwise required to by law.
- 3.7 The number of OCT Token that you will be allocated will not be determined when you confirm your Buy Order. Your OCT Token allocation will be based on your Contribution Amount and determined on the Settlement Date.
- 3.8 If your Contribution Amount consists of Ethereum, either all or in part, the Market Rate will be used to determine the value of your Ethereum on the Settlement Date, which value will be used to determine the number of OCT Token to be distributed to you. If you choose to fund the Contribution Amount in Ethereum, you accept the risk that the Market Rate of your deposited Ethereum on the Settlement Date may be less than when you placed the Buy Order, and acknowledge the number of OCT Token ultimately allocated to you on the Settlement Date may be less than you may have received on the day you placed the Buy Order. Similarly, if the value of your Ethereum increases in value, you will receive the benefit of that increase.

4. Your Account

- 4.1 You are also responsible for checking that all activity on your Account, including lodging a Buy Order to participate in the Offering, is authorised by you. You agree to indemnify us against any loss incurred by us, including but not limited to loss incurred by us as a result of loss incurred by other participants, due to the unauthorised use of your Account which relates to the Offering.

4.2 You must only participate in the Offering via your own Account. You must not attempt to gain unauthorised access to the Account of another user for the purpose of participating in the Offering.

5. Holding of OCT Token

5.1 We are the issuer of the OCT Tokens and, subject to the success of the Offering, will be the issuer of the OctoWallet.

5.2 Prior to the Settlement Date, the OCT Tokens available for distribution will be held jointly by a related third party, Blockchain Tech Pty Ltd, and us in order to maintain the security of the undistributed OCT Tokens.

5.3 On the Settlement Date, you will be issued and transferred the number of OCT Token which corresponds with the Contribution Amount made by you. You will be the beneficial and legal owner of your OCT Tokens upon receipt of your OCT Tokens, and all risk associated with ownership of the OCT Tokens will pass to you.

6. Refund Event

6.1 If, by the Settlement Date, the sum of the Contribution Amounts raised in the Offering does not total the amount necessary to proceed with the Project, a Refund Event occurs.

6.2 If a Refund Event occurs, we may, in our absolute discretion:

- (1) decide to continue the Offering and vary the Settlement Date accordingly, or
- (2) refund your Contribution Amount.

6.3 If we choose to refund your Contribution Amount, the refund will be in the same payment medium of your original Contribution Amount (that is, AUD or Ethereum), less an administration fee which will be no more than \$20 AUD in value.

6.4 For the avoidance of doubt, a Refund Event cannot occur after the allocation of OCT Tokens. Once OCT Tokens have been allocated, no Participant is eligible for a refund.

7. Referral Program

7.1 We may select third parties to be referrers (**Referrers**) for the purpose of promoting the Offering. We do not verify or validate information provided to you in relation to the offering by a Referrer, other than the Referral Link, and take no responsibility for you placing reliance on any information provided to you by a Referrer.

7.2 Referrers will be provided with a Referral Link. If a Referrer provides you with a Referral Link, and you submit a Buy Order (which requires you to give a Contribution Amount) by following the Referral Link in accordance with these Terms, you may be eligible to receive 2 per cent more OCT Tokens (**Bonus OCT Tokens**) than your Contribution Amount would otherwise entitle you to receive. If you do not already have an Account, you will be required to open an Account prior to benefiting from the Referral Program.

7.3 The Referral Program will only be available during the Second Phase.

7.4 The allocation of Bonus OCT Tokens are subject to availability and are not guaranteed. That means that if all 2,000,000 OCT Tokens available are sold prior to the Settlement Date, there will be no OCT Token surplus to allocate Bonus OCT Tokens.

7.5 Any Bonus OCT Tokens allocated to you will be distributed at the same time as the OCT Tokens to which you are entitled based on your Contribution Amount are distributed.

8. Commissions and fees

8.1 The following fees and/or commission may apply:

- (1) If a Refund Event occurs and we refund your Contribution Amount, an administration fee of no more than \$20 AUD in value may be deducted from the refund amount, in accordance with clause 6.3.
- (2) Referrers may receive OCT Tokens for Successful Referrals made as part of the Referral Program. Any such commission will not be payable by you, and will not affect your allocation of OCT Token.

9. Our obligations

9.1 In providing the Offering, we will:

- (1) use all reasonable care and skill in facilitating the Offering
- (2) comply with the laws and regulations in relation to the Offering
- (3) endeavour to develop, manufacture and make available for sale the OctoWallet, and
- (4) in the case of fraud or other suspicious activities, report all necessary information, including names, addresses and all other requested information, to the relevant authorities dealing with fraud and breaches of the law.

10. Participant's representations, acknowledgements and risk

10.1 You represent and warrant that:

- (1) the information you provided when you opened an Account on the Website was accurate, current and complete, and there is no reason to believe that your Account may be closed
- (2) you are eligible for an Account and have the capacity to enter into these Terms and participate in the Offering
- (3) you will not, and will not attempt to, participate in the Offering via another participant's Account, and
- (4) you understand the risks, and have read, understood and agree with the acknowledgments.

10.2 You acknowledge that:

- (1) dealing in cryptotokens, including OCT Tokens, carries a high level of risk and may not be suitable as an investment. Before deciding to purchase, hold or trade OCT Tokens, you should carefully consider your objectives, financial situation and needs
- (2) despite our best efforts, the OctoWallet may not be manufactured and may never become available for purchase
- (3) the value of OCT Token may rise or fall, and may be affected by matters outside of our control. We cannot guarantee the value of your OCT Token
- (4) any representation made by us about the market value of the OCT Token is an estimate only, and is based on what we intend to sell the OCT Token for, what we intend to sell the OctoWallet for, market information available and calculations made at the time of the representation, all of which are subject to change

- (5) the OCT Token may not be liquid
- (6) we do not control or manage your Account on the Website, or operate the Website, and
- (7) some or all of the 2,000,000 OCT Token available for sale in the Offering may not be sold.

11. Our representations

11.1 We make no warranty or representation that:

- (1) OctoWallet will be available for purchase by a particular date, or that OctoWallets will be available for purchase at all
- (2) OCT Token will hold their value or be liquid, and note that OCT Tokens transferred to us as payment for OctoWallet(s) will be destroyed and not recirculated, and we have no intention of listing OCT Token on any exchange or platform, other than the String Exchange
- (3) we operate or have any control over the Website or your Account
- (4) the Website is free from errors, viruses, worms, malware, spyware, scareware, Trojans or other technical anomalies which may cause problems or damage to your hardware, software or wallets
- (5) access to the Website, including access to your Account, will be continuous, or
- (6) we set, or are able to control, the resale value of the OCT Tokens traded via the String Exchange.

12. Privacy

12.1 We may collect Personal Information from you in order to make the Offering and other services available to you. Any Personal Information that we collect will be handled in accordance with our Privacy Policy, which can be found on the Website.

13. Intellectual property

13.1 All intellectual property rights vested in text, images or any other content found on the Website related to the Offering are owned by, or licensed to, us and/or our Related Entities. As a user, you are granted a limited, non-exclusive, revocable and non-transferable licence to copy, distribute, reproduce, republish, upload, transmit or post content relating to the Offering without our prior express written authorisation. Subject to this clause 13.1, you may not use our intellectual property in any other way without prior express written authorisation.

13.2 Any use of our intellectual property must not be used in connection with a product or service that is not affiliated with us, or in such a way that may bring us into disrepute. You must not modify our intellectual property in any way. You agree to make it clear that any opinions, advice, statements, services, offers, or other information or content expressed or provided by you in association with our intellectual property are not those of the Issuer.

13.3 We may take any action available in law or equity to protect our intellectual property and to remedy any breach or potential breach of our rights, including by seeking an injunction to prevent a breach of our rights.

14. Limitation of liability

14.1 Despite anything else in these Terms:

- (1) if an applicable law imposes a liability on us which cannot be excluded, but permits us to limit that liability, our liability is limited to the maximum extent permitted by law, and
 - (2) nothing in these terms excludes our liability for fraud or for any other liability which by law cannot be excluded.
- 14.2 We, including our Related Entities, officers, directors, employees, contractors and/or workers, are not liable for any damages, losses, costs, loss of profit, loss of revenue, loss of business, loss of opportunity, loss of data or loss of OCT Tokens or Ethereum, as a result of:
 - (1) you directing us to transfer OCT Token to an incorrect wallet or other destination
 - (2) you failing to deposit the Contribution Amount for us to process a Buy Order
 - (3) any delay by a bank or other third party provider
 - (4) Website malfunction, breakdown, interruption or other failure, including the Website being unavailable at any time
 - (5) unauthorised use of your Account, including the submission of an unauthorised Buy Order
 - (6) any failure or lack of security measures
 - (7) any failure of the String Exchange
 - (8) an inability to perform our obligations under these Terms because of factors beyond our control, including because of a Force Majeure Event, or
 - (9) your participation in the Offering generally.
- 14.3 All statutory or implied terms are excluded to the extent permitted by law. Participants may have rights against us under statutory implied terms which cannot legally be excluded. To the extent permitted by law, our liability to the Participant under any statutory implied terms which cannot legally be excluded is limited to supplying relevant goods or services again, or paying the cost of having the relevant services supplied again.
- 14.4 We will not be liable under any circumstances (including but not limited to any act or omission on our part) for damages arising out of an action under contract, negligence or for any loss or consequential loss including any profits, data, reputation, opportunity, goodwill or any business interruption or other pecuniary loss or any incidental damages, punitive damages or exemplary damages whatsoever that result from your participation in the Offering.
- 14.5 In the case of suspected fraud or other suspicious activities, we will report all necessary information, including names, addresses and all other requested information, to the relevant authorities dealing with fraud and suspected breaches of the law.
- 14.6 In addition to the other limitations of liability in these Terms, our aggregate liability in respect of claims based on events arising out of or in connection your participation in the Offering, whether in contract or tort (including negligence) or otherwise, shall in no circumstances exceed the total of your Contribution Amount, to be calculated at the time the Buy Order(s) the subject of the complaint was confirmed.
- 14.7 You are responsible for any tax liability arising from your OCT Token allocation and will indemnify us if we are obliged to pay tax on your behalf in respect of any Contribution Amount, confirmed Buy Order or OCT Token allocated to you.

15. Indemnity

- 15.1 You indemnify us, and each of our directors, officers, shareholders, advisers, consultants, agents and contractors (each an **Indemnitee**) against all liabilities, claims, losses and expenses (**Losses**) which may be incurred or suffered by the Indemnitees directly or indirectly arising out of your participation in the Offering or your failure to comply with these Terms. Losses may include consequential losses and any legal fees incurred in defending or responding to Losses.
- 15.2 This indemnity will apply regardless of whether a Buy Order was entered in error, but will not apply to the extent that Losses were incurred or suffered by us due to any fraud or wilful default on our part.

16. Variation

- 16.1 We reserve the right, in our sole discretion, to vary these Terms, at any time. We will endeavour to notify you of such variations 7 days in advance of making a variation via your Account, or via email.
- 16.2 You acknowledge that we may vary these Terms immediately without notice if it is reasonably necessary to do so for security reasons or to comply with law or regulation or to protect our legitimate business interests.

17. Miscellaneous

- 17.1 We are not licensed as an Australian Financial Services Licensee. We are not seeking to offer any financial products, and do not offer general or personal financial product advice. The Offering is not intended to be, and should not be taken as a financial product or service. Participants should seek their own financial, legal and tax advice in respect of the Offering.
- 17.2 We are not liable for any information provided by a third party in respect of the Offering, and do not explicitly or implicitly endorse or approve any third party, including Referrers.
- 17.3 These Terms are governed by the laws of Victoria, Australia and you submit to the exclusive jurisdiction of the courts of Victoria.
- 17.4 If any provision of these Terms is deemed invalid or unenforceable by a court of competent jurisdiction, the provision will be enforceable to the maximum extent permissible and the remaining provisions remain in full force and effect.

18. Contact us

- 18.1 If you have any questions about these Terms, please contact us:

- (1) by email: support@octowallet.com
- (2) by visiting: <https://www.octowallet.com/preSale>

19. Definitions

In these Terms:

- (1) **Account** means an account with the Platform, which has been opened and is operated in accordance with any terms and conditions applying to that account.
- (2) **Authorised Payment Method** means payment methods accepted by us as published on the Website from time to time, and includes:
 - (a) direct bank transfer, or

- (b) POLi Payments, which is the online payment option which facilitates internet banking payment from your bank account to a third party operated by POLi Payments Pty Ltd.
- (3) **Buy Order** means an order to purchase OCT Tokens placed through the Website.
- (4) **Contribution Amount** means the amount that you wish to contribute to the Project, which amount will be used to determine the number of OCT Tokens that you will be allocated on the Settlement Date.
- (5) **ERC20** means the technical standard used for smart contracts on the Ethereum blockchain for implementing tokens.
- (6) **Force Majeure Event** means events or causes including but not limited to, the following: an act of God, unavoidable accident of navigation, war (whether declared or not), sabotage, riot, insurrection, civil commotion, national emergency (whether in fact or law), martial law, fire, flood, cyclone, earthquake, landslide, explosion, power or water shortage, failure of a transmission or communication network, epidemic, quarantine, strike or other labour difficulty or expropriation, restriction, prohibition, law, regulation, decree or other legally enforceable order of a government agency, breakage or accident, change of International, State or Commonwealth law or regulation or any damage of our, or a Related Entity's, machinery or systems, unless occurring as a result of an act, omission, default or negligence of a participant (including you) or the Issuer.
- (7) **Market Rate** means the prevailing market rate of Ethereum at a point in time.
- (8) **OctoWallet** means the cryptocurrency hardware wallet developed and manufactured by us (in collaboration with various third parties) which is compatible with Trezor's Bridge initialisation software and is able to plug-in to an Android smartphone.
- (9) **OCT Token** means the ERC20 token issued by the Issuer to raise funds for the Project.
- (10) **Personal Information** has the meaning given by the Privacy Act 1988 (Cth).
- (11) **Platform** means the String.Funding platform.
- (12) **Project** means the development and manufacture of the OctoWallet.
- (13) **Promoter** means Digital Silo Pty Ltd.
- (14) **Referral Link** means a unique URL link that is provided by us to a Referrer to share with potential participants.
- (15) **Referral Program** means the referral program whereby third party referrers selected by us enable participants to receive bonus OCT Tokens by providing them with a Referral Link.
- (16) **Refund Event** has the meaning given to that term in clause 6 of these Terms.
- (17) **Related Entity** includes the plural and has the meaning given to that term in section 9 of the *Corporations Act 2001* (Cth).
- (18) **Settlement Date** means the earlier of:
- (a) 24 October 2018, or
 - (b) when 2,000,000 OCT Tokens have been sold,
- unless otherwise varied as a result of a Refund Event in accordance with clause 6.2(1).

- (19) **String Exchange** means the cryptotoken exchange called String Exchange that is operated by Dashboard Management Pty Ltd.
- (20) **Successful Referral** means a referral made by a Referrer to a participant that has resulted in that participant making a Buy Order and depositing the Contribution Amount via the Referral Link, and receiving the Bonus OCT Tokens, in accordance with clause 7.
- (21) **Website** means the www.string.fund website that is owned and operated by Digital Galaxy Pty Ltd ACN 625 459 814.

Last updated: 20 September 2018