

WEBSITE AND COART TOKEN USAGE AND TOKEN SALE PARTICIPATION AGREEMENT

WHEREAS, CoinArt OÜ is a COAT token seller and provider of various technology services under the brand name “CoArt” (hereinafter – **COART, our, we** or **us**);

WHEREAS, you (hereinafter – **you** or the **User**) are an individual or entity that uses the following website: <http://coart.io> (hereinafter – the **Website**), and (or) COAT token and (or) participates in the Token Sale;

NOW, THEREFORE, for and in consideration of the foregoing and the mutual covenants and agreements contained herein, the parties hereby stipulate, agree and enter into the agreement (hereinafter – the **Agreement**) as follows:

1. DEFINITIONS

- 1.1. **Account** – online account created by the User at the Website.
- 1.2. **Blockchain** – a distributed immutable database that maintains a continuously-growing list of records called blocks in an open ledger, providing a transparent and reliable basis for automated contracting and payments resulting from real-time commercial activity.
- 1.3. **Ether** – the virtual currency used within Ethereum.
- 1.4. **Ethereum** – an open blockchain platform accessible at www.ethereum.org.
- 1.5. **COART** – CoinArt OÜ – COAT token seller and provider of various technology services under the brand name “CoArt”.
- 1.6. **COAT token** – a virtual currency created and issued by COART.
- 1.7. **Registering at the Website** – an action taken by the User enabling him or her to participate in the Token Sale or to use any Services or any other performance of actions indicating User’s acceptance of the terms of the Agreement and the conclusion thereof.
- 1.8. **Services** – any services provided by COART and (or) its affiliates related to the Token Sale and (or) usage of COAT tokens and (or) the Website, including the services available to registered Users on the Website.
- 1.9. **Smart Contract** – refers to Ethereum smart contract.
- 1.10. **Token Sale** – a restricted pre-sale (pre-ICO), initial coin offering (ICO) or other sale of COAT tokens organized by COART to eligible Users.
- 1.11. **User** – an individual or entity that uses the Website and (or) Services and (or) COAT token and (or) participates in the Token Sale.
- 1.12. **Virtual currency** – a digital representation of value that is neither issued by a central bank or a public authority, nor necessarily attached to a fiat currency, but is accepted by natural or legal persons as a means of payment and can be transferred, stored or traded electronically. The definition of virtual currency includes all types of cryptocurrencies and tokens.
- 1.13. **Wallet** – any type of digital wallet used for storage of virtual currencies.
- 1.14. **Website** – refers to the following official website of COART: <https://coart.io>.

- 1.15. **Whitepaper** – the document located at the Website containing the Token Sale conditions and describing COART’s project and business model.

2. SCOPE OF THE AGREEMENT

- 2.1. The Agreement sets out the terms and conditions for participation in the Token Sale and the usage of COAT tokens, the Website and Services.

3. ACCEPTANCE AND CHANGES TO THE AGREEMENT

- 3.1. Your access to and use of the Website and (or) Services is subject exclusively to the Agreement. By registering at the Website you agree to be bound by and accept the Agreement, its terms and conditions and all the policies and guidelines that are incorporated by reference (for example, the Privacy Policy). If you do not agree with the Agreement and (or) individual provisions of the Agreement, you cannot use the Website and Services and must immediately stop using the Website and (or) Services. We recommend that you store or print-off a copy of the Agreement for your records.
- 3.2. The Agreement comes into effect at the moment you register at the Website.
- 3.3. COART may change, amend, delete or add to the Agreement or any of the terms and conditions contained in any policies or rules governing the Website and (or) Services at any time and in its sole discretion without notice. Any such changes will be effective upon the posting of the revised Agreement or such policies and rules on the Website and you are solely responsible for reviewing any such notice and the corresponding changes to the Agreement. Your continued use of the Website and (or) Services following any such revisions to the Agreement or such policies and rules will constitute your acceptance of such changes. If you do not agree to any such changes, do not continue to use the Website and (or) Services.
- 3.4. COART may at any time change or remove (temporarily or permanently) the Website, Services and their information from the Website without indicating the reasons of such change or removal and you confirm that COART shall not be liable to you for any such change or removal.
- 3.5. COAT tokens as virtual currencies explicitly do not fall within the scope of existing regulation. If there are any regulations imposed or court decisions made regarding the legal treatment of virtual currencies, the terms and conditions of the Agreement and (or) other conditions regarding the usage of COAT tokens may be changed significantly by COART to meet such regulatory requirements.
- 3.6. Use of the Website and (or) Services is limited to parties that are 18 years old or older and lawfully can enter into and form contracts under applicable law.

4. USAGE OF THE WEBSITE AND SERVICES

- 4.1. If you want to start using the Website and (or) Services, you must register at the Website. COART is entitled to refuse your access to the Website without indicating the reasons.
- 4.2. COART can also request you to provide any documents required to perform either your background check or check of your provided information.
- 4.3. COART reserves the right to suspend your usage of the Website and (or) Services until your identity is completely verified.
- 4.4. Any loss that occurs as a result of negligent security practices, whether it be on the part of you, or COART, will not be the responsibility of COART, its directors, associates or employees.

- 4.5. The User shall bear any losses that occur regarding to the submission of invalid or incorrect data. You unconditionally warrant that any information, data and (or) content you provide:
 - 4.5.1. will be correct, accurate and not misleading or otherwise deceptive;
 - 4.5.2. will not infringe the intellectual property rights of COART or any third party such as copyright, patent, trademark, trade secret or other proprietary rights, rights of publicity or privacy;
 - 4.5.3. will not violate any law, statute, or regulation;
 - 4.5.4. will not be defamatory or libellous, and,
 - 4.5.5. will not create liability for COART.
- 4.2. You shall not use the Website and (or) Services for any purpose that is unlawful or prohibited by the Agreement and applicable legal requirements. Your registration at the Website implies your confirmation and a guarantee that by using Services you will act honestly and in such a way that it would meet the interests of both you and COART. COART has a right to restrict your usage of the Website and (or) Services without prior notice if you use the Website and (or) Services in unlawful or other unaccepted way.

5. REQUIREMENTS FOR PARTICIPATION IN THE TOKEN SALE

- 5.1. Before taking any action with respect to participation in the Token Sale, you shall peruse and understand the Agreement, all the whitepapers of COART published at the Website, contents of the Website; and other relevant documents and information published by COART. These documents are incorporated as integral parts to the Agreement. You shall refrain from purchasing any COAT tokens until you understand and accept these documents. By participating in the Token Sale you expressly acknowledge and represent that you have carefully reviewed the Agreement, and fully understand the risks, costs, and benefits associated with COAT tokens and you agree to be bound by the terms of the Agreement.
- 5.2. You shall meet certain participation requirements set forth in the Website to participate in the Token Sale. You shall participate in the Token Sale only within such period and in such manner as set forth in the Website.
- 5.3. In addition to participation requirements set forth in the Website you shall represent, warrant, acknowledge and agree that:
 - 5.3.1. you are of sufficient age (minimum 18 years of age) to participate in the Token Sale and have full capacity of civil conduct under the applicable laws;
 - 5.3.2. you are legally permitted to participate in the Token Sale and are legally permitted to receive and hold COAT tokens;
 - 5.3.3. your participation in the Token Sale is voluntary and based on your own independent judgment without being coerced, solicited or misled by anyone else;
 - 5.3.4. you have sufficient knowledge on virtual currencies, cryptographic protocol and blockchain technology;
 - 5.3.5. you do not contemplate to use COAT tokens for any speculative, illegal or non-ethical purpose, including, but not limited to, speculative investment;
 - 5.3.6. you do not intend to break or misuse COAT tokens or Services for money laundering or any illegal activities;
 - 5.3.7. you take sole responsibility for any restrictions and risks associated with participating in the Token Sale, receiving and holding COAT tokens, whether referred to in the Agreement, arising under any applicable law or otherwise;
 - 5.3.8. you waive the right to participate in any class action lawsuit or any class wide arbitration against COART and any person or legal entity associated with it;
 - 5.3.9. you are participating in the Token Sale to facilitate the development, testing, deployment and operation of COART's products and services;
 - 5.3.10. the proposed outcomes discussed in the Whitepaper may not be achieved;
 - 5.3.11. COAT tokens may not provide the rewards envisaged;

- 5.3.12. participating in the Token Sale, receiving and holding COAT tokens do not grant any ownerships rights towards COART, nor decision making power, including (without limitation) in relation to development, governance or the role, conduct or performance of COART;
- 5.3.13. you will not hack into, interfere with, disrupt, disable, overburden or otherwise impair the proper working of the Website, you will not violate or attempt to violate the security of the Website;
- 5.3.14. you will not access information or data which you are not authorised to access;
- 5.3.15. you will promptly provide to COART, upon request, any additional information which COART may consider necessary in providing Services on the Website;
- 5.3.16. you will ensure that any information or content posted, or permitted or caused to be posted, on the Website, shall be non-confidential or non-proprietary unless expressly indicated otherwise, and not offensive, illegal under any applicable law, and that you will be responsible for all such information or content;
- 5.3.17. you are either not a person who is a citizen, resident, tax resident of or legal entity formed under the laws of the United States of America (including all territories of this country) as well as not an agency, branch or office located in the aforementioned country, or you are an accredited investor as it is defined in Regulation D under the U.S. Securities Act;
- 5.3.18. you are purchasing COAT tokens to actually use COART's services and COAT tokens as virtual currencies, not to speculate on their value;
- 5.3.19. by participating in the Token Sale or receiving and holding COAT tokens you acknowledge and agree that you fully understand that COAT tokens may experience volatility in pricing and liquidity, and that, to the extent permitted by applicable law, you agree that COART and any of its affiliates may not be held liable for any loss arising out of, or in any way connected your participation in the Token Sale or receiving and holding COAT tokens;
- 5.3.20. all the representations, warranties and acknowledgments as laid out in this clause are true and accurate.

5.4. You shall only participate in the Token Sale through COART.

5.5. COAT tokens are not offered to citizens, residents and (or) tax residents of the United States of America (including all territories of this country) which do not hold the status of the accredited investor as it is defined in Regulation D under the U.S. Securities Act. If you are a citizen, a resident and (or) a tax resident of the United States of America (including all territories of this country) or otherwise associated with this country and do not hold the status of the accredited investor as it is defined in Regulation D under U.S. Securities Act, you are not eligible to participate in the Token Sale.

5.6. If buying, selling and usage of virtual currencies, participation in the Token Sale and (or) other transactions indicated in the Agreement and (or) the Website and Services, are not legal in your country (whether you are a citizen, a resident and (or) a tax resident of that country) and (or) such transactions can be considered as securities, securities trading, initial public offering, crowdfunding or similar regulated activities, you oblige not to participate in the Token Sale, not to use the Website and Services and not to buy or use COAT tokens. Failure to comply with local laws may result in the loss of your Account and any assets contained within.

5.7. COART shall reserve the right to refuse selling COAT tokens to anyone who does not meet criteria necessary for their buying, as set out in the Agreement, the Website and by the applicable law.

5.8. You understand and accept that the purchase and sale of virtual currencies (including COAT tokens) involves risk. Due to the constant price fluctuations, you may increase or lose value in your assets at any time.

6. TOKEN SALE TERMS AND CONDITIONS

6.1. Token Sale will be conducted by COART. Funds raised by COART will be used for the development of the project described in the Whitepaper.

- 6.2. During the Token Sale COART as a company will issue tokens on the Ethereum blockchain operated by a smart contract and following the ERC20 (or ERC223) standard. In the future, COART as a company intends to issue tokens on the EOS blockchain – in such a case the tokens issued on the Ethereum blockchain will be exchanged with the tokens issued on the EOS blockchain at a 1 to 1 ratio.
- 6.3. COAT tokens will be issued in exchange for Ether and (or) other virtual currency and (or) FIAT currency, as indicated in the Website and (or) the Whitepaper.
- 6.4. COAT tokens' total supply and other details of the Token Sale are to be specified in the future in the Agreement, the Whitepaper and (or) the Website.
- 6.5. COAT tokens will be allocated among participants of the Token Sale, COART management team and other team members as well as advisors to COART. Proportions of allocations are to be specified in the future in the Agreement, the Whitepaper and (or) the Website.
- 6.6. COART may unilaterally in its own discretion and to the fullest extent possible make decisions on spending, investing and otherwise using the funds received during the Token Sale.
- 6.7. Limitations for the number of COAT tokens allowed for purchase by one User are to be specified in the future in the Agreement, the Whitepaper and (or) the Website.
- 6.8. The Token Sale conditions are indicated in more detail in the Whitepaper and the Website which are an integral part of the Agreement and you agree to be bound by them. To the extent the Token Sale conditions indicated in Clause 6 of the Agreement conflicts with the Whitepaper and the Website, the Whitepaper and the Website prevail.
- 6.9. COAT tokens' emission will be conducted via the Website. By participating in the Token Sale you agree to be bound by all the terms and conditions of the Agreement. Failure to follow the Token Sale instructions on the Website may limit, delay, or prevent you from purchasing COAT tokens.
- 6.10. Any detected double spending of virtual currencies will result in no COAT tokens being provided to the relevant party.
- 6.11. COAT tokens are available for purchase to eligible buyers only during the announced periods of the Token Sale as indicated in the Agreement, the Whitepaper and (or) the Website.

7. RIGHTS AND ATTRIBUTES RELATED TO COAT TOKENS

- 7.1. COAT tokens are not regarded as money or securities and the Token Sale will not involve issuance of any fiat currency, securities (whether equity securities or otherwise), financial derivative instrument or other kind of financial instrument. COAT tokens are not redeemable, associated with financial return or backed by any underlying asset or repurchase commitment and does not necessarily have market prices or transactions between peers. COAT tokens do not stand for any sort of investment contract for all intents and purposes. You shall not participate in the Token Sale with a view to investment or speculation or in pursuit of any profit.
- 7.2. COAT tokens are virtual currencies created for access of COART's products and services and benefits associated with it, i.e. discounts for COART's products and services, advance payment for COART's products and services, etc. However, there are no guarantees of their future use or value which can be zero.
- 7.3. You cannot expect profit from COAT tokens and shall have no expectations of profit from the future success of COART's business and (or) the efforts of COART or other persons. Value of COAT tokens depends on your active involvement in using and promoting it.

- 7.4. The Token Sale is not crowdfunding or initial public offer and you cannot participate in the Token Sale with a view to crowdfunding or initial public offer.
- 7.5. COAT tokens are not shares of COART. COAT tokens do not represent ownership interests or grant ownership, control and voting rights in COART, as well as does not grant any rights to receive a share of COART's profit.
- 7.6. COAT tokens do not entitle you to any intellectual property rights in regard to COART and its products and services.
- 7.7. COART is not required to consult with you regarding any activities and (or) decisions of COART or coordinate it with you. You will not have any influence in the development or governance of COART.
- 7.8. COAT tokens' holders cannot request an audit of COART and its business, and an investigation of COART's activities.
- 7.9. COAT tokens can be used for payments and other transactions associated with virtual currencies.
- 7.10. COART is not obliged to redeem COAT tokens in any case.

8. COART'S BUSINESS, PRODUCTS AND SERVICES

- 8.1. COART is building an art tokenization platform which will be run on COAT tokens and mechanics of which are decentralized and independently executed as described in the Whitepaper.
- 8.2. COART will put effort, but it is not obliged to implement or achieve goals, promises and ideas indicated in the Agreement, the Whitepaper, the Website or elsewhere. However, neither COART, nor its management, employees, advisors, partners, affiliates or any other persons associated with COART shall be held liable for not achieving goals, promises and ideas indicated in the Agreement, the Whitepaper, the Website or elsewhere.

9. REFUNDS

- 9.1. There will be no refunds in regard to the Token Sale, purchase and usage of COAT tokens for any reason, including, but not limited to, loss of your COAT tokens due to technical reasons, errors, malfunction of the wallet, transaction failures, etc. All COAT tokens are sold as-is without any guarantee.
- 9.2. By participating in the Token Sale, you are confirming that you have read and understand our no refunds policy, and you acknowledge that all purchases are final and non-refundable, and COART is not required to provide a refund for any reason, and that you will not receive money or other compensation in lieu of a refund, and you consent to no right of withdrawal from the Token Sale.

10. TAXES

- 10.1. You agree that you are solely responsible for determining the amount of any taxes that you may owe as a result of the Agreement, the Token Sale, COAT tokens and usage thereof, and are solely responsible to collect, report and remit any such taxes required under law applicable to you. You shall declare, bear and pay all such taxes, duties, imposts, levies, tariffs and surcharges that might be imposed by the laws and regulations of any jurisdiction as a result of or in connection with the receipt, holding, use, purchase, appreciation or trading of COAT tokens (no matter whether acquired by participating in the Token Sale (or otherwise acquired)). You acknowledge and agree that COART has no responsibility to collect, report or remit any applicable taxes in connection with the Agreement, the Token Sale, COAT tokens and usage thereof. You hereby agree to fully indemnify, defend and hold

COART (and its affiliated entities) harmless from any and all claims, demands, damages, awards, fines, costs, expenses and liability in any way associated with the foregoing obligations or otherwise with respect to any claim, demand or allegation of any tax in any way associated with the Agreement, the Token Sale, COAT tokens and usage thereof.

- 10.2. You shall be solely liable for all tax related penalties, claims, fines, punishments, liabilities or otherwise arising from your underpayment, undue payment or belated payment of any applicable tax. COART provides no advice and makes no representation as to the tax implication of any jurisdiction.

11. RISKS AND ACKNOWLEDGMENTS

- 11.1. You should peruse, comprehend and carefully consider or seek legal advice as to the risks described below in addition to the other information stated in the Agreement, the Whitepaper, the Website or elsewhere before deciding to participate in the Token Sale. Participating in the Token Sale will be deemed as you having accepted all the risks outlined in the Agreement.
- 11.2. Price of COAT tokens may experience extreme volatility. Virtual currencies have demonstrated extreme fluctuations in price over short periods of time on a regular basis. You must be prepared to accept similar fluctuations in value of COAT tokens. Such fluctuations are due to market forces and represent changes in the balance of supply and demand. COART cannot and does not guarantee any market liquidity for COAT tokens. Additionally, due to different regulatory requirements in different jurisdictions, the liquidity of COAT tokens may be markedly different in different jurisdictions.
- 11.3. While some of virtual currencies may have been relatively stable, it is possible that their values may drop significantly in the future, which may deprive COART of sufficient resources to continue to operate.
- 11.4. Virtual currencies are being, or may be, scrutinized by the regulatory authorities of various jurisdictions. COART may receive queries, notices, warnings, requests or rulings from one or more regulatory authorities from time to time, or may even be ordered to suspend or discontinue any action in connection with COART, as well as be impacted by one or more regulatory inquiries or regulatory actions, which could impede or limit the ability of COART to further conduct business. The development, marketing, promotion or otherwise of COART may be seriously affected, hindered or terminated as a result.
- 11.5. Advances in cryptography, such as code cracking or technical advances such as the development of quantum computers, could present risks to all virtual currencies, including COAT tokens. This could result in the theft, loss, disappearance, destruction or devaluation of COAT tokens. It is impossible to predict the future of cryptography or the future of security innovations to an extent that would permit COART accurately guide the development of COAT tokens to take into account such unforeseeable changes in the domains of cryptography or security.
- 11.6. COART cannot guarantee the software used by COART to be flaw-free. It may contain certain flaws, errors, defects and bugs, which may disable some functionality for users, expose users' information or otherwise. Such flaw would compromise the usability and (or) security of COAT tokens and consequently bring adverse impact on the value of COAT tokens.
- 11.7. Ethereum is an open source project and supported by the community. COART does not lead the development, marketing, operation or otherwise of Ethereum. Anybody may develop a patch or upgrade of the source code of Ethereum's source without prior authorization of anyone else. The acceptance of Ethereum patches or upgrades by a significant, but not overwhelming, percentage of the users could result in a "fork" in the blockchain of Ethereum, and consequently the operation of two separate networks and will remain separate until the forked blockchains are merged. The temporary or permanent existence of forked blockchains could adversely impact the operation and the market value of COAT tokens and in the worst-case scenario, could ruin the sustainability of COAT tokens. While

such a fork in the blockchain of Ethereum would possibly be resolved by community-led efforts to merge the forked blockchains, the success is not guaranteed and could take long period of time to achieve.

- 11.8. The Ethereum source code and the software used by COART could be updated, amended, altered or modified from time to time by the developers and (or) the community of Ethereum. Nobody is able to foresee or guarantee the precise result of such update, amendment, alteration or modification. As a result, any update, amendment, alteration or modification could lead to an unexpected or unintended outcome that adversely affects operation of COAT tokens or their market value.
- 11.9. The blockchain rests on open-source software. Regardless of COART's effort to keep the blockchain secure, anyone may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructural elements of COART. This could consequently result in the loss of COAT tokens held by you.
- 11.10. The loss or destruction of a private key required to access COAT tokens may be irreversible. You are required to safeguard the private keys relating to your own wallets. To the extent such private key is lost, destroyed or otherwise compromised, neither COART, nor anyone else will be able to access the related COAT tokens.
- 11.11. COAT tokens are not deemed as currencies issued by any individual, entity, central bank or national, supra-national or quasi-national organization. The circulation and trading of COAT tokens on the market depends on the consensus on its value between the relevant market participants. Nobody is obliged to redeem or purchase any COAT tokens from any user or COAT tokens' holder. Nor does anyone guarantee the liquidity or market price of COAT tokens to any extent. COART has no control over market price or liquidity of COAT tokens once COAT tokens start to trade in the open market.
- 11.12. It is possible that COART's products and services or COAT tokens will not be used by a large number of individuals, businesses and other organisations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of COART's business.
- 11.13. COART, as developed, may not meet your expectations. You acknowledge that COART is currently under development and may undergo significant changes before release. You also acknowledge that any expectations regarding the form and functionality of COART held by you may not be met upon its release for any number of reasons, including a change in the design and implementation plans and execution of the implementation of COART. Furthermore, you acknowledge that COART project may never be fully completed or released.
- 11.14. You understand and accept that hackers or other groups or organisations may attempt to steal COAT tokens or otherwise interrupt or cease COART's business or usage of COAT tokens.
- 11.15. Except for historical information, there may be matters in the Agreement, the Website, Whitepaper or elsewhere that are forward-looking statements. Such statements are only predictions and are subject to inherent risks and uncertainty. Forward-looking statements, which are based on assumptions and estimates and describe COART's future plans, strategies, and expectations are generally identifiable by the use of the words 'anticipate', 'will', 'believe', 'estimate', 'plan', 'expect', 'intend', 'seek', or similar expressions. You are cautioned not to place undue reliance on forward-looking statements. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties both general and specific that contribute to the possibility those predictions, forecasts, projections and other forward-looking statements will not occur. Those risks and uncertainties include actors and risks specific to the industry in which COART operates as well as general economic conditions and prevailing exchange rates and interest rates. Actual performance or events may be materially different from those expressed or implied in those statements. All forward-looking statements attributable to COART or persons acting on behalf of COART are expressly qualified in their entirety by the

cautionary statements in this section. Except as expressly required by the applicable law, COART undertakes no obligation to publicly update or revise any forward-looking statements provided in this publication whether as a result of new information, future events or otherwise, or the risks affecting this information. None of COART, its officers or any person named in the Agreement, the Website, the Whitepaper or elsewhere with their consent, or any person involved in the preparation of the Agreement, the Website or the White Paper, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement except to the extent required by law.

11.16. The Internet industry is comprised of a number of participants and is subject to rapid change and competition COART faces from other organisations, some of which may have greater financial, technical and marketing resources. Increased competition could result in under-utilisation of employees, reduced operating margins and loss of market share, especially COART's first mover status. Any of these occurrences could adversely affect the COART's business, operating results and financial condition. The possibility remains that the fundamental business model may not achieve any traction due to an existing or new entrant offering a similar solution or that the general public do not see it as part of their future. The targets and business valuation inherent in the Website, the Whitepaper or elsewhere are based on COART's management personal experience, contacts and feedback from the market. There can be no assurance that these reflect the actual reality of the opportunity or that will be able to compete successfully against current or future competitors. You are encouraged to seek professional advice when assessing the understanding of COART's business model metrics and projected returns and values as presented by directors in the Agreement, the Website, the Whitepaper or elsewhere.

11.17. You acknowledge and agree that in no event shall COART be liable or responsible for any loss in any way arising out of your participation in the Token Sale, receiving and holding COAT tokens, or use of the Website and Services – COART is hereby released by you from liability for any and all such loss.

12. ANTI-MONEY LAUNDERING POLICY

12.1. COART reserves the right to conduct "know your customer" procedure and any other kind of customer due diligence on you at any time (including after the close of the Token Sale). If COART discovers your purchase of COAT tokens violating the Agreement or any anti-money laundering, counter-terrorism financing or other regulatory requirements, your purchase of COAT tokens under the Token Sale shall be invalid with retroactive effect and COART shall be entitled to immediately terminate the Agreement with you, deny your access to the Token Sale, reject delivery of any COAT tokens and request return of any delivered COAT tokens, irrespective of any payment that you could have made.

12.2. You may be required to provide COART with certain personal information, including but not limited to, your name, address, telephone number, email address, date of birth, personal code, passport, utility bills, proof regarding source of funds, etc. COART may also require you to answer certain questions or take certain actions in order to verify your identity or comply with applicable law. In submitting this personal information, you verify that the information is accurate and authentic, and you agree to update it if any information changes. You hereby authorize COART to directly make any inquiries we consider necessary to verify your identity and (or) account information, and request and obtain any consumer report or similar information relating to you and to take action we reasonably deem necessary based on the results of such inquiries.

12.3. Use of COAT tokens is subject to international export controls and economic sanctions requirements. By acquiring COAT tokens, you represent and warrant that your acquisition comports with and your use of the item will comport with those requirements. Without limiting the foregoing, you may not acquire COAT tokens if you are on any sanctions list or you intend to use COAT tokens in association with any persons or entities that are listed on any sanctions list.

13. PROHIBITED ACTIVITIES

- 13.1. You are prohibited from violating any law, statute, ordinance or regulation in our registered jurisdiction as well as your country or residency.
- 13.2. You may not use your COAT tokens and (or) our Services to engage in the following categories of prohibited activity and you confirm that you will not use COAT tokens to do any of the following:
 - 13.2.1 Engage in a transaction involving the proceeds of any unlawful activity;
 - 13.2.2 Defraud or attempt to defraud COART;
 - 13.2.3 Provide false, inaccurate or misleading information;
 - 13.2.4 Infringe upon COART's or any third party's copyright, patent, trademark, or intellectual property rights;
 - 13.2.5 Take any action that imposes an unreasonable or disproportionately large load on COART's infrastructure, or detrimentally interfere with, intercept, or expropriate any system, data, or information;
 - 13.2.6 Transmit or upload any material to the Website that contains viruses, Trojan horses, worms, malware or any other harmful or deleterious programs;
 - 13.2.7 Otherwise attempt to gain unauthorized access to the Website, computer systems or networks connected to the Website, through password mining or any other means.
- 13.3. COART reserves the right at all times to monitor, review, retain and (or) disclose any information as necessary to satisfy any applicable law, regulation, legal process or governmental request. COART reserves the right to cancel and (or) suspend your Account and usage of COAT tokens immediately and without notice if we determine, in our sole discretion, that your Account and usage of COAT tokens are associated with prohibited use, and (or) a prohibited business, and or illegal activity under applicable law.

14. LIABILITY AND INDEMNIFICATION

- 14.1. You are responsible for actions performed by participating in the Token Sale, using the Website, Services and COAT tokens.
- 14.2. You acknowledge that participating in the Token Sale, purchasing COAT tokens and using them and Services involves risk and you will not hold COART accountable for any gains or losses that you incur as a result.
- 14.3. By participating in the Token Sale, receiving and holding COAT tokens and (or) using the Services, to the extent permitted by applicable law, you agree that COART, and other third parties (including, but not limited to, any managers, employees, advisors) cannot be held liable for any loss (including without limitation indirect, special, incidental, consequential, or tort damages, or lost profits) arising out of, or in any way connected to your participation in the Token Sale, receiving and holding COAT tokens and (or) using the Services in any manner. Additionally, as a user of COAT tokens and the Services, you acknowledge that COART has no responsibility for any injury, direct or indirect loss, claim, damages or any special, incidental, consequential, exemplary or punitive damages of any kind that you incur as a direct or indirect result of participation in the Token Sale, usage of the Website or Services.
- 14.4. You understand and agree that COART and (or) other third parties (including, but not limited to, any managers, employees, advisors) shall not be held liable to and shall not accept any liability, obligation or responsibility whatsoever for any change of the value of COAT tokens. You understand and expressly agree that COART and (or) other third parties (including, but not limited to, any managers, employees, advisors) shall not guarantee in any way that COAT tokens might be sold or transferred during or after the Token Sale.

- 14.5. COAT tokens are provided on an "as is" basis and without any warranties of any kind, either expressed or implied. You assume all responsibility and risk with respect to your participation in the Token Sale, use of the Website and Services and buying of any amount of COAT tokens and their use.
- 14.6. You understand and acknowledge that the Services are being provided to you "as is" and "as available" without warranty of any kind. COART specifically disclaims any and all warranties, express or implied, including but not limited to any implied warranties of merchantability or fitness for a particular purpose, or non-infringement. COART does not guarantee continuous, uninterrupted, error-free or secure access to any part of the Token Sale, Website or Services.
- 14.7. To the extent allowable pursuant to applicable law, you shall indemnify, defend, and hold COART and (or) any of COART's subsidiaries, affiliates, partners, directors, officers, employees, agents, advisors, service providers, sellers, distributors, licensors, successors, and permitted assigns harmless from and against any and all claims, damages, losses, suits, actions, demands, proceedings, payments, liabilities, costs, fines, taxes, penalties and expenses (including the amount paid in settlement of any claim, action, suit or proceeding and the fees and expenses of counsel incurred obtaining advice in respect of, or in defending or settling, any such claim, action, suit or proceeding) of whatsoever nature or kind, and (or) liabilities (including, but not limited to reasonable attorneys' fees incurred and (or) those necessary to successfully establish the right to indemnification) filed/incurred by any third party against us in any jurisdiction arising out of a breach of any warranty, representation, or obligation hereunder, and (or) arising out of or related to your participation in the Token Sale, receiving and holding COAT tokens, your use of the Website and Services, your breach of the Agreement, your misuse of the Token Sale or COAT tokens, or your violation of any law, rule or regulation, or the rights of any third party.
- 14.8. In the event that COART and (or) its subsidiaries, affiliates, directors, officers, employees, agents, advisors, service providers, sellers, distributors, licensors, successors, and permitted assigns face legal action as a result of your actions, you agree cover any damages, including legal fees, that COART incurs as a result.
- 14.9. You hereby expressly agree that, to the maximum extent permitted by the applicable law, COART does not accept any liability for any damage or loss, including loss of business, revenue, or profits, or loss of or damage to data, equipment, or software (direct, indirect, punitive, actual, consequential, incidental, special, exemplary or otherwise), resulting from any use of, or inability to use, the Website, Services and (or) COAT tokens, regardless of the basis, upon which the liability is claimed.
- 14.10. In any case, total amount of COART's aggregate liability under the Agreement may not exceed 100 EUR (one hundred euro). If applicable law does not allow all or any part of the above limitation of liability to apply to you, the limitations will apply to you only to the extent permitted by applicable law. You understand and agree that it is your obligation to ensure compliance with any legislation relevant to your country of domicile concerning participation in the Token Sale, use of the Website and Services and use and buying of COAT tokens, and that COART should not accept any liability for any illegal or unauthorized use of the Website and Services and use and buying of COAT tokens.
- 14.11. The content provided by COART are for informational purposes only and are not intended to provide legal, financial, tax, accounting or investment advice. We assume no liability for any information provided by our employees, directors, or affiliates, regardless of its accuracy. Any action taken by you is your decision, and you relieve COART of any liability for any outcome that may occur.
- 14.12. The Website, the Whitepaper and other documents may include forward-looking statements as stipulated in Clause 11.15. By participating in the Token Sale, receiving and holding COAT tokens, or using the Website and Services, you acknowledge and agree that you fully understand and accept the risks indicated in Clause 11.15, and to the extent permitted by applicable law, you agree that COART

will not be held liable for any loss arising out of, or in any way connected with your participation in the Token Sale, receiving or holding COAT tokens or use of the Website and Services.

15. FORCE MAJEURE

15.1. COART shall not be liable in any way for delays, failure in performance or interruption of the Services which result directly or indirectly from any cause or condition beyond our reasonable control, including but not limited to, any delay or failure due to any act of God, act of civil or military authorities, act of terrorism, civil disturbance, war, strike or other labor dispute, fire, interruption in telecommunications of Internet services or network provider services, failure of equipment and (or) software, other catastrophe or any other occurrence which is beyond our reasonable control and shall not affect the validity of enforceability of any remaining provisions.

16. DISCLAIMERS AND WAIVERS

16.1. You shall accept the Website and the Token Sale "as is" with any faults or failings and without any representation, warranty or guarantee whatsoever, express or implied, including without limitation any implied warranty of accuracy, completeness, quality, merchantability, fitness for a particular purpose or non-infringement.

16.2. The Website and the Whitepaper does not purport to contain all the information that you may require. In all cases, you should conduct your own investigation and analysis of COART and its business, and the data contained in the Website and the Whitepaper.

16.3. COART does not make any representation or warranty as to the accuracy or completeness of the information contained in the Website and the Whitepaper. Furthermore, COART shall not have any liability to the recipient or any person resulting from the reliance upon the Website and the Whitepaper in determining to participate in the Token Sale and use COAT tokens.

16.4. You must rely on your own investigation of all financial information indicated in the Website and the Whitepaper and no representations or warranties are or will be made by COART as to the accuracy or completeness of such information.

16.5. COART makes no representation about the underlying value of COAT tokens.

16.6. The Website and the Whitepaper are prepared for your general information only. It is not intended to be a recommendation to participate in the Token Sale and (or) use COAT tokens.

17. SECURITY

17.1. You are responsible for maintaining the confidentiality and security of your Account ID and password, and accept responsibility for all activities that occur under your Account or password. You must notify COART immediately in the event that the security of your login or password has been breached or compromised.

17.2. You are also responsible for maintaining adequate security and control of any and all identification numbers, private keys, or any other codes that you use to access the Website, Services and (or) use COAT tokens.

17.3. You agree to not hold COART liable for any loss arising out of, or in any way connected to, your failure to properly secure and keep private your Account information, email address, any password, private keys and any other identification numbers/codes used in connection with participation in the Token Sale and usage of COAT tokens, the Website and Services.

- 17.4. COART shall not bear any liability, whatsoever, for any damage or interruptions caused by any computer viruses, spyware, scareware, Trojan horses, worms or other malware that may affect your computer or other equipment, or any phishing, spoofing or other attack.
- 17.5. COART does not guarantee the confidentiality or privacy of any communication or information transmitted on the Website or any site linked to the Website. COART will not be liable for the privacy or security of information, e-mail addresses, registration and identification information, disk space, communications, confidential or proprietary information, or any other content transmitted over networks accessed by the site, or otherwise connected with your use of the Website and Services.

18. PRIVACY POLICY

- 18.1. Before entering into the Agreement, you must also read our Privacy Policy accessible at the Website. COART may at any time in its own discretion adopt a separate Privacy Policy and when that happens you must agree with that Privacy Policy.

19. WEBSITE USAGE

- 19.1. You agree not to copy any information from the Website without our permission, with the exception of information for your personal non-commercial use.
- 19.2. The pages of the Website may contain links to third party websites and services. Such links are provided for your convenience, but their presence does not mean that they are recommended to visit by COART. In addition COART does not guarantee their safety and conformity with any user expectations. Furthermore, COART is not responsible for maintaining any materials referenced from another site, and makes no warranties for that site or this service in such context. Links to such third party material do not imply any endorsement by COART of such third party material or the content, products or services available from such third party material. You acknowledge sole responsibility for and assume all risk arising from your use of any such third party material.
- 19.3. The contents of the Website are provided on an "as is" and "as available" basis without warranties of any kind and are made available for your general information only. No warranty of any kind, express, implied or statutory, is given in conjunction with the contents of the Website, the tools contained in the Website or the Website in general.
- 19.4. COART does not warrant the accuracy, adequacy, correctness, completeness, reliability, timeliness, non-infringement, title, merchantability or fitness for any purpose of the information on the Website or any website linked to the Website, or that the information available on the Website, or associated therewith, will be uninterrupted or error-free or that defects will be corrected or that this Website will be free from viruses, virus attacks or other harmful elements, and expressly disclaims liability for the same and any errors or omissions. COART shall not be liable for uninterpreted availability of the Website at all times, in all countries and (or) all geographic locations, or at any given time.
- 19.5. The information contained on the Website may not always be entirely accurate, complete or current and may also include technical inaccuracies or typographical errors. In an effort to continue to provide you with as complete and accurate information as possible, information may be changed or updated from time to time without notice, including without limitation information regarding our policies, products and services. Accordingly, you should verify all information before relying on it, and all decisions based on information contained on the Website are your sole responsibility and we shall have no liability for such decisions.

- 19.6. COART reserves the right, at its sole and absolute discretion and without giving prior notice, to vary, modify, add or remove features, or amend any content on the Website. You shall be deemed to have accepted and agreed to any such change if you access or use the Website after the change is published on the Website. COART also reserves the right to block or restrict access to, or terminate, withdraw or suspend use of the Website or any part of the Website. COART will not be liable for any loss which may be incurred as a result of such action.
- 19.7. COART reserves the right to disable any links which in its opinion, contain information, images, representations or other material of an inappropriate, defamatory, obscene, indecent or unlawful nature, or that violate any law or any public, privacy, intellectual property or other proprietary right; or have not been authorized by us.

20. INTELLECTUAL PROPERTY

- 20.1. The URLs representing the Website, “CoArt” and all related logos of the Services described in the Website are either copyrighted by COART or are trademarks of COART. In addition, all page headers, custom graphics, design, button icons, scripts, source code, content are copyrighted by COART. You may not copy, imitate, modify, alter, amend or use them without our prior written consent. All the content indicated in the Website, the Whitepaper and any content thereon is the exclusive property of COART. You may not download, reproduce, or retransmit any information, other than for non-commercial individual use.
- 20.2. All intellectual property rights comprised in the information, text, graphics, logos, images, audio clips, patents, trademarks, trademark registrations, trade names, data compilations, scripts, software, computer code, design, technology, sound or any other materials or works found in the Website shall vest in and remain with COART. You are permitted to download and print such materials from the Website for personal and non-commercial use provided that you do not breach the Agreement.
- 20.3. You are permitted to copy, transfer, distribute, adapt, modify, reproduce, republish, display, broadcast, hyperlink or transmit or store in any information retrieval system, any part of the Website without the prior written permission of COART. In such a case, a referral to original source - COART and the Website - must be provided in a clear and visible way. COART retains the right to make a request to halt the aforementioned activities until the written permission is given by COART.

21. REPRESENTATIONS AND WARRANTIES

- 21.1. You attest that you are not a criminal, are not associated with any criminal activity, and that all funds that are used by you in connection with the Token Sale and purchase of COAT tokens are free from any criminal association, are not the proceeds of crime, and are not derived from any criminal activity.
- 21.2. By participating in the Token Sale and buying COAT tokens hereunder you represent and warrant that your funds in no way came from illegal or unethical sources, that you are not using any proceeds of criminal or illegal activity, and that no transaction involving COAT tokens are being used to facilitate any criminal or illegal activity.
- 21.3. You hereby certify to us that any funds used by you in connection with participation in the Token Sale are either owned by you or that you are validly authorized to carry out transactions using such funds.
- 21.4. You represent and warrant that you have such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks purchasing virtual currencies and specifically COAT tokens and are able to bear the economic risk of total loss of such purchase.
- 21.5. You are bind by all the other representations and warranties stipulated in the Agreement.

22. TERMINATION (LIMITATION) OF THE AGREEMENT

- 22.1. The term of the Agreement is for a period of time as of you successfully register at the Website until the Agreement is terminated for whatever reason. Account cancellation shall mean the Agreement termination.
- 22.2. At any time and for any reason in its sole discretion COART may terminate the Agreement, your access to your Account, the Token Sale, the Website and (or) Services, and may halt any pending transactions and (or) funds and (or) COAT tokens at any time without notice to you. COART shall have no liability or obligation for the termination of the Agreement.
- 22.3. In case of termination of the Agreement for any reason you will not be refunded with any amount of COAT tokens.

23. JURISDICTION, APPLICABLE LAW AND DISPUTE RESOLUTION

- 23.1. COART reserves the right to change the jurisdiction of COART and the Agreement at any time in its own discretion, as well as use any parent companies, subsidiaries and (or) other affiliated companies for execution of the Agreement, the Services and other activities related to the Token Sale and COART's business.
- 23.2. The interpretation, validity and enforcement of the Agreement, and all legal actions brought under or in connection with the Agreement, shall be governed by the laws of the Republic of Estonia.
- 23.3. Any disagreements or disputes of the User and COART, arising from the Agreement, shall be settled by negotiations between the User and COART. In case of failure to reach an agreement in 14 (fourteen) days, any disputes, disagreements or claims, arising from the Agreement or related to it, its breach, dissolution or validity, that have not been solved by the User and COART, shall be settled in the competent court of the Republic of Estonia. Both the User and COART hereby submit to the exclusive jurisdiction of the courts in the Republic of Estonia. If a party fails to raise a claim within 30 days from the failure to settle by negotiations, a party loses its right to file the claim in the state court or any other instance court or arbitration.
- 23.4. Any User that breaks any law in their jurisdiction of residence or nationality by using COAT tokens, the Website and (or) Services shall be liable for any damages incurred by COART as a result and agrees to forfeit any assets within their wallet (where COAT tokens are stored), at the discretion of COART or its employees.

24. MISCELLANEOUS PROVISIONS

- 24.1. You confirm that you have read the Agreement, understood its terms, conditions and consequences.
- 24.2. If any term, provision, covenant or restriction of the Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

- 24.3. All the notices, consents and other communication of the parties related to the Agreement shall be delivered via e-mail or registered post/courier if COART requests such type of delivery.
- 24.4. COART has a right to revoke the Agreement if you do not comply with the Agreement, act in a fraudulent or illegal way and (or) engage in unauthorized transmission and use of personal data.
- 24.5. The Agreement is personal to you and it cannot be transferred, assigned or delegated to anyone. Any attempt by you to assign, transfer or delegate the Agreement and the rights and (or) obligations stipulated in the Agreement shall be null and void. COART may freely assign the Agreement and (or) delegate its duties without consent or notice.
- 24.6. The Agreement together with the Whitepaper and any terms and conditions published from time to time on the Website constitutes the entire agreement between the parties with respect to the subject matter hereof. No provision of the Agreement shall be considered waived unless such waiver is in writing and signed by the party that benefits from the enforcement of such provision. No waiver of any provision in the Agreement, however, will be deemed a waiver of a subsequent breach of such provision or a waiver of a similar provision. In addition, a waiver of any breach or a failure to enforce any term or condition of the Agreement will not in any way affect, limit, or waive the party's rights hereunder at any time to enforce strict compliance thereafter with every term and condition hereof.
- 24.7. You agree to refrain from making, any negative, detracting or unfavourable statements concerning COART, COAT tokens, any subsidiaries or affiliates, their respective business or business endeavours, products or Services, or their respective former or present officers, directors, agents, distributors or consultants, which may have the effect of diminishing the reputations of COART, COAT tokens, any subsidiaries or affiliates, or respective former or present officers, directors, agents, distributors or consultants of COART or any subsidiaries or affiliates of its business or business endeavours.
- 24.8. The Agreement is not intended to create, and it shall in no way be construed as creating a joint venture, partnership, or any other similar relationship between you and COART.
- 24.9. To the extent that the Agreement, the Whitepaper, any terms and conditions published from time to time on the Website conflict with translated copies, the English version prevails.