

Terms and Conditions of Parkade Coin (PRKC) Tokens

Non-Public (Private) Offering

1 August 2018

These Terms constitute a legally binding agreement between the Company and each of the Users. Accepting these Terms and/or purchasing PRKC tokens means that you have fully agreed to all the terms and conditions herein. In addition to these Terms, each User is obliged to comply with the technical rules associated with the relevant smart contract. If you have any questions regarding these Terms or such technical rules, please contact us at info@parkade.io.

IMPORTANT RESTRICTION: In member states of the European Economic Area ("**Member States**") that have implemented Directive 2003/71/EC as amended (together with amendments and applicable implementing measures by Directive 2010/73/EU to the extent implemented in the relevant Member State, "**Prospectus Directive**"), PRKC tokens may only be offered and sold by the Company to, (i) persons who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive ("**Qualified Investors**") and (ii) fewer than 150 natural or legal persons per Member State, other than Qualified Investors. You may be required to provide information and documents to prove your status as a Qualified Investor.

IMPORTANT RESTRICTION: Citizens and residents of and persons located in Canada or the United States of America (USA), as well as Puerto Rico and the Virgin Islands and any other US possessions, are prohibited from participating in the ICO and receiving PRKC tokens. Representatives and individuals acting in the interests of legal entities registered in the jurisdiction of Canada or the United States, as well as Puerto Rico, the Virgin Islands and any other US possessions are prohibited from participating in the ICO and receiving PRKC tokens. Technical IP restrictions will be applied.

IMPORTANT NOTICE: As of the date of these Terms, fundraising through ICOs is prohibited in China and South Korea as per the relevant notices of the People's Bank of China and the South Korean Financial Services Commission. It is not clear if and how such prohibition affects ICOs of issuers outside China and South Korea. We recommend citizens and residents of and persons located in China and South Korea to seek legal advice before purchasing PRKC tokens.

1 INTERPRETATION AND DEFINITIONS

As used in these Terms, including the preamble hereof, unless expressly otherwise stated or evident in the context, the following capitalised terms and expressions shall have the following meanings, the singular (where appropriate) shall include the plural and *vice versa*, references to Sections shall mean the Sections of these Terms, and the term "including" or any similar term is not to be construed as providing any limitation and will be construed as "including but not limited to":

- 1.1 Accompanying Documents** – other documents regulating the sale of PRKC tokens, being inalienable part hereof and published on the Website (including the White Paper, the Privacy Policy and other operating rules, policies and procedures that may be published from time to time on the Website). In case of any discrepancies between the Accompanying Documents and the Terms, the Terms shall prevail.
- 1.2 App** – a state of the art blockchain-based parking mobile application called "PARKADE.IO" that will be developed by the Company with the net proceeds of the ICO and enable its users to park in the Company's parking Assets in exchange for PRKC tokens or monetary payment.
- 1.3 Assets** – parking real estate and infrastructure (e.g. parking spots, lots and parkades) that will be purchased by the Company around the world with the net proceeds of the ICO and certain portion of future net proceeds generated by the Assets.

- 1.4 **Benefits** – benefits, characteristics and functionalities of PRKC tokens.
- 1.5 **Bonuses** – incentives offered to certain Users in exchange for purchasing PRKC tokens.
- 1.6 **Company** – Parkade Holdings OÜ, an Estonian limited liability company registered under registry code 14516121. References to “we”, “us” and “our” mean references to the Company.
- 1.7 **Currency** – any of the following cryptocurrencies that can be used to purchase PRKC tokens: Ether, Bitcoin and Litecoin.
- 1.8 **ICO** – initial coin offering, a crowdsale event arranged by the Company for offering the Tokens.
- 1.9 **Party** – each of the User and the Company.
- 1.10 **PRKC tokens, Tokens** – cryptographic tokens issued by the Company by using smart contract functionality (the relevant code of which may or may not be published on GitHub, as the Company deems best) and giving their holders the rights specified in these Terms. References to PRKC tokens and Tokens are to be construed as references to both full and fractional PRKC tokens and Tokens, unless expressly otherwise stated or evident from the context.
- 1.11 **Terms** – these Terms and Conditions (as amended from time to time).
- 1.12 **User** – anyone who uses the Website as the initial purchaser of Tokens or acquires Tokens at any time. References to “you” and “your” mean references to the User.
- 1.13 **Website** – website located at www.parkade.io and all subdomains of such website.

2 GENERAL INFORMATION

- 2.1 Purchasing PRKC tokens enables you to receive the Benefits listed in Section 4 below and the Bonuses listed in Section 5 below.
- 2.2 Your purchase of PRKC tokens from the Company is subject to these Terms. Your legal relationship arising from acquiring and/or holding PRKC tokens will be between you and the Company.
- 2.3 The Company is the issuer of PRKC tokens, and will be the owner of the Assets as well as developer and owner of the App.
- 2.4 PRKC tokens have not been approved or disapproved by the Estonian Financial Supervision Authority or any other regulatory authority in any Member State or in any other jurisdiction in the world, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the accuracy or adequacy of these Terms. The Company has not registered, and does not intend to register, any portion of the offering and has not prepared or registered, and does not intend to prepare or register, any prospectus in relation to the offering in any Member State or in any other jurisdiction in the world, and does not intend to conduct a public offering of PRKC tokens in any Member State or in any other jurisdiction in the world.
- 2.5 The Company may amend these Terms at any time without notice to you by posting a revised version on the Website. The revised version will be effective from the time we post it, unless indicated otherwise.

3 TOKEN OFFERING

- 3.1** You may purchase the PRKC tokens from the Company during the ICO or from holders of PRKC tokens on secondary market if the Tokens become available for trade at the secondary market. The Company may sell the Tokens to you directly or through secondary market following the ICO. In each case the Tokens are subject to these Terms.
- 3.2** The Company will issue 400,000,000 Tokens for the purpose of the ICO. The Tokens will be allocated as follows:
- 3.2.1 60% will be made available for purchase by the Users within the period of the ICO;
 - 3.2.2 15% will be allocated to the founders and team, whereas such Tokens will be locked for 12 months from the start of the ICO and thereafter gradually released to the founders and team;
 - 3.2.3 10% will be allocated to partnerships and broker relationships;
 - 3.2.4 10% will be allocated to a reserved pool for the future strategic plans, whereas such Tokens will be locked for 12 months from the start of the ICO and thereafter released gradually for the purpose of implementing the future strategic plans; and
 - 3.2.5 5% will be allocated to our community, influencers and bounty program set up to encourage success of the ICO.
- 3.3** During the ICO, USD 120,000,000 (hard cap) worth of PRKC tokens will be made available for purchase by the Users. The actual amount of Tokens to be issued to the Users will be determined at the end of the ICO based on the amount of purchased Tokens together with the bonus Tokens reflected in Section 5.
- 3.4** The ICO of PRKC tokens will take place from 12:00 am GMT-0 on 1 September 2018 until 11:59 pm GMT-0 on 12 October 2018 or until the ICO hard cap has been reached, whichever is earlier.
- 3.5** The price of one PRKC token sold in the ICO shall be USD 0.50. The minimum purchase price that must be contributed by a User in the ICO shall be USD 200. There is no limit on maximum purchase price that can be contributed by a User as long as the total consideration does not exceed the ICO hard cap.
- 3.6** If the purchase price contributed by a User is less than the applicable minimum purchase price, the Company will return the purchase price to the User after deducting a transaction fee amounting up to 5% of the purchase price contributed by the User. If the purchase price contributed by a User is more than the applicable purchase price of one Token and the purchase price does not correspond to a multiple of one Token, then the Company will issue relevant amount of full and fractional Tokens with up to 18 decimal points accuracy and no portion of the purchase price is subject to return to the User. The Company shall have sole discretion to decide whether fractional Tokens can be used for paying for the services that will be offered on the App.
- 3.7** PRKC tokens can be purchased for Currency which be sent from a wallet that is (i) compatible with the relevant Currency and (ii) a private wallet of the User. Provided the foregoing conditions are met, purchased PRKC tokens will be delivered to the User via the smart contract system immediately following receipt of Currency in the Company's wallet.
- 3.8** PRKC tokens not sold to the Users during the ICO will be allocated to the reserved pool and locked for 12 months from the start of the ICO in line with Section 3.2.4 above, whereas the holding percentage specified in Section 3.2.4 above will be adjusted accordingly.

3.9 Should the Company sell less than USD 500,000 (soft cap) worth of PRKC tokens during the ICO, PRKC tokens already in issue will be destroyed and contributions made during the ICO will be returned to the Users, less transaction fee amounting up to 5% of the purchase price contributed by the User.

3.10 The Company has the right to cancel the sale of PRKC tokens for any reason. Should the Company cancel the sale of PRKC tokens, PRKC tokens already in issue will be destroyed and contributions made during the ICO will be returned to the Users, less transaction fee amounting up to 5% of the purchase price contributed by the User.

4 TOKEN BENEFITS

4.1 The PRKC tokens will give the Users the following Benefits:

4.1.1 they will be entitled to participate in 50% of the Company's distributable net profits generated by the Assets;

4.1.2 they will be entitled to purchase the services offered on the App in exchange for Tokens; and

4.1.3 they will be entitled to park at any time in dedicated parking spots made available on the App in exchange for Tokens (VIP parking).

4.2 The User may need to create an account on the App (including provide information and documents requested in the process), and accept and agree to terms of service, price list and other rules in addition to these Terms in order to use the services referred to in Section 4.1.2 above and VIP parking referred to in Section 4.1.3 above.

4.3 The Company shall perform on a yearly basis an independent third-party audit confirming which Assets belong to the Company, and provide the Users results thereto, which results will be provided to the Users through the Website or delivered by any other means. The Tokens do not carry any other information, reporting, inspection or similar rights. For the avoidance of doubt, the Tokens do not carry any voting rights.

5 ICO BONUSES

5.1 An early bird User receives bonus PRKC tokens as follows:

5.1.1 a User purchasing Tokens during the first week of the ICO receives 20% of additional Tokens calculated from the amount of its purchased Tokens; and

5.1.2 a User purchasing Tokens during the second and third week of the ICO receives 10% of additional Tokens calculated from the amount of its purchased Tokens.

6 TOKEN TRANSFER AND TRADING

6.1 A User can transfer the Tokens to another User without restriction, provided the transfer is in compliance with applicable laws and these Terms.

6.2 The Company may decide at its sole discretion to make PRKC tokens available for trade on secondary market (exchange) but has no obligation to do so. A User may need to provide information and documents requested by the exchange and accept and agree to terms of service or other rules in addition to these Terms in order to engage in trading with the Tokens.

7 BUYBACK OF PRKC TOKENS

- 7.1** Mandatory buyback may occur (i) in case of merger, division or reorganization of the Company and/or its business, (ii) in case of transfer of the Company's business to another legal entity or (iii) for any other reason determined by the Company.
- 7.2** The Company has the right to declare mandatory buyback of PRKC tokens at any price determined by the Company taking into account the market value of Tokens.
- 7.3** In case the Company declares mandatory buyback, the Company shall notify the Users of the buyback purchase price in USD or any Currency determined in line with Section 7.2 and instruct the Users to transfer the Tokens back to the Company. If a User does not transfer the Tokens to the Company within a period stipulated by the Company, Section 11.3 shall apply and the Company shall be released of its obligation to pay for relevant Tokens and provide the Benefits in exchange for the Tokens.

8 KNOW YOUR CUSTOMER

- 8.1** For the purposes of customer due diligence, the Company reserves the right to, prior to issuing PRKC tokens to the User or at any other time:
- 8.1.1 identify the User, its representative and beneficiaries;
 - 8.1.2 request from the User any documents, either as originals or as copies (as considered appropriate by the Company), and information (including personal), which the Company considers relevant for the identification of the User, its representative and beneficiaries;
 - 8.1.3 regularly review data and documents of the User, its representative and beneficiaries which are used for their identification; and
 - 8.1.4 transfer and disclose any such information and documents received from the User to any governmental authority, bank or other person to whom the Company is obliged or deems necessary to transfer and disclose information and documents.
- 8.2** The information and documents that the User provides to the Company have to be accurate, current and complete and may not be misleading in any respect. The Company may, from time to time, request such information and documents to be updated and/or supplemented, in which case the User is obliged to provide the Company with updated and/or supplemented information and documents without delay. If the User is not able or willing to update such information and documents, the Company has the right to restrict the User from receiving the Benefits.

9 REPRESENTATIONS AND WARRANTIES

- 9.1** By accepting these Terms and/or acquiring the Tokens either from the Company or from another User, you represent and warrant to the Company that each of the following statements is true and correct:
- 9.1.1 you have read and understand these Terms;
 - 9.1.2 you are not a citizen or resident of or a person located in Canada, the United States of America (USA), Puerto Rico, the Virgin Islands or any other US possessions;
 - 9.1.3 if you are a citizen or resident of or a person located in China or South Korea, you have sought legal advice as recommended in the important notice outlined in the preamble

of these Terms and satisfied yourself based on such legal advice that your purchase of Tokens does not constitute a breach of applicable laws by yourself or the Company;

- 9.1.4 you are of an age of majority to enter into these Terms (at least 18 years of old), meet all other eligibility requirements, and are fully able and legally competent to acquire and use the Tokens, use the Website and enter into agreements with the Company, and in doing so will not violate any applicable law or any other agreement to which you are a party;
- 9.1.5 if you are purchasing Tokens on behalf of an entity, you are authorized to accept these Terms on such entity's behalf and bind such entity, and such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity;
- 9.1.6 you have sufficient understanding of technical, financial and business matters, cryptographic tokens, smart contract functionality, token storage mechanisms (including wallets), and blockchain technology to understand these Terms and to appreciate and assume the risks and implications of purchasing Tokens;
- 9.1.7 you have obtained sufficient information about the Tokens, rights related thereto, as well as the Company to make an informed decision to purchase Tokens;
- 9.1.8 you understand that the Tokens confer only the rights outlined in these Terms, above all the right to receive Benefits, and confer no other rights with respect to the Company, including any ownership, dividend, redemption, liquidation, proprietary (including intellectual property), or other financial or legal rights (unlike equity securities may confer on their holders);
- 9.1.9 you are purchasing Tokens for receiving Benefits, being aware of the commercial risks associated with the relevant business, and you are not purchasing Tokens for any other purposes, including any speculative purpose;
- 9.1.10 you understand that buyback under Section 7 above depends on the sole discretion of the Company and may never occur, and you would not be able to count on this or enforce any relevant rights against the Company should the buyback never occur (there are no redemption or repayment obligations similar to debt securities);
- 9.1.11 the Company is not a fund; the Company has a general commercial purpose, the ICO proceeds are not invested in accordance with a defined investment policy, and the ICO proceeds are not raised with a view of investing and generating a pooled return for the benefit of the Users;
- 9.1.12 you understand that PRKC tokens do not have any underlying value after the ICO and the price of Tokens on any exchange is subject to fluctuations which the Company is unable to control;
- 9.1.13 you understand that you may not be able to sell or otherwise transfer PRKC tokens due to potential lack of liquidity, including that Tokens may never become available for trade on secondary market (exchange) and/or that there may not be buyers who would be interested in acquiring the Tokens from you; and
- 9.1.14 the funds used for purchasing Tokens do not have criminal, otherwise illegal or unethical origin or source, and no transaction involving Tokens is made to facilitate any criminal, otherwise illegal or unethical activity.

- 10.1** You are responsible for implementing sufficient measures for securing the wallet or other storage mechanism you use to receive and hold Tokens. You must acknowledge that in case any requisite private keys or other credentials are lost, you may lose access to your Tokens. We are not responsible for substituting such Tokens or for any losses, costs or expenses relating to lost access credentials.
- 10.2** Any amounts that you pay for Tokens are exclusive of all applicable taxes. You are responsible for determining which taxes apply to your purchase of Tokens (if any). It is also your responsibility to withhold, collect, report and remit such taxes to appropriate tax authorities. We are not responsible for withholding, collecting, reporting, or remitting any sales, use, value added, or similar tax arising from the purchase of Tokens.

11 LIABILITY

- 11.1** To the maximum extent permitted by applicable law, the User shall compensate the Company (as well as any director, officer, employee or affiliate of the Company) for all damages suffered thereby in connection with any breach of a representation, warranty or obligation of the User under these Terms. Such damages to be compensated under this Section 11.1 shall include costs and expenses incurred due to third party claims (including penalties imposed by authorities), attorneys' fees and all other damages subject to compensation under applicable law.
- 11.2** In addition to Section 11.1, the User shall compensate the Company (as well as any director, officer, employee or affiliate of the Company) costs and expenses, including attorneys' fees, incurred in connection with reviewing and responding to subpoenas, legal orders and queries of public authorities concerning the User.
- 11.3** If you violate these Terms, we may restrict you from receiving the Benefits at our sole discretion and without prior notice, and without any liability or further obligation to you or any other party. For the avoidance of doubt, our respective rights also apply in case it appears that you have acquired the Tokens in breach of applicable laws or these Terms or in case it becomes evident that your purchase of Tokens constituted a breach of applicable laws by the Company in connection with the prohibitions referred to in the important restrictions and notice outlined in the preamble of these Terms.
- 11.4** We shall not be liable for any damages suffered by you as a result of or otherwise in connection with causes beyond our control, including any hacker attack, technical failures, defects, bugs or viruses affecting the Website, the App or any platform related to any Currency (including any delay in receiving or failure to receive Tokens in exchange for Currency sent to the Company's wallet), circumstances related to your wallet service provider, your failure to follow these Terms (including the obligation to use the Company's wallet address specified on the Website, obligation to use only Currency or obligation to use a wallet meeting the conditions outlined in Section 3.7 above for purchasing Tokens from the Company), default by our supplier or contractor, and any action taken by regulatory authorities.
- 11.5** PRKC tokens are provided on an "as is" basis and without any representations or warranties of any kind, either expressed or implied. Among other things, we do not represent or warrant that any information on the Website or in the Accompanying Documents is accurate or reliable.
- 11.6** Some statements in these Terms and in the Accompanying Documents may include forward-looking statements which reflect the Company's and/or its management's current views with respect to financial performance, market situation and future plans. All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there may be important factors that could cause the actual results of the business to differ materially from those indicated in these statements. There will be no obligation to update or review any forward-

looking statements, whether as a result of new information, future developments or otherwise. We do not accept any liability for forward-looking statements.

- 11.7 Should you proceed with purchasing any PRKC tokens and the product fails to be suitable for the particular purpose as intended by you, we do not accept any liability for such unsuitability (among other things, we do not accept the return of, or refund to you the purchase price of the respective PRKC tokens).
- 11.8 To the maximum extent permitted by applicable law, we do not accept any liability for damages, including loss of profit, resulting from any use of, or inability to use, the Website, the App or any platform related to any Currency, or from purchasing of PRKC tokens (including in case of fraud or other misconduct by any seller of PRKC tokens other than the Company) or their use by the User, regardless of the basis upon which liability is claimed. Among other things, we do not accept any liability for any change of the value of PRKC tokens or any Currency.
- 11.9 You understand and agree that it is your obligation to ensure compliance with any legislation relevant to your country of domicile concerning use of the Website, the App and purchasing and use of PRKC tokens, and that we do not accept any liability for any illegal or unauthorized use of the Website, the App or purchasing and use of PRKC tokens.
- 11.10 In any case, the total amount of our aggregate liability hereunder shall not exceed USD 500.
- 11.11 No limitation of liability agreed in this Section 11 applies in case of intentional breach of obligations or in case of gross negligence.

12 JURISDICTION AND DISPUTE RESOLUTION

- 12.1 These Terms will be governed by the laws of the Republic of Estonia.
- 12.2 Any dispute, controversy or claim arising out of or in connection with these Terms, or the breach, termination or invalidity thereof, which the Parties have failed to solve by negotiations, will be settled in Harju County Court as the court of first instance.

13 MISCELLANEOUS

- 13.1 Notices to the Company shall be sent by e-mail to info@parkade.io. Notices to the User may be posted on the Website or delivered by any other means.
- 13.2 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 the rest of 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.
- 13.3 No delay in performing an obligation or in exercising a right under these Terms will mean exemption of such obligation or waiver of such right, nor will separate or partial exercise of any right exclude further exercise of such right or any other right, unless the provisions or the context of these Terms requires otherwise.
- 13.4 These Terms and the Accompanying Documents constitute the complete agreement between the Parties with respect to the subject matter hereof and supersede all prior agreements, written or oral, concerning the subject matter of these Terms.
- 13.5 The Company may, at its sole discretion, assign any of its rights and/or obligations under these Terms to any affiliate or third party. You may not assign any of your rights and/or obligations

under these Terms and such rights and obligations shall be binding on you as long as you hold any Tokens.

- 13.6** The Company retains all right, title and interest in all of its intellectual property, including inventions, ideas, concepts, software and brands, whether or not patentable, copyrightable or protectable by trademark. You may not use any such intellectual property without our prior written consent.