

Staps Token Sale General Terms and Conditions

Please read these terms and conditions carefully, as they set out our and your legal rights and obligations in relation to sale of our cryptographic tokens – STB tokens (hereinafter “Staps Token Sale”). You will be asked to agree to these terms and conditions before participating in the Pre-Sale and Staps Token Sale. These Terms and Conditions are available in the English language only. You should print a copy of these Terms and Conditions for future reference.

We will not file a copy specifically in relation to you, and they may not be accessible on our website in the future.

1. Definitions

1.1. Account – an account required to set up by the Participant on the Website in order to participate in the Staps Token Sale.

1.2. Content - Content and other materials contained in the Website, including, the STB Tokens logos and all projects, text, graphics, pictures, information, data, software, sound files, other files and the selection and arrangement thereof.

1.3. Pre-Sale launch date - February 18th 2018 00:00 UTC

1.5. Pre-Sale end date - March 18th 2018 00:00 UTC or the date when 5 000 000 STB are reached, whichever occurs first.

1.6. Staps Token Sale launch date - March 18th 2018 00:00 UTC. STB Tokens will be sold in four stages.

1.7. Staps Token Sale end date - will happen after implementation 55 000 000 STB

1.8. Waves - Waves cryptocurrency.

1.9. Force Majeure Event – an event, or a series of related events, that is outside the reasonable control of the party affected (including failures of or problems with the Internet or a part of the Internet, hacker attacks, virus or other malicious software attacks, Waves network, power failures, industrial disputes affecting any third party, changes to the law, disasters, explosions, fires, floods, riots, terrorist attacks and wars).

1.10. Loss – damages, claims, applications, loss, injuries, delays, accidents, costs, business interruption, expenses (including, without limitation, counsel or legal fees or the costs of any claim or suit), any incidental, direct, indirect, general, special, punitive, exemplary, special or consequential damages, any loss of goodwill, profits or revenue or any other economic loss, any loss of cryptocurrency or digital assets, any work stoppage, data loss, computer failure or malfunction, or any other commercial or other loss.

1.11. Privacy Policy – set of rules that the Initiator will apply to the processing of Initiator’s information. The Privacy Policy is accessible on the Website. Please be informed that you agree to the Privacy Policy by using the Website or participating in the Pre-Sale or Staps Token Sale. If you do not agree with the Privacy Policy, you should refrain from using the Website and any services or activities provided by the Initiator via or in connection to the Website.

1.12. Subscribing – act of providing personal data to the Initiator through a form made available on the Website under the button “Subscribe”. Subscribing is a prerequisite for the Participant to get information about participating in Staps Token Sale.

1.13. STB – Coordinated Universal Time.

- 1.16. STB Tokens - the internal cryptocurrency of the Staps platform, for which it is possible to obtain services inside the Staps ecosystem.
- 1.17. Staps Token Sale – public sale of STB Tokens.
- 1.18. Whitepaper – informational document issued by Initiator highlighting the Initiator’s strategy etc., available at: www.staps.io.
- 1.19. Website - the portal via which the Pre-Sale and Staps Token Sale will be carried out and all subdomains and all other respective pages of above mentioned webpage.
- 1.20. Bounty Programmes – different programs initiated by the Initiator which will offer compensations to the participants of these programs. The compensations will be payed to the participants of the Bounty Programmes in STB Tokens.

2. General Provisions

- 2.1. By Subscribing to our Website www.stap.io and/or purchasing STB Tokens, you confirm that you have read Staps Token Sale General Terms and Conditions (hereinafter the “Terms and Conditions”), agree to these Terms and Conditions, and undertake to comply with these Terms and Conditions.
- 2.2. This agreement is entered into as of the date on which it is accepted by the Participant as described in section 2.1, and with the purpose of funding programming and implementation of the STB via Staps Token Sale.
- 2.3. The Initiator reserves the right, at its sole discretion, to change, modify, add or remove portions of these Terms and Conditions at any time, and such amendments will be effective immediately upon publication on the Website. By continuing to use the Website and participating in the Staps Token Sale, you accept such amendments.
- 2.4. If you do not agree to these Terms and Conditions, you must refrain from Subscribing to the Website and participating in the Staps Token Sale.

3. Sale of STB Tokens terms and provisions of using the Website

- 3.1. During the Pre-Sale and Staps Token Sale a total number of STB Tokens will be 1 000 000 000 tokens, which will be issued as following: 0.5% Pre-Sale 5.5% Staps Token Sale 1% bonus for mining, 1.5% go to the project team, 0.25% Bounty programme, 0.25% advisors, 1% reserve, 90% for mining.
- 3.2. To participate in the Staps Token Sale, the Participant needs to Subscribe to the Website by providing his/her name, e-mail address and phone number. Additional information may be provided at the Participant’s discretion. The Initiator shall then contact the Participant and provide information about setting up an Account on the Website. Initiator may enable means that would allow setting up an Account on the Website without the need to Subscribe to the Website first. Please be informed that you should refrain from Subscribing and/or setting up an Account if you do not agree with these Terms and Conditions or the Privacy Policy. For participation in the Staps Token Sale, the Participant must have an Account on the Website.
- 3.3. The Participant will be able to transfer funds in Waves to his/her Account on the Pre-Sale stage using. On the Staps Token Sale stage, the Participant may use Waves to purchase STB tokens. However, the mere transfer of funds to the Participant’s Account does not represent the purchase of

tokens. STB Tokens can only be purchased during the official Pre-Sale and Staps Token Sale as described in the section 5 of these Terms and Conditions.

3.3.1. STB Tokens purchased by the Participant will be transferred to the Participant's Account once they have been issued by the Initiator according to section 4 of these Terms and Conditions. The Participant shall be responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanism he/she decides to use to receive and hold STB Tokens outside of his/her Account, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). If the Participant's private key(s) or other access credentials are lost, the Participant may lose access to the purchased tokens. The Initiator shall not be responsible for any such losses.

3.3.2. The participant warrants and represents that all information provided when creating an Account on the Website is current, complete and accurate. The Participant agrees to promptly notify the Initiator of any changes to any information that would cause the information provided to no longer be current, complete or accurate. The Participant also warrants and represents that he/she understands that no Account will be fully created until the identity and email address of the Participant hasn't been confirmed in a manner deemed suitable by Initiator.

3.3.3. The Participant must ensure that his/her Account will be exclusively accessed by that Participant. The Participant is not allowed to transfer the right of use of his/her Account or disclose any log-in credentials to a third party without the Initiator's written consent. Full responsibility for any activity that occurs through the use of the Participant's Account, belongs to that Participant. In case of an event which is suspected by the Participant to be a security breach or vulnerability related to the Website or Participant's Account, the Participant must notify the Initiator of it immediately.

3.4. In order to participate in the Pre-Sale and Staps Token Sale and receive STB tokens, the Participant must have a personal wallet that supports standard Waves tokens. The Participant shall not use an exchange Account. The Initiator shall have the right to prescribe additional guidance regarding specific wallet requirements.

3.5. Failure to follow Staps Token Sale instructions provided in these Terms and Conditions or on the Website may limit, delay, or prevent the Participant from purchasing STB Tokens. Should this happen, the Initiator shall under no conditions be held liable for any costs or damages arising for the Participant or any other persons.

3.6. Initiator shall put its best efforts into developing and/or deliver the Initiator Products, but shall not guarantee it.

3.7. The participant shall be hereby granted a license to all content and other materials contained in the Website with following restrictions: 3.7.1. Unless otherwise indicated in writing by Initiator, the Website, and all Content are the proprietary property of the Initiator or Initiator's licensors or users, as applicable, and are protected by international copyright laws. 3.7.2. The Participants are hereby granted a limited, nonexclusive, non-transferable, non- sub-licensable license to access and use the Website and Content. However, such license does not include any right to (a) sell, resell or use commercially the Website or Content, (b) distribute, publicly perform or publicly display any Content, (c) modify or otherwise make any derivative uses of the Website, or Content, or any portion thereof, (d) use any data mining, robots or similar data gathering or extraction methods, (e) download (other than the page caching) any portion of the Website, or Content, except as expressly permitted by the Initiator, and (f) use the Website, or Content other than for their intended purposes. Any use of the Website, or Content other than as specifically authorized herein, without the prior written permission from the Initiator, is strictly prohibited and will terminate the license granted herein. Such unauthorized use may also violate applicable laws, including, without limitation, copyright and

trademark laws and applicable communications regulations and statutes. Unless explicitly stated by Initiator, nothing in the sections 3.7.1 to 2.7.3. shall be construed as conferring any right or license to any patent, trademark, copyright or other proprietary rights of the Initiator or any third party. This license is revocable at any time. 3.7.3. Notwithstanding anything to the contrary stated in the sections 3.7.1. to 3.7.3., the Website and Content may include software components provided by the Initiator or a third party that are subject to separate license terms, in which case those license terms will govern such software components.

4. Issuing STB Tokens

4.1. The Initiator will issue a total of 1 000 000 000 STB Tokens. From all of the STB Tokens issued, 5 000 000 STB Tokens will be issued at the Pre-Sale stage, 55 000 000 will be issued at the Staps Token Sale stage, 10 000 000 bonus for mining, 15 000 000 for the project team, 2 500 000 tokens will be issued in accordance with Bounty Programmes, 2 500 000 advisors, 10 000 000 reserve, 900 000 000 for mining

4.2. Form all of the STB Tokens issued, 60 000 000 STB Tokens will be made available for purchase by the Purchasers during the Pre-Sale between the Launch Date and the End Date. All of the STB Tokens left unsold between the Launch Date and the End Date will be permanently destroyed.

5. Purchase and Sale of STB Tokens during the Pre-Sale and Staps Token Sale

5.1. During the Pre-Sale and Staps Token Sale, STB Tokens will be sold only for Waves any cryptocurrencies other than Waves will not be accepted.

5.1.1 At the stage of realization of the tokens during the presale, which starts from 18.02.2018 at 00:00 UTC and ends on 18.03.2018 at 00:00 UTC, the participants will be given a discount that will be the difference between the value of the STB token (0, 2 \$ in Waves equivalent) - 50% of the cost of the STB token at the time of sale (\$ 0.3 in Waves equivalent).

5.2. The minimum amount of STB Tokens that can be purchased during the Staps Token Sale by a Participant in one purchase, is the amount that equals 0.2\$ in Waves equivalent.

5.3. STB Tokens shall be sold only within the period between the Launch Date of Pre-Sale and the End Date of Staps Token Sale. Initiator reserves the right to change the Launch Date or End Date at its absolute discretion. Any such changes shall be published on the Website.

5.4. The Participant shall pay the purchase price for the desired amount of the STB Tokens by sending the correct quantity of Waves to the unique address displayed to the Participant on the Website .

5.5. The Participant shall have the right to purchase an unlimited quantity of STB Tokens, until the total amount of STB Tokens issued for the Pre-Sale and Staps Token Sale is purchased, on a first-come-first-serve basis.

5.6. Knowledge of the unique address or unique order identification combination shall not constitute a purchase receipt or indicate in any way that any party with such knowledge shall have a right to the ownership of the STB Tokens.

5.7. STB Tokens purchased by the Participant will be distributed to him/her by within 10 days after the respective purchase of STB Tokens. The Participant shall have the right to transfer STB tokens on any exchange platform where it is possible and allowed.

5.8. The Participant will be able to check the status of his/her STB Tokens purchase on his/her personal wallet or respective website.

5.9. The Initiator shall only publish the status of Staps Token Sale in general on the Website, i.e. the amount of purchased STB Tokens and its proportion of the total amount of STB Tokens.

5.10. STB Tokens shall not impart on the Purchaser any, express or implied, proprietary rights or obligations or contract, including, but not limited to, intellectual property rights. Participating in the Staps Token Sale, purchasing STB Tokens, or receiving and holding STB Tokens does not grant the Participant any decision-making power, including, but not limited to, in relation to development, governance, or the role, conduct or performance of the Initiator.

5.11. The Initiator shall monitor all potential transactions for attempts to double-spend cryptocurrency or cryptographic STB Tokens during Staps Token Sale. Any double- spends detected shall result in the cancellation of the STB Token issue to the relevant Participant at any stage of the Staps Token Sale. The relevant Participant shall not be reimbursed for any costs he/she bears related to the Staps Token Sale.

6. Warranties and Acknowledgments of the Participant

6.1. The Participant warrants that:

6.1.1. He/She has the legal right and authority to enter into and perform his/her obligations under these Terms and Conditions;

6.1.2. He/She is not participating in the Pre-Sale and Staps Token Sale, purchasing STB Tokens, receiving and holding STB Tokens, or exchanging any cryptocurrency for STB Tokens for the purpose of speculative investment;

6.1.3. He/She is not participating in the Staps Token Sale, purchasing STB Tokens, or receiving and holding STB Tokens for any illegal purpose;

6.1.4. He/She understands the use, details and intricacies of cryptocurrencies, cryptographic STB Tokens and blockchain based software systems.

6.2. The Participant acknowledges and agrees that:

6.2.1. He/She shall take sole responsibility for any restrictions and/or risks associated with participating in the Staps Token Sale, purchasing STB Tokens, and/or receiving and holding STB Tokens, whether referred to in these Terms and Conditions, arising under any applicable law, or otherwise;

6.2.2. He/She is participating in the Staps Token Sale, purchasing STB Tokens, and receiving and holding STB Tokens to facilitate the development, testing, deployment and operation of the STB and other accompanying activities;

6.2.3. The proposed outcomes of the STB may not be achieved;

6.2.4. STB Tokens may not provide the rewards envisaged;

6.2.5. He/She shall not attempt to gain unauthorised access or hack into, interfere with, disrupt, disable, overburden or otherwise impair the proper working of the Website;

6.2.6. He/She shall not violate or attempt to violate the security of the Website;

6.2.7. He/She shall not access information or data which he/she is not authorised to access; 6.2.6. He/She shall promptly provide to the Initiator, upon request, any relevant additional information, which the Initiator may consider necessary for the purpose of providing services to the Participant; and

6.2.9. He/She shall ensure that any information or content he/she posts, or makes available in any way, or causes to be posted on the Website and/or non-proprietary unless expressly indicated

otherwise, and not offensive or illegal, and that he/she is be responsible for all such information or content.

6.3. By participating in the Staps Token Sale the Participant shall agree to the following statements:

6.3.1. The participant represents that he or she is:

6.3.1.1. NOT an individual who is a resident of the United States of America, its territories or possessions, any state of the United States of America or the District of Columbia (hereinafter the "USA"), People's Republic of China, or Singapore;

6.3.1.2. NOT a corporation, partnership or other legal entity formed under the laws of the USA, People's Republic of China, or Singapore;

6.3.1.3. NOT an agency, branch or office located in the USA of a corporation, partnership or other legal entity that is formed under laws other than those of the USA, People's Republic of China, or Singapore;

6.3.1.4. NOT a trust of which any trustee is described in sections 6.3.1.1 to 6.3.1.3.;

6.3.1.5. NOT a legal entity (i) the shares of which are publicly traded on a securities exchange, and (ii) more than 45% of the shares of which are owned by or for the benefit of an individual or entity described in sections 6.3.1.1 to 6.3.1.4.;

6.3.1.6. NOT a member of any branch of the military of the USA, People's Republic of China, or Singapore; and 6.3.1.7. NOT an agent or a fiduciary acting on behalf or for the benefit of an individual or entity described in sections 6.3.1.1 to 6.3.1.6.

6.3.2. The Participant's decision to purchase or subscribe for STB Tokens was:

6.3.2.1. NOT based, in whole or in part, on the information the Participant received, or communications the Participant exchanged, while the Participant or the person providing the information or with whom the communication was exchanged, was inside the USA, People's Republic of China, or Singapore;

6.3.2.2. NOT made inside the USA, People's Republic of China, or Singapore; and

6.3.2.3. NOT communicated to the Initiator from a source within the USA, People's Republic of China, or Singapore.

6.3.3. The Participant's purchase of STB Tokens is:

6.3.3.1. Made for his/her own account as principal; and

6.3.3.2. Not preceded, and will not be followed within two days from the End Date, by any effort to create or condition a market for STB Tokens in the USA, People's Republic of China, or Singapore.

7. Warranties of the Initiator

7.1. The Initiator warrants that it will not purchase STB Tokens during the Pre-Sale and Staps Token Sale. Furthermore, the Initiator warrants that it will not purchase STB Tokens from any third party during the period of the Pre-Sale and Staps Token Sale.

7.2. In the spirit of openness, and to enable Participants to have as much information as possible to guide their decision-making process, the Initiator will disclose on at least a daily basis, the total number of STB Tokens sold, reserved and available for issuance to enable the Purchaser to develop an understanding of the size of the existing STB Tokens pool at the time of his/her STB Token purchase.

7.3. The Initiator warrants that all STB Tokens made available for Staps Token Sale that are not sold between the Launch Date and End Date will be permanently destroyed.

7.5. The Initiator will use all proceeds from the Staps Token Sale for developing STB and the accompanying activities as described in the STB Token Whitepaper. The Initiator's current estimate of the use of the proceeds is as follows: 30% platform development, 30% marketing, 30% infrastructure and support, 10% cashback for participants. The Initiator reserves the right to change the breakdown of the use of the proceeds from the Staps Token Sale at any time at its own discretion, without the responsibility to inform any party thereof.

8. Exclusion of Liability

8.1. The Initiator shall not be liable (whether in an action in negligence, contract or tort based on a warranty, or otherwise) for any Loss even if the Initiator or its representatives are advised of the possibility of such Loss, howsoever caused as a result, directly or indirectly, of or arising from or in connection with:

8.1.1. the Participant's participation in the Staps Token Sale, receiving and holding STB Tokens;

8.1.2. any access, the use of, or inability to access or use, the Website;

8.1.3. the Participant's reliance on or use of or inability to use the content and information of the Website or any linked website;

8.1.4. any failure of performance, error, omission, interruption, defect, delay in operation or transmission, computer virus or line or system failure of the Website or any linked website;

8.1.5. the cost of procurement of substitute goods and services resulting from any goods, data, information or services purchased or obtained or messages received or transactions entered into through or from the Website;

8.1.6. unauthorised access to or alteration of the Participant's transmissions or data;

8.1.7. statements or conduct of any third party on the Website; or

8.1.8. any other matter relating to the Website.

9. No Waiver

9.1. The failure of the Initiator to require or enforce strict performance of any provision of the Terms and Conditions or to exercise any right under the Terms and Conditions shall not be construed as a waiver or relinquishment of the Initiator's right to assert or rely upon any such provision or right (or any other provision and/or right contained in this document in its entirety, as the case may be) in that or any other instance. The express waiver by the Initiator of any provision, condition, or requirement of the Terms and Conditions shall not constitute a waiver of any other or future obligation to comply with such provision, condition or requirement. Except as expressly and specifically set out in the Terms and Conditions, no representations, statements, consents, waivers, or other acts or omissions by the Initiator shall be deemed a modification of the Terms and Conditions or be legally binding.

10. Taxation

10.1. The Initiator shall not make any representations concerning the tax implications of participating in the Pre-Sale and Staps Token Sale, purchasing STB Tokens, or receiving and holding STB Tokens.

10.2. The Participant shall bear the sole responsibility for determining or assessing the tax implications of his/her participation in the Staps Token Sale, purchasing STB Tokens, or receiving and holding STB Tokens in all respects and in any relevant jurisdiction, and bear all tax costs.

10.3. By participating in the Pre-Sale and Staps Token Sale, purchasing STB Tokens, or receiving and holding STB Tokens, to the extent permitted by applicable law, the Participant shall agree that no other party (including, without limitation, the Initiator) may be held liable for any Loss arising out of, or in any way connected to, any tax liability the Participant may incur in connection with his/her participation in the Staps Token Sale, purchasing STB Tokens, or receiving and holding STB Tokens.

11. Anti-Money Laundering Provisions

11.1. The Initiator shall reserve the right to conduct anti- money laundering checks and procedures on the Participant as required by the applicable laws.

11.2. The Participant undertakes to submit to such checks and procedures, and provide all the information and confirmations requested by the Initiator to that end. Should the Participant fail or refuse to provide the necessary information and confirmations requested by the Initiator within the specified timeframe, the Initiator may terminate the Participant's right to use the Website and provide services to that Participant without any obligation to refund.

12. Force Majeure

12.1. The Initiator shall not be liable in any way for any Force Majeure Event. By participating in the Staps Token Sale, purchasing STB Tokens, receiving and holding STB Tokens, to the extent permitted by the applicable law, the Participant shall agree that no other party (including, without limitation, the Initiator) shall be liable for any Force Majeure Event.

13. Severability

13.1. If any provision of the Terms and Conditions is found illegal or unenforceable under any relevant law, in whole or in part, such a provision shall be ineffective solely to the extent of such determination of invalidity or unenforceability without affecting the validity or enforceability thereof in any other manner or law.

14. Applicable Law and Jurisdiction

14.1. All disputes arising from these Terms and Conditions will be settled by the negotiations of the Parties.

14.2. If the disputes between Parties could not be settled by the negotiations of the Parties, then the claims procedure is mandatory for the parties. The time for consideration of the claim is 30 days and begins from the moment the claim is received by the authorized representative of the Initiator by mail.

15. Miscellaneous

15.1. If the Terms and Conditions are in conflict with the information provided on the Website or any other document, including, but not limited to the STB Token Whitepaper, the Terms and Conditions shall prevail.

Certain Risks Relating to Purchase, Sale, and Use of STB Tokens

Important Note: As noted elsewhere in these Terms and Conditions, the STB Tokens are not structured or sold as securities or any other form of an investment product. Accordingly, none of the information presented in this Annex 1 is intended to form a basis for any investment decision, and no specific recommendations are intended. The Initiator expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from: (i) reliance on any information contained in this Annex 1, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting from such information. By purchasing, owning, and using STB Tokens, you expressly acknowledge and assume the following risks:

16. Risk of Losing Access to STB Tokens Due to Loss of Private Key(s), Custodial Error, or your Error

A private key, or a combination of private keys, is necessary to control and dispose of STB Tokens stored in your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with your digital wallet or vault storing STB Tokens will result in loss of such STB Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet service you use, may be able to misappropriate your STB Tokens. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store STB Tokens, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your STB Tokens. Additionally, your failure to precisely follow the procedures set forth for buying and receiving STB Tokens, including, for instance, if you provide an incorrect personal wallet address, may result in the loss of your STB Tokens.

17. Risks Associated with the Waves

Since STB Tokens any malfunction, breakdown or abandonment of the Waves protocol may have a material adverse effect on STB Tokens. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the STB Tokens, including the utility of the STB Tokens for STB, by rendering ineffective the cryptographic consensus mechanism that underpins the Waves protocol.

18. Risk of Mining Attacks

As with other decentralised cryptographic tokens based on the Waves protocol, the STB Tokens are susceptible to attacks by miners in the course of validating STB Token transactions on the Waves blockchain, including, but not limited to, double-spend attacks, majority mining power attacks, and selfish mining attacks. Any successful attacks present a risk to the STB, including, but not limited to, accurate execution and recording of transactions involving STB Tokens.

19. Risk of Hacking and Security Weaknesses

Hackers or other malicious groups or organisations may attempt to interfere with STB, Website or STB Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because on open-source software, there is a risk that a third party or a member of the Initiator team may intentionally or unintentionally introduce weaknesses into the core infrastructure of, which could negatively affect STB.

20. Risks Associated with Markets for STB Tokens

The STB Tokens could be used for any secondary trading or external valuation of STB Tokens from the End Date. If secondary trading of STB Tokens is facilitated by third-party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation. Furthermore, to the extent that third parties do ascribe an external exchange value to STB Tokens (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero.

21. Risk of Uninsured Losses

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

22. Risks Associated with Uncertain Regulations and Enforcement Actions

The regulatory status of the STB Tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply the existing regulation with respect to such technology and its applications, STB and the STB Tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications. Regulatory actions could negatively impact the STB and the STB Tokens in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of the STB Tokens constitutes unlawful activity or that the STB Tokens are a regulated instrument that require registration or licensing of those instruments or some or all of the parties involved in the purchase, sale and delivery thereof. The Initiator may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

23. Risks Arising from Taxation Tax treatment of STB Tokens is uncertain.

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

24. Risks Associated with the Development and Maintenance of STB

STB is still under development and may undergo significant changes over time. Although the Initiator intends for the STB Tokens to function as described in STB Token Whitepaper, and intends to take commercially reasonable steps toward those ends, the Initiator may have to make changes to the specifications of the STB Tokens or STB for any number of legitimate reasons. This could create a risk that STB Tokens or STB, as further developed and maintained, may not meet your expectations at the time of purchase. Furthermore, despite our good faith efforts to develop STB, it is still possible that STB will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact STB and STB Tokens, and the potential utility of STB Tokens.

25. Risk of an Unfavourable Fluctuation of Waves Value

If the value of Waves fluctuates unfavourably during or after the Staps Token Sale, we may not be able to fund development, or may not be able to develop or maintain STB in the manner that was intended. In addition to the usual market forces, there are several potential events which could exacerbate the risk of unfavourable fluctuation in the value of Waves.

26. Risks Arising from Lack of Governance Rights

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

27. Risks Arising from the Identity Verification Market

The identity verification industry, and by extension STB, is subject to a variety of state and international laws and regulations, including those with respect to Know Your Customer and/or Anti-Money Laundering and customer due diligence procedures, privacy and data protection, consumer protection, data security, and others. These laws and regulations, and the interpretation or application of these laws and regulations, could change at any time. In addition, new laws or regulations affecting STB could be enacted, which could impact the utility of the STB Tokens. Also, STB users are subject to industry specific laws and regulations or licensing requirements. If any of these parties fails to comply with any of these licensing requirements or other applicable laws or regulations, or if such laws and regulations or licensing requirements become more stringent or are otherwise expanded, it could adversely impact STB and the STB Tokens.

28. Unanticipated Risks

Cryptographic tokens such as STB Tokens are a new and untested technology. There are other risks associated with your purchase, possession, and use of the STB Tokens, including unanticipated risks. Such risks may further materialise as unanticipated variations or combinations of the risks.