

PHONEUM TOKEN SALE — TERMS AND CONDITIONS

Phoneum Initial Participation: Terms and Conditions (Terms of Purchase of Phoneum Cryptographic Tokens).

The sale and purchase of Phoneum cryptographic tokens ("Phoneum Tokens") to participants of the initial participation (together referred to as the "Holders" and individually as the "Holder") shall be subject to the terms and under the conditions set forth below ("Terms and Conditions").

The Terms and Conditions address the initial participation during which the Phoneum Token is purchased. The initial participation of the Phoneum Token is not and shall not be deemed to be an investment proposal and, while the Phoneum Token is a utility digital asset that enables an end user to experience any of a number of use cases on the Phoneum digital platform, the initial participation is not and shall not be deemed to be an offer to purchase, sell or otherwise transact securities in any jurisdiction, and the Phoneum Token is not and shall not be deemed to be a security. Any appreciation in value of the Phoneum Token at any time is neither intended nor a part of the Phoneum model and would be only incidental to the Phoneum Token's instantiation from token genesis as a utility token in the form of software code. Phoneum Tokens are not and as all not be deemed to be monetary units nor other means of payment, store of value or unit of accounting in the understanding of the relevant legislation, common law or administrative law, and can be used for payment only inside applications, use cases, activities and services that support transactions using the Phoneum Token. Individuals, legal entities and other organizations should carefully assess the risks, costs and benefits of acquiring and/or possessing Phoneum Tokens at the beginning of the initial participation, compared to the expectation of acquiring Phoneum Tokens in open markets after the initial participation is completed.

Possession of the Phoneum Token will allow access to the Phoneum ecosystem, including specific use cases with the Phoneum ecosystem. As a British Virgin Islands corporation with offices at Trinity Chambers, PO Box 4301 Road Town, Tortola VG1110 (the "Company") still remains the sole and full right owner of the Phoneum ecosystem. The term "Phoneum ecosystem" shall be understood to be a set of organizational, technical, software, hardware and resources and an auxiliary infrastructure combined to ensure the smooth operation of use cases

with respect to the Phoneum ecosystem. The Holders shall have a reasonable expectation to participate in the Phoneum Telegram channel, subject to Phoneum terms and conditions and subject further to the Company's right to remove any individual,

entity or party from the Phoneum Telegram channel if the Company deems any expression and/or conduct to be inconsistent with Phoneum's policies, values or mission.

By participating in the initial participation of Phoneum, you unambiguously acknowledge, confirm, represent, warrant and covenant that you have carefully studied these Terms and Conditions, fully understand the risks, costs and benefits of acquiring the Phoneum Token and agree to observe and comply with these Terms and Conditions. In addition, you acknowledge that the Phoneum ecosystem team ("Project Team") will act as an authorized recipient and holder of the funds contributed as a result of the initial participation, acting as an independent autonomous community of people united by the overall goal of developing the Phoneum ecosystem; information regarding members of the Phoneum team is available for review on the official website of the Phoneum ecosystem <https://Phoneum.io/> ("Website"). Solely for the purposes of more easily understanding of the contents of these Terms and Conditions, the Company and the Project Team, when they are relevantly mentioned, within the general framework are together referred to as "we" or "our".

As indicated below, you confirm, represent, warrant and covenant that, to the extent permitted by law, you have the necessary rights to purchase and/or possess the Phoneum Token in all jurisdictions to which you are subject, that you have reached the statutory age for the purchase of the Phoneum Token in order to be bound by these Terms and Conditions, and that you will not hold liable the Project Team (neither as a whole nor any individual members of the Project Team), the Company, affiliated companies, parents, subsidiaries, affiliates, partner companies and related companies, owners, members, shareholders, directors, officers, managers, employees, contractors, agents, and/or advisors of the Company for any damages, including special, incidental, direct, indirect or consequential damages of any kind (including legal and any other costs) arising out of, associated with or related to (directly or indirectly) the sale, purchase, transfer, acquisition and/or possession of the Phoneum Token at present or in the future.

NOTE: WE RECOMMEND THAT YOU DO NOT ACQUIRE, PURCHASE AND/OR POSSESS THE PHONEUM TOKEN IF YOU DO NOT HAVE EXPERT KNOWLEDGE IN THE FIELD OF SMART CONTRACTS, DECENTRALIZED APPLICATIONS, CONSENSUS ALGORITHMS, CRYPTOGRAPHIC HASH FUNCTIONS, DIGITAL ASSETS, CRYPTOGRAPHIC TOKENS AND SYSTEMS BASED ON THE SOFTWARE FUNCTIONING WITH THE SUPPORT OF BLOCKCHAIN TECHNOLOGY.

Only individuals, legal entities and other organizations with significant experience in using and understanding of the operating environment of smart contracts,

decentralized applications, consensus algorithms, cryptographic hash functions, digital assets, cryptographic tokens and systems based on the software

functioning with the support of blockchain technology should carry out the purchase, acquisition, transfer, sale and/or possession of the Phoneum Token. The Holders should have a functional understanding of the mechanisms for safely storing tokens and performing transactions associated with other cryptographic tokens.

The Project Team will be available to assist the Holders during and after the initial participation, but the Project Team will not be liable for lost consideration (e.g., Bitcoin, Ethereum, Dash, Litecoin, and Phoneum Tokens) as a result of actions taken by the Holders, or as a result of the failure of the Holders to take the necessary or appropriate action. Please note in particular that a Holder should exercise extra care and highest discretion in keeping the password to her or his wallet and not lose it in order to be sure that the Holder will be able to access her or his Phoneum Tokens when they become available after the initial participation. If you do not have such experience or knowledge, you should withdraw from acquiring the Phoneum Token and not participate in the Phoneum initial participation.

NOTE: CRYPTOGRAPHIC TOKENS ARE SUBJECT TO EXTREME COST VOLATILITY.

Phoneum does not imply any formal or legally binding investment nor expected appreciation in value of the Phoneum Token at any time now or in the future. Cryptographic tokens that can be evaluated in public markets, such as BTC, can regularly exhibit acute price fluctuations in short periods. The Holder should be prepared to expect similar fluctuations with respect to the Phoneum Token, especially with respect to decreases in value, expressed in BTC, ETH, LTC or other currencies available in open markets in the respective jurisdictions, as well as relative to values of government issued fiat currencies. Such fluctuations are caused by the common factors of open markets operation and represent changes in the balance of supply and demand. Such fluctuations can also be caused by factors that are difficult or impossible to discern, or by no factors whatsoever.

The Company cannot and does not guarantee, represent, warrant or covenant the liquidity of any market for the Phoneum Token nor the value, price, or demand with respect to the Phoneum Token. The Company emphasizes, and you acknowledge, that there may be frequent and protracted periods of time during which the Phoneum Token is difficult to buy and/or sell. Moreover, there may be frequent and protracted periods during which the Phoneum Token can be purchased or sold, but not at the price desired or sought by the Holder and/or any party seeking to purchase or sell a Phoneum Token. In addition, due to variances in demand from one geography to another, various regulatory requirements in different jurisdictions and the inability of citizens and/or subjects of some

countries to open accounts on asset exchanges located anywhere in the world, the liquidity of the Phoneum Token may vary significantly in different geographies, and this is likely to manifest as a significant inconsistency in the price of the Phoneum Token

from one geography to another. By purchasing and/or possessing the Phoneum Token, you unambiguously acknowledge and declare that you fully understand that Phoneum can exhibit high, turbulent and unwelcome price volatility and that you will not attempt to nor actually assign culpability, responsibility and/or liability nor bring or file any claims, actions and/or suits against nor make any disparaging remarks regarding the Project Team (neither as a whole nor any individual members of the Project Team), the Company, affiliated companies, parents, subsidiaries, affiliates, partner companies and related companies, owners, members, shareholders, directors, officers, managers, employees, contractors, agents, and/or advisors of the Company for any losses or special, incidental, direct, indirect or incidental damages of any kind arising out of, relating to or otherwise associated with Phoneum or the Phoneum Token.

PRIOR TO PURCHASING, ACQUIRING AND/OR POSSESSING THE PHONEUM TOKEN, IT IS NECESSARY TO TAKE AN ASSESSMENT OF A RANGE OF RISKS.

The purchase, acquisition and/or possession of the Phoneum Token involves numerous risks. Prior to buying, acquiring and/or possessing the Phoneum Token, you should carefully consider the risks described below (as well as others) and, if necessary, consult an appropriate lawyer, financial advisor, technology subject matter expert, accountant and/or tax specialist. If any risks associated with the Phoneum Token are unacceptable, unwelcome or prohibitive for you, you should refrain from purchasing, acquiring and/or possessing the Phoneum Token, and you should not associate with Phoneum in any manner whatsoever. By purchasing, acquiring and/or possessing the Phoneum Token and to the extent permitted by law, you represent, warrant and covenant that you will not hold the Project Team, the Company, affiliated companies, parents, subsidiaries, affiliates, partner companies and related companies, owners, members, shareholders, directors, officers, managers, employees, contractors, agents, and/or advisors of the Company responsible for any losses or special, incidental, direct, indirect or incidental damages of any kind arising, from relating to or otherwise associated with Phoneum and/or the Phoneum Token.

A BRIEF DESCRIPTION OF THE PHONEUM INITIAL PARTICIPATION.

An event will occur during which a certain amount of Phoneum Tokens will be made available for sale and carried out on the website ("Initial Participation"). Participants in the Initial Participation who acquire and/or possess a Phoneum Token(s) will receive such Phoneum Token(s) in exchange for BTC, ETH, DASH, LTC, and potentially other cryptocurrencies, at the price effective at the time of transfer and acquisition. For the sake of clarity, the Project Team will set an exchange rate, and the system will enable the Project Team to adjust the amount

of Phoneum Tokens per currency based on the currency value at the time the Company receives the associated currency.

The Phoneum Token will initially be created in the Ethereum blockchain and will be stored in the Holder's wallet in a smart contract.

The transfer of purchased Phoneum Tokens will be made to the relevant account of the Holder on the Website, giving each Holder control over the Phoneum Tokens acquired by the Holder from and after the effective time of transfer. The transaction for the purchase of Phoneum Tokens initiated by the Holder during the Initial Participation will be deemed to be successfully completed when the designated number of Phoneum Tokens are received by the Holder and the designated amount of the corresponding contribution has been received by Phoneum.

CONDUCTING OF INITIAL SALE.

The Initial Participation is divided into phases, the information regarding the precise time of beginning and completion of which is set forth on the Website.

The Company reserves the right to modify the start date of the Initial Participation and further reserves the right to extend or shorten the duration of the Initial Participation at its sole discretion, including the inaccessibility of the Website. Any force majeure circumstances that may affect or impact the Initial Participation might result in an extension, shortening or cancellation of the Initial Participation.

COST OF PHONEUM.

The amount of accrued bonuses and discounts relating to the Initial Participation will be established depending on the then-current stage of the Initial Participation and the current bonus or discount at the time a Phoneum Token purchase order is placed. Complete information on the Initial Participation phases, Phoneum pricing and available bonuses will be provided in a timely manner during the Initial Participation and will be available on appropriate communication channels and/or the Website at the time of purchase. The Project Team reserves the right to update bonuses and discounts at their discretion.

DISCLOSURE OF SALES INFORMATION.

The Project Team will disclose the total amount collected during the Initial Participation in a timely manner to provide paying participants with a full understanding of the existing funding pool during the purchase of Phoneum Tokens.

PURCHASE OF PHONEUM ON THE WEBSITE.

The Project Team will support the Website interface, which can be used to purchase and store Phoneum Tokens during the Initial Participation in order to ensure responsible and safe possession of Phoneum Tokens. Instructions for a

purchase of Phoneum Tokens using the Website interface will be made available for viewing on the Website during the Initial Participation period. Non-observance of and/or noncompliance with these instructions may limit, delay and/or impede the participant's purchase, acquisition and/or possession of Phoneum Tokens. Any questions about these instructions shall be sent to contact@Phoneum.io.

DETERMINATION OF THE SUFFICIENCY OF THE RIGHTS OF THE HOLDER FOR THE PURCHASE OF PHONEUM IN THE JURISDICTION OF THE HOLDER.

The Initial Participation is the transfer of a digital code accomplished in accordance with controlling legislation of the European Union. Phoneum Tokens are utility digital code used to access the Phoneum ecosystem, possession of which enables Holders the ability to experience certain use cases in any permitted way, not prohibited by applicable law and Phoneum ecosystem policies, and in accordance with the generally accepted classification of cryptographic tokens as the "utility token" type. Each potential Holder is responsible for determining whether the jurisdiction to which the Holder is subject permits the purchase, acquisition and/or possession of the Phoneum Token.

If, during the Initial Participation period, reliable evidence supporting insufficiency of the Holder's eligibility to purchase, acquire and/or possess Phoneum Tokens and/or the Holder's violation of or noncompliance with these Terms and Conditions (including the Holder's noncompliance with restrictions and prohibitions on the purchase of software, digital assets and/or cryptocurrencies established by the legislation of the jurisdiction to which Holder is subject) is established, then the Company, acting on behalf of the development of Phoneum ecosystem and in full compliance with the requirements of all applicable legislation, common law and administrative law of the relevant jurisdiction, will allow the possibility of access to and use of Phoneum and the Phoneum Token by such a Holder only after confirmation as to the existence of sufficient rights to purchase, acquire and/or possess the Phoneum Token, along with elimination of all circumstances that resulted in actual, anticipated or potential violation of or noncompliance with the requirements of these Terms and Conditions. If the Holder refuses to remedy such violations, noncompliance and/or eligibility failures (and/or comply with all of the Company's requirements within a reasonable time), then at Company's sole discretion, all Phoneum Tokens allocated to such Holder will be kept in special reserve by the Company without limit of time until the requisite compliance and eligibility obtains. The Holder may waive her or his eligibility to purchase, acquire and/or possess Phoneum Tokens at any time, whereupon possession and ownership of the applicable amount of Phoneum Tokens allocated to Holder shall revert to the Company. Please note that Phoneum, held in reserve by Company or any designated third party pursuant to these Terms and Conditions or for any

other reason, is not nor shall be deemed to be cash, currency and/or legal tender in the understanding established by the applicable law and no interest shall be charged on them. For the entire period of storage of Phoneum, to the extent

permitted by applicable law, the Holder represents, warrants and covenants that the Holder will not hold the Project Team (as the whole or individual members of the Project Team), the Company, affiliated companies, subsidiaries, partners and related companies, employees, directors, employees and/or advisors of the Company responsible, culpable or liable for any losses or special, incidental, direct, indirect or incidental damages of any kind arising out of, relating to or otherwise associated with Phoneum and/or the purchase, acquisition, possession and/or sale of Phoneum Tokens.

ACCEPTANCE OF THE PHONEUM TERMS OF USE.

By placing an order for the acquisition of Phoneum, the Holder: (i) accepts and agrees to these Terms and Conditions; (ii) confirms, represents, warrants and covenants that the Holder is legally authorized and eligible to purchase Phoneum Tokens in the jurisdiction to which the Holder is subject; (iii) confirms, represents, warrants and covenants that the Holder is of sufficient age established by law in the jurisdiction of the Holder to purchase, acquire and/or possess Phoneum Tokens; (iv) confirms, represents, warrants and covenants that the Holder will be solely and fully responsible for any restrictions and risks associated with the acquisition of Phoneum Tokens, as set forth below; (v) confirms, represents, warrants and covenants that the Holder has experience in using and full understanding of the operating environment of digital assets, software code, cryptographic tokens and software systems based on blockchain technology; (vi) confirms, represents, warrants and covenants that the Holder is not a citizen, resident or subject (and is not located in the territory) of any jurisdiction (including but not limited to autonomous territories) in which activities related to initial coin offerings, token sales and/or operations with respect to cryptocurrencies are prohibited or require special authorizations.

Independent Confirmation of the Phoneum Purchase.

During the process of making Phoneum Token purchases and/or acquisitions on the Website, the Project Team will provide the Holders with a unique intermediate crypto-address. Using this address, the Holders may monitor and confirm that the Holder's cryptocurrency was received at this address. Knowledge of a unique intermediate address does not constitute nor shall be deemed to be a receipt for purchase and does not indicate in any way that any party with such knowledge has ownership and/or possession with respect to Phoneum Tokens.

Email for the Purchase of Phoneum

The Holder shall provide an email address ("Email") to make an order as part of the process of purchasing and/or acquiring Phoneum Tokens. The Email specified

by the Holder will be used to send notification on the creation of the Holder's account on the Website. By purchasing, acquiring and/or possessing Phoneum Tokens, to the extent permitted by applicable law, the Holder represents, warrants

and covenants that the Holder will not hold the Project Team (as the whole or individual members of the Project Team), the Company, affiliated companies, subsidiaries, partners and related companies, employees, directors, employees and/or advisors of the Company responsible, culpable or liable for any losses or special, incidental, direct, indirect or incidental damages of any kind arising out of, relating to or otherwise associated with the inability of the Holder to secure her or his account.

Purchase of Phoneum during the Initial Participation is Available Exclusively through the Website.

The purchase and/or acquisition of Phoneum Tokens is available only through the Website, available at the web address <https://phoneum.io>. If any third party website or service offers or proposes to purchase, acquire and/or sell Phoneum Tokens at the time of the Initial Participation, or otherwise ensures the sale and/or transfer of Phoneum Tokens in any way during the Initial Participation, we expressly inform you that we have not permitted such third party websites or services to perform similar operations and they no association whatsoever with the Initial Participation, the Phoneum ecosystem, the Project Team or the Company. We expressly and positively prohibit the use of these such third-party websites or services to purchase, acquire and/or sell Phoneum Tokens prior to the completion of the Initial Sale.

Fraudulent Double-Spending.

The Project Team will monitor all potential transactions in an attempt to prevent fraudulent double-spending. Any revealed fraudulent double-spending will result in a denial of Phoneum Token transfer to the associated party.

Possible Storage.

Phoneum Tokens will be stored in a wallet that can be accessed only by using a password selected by the Holder. Holders must safely store their password and secret recovery information in one or more backup locations separately from the primary storage location of the password. If the Holder does not keep her or his password and secret recovery information responsibly in order to prevent loss and/or compromise, then all associated Phoneum Tokens can be lost or stolen.

Any third party that has access to the Email can access the information sent to the Holder, which may include important information about the ownership of associated Phoneum Tokens. The Holder must take care not to respond to any inquiries related to the purchase of Phoneum Tokens, including but not limited to letters and inquiries allegedly received by email from a website or similar domain.

Emails ostensibly received from the Project Team, Phoneum admin or any other division associated with Phoneum should be verified for authenticity by examining the associated SSL insignia.

Cryptocurrencies remain subject to regulatory control by various regulatory bodies around the world. One or more regulatory requirements or regulations that may interfere with or limit the ability to continue development of the Phoneum ecosystem can influence the Phoneum ecosystem, the Project Team and/or the Company.

It is possible that not a large number of Holders will use the Phoneum Token as the internal currency of the Phoneum ecosystem, and that there will be limited public interest in using the capabilities of the Phoneum ecosystem. This lack of interest can affect the development of the Phoneum ecosystem. The Project Team cannot predict the success of its marketing efforts nor the efforts of other third parties. There are no guarantees of utility, income, appreciation or profit associated with Phoneum, the Phoneum Token nor the development of the ecosystem in accordance with the approved roadmap.

The Holder acknowledges that the Phoneum ecosystem is currently in development and may undergo significant changes in the future. The Holder acknowledges that any expectations regarding the form and functionality of the Phoneum ecosystem may not be justified for any number of reasons, including a change in the development strategy and priorities for the development of the Phoneum ecosystem.

The Holder understands and acknowledges that, even though the Project Team will make reasonable efforts to develop the Phoneum ecosystem, it is possible that the Phoneum ecosystem will not be created and/or not grow and develop, and perhaps all or part of the use cases and associated transactions using the Phoneum Token will no longer be available to the Holders.

Hackers or other groups or organizations may attempt to steal or otherwise improperly take possession of funds contributed during the Initial Participation period, which could potentially affect the ability of the Project Team and the Company to develop the Phoneum ecosystem. In the context of this risk, the Project Team and the Company accept and will continue to take comprehensive reasonable precautions to protect funds contributed during the Initial Participation Period. Multifactor security measures will be taken to protect the contributed funds and the Phoneum Tokens, including, among other things, physical elements, keys with multi-signatures, divided storage of funds, separation into "hot"/"cold" wallets and diversification. Moreover, security checks of "hot" and "cold" wallets and the appropriate measures to reduce risks will be conducted on a regular basis.

Current advances in code hacking techniques and technological advances, such as the development of quantum computers, can pose risks to the Phoneum cryptocurrency and ecosystems, which can lead to theft or loss of Phoneum Tokens. To the extent possible, the Project Team and the Company intend to take the appropriate measures to protect the code behind the Phoneum ecosystem,

taking into account the available advances in cryptography and the implementation of additional security measures, but cannot guarantee the success of any future security updates.

The loss or destruction of important Phoneum ecosystem data resulting from the hacking of the code behind the Phoneum ecosystem may be irreversible, which can adversely affect the cost of Phoneum.

As in the case of other cryptocurrencies, the blockchain used in the operation of the Phoneum ecosystem is susceptible to attacks. Any successful attacks pose a threat to the Phoneum ecosystem and the accuracy of transactions with payments.

Phoneum is a new platform, and the level of interest of Holders and the public may affect the price of Phoneum Tokens in open markets. Factors affecting the further development of the digital assets industry, as well as the Phoneum ecosystem, include:

1. continued worldwide growth in the introduction and use of the Phoneum Token and other digital assets;
2. state and quasi-public regulation of the Phoneum Token and other digital assets, their use or prohibition of use, regulation of access to software products supporting transactions using Phoneum, or their operation;
3. support and development of Phoneum ecosystem software;
4. changes in consumer demography, general trends and preferences;
5. availability and popularity of competitors' products; and
6. general economic conditions and the regulatory environment that affect the Phoneum ecosystem and digital assets.

Claims related to intellectual property rights may adversely affect the operation of the Phoneum ecosystem. Third parties may attempt to bring claims with respect to alleged intellectual property rights related to the storage and transfer of digital assets and their source code. Regardless of the possible frivolity or mendacity of such legal actions, claim or allegation that reduces the credibility of the long-term liveness of the Phoneum ecosystem or the ability of the Holders to access, store, sell and/or use their Phoneum Tokens in any use case of the Phoneum ecosystem it may adversely affect the price of the Phoneum Token. In addition, claims relating to intellectual property rights may prevent the Holders from gaining access to the Phoneum ecosystem or the ability of the Holders to retain access to, store, use and/or sell their Phoneum Token.

Crypto exchange services on which the Phoneum Token can be traded can be relatively new and rather unregulated and therefore may be more susceptible to fraud, tampering and/or malfunction than the long-running and regulated crypto

exchange services. To the extent that cryptocurrency exchange services that provide a significant part of the Phoneum Token trading volume are fraudulent, tampered with and/or have security problems or other operational problems, such interruptions in the operation of cryptocurrency exchange services can lead to reduced prices for and a negative impact on the value of the Phoneum Token. The lack of stability in the operation of cryptocurrency exchange services, the closing or suspension of an exchange of cryptocurrency services due to fraud, tampering, operation failure, hacker or malicious program interference and/or government-sanctioned regulation may reduce the credibility of the Phoneum ecosystem and lead to greater Phoneum Token price volatility.

Political or economic crises can lead to the sale of substantial volumes of Phoneum Tokens, which can lead to lower prices of and a negative impact on the value of Phoneum Tokens. Digital assets, such as the Phoneum Token, which are relatively new, are subject to increased supply and demand effects based on the popularity of alternative digital assets, speculative expectations and/or fluctuations in the demand for decentralized funds for payments for use cases in the Phoneum ecosystem, and it is not known how geopolitical events will influence such factors. Sales of large volumes of Phoneum Tokens will lead to a decrease in the price or value of Phoneum Tokens.

It is possible that a digital asset other than the Phoneum Token may have properties that make it more desirable to purchase, acquire, possess and/or use, which can result in a decrease in the demand for Phoneum Tokens, which could, in turn, adversely affect utilization capacity and the price or value of the Phoneum Token. There is a possibility that the alternative digital asset can become significantly more popular due to the supposed or disclosed shortcomings of the Phoneum ecosystem that cannot be eliminated by the reasonable efforts of the Project Team and/or the Company at the desired time, or it might be decided not to eliminate the shortcomings. If the alternative digital asset were to capture a significant market share, the demand for and/or price or value of Phoneum Tokens could be reduced.

Cryptocurrency transactions cannot be reversible, from the administrative point of view, without the consent and active participation of the recipient of the transaction or, theoretically, monitored or agreed upon by the majority of computing power in the ecosystem blockchain. Operations with respect to Phoneum Tokens are irrevocable and, accordingly, stolen or incorrectly translated Phoneum Tokens may be irretrievably lost. After such a transaction has been confirmed and recorded in the blockchain, the operation with the incorrect Phoneum Token transfer or Phoneum Token theft will not be reversible and there can be no compensation for

such transfer or theft. Such losses can adversely affect the price or value of Phoneum Tokens.

Phoneum Tokens will be released on the Ethereum blockchain. Thus, any malfunction or unforeseen operation of the Ethereum protocol can affect the ability

of the Holder to transfer, sell, use or safely store Phoneum Tokens. Such an impact can adversely affect the cost or value Phoneum Tokens.

It is possible that, for numerous reasons, including but not limited to the deterioration of business relationships or marketing strategies, the Phoneum ecosystem and all associated marketing may not be successful due to a shortage of contribution with respect to the Initial Participation.

Prohibition on Participation in the Initial Participation.

Some jurisdictions prohibit or restrict the conduct of token sales, token generating events, ICOs, other similar fund-raising models and/or cryptocurrency transactions. In the interests of the stable development of the Phoneum ecosystem, we decided to restrict certain categories of individuals from purchasing, acquiring and/or possessing Phoneum Tokens during the Initial Participation period. This includes residents from the following countries: United States, Canada, Australia, United Kingdom, China, Taiwan, Korea, Japan, Singapore.

All Purchased Phoneum Tokens are Non-refundable.

ALL COMPLETED PURCHASES OF PHONEUM TOKENS ARE FINAL, AND THE RETURN OF ASSOCIATED FUNDS IS DISALLOWED. BY THE PURCHASE OF PHONEUM TOKENS, THE HOLDER CONFIRMS THAT SHE OR HE IS AWARE OF THE ABSENCE OF THE RIGHT OF REFUND FOR ANY REASONS AND THAT THE PROJECT TEAM, THE COMPANY AND ANY OTHER PARTIES HAVE NO OBLIGATIONS OR LIABILITY WITH RESPECT TO THE HOLDER FOR REFUND OR FOR ANY REASON, AND THAT THE HOLDER WILL NOT RECEIVE MONEY OR COMPENSATION OF ANY OTHER KIND IF THE PHONEUM TOKEN CANNOT BE USED OR REMAINS UNUSED.

Taxation of Phoneum and Taxation of Income Received during the Period of Initial Participation.

Neither the Project Team nor the Company provides nor shall be expected to provide any professional, financial or legal advice with respect to the tax consequences of purchasing, acquiring, possessing and/or using a Phoneum Token. Depending on the requirements of the applicable legislation, common law and administrative law in the jurisdiction to which the Holder is subject, transactions related to the purchase, acquisition, possession or use of Phoneum may result in tax liabilities for the Holder at the time of Phoneum Token purchase and/or in the future. The Holder is fully responsible for determining whether the purchase, acquisition, possession and/or use of the Phoneum Token, and/or the

potential increase or decrease in the price or value of the Phoneum Token over time, have tax consequences within the jurisdiction to which the Holder is subject. By purchasing, acquiring, possessing and/or using the Phoneum Token (to the extent permitted by law), the Holder represents, warrants and covenants that the

older will not hold the Project Team (as the whole or individual members of the Project Team), the Company, affiliated companies, subsidiaries, partners and related companies, employees, directors, employees and/or advisors of the Company responsible, culpable or liable for any losses or special, incidental, direct, indirect or incidental damages of any kind arising out of, relating to or otherwise associated with any taxes due from the Holder related to the purchase, acquisition, possession and/or and use of the Phoneum Token.

Privacy.

In spite of the fact that the Holder's email address is required, neither the Project Team nor the Company shall publish any identifying information related to the purchase, acquisition possession and/or use of associated Phoneum Tokens without the prior, written consent of the Holder.

AML/KYC Policies.

If at any time, in order to comply with current applicable laws, regulations or recommendations in any jurisdiction, we require that a participant(s), Holder or all Holders provide additional information about themselves and/or any associated transactions that are being or might be undertaken, then we will request from such participant(s) and Holder(s) information regarding suspicious activity relating to transactions and/or settlements. We may also require such participant(s) and/or Holder(s) to provide additional information as required by legislation, common law or administrative law in any jurisdictions, including but not limited to information relating to suspicious transactions in an amount equivalent to Two Thousand Dollars (US\$2,000) or greater.

We adhere to the policy of KYC (Know Your Customer) and AML (Anti-Money Laundering) in order to comply with documentation requirements. We aspire, in necessary cases and within reasonable limits, to identify each participant and each Holder by cross-verification of the participant's or Holder's data in accordance with government observatory lists, including the possibility of using third-party verification and authentication services. If the proposed transaction for the purchase of Phoneum Tokens requires additional verification, then we may require additional evidence of identification from the participant or Holder, and we are entitled not to authorize any participant's or Holder's purchases, acquisitions and/or possessions of Phoneum Tokens until the participant or Holder provides an additional verifiable identity authentication for our check. Based on the results of the verification, we may approve or refuse at our discretion the transaction for the purchase and/or acquisition of the Phoneum Token.

By accepting these Terms and Conditions, the participant and/or Holder acknowledges and agrees that:

1. we maintain a level of verification that requires the cooperation of participants and/or Holders and the verification of the possibility of obtaining our permission to purchase Phoneum Tokens on the basis of information provided by the participants and/or Holders, our ability to verify the participants and/or Holders and compliance with our internal policies;
2. the participant and/or Holder may not be able to achieve the desired level of verification and approval for the purchase of Phoneum Tokens;
3. we reserve the right, in our sole discretion, to determine the appropriate level of verification for each participant and/or Holder, as well as the right to refuse the approval of the purchase of Phoneum Tokens at our own discretion and without giving reasons;
4. we may from time to time adhere to policies that limit the levels of verification by nationality, country of residence or any other factor that might affect the right of the participant and/or Holder to purchase Phoneum Tokens;
5. the participants and/or Holders shall not hold the Project Team (the whole or individual members of the Project Team), the Company, affiliated companies, subsidiaries, partner companies and related companies, directors, employees and/or advisors of the Company liable for any damages, including special, incidental, direct, indirect or related damages of any kind (including legal and any other costs) arising from or related to verification results (arising from a refusal to approve the purchase of Phoneum Tokens, or the approval of the purchase of Phoneum Tokens) now or in the future;
6. we reserve the right to reject payment for the purpose of the Phoneum Token purchasing from any potential participant and/or Holder if the participant and/or Holder does not meet the AML/KYC requirements that we set or the participant and/or Holder is unable to fulfill the terms of any verification and screening procedures; and
7. we may cooperate with law enforcement agencies and, among other things, take the appropriate measures permitted by law for any suspicion of the participant's and/or Holder's use of Phoneum Tokens or participating in the sale of Phoneum Tokens for any criminal purpose, including money laundering.

To prevent the use of the Phoneum Token or the Phoneum ecosystem for any criminal purpose, including money laundering and/or financing of terrorism, we may require the participants and/or Holders to provide at least the following information:

1. name and surname of the participant and/or Holder;
2. a photograph of a passport or other equivalent document for the identification of the participant and/or Holder;
3. documents confirming the address of residence/registration of the participant and/or Holder;
4. proof of participant's and/or Holder's ownership of the Email address;
5. contact number of the participant and/or Holder; and/or

6. documents proving the participant's and/or Holder's sufficient level of professional knowledge in the field of software code, smart contracts, decentralized applications, digital assets, cryptographic tokens, investments, and/or systems based on blockchain supported technology.

We may request both fully and partially specified information and documents, as well as require the provision of additional information at our own discretion.

Disclaimer of Warranties.

THE PARTICIPANT AND/OR HOLDER UNAMBIGUOUSLY ACKNOWLEDGES AND AGREES THAT THE PARTICIPANT AND/OR HOLDER PURCHASES PHONEUM TOKENS AT HER OR HIS OWN RISK AND THAT POSSESSION OF THE PHONEUM TOKEN IS TRANSFERRED ON THE TERMS "AS IS" WITHOUT ANY GUARANTEE, NEITHER EXPRESS NOR IMPLIED, INCLUDING, BUT NOT LIMITED TO, GUARANTEES OF OPERATIVITY OR IMPLIED GUARANTEES, OF COMMERCIAL VALUE OR FITNESS FOR A PARTICULAR PURPOSE (EXCEPT ONLY TO THE EXTENT THAT APPLICABLE LAW SETS WITHIN A WARRANTY PERIOD, BUT NOT MORE THAN THE LESSER OF: (A) THIRTY (30) DAYS FROM THE DAY OF A PURCHASE OF A PHONEUM TOKEN, OR (B) THE MINIMUM COMPULSORY PERIOD). WITHOUT LIMITATION OF THE ABOVE, NEITHER THE PROJECT TEAM NOR THE COMPANY GUARANTEES THAT THE PHONEUM TOKEN PURCHASE PROCESS WILL NOT BE INTERRUPTED OR BE EXECUTED WITHOUT ERRORS.

Limitations and Exclusion of Liability.

THE PARTICIPANT AND/OR HOLDER ACKNOWLEDGES AND AGREES THAT, PERMITTED BY ANY APPLICABLE LAW, EXCLUSION OF LIABILITY CONTAINED HEREIN APPLIES TO ANY DAMAGES OR LOSSES, THAT ARE CAUSED BY OR ARE RELATED TO THE USE OF OR INABILITY TO USE PHONEUM TOKEN AND/OR PHONEUM ECOSYSTEM FOR ANY REASON OR CIRCUMSTANCE, IN ANY KIND IN ANY JURISDICTION, INCLUDING, WITHOUT LIMITATION, BREACH OF WARRANTIES, VIOLATION OF CONTRACTUAL AND VIOLATION OF NON-CONTRACTUAL OBLIGATIONS, TORTIOUS CONDUCT, AND THAT NEITHER THE PROJECT TEAM NOR THE COMPANY WILL BE LIABLE FOR ANY SPECIAL, INCIDENTAL, DIRECT, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING PROFIT LOSSES, DAMAGE TO GOODWILL OR LOSS OF DATA, CAUSED IN ANY FORM IN CONNECTION WITH THE USE OR INABILITY TO USE, PURCHASE OR THE INABILITY TO PURCHASE THE PHONEUM TOKEN. THE PARTICIPANT

AND/OR HOLDER FURTHER EXPRESSLY ADMITS THAT THE PROJECT TEAM AND THE COMPANY WILL NOT BE LIABLE FOR THE BEHAVIOR OF THIRD PARTIES, INCLUDING OTHER PHONEUM HOLDERS, AND THAT THE

PHONEUM PURCHASE RISKS FULLY REMAIN ON THE PARTICIPANT AND/OR HOLDER, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW. IN NO EVENT SHALL THE PROJECT TEAM AND/OR THE COMPANY HAVE ANY LIABILITY TOWARD ANY HOLDER FOR AN AMOUNT GREATER THAN THAT PAID BY THE PARTICIPANT AND/OR HOLDER TO PURCHASE AND/OR ACQUIRE PHONEUM TOKENS. SOME JURISDICTIONS DO NOT ALLOW THE REMOVAL OF CERTAIN WARRANTIES, LIMITATIONS, OR EXCLUSION OF LIABILITY FOR SOME DAMAGES.

Settlement of Disputes.

1. The Project Team, the Company and the participant and/or Holder (the "Parties") agree to make due efforts to resolve any disputes, claims or demands arising between them in respect of the Initial Participation and their respective rights and obligations under these Terms and Conditions ("Dispute").
2. If the Parties or their authorized representatives are unable to resolve a Dispute within thirty (30) calendar days after the referring of this matter to them, the Parties will resolve the Dispute in accordance with clause "c" of this section, below. The claim procedure for settling disputes under these Terms and Conditions is not mandatory for the Project Team and the Company.
3. All disputes arising in connection with these Terms and Conditions or related to them, which the Parties are unable to resolve through negotiations, shall be resolved through arbitration by an arbitrating entity designated by the Project Team.
4. **Force Majeure Circumstances.**

Neither the Project Team nor the Company shall be liable for failure to fulfill their obligations solely because of:

1. flood, fire, earthquake, accident, natural disaster, b. delays in delivery of materials, c. embargo, d. strike, e. state orders, f. acts of civil or military authorities, g. war, violence, unrest, activism, h. actions of conventional carriers, i. extreme conditions (including weather conditions), or j. any similar unforeseen event that makes the work commercially unjustified.

In case of force majeure circumstances, the Party affected by the inability of the other Party to fulfill its obligations may decide to suspend these Terms and Conditions in whole or in part during the period of validity of force majeure circumstances. The Party facing force majeure circumstances shall cooperate with

the injured party and assist it in all reasonable ways to minimize the impact of force majeure on the victim.

Full Agreement.

These Terms and Conditions establish and constitute the full understanding between each Participant and/or Holder, on the one hand, and the Project Team and/or the Company, on the other hand, with respect to the sale, purchase, acquisition, transfer, possession and/or use of the Phoneum Token. In evidence and facts related to the purchase, acquisition, possession and/or use of the Phoneum Token, the participant and/or Holder agrees to rely only on these Terms and Conditions when making purchase decisions and understands that these Terms and Conditions address the sale and/or transfer of Phoneum, replacing any public Initial Participation statements made by third parties, the Project Team and/or the Company, or persons associated with the Project Team and/or the Company, in the past, now, and in the Initial Participations period. The participant and/or Holder acknowledges that there are no warranties, statements, conditions or agreements, expressed or implied, between the Parties, other than those expressly provided in these Terms and Conditions. In case of any discrepancy between any translated versions of these Terms and Conditions, the version of these Terms and Conditions in English shall prevail.

Changes.

The Project Team and/or the Company reserve the right, at their sole discretion, to modify, alter, add or delete parts of these Terms and Conditions at any time during the Initial Participation period by publishing the amended Terms and Conditions on the Website. Any participant and/or potential Holder shall be deemed to have accepted such changes to the Terms and Conditions by purchasing, acquiring, possessing and/or using a Phoneum Token. If at any time the participant and/or potential Holder disagrees with any part of the then-current version of the Terms and Conditions, then she or he (the participant and/or Potential Holder) shall not purchase any Phoneum Tokens.

Separability.

The participant and/or Holder agrees that if any part of these Terms and Conditions is determined by a court exercising competent jurisdiction to be illegal, invalid or unenforceable, in whole or in part, then such provision shall be invalid and unenforceable in respect of such jurisdiction solely to the extent of such determination of invalidity or unenforceability, without affecting the validity or the enforcement of any other method or jurisdiction and without affecting or limiting the remaining provisions of these Terms and Conditions, which will continue to remain in full force and effect.

Waiver of Rights.

The inability of the Project Team and/or the Company to require or enforce strict

compliance with respect to any provision of these Terms and Conditions by a participant(s) and/or Holder(s) and/or failure of the Project Team and/or the Company to exercise any right under these Terms and Conditions shall not be considered as a waiver of the right of the Project Team and/or Company to any such provision or right in this or any other case. The expressed refusal of the Project Team and/or the Company to enforce any provision, condition or requirement of these Terms and Conditions shall not be deemed to be a waiver of any future obligation to comply with such provision, condition or requirement. Except as expressly and in particular set forth in these Terms and Conditions, no claims, approvals, agreements, waivers or other acts or omissions by the Project Team and/or the Company shall be deemed to be a modification of these Terms and Conditions, nor shall they have legal effect, if they are not documented in a physical letter by the associated participant and/or Holder in person and a delivered to a diligently appointed officer, representative or agent of the Project Team and/or the Company.

Cooperation with respect to Legal Requirements.

The Project Team and the Company shall cooperate in all investigations, take part in litigation and provide answers to legal requests, provided that they are fully justified and legality is confirmed by legislation in the relevant jurisdictions. The Project Team and the Company shall aspire to consider all received legal requests publicly.

Detailed Information.

For more information relating to the purchase, acquisition, possession and/or use of the Phoneum Token, please send us a message to contact@phoneum.io