

# Terms and Conditions

## 1. INTRODUCTION

By purchasing ERC20-based GRO Tokens (“Tokens”, “GRO”) from Gron Digital (“Company”) during the Token sale (“Token generation event”), you expressly agree to all of the terms and conditions set forth herein (“Terms”).

These Terms govern the sale of the Tokens during the Token generation event, supersede and replace any public statements about the Tokens offer made by any third parties.

Individuals, businesses, and other organizations should carefully weigh the risks, costs, and benefits of acquiring the Tokens.

Ownership of the Tokens gives no rights express or implied, other than the right to use Tokens as payment for the Company’s services (“Services”) as facilitated through a platform that the Company is developing (the “Gron Digital Platform”). Except as can be decided by the Company’s management at their own discretion and/or pursuant to requirements of applicable law or regulation, purchases of the Tokens are non-refundable. You should have no expectation of any shareholder, equity, or other interest or any influence over governance of the Company, or obtaining any right to receive future revenue shares, intellectual property or any other form of participation in the Company, other than the rights relating to the provision and receipt of Services.

Gron Digital (Pty)Ltd is a private company duly incorporated in accordance with the laws of the Republic of South Africa. The Company has the full power, authority and legal right to execute, deliver and perform its obligations in connection with issuance and sale of Tokens as well as providing the Services of the Platform for its customers. The execution, delivery and performance by the Company of its rights and obligations would not conflict with or result in a breach or violation of its constituent document and/or the laws of the Republic of South Africa. However, the Company cannot guarantee that its performance and operations comply with the laws of any other jurisdictions and, therefore, shall not be held liable for any breach or violations of such laws.

**WARNING: DO NOT PURCHASE THE TOKENS IF YOU ARE NOT AN EXPERT IN DEALING WITH CRYPTOGRAPHIC TOKENS AND BLOCKCHAIN-BASED SOFTWARE SYSTEMS.**

Purchases of the Tokens should be undertaken only by individuals, entities, or companies that have significant experience with, and understanding of, the usage and intricacies of cryptographic tokens, like bitcoin (“BTC”), and blockchain based software systems. Purchasers should have functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. The Company will not be responsible for lost BTC or the Tokens resulting from actions taken by, or omitted by Purchasers. Note, in particular, that you should take great care to write down your wallet password and not lose it so as to be sure that you will be able to access your Tokens when it becomes available after the end of the Generation Period. If you do not have such experience or expertise, then you should not participate in the acquisition of the Tokens.

**WARNING: CRYPTOGRAPHIC TOKENS MAY EXPERIENCE EXTREME PRICE VOLATILITY.**

Cryptographic tokens that possess value in public markets, such as BTC, have demonstrated extreme fluctuations in price over short periods of time on a regular basis. A purchaser of the Tokens should be prepared to expect

similar fluctuations, both down and up, in the price of the Tokens denominated in ether (ETH). Such fluctuations are due to market forces and represent changes in the balance of supply and demand. The Company does not guarantee market liquidity for the Tokens and therefore there may be periods of time in which the Tokens are difficult to buy. Additionally, due to different regulatory dictates in different jurisdictions and the inability of citizens of certain countries to open accounts at exchanges located anywhere in the world, the liquidity of the Tokens may be markedly different in different countries and this would likely be reflected in significant price discrepancies.

**WARNING: THE PURCHASE OF THE TOKENS ENTAILS A NUMBER OF RISKS.**

The purchase of the Tokens carries with it a number of risks. Prior to purchasing the Tokens, you should carefully consider the risks listed below and, to the extent necessary, consult an appropriate lawyer, accountant, and/or tax professional. If any of the following risks are unacceptable to you, you should not purchase the Tokens. By purchasing the Tokens subject to these Terms, and to the extent permitted by law, you agree not to hold the Company liable for any losses or any special, incidental, or consequential damages arising from, or in any way connected, to the purchase and possession of the Tokens, including losses associated with the risks set forth below.

At any point, if you do not agree to any portion of the Terms, you should not proceed to purchase any Tokens.

You agree to purchase such number of the Tokens as ordered by you on the website [www.grondigital.com](http://www.grondigital.com) when the Terms are accepted.

## 2. REPRESENTATIONS AND WARRANTIES

By purchasing the Tokens, you warrant that:

**2.1**

You have never been subject of any investigation for Money Laundering by the Law enforcement authorities of any country.

**2.2**

You have never been the subject of any sanctions regime according to EU, UN and /or OFAC regulations and /or local regulations.

**2.3**

You accept Terms of use and Privacy Policy.

**2.4**

You are legally permitted to purchase the Tokens in your jurisdiction and are legally permitted to receive Services provided by the Company.

**2.5**

You are 18 years or older to legally purchase the Tokens.

**2.6**

You will take sole responsibility for any restrictions and risks associated with the purchase of the Tokens as set forth in these Terms.

**2.7**

You are not purchasing Tokens and are not exchanging Bitcoin or any alternative currency for the Tokens for the purpose of speculative investment.

## **2.8**

You have obtained sufficient information about the Tokens to make an informed decision to purchase the GRO.

## **2.9**

If you are purchasing Tokens on behalf of any entity, you are authorized to accept these Terms on such entity's behalf and that such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity (you means you and such entity jointly).

## **2.10**

You understand that Tokens confer only the right to receive the Services from the Company in respect of the Gron Digital Platform and confer no other right of any form with respect to the Company, including, but not limited to, any share interest, voting, distribution, redemption, liquidation, proprietary, or other financial or legal rights.

## **2.11**

You will comply with any applicable tax obligations in your jurisdiction arising from your purchase of Tokens.

## **2.12**

You have an understanding of the usage and intricacies of Blockchain-based coins, like the Tokens and Blockchain-based software systems.

## **2.13**

You understand that GRO are available for purchase in order to access the Gron Digital Platform and to provide and access services available thereon. You are not acquiring GRO with a view to profit on potential appreciation of the GRO themselves. GRO do not represent an investment contract or an investment of money in a common enterprise with an expectation of profits from the entrepreneurial or managerial efforts of others. All investments decisions are made directly by you as the holder of GRO, independent of other holders of GRO or the Management of Gron Digital Platform.

## **2.14**

If you are a green card holder of the United States or a United States citizen or permanent resident of the United States (tax or otherwise), or you have a primary residence or domicile in the United States, including Puerto Rico, the U.S. Virgin Islands, any other possession of the United States (tax or otherwise) you are not eligible to purchase Tokens in any form and/or by any means. The same applies if you are one of the owners or beneficiaries of the company on behalf of which you are authorized to act, are U.S. citizens or permanent resident of the United States (tax or otherwise), or you have a primary residence or domicile in the United States, including Puerto Rico, the U.S. Virgin Islands, any other possession of the United States (tax or otherwise).

## **2.15**

If you are a citizen or permanent resident of the Republic of Singapore (tax or otherwise), or you have a primary residence or domicile in Singapore (tax or otherwise), you are not eligible to purchase Tokens in any form and/or by any means.

## **2.16**

If you are a citizen or permanent resident of Hong Kong (tax or otherwise), or you have a primary residence or domicile in Hong Kong (tax or otherwise), you are not eligible to purchase Tokens in any form and/or by any means.

## **2.17**

If you are a citizen or permanent resident of Canada (tax or otherwise), or you have a primary residence or

domicile in Canada (tax or otherwise), you are not eligible to purchase Tokens in any form and/or by any means.

#### **2.18**

You are neither a citizen or permanent resident of the People's Republic of China (tax or otherwise), nor have a primary residence or domicile in the People's Republic of China (tax or otherwise). If you are one of the foreshaid, you are not eligible to buy Tokens in any form and/or by any means.

#### **2.19**

If you are a resident of the European Union and/or United Kingdom you will comply with any applicable law and regulation of your jurisdiction in respect of purchase of Tokens.

#### **2.20**

You fully understand that the Tokens may experience volatility in pricing and will not seek to hold the Company liable for any losses or any special, incidental, or consequential damages arising from, or in any way connected to, sale of the Tokens.

#### **2.21**

You understand that there may not be sufficient demand for the Tokens on the secondary market and the bid-ask spreads may be wide. In view of the above, you may not be able to sell the Tokens purchased easily on the secondary market.

#### **2.22**

You understand that the Tokens have no warranty whatsoever, expressed or implied, to the extent permitted by applicable law and accordingly that the Tokens are purchased on an "as is" basis.

#### **2.23**

You understand that the Company will generally not provide any refund of the purchase price for the Tokens.

#### **2.24**

You understand that the Gron Digital Platform is currently being developed and may undergo significant changes before release.

#### **2.25**

You waive the right to participate in a lawsuit or an arbitration against any entity or individual involved with the creation of Tokens.

### **3. TOKEN SALE TERMS AND SPECIFICATIONS**

#### **3.1**

Tokens are based on the Ethereum protocol and conform to the widely-spread ERC20 standard.

#### **3.2**

950 000 000 (Nine Hundred and Fifty Million) Tokens are anticipated to be issued in a single token creation event, 570 000 000 (Five Hundred and Seventy million) Tokens will be offered to public and 380 000 000 (Nine Three Hundred and Eighty Million) Tokens will be held by the Company as compensation to the founders, to provide bonus schemes and incentives to the Gron Digital team and Bank Roll funds to back the jackpots and lotteries' main prizes. The Tokens' price may not be equal depending on the round of the Tokens issuance as outlined below. The Company will conduct the singleToken creation event on January 9th, 2018 (the "Launch Date").

### **3.3**

The Company will form a reserve pool to be construed as follows:

- Pool for team incentives and bonuses: 114 000 000 (One Hundred and Fourteen million) GRO
- Bank Roll tokens: 152 000 000 (One Hundred and Fifty Two million) GRO
- Founders: 114 000 000 (Hundred and Fourteen million) GRO

### **3.4**

To acquire Tokens during the Token generation event, you must have a suitable tokens wallet established and operational. In particular, you must have: (i) either an Ethereum wallet if you wish to purchase Tokens using Ethereum, and (ii) an Ethereum wallet that supports the ERC20 token standard in order to receive Tokens that you purchase from the Company. Company reserves the right to prescribe additional guidance regarding specific wallet requirements.

### **3.5**

Prior to the Launch Date, the Company will create and deploy an Ethereum-based smart contract system ("Smart Contract System"), which creates and maintains a ledger that maps Ethereum addresses to Token balances and implements the Ethereum ERC-20 standard.

### **3.6**

At the Launch Date, the Company will make available a web application to facilitate your purchase and receipt of the Tokens. If you wish to purchase the Tokens, you must first provide your Ethereum address to the web application as a return address. The Company is collecting return addresses so that it may return purchasers' in the event that unforeseen circumstances otherwise cause the Company to decide to not proceed with the sale of the Tokens. Second, you will need to provide an Ethereum ERC20 compatible wallet address for the delivery of the Tokens you purchase via the Smart Contract System. Company may also request certain optional information, such as an email address, through the web interface.

### **3.7**

The web application will then send you a unique deposit address for Ether. Once the unique deposit address has received Ether from you, the Company will authorize the Smart Contract System to deliver Tokens to the Ethereum ERC20 wallet address that you provided to the Company for delivery of the Tokens.

### **3.8**

The Company anticipates that delivery of the Tokens from the Smart Contract System to purchasers will occur within one hour, but reserves the right to delay delivery up to 24 hours.

### **3.9**

Ether proceeds from the Token generation event will be used to compensate the Company's staff, marketing and operational costs as well as development of technical infrastructure.

### **3.10**

You further agree to accept sole and exclusive risk for the purchase of the Tokens through [www.grondigital.com](http://www.grondigital.com).

### **3.11**

In order to reduce the possibility of fraud, phishing attempts and other schemes perpetrated by malicious third parties, you agree not to respond directly to any inquiry regarding its purchase of the Tokens, including but not limited to email requests purportedly coming from the Company and any third parties. You understand that the Company may send the purchaser emails from time-to-time, but these email notices will never ask for information or require a response from the purchaser.

## 4. CERTAIN RISKS ASSOCIATED WITH THE PURCHASE OF THE TOKENS

The purchase of the Tokens carries with it significant risks. Prior to purchasing the Tokens, you should carefully consider the risks, described below and, to the extent possible, consult a lawyer, accountant, and/or tax professionals prior to determining whether to purchase the Tokens.

### 4.1

The Tokens will be stored in a wallet, which can only be accessed with a password selected by the purchaser. Not maintaining an accurate record of purchaser's password, may lead to the loss of the Tokens. As a result, purchasers must safely store their password in one or more backup locations that are well separated from the primary location. In order to access one's Tokens the password that the purchaser entered is required; loss of this may lead to the loss of a purchaser's Tokens.

### 4.2

THE PURCHASER MUST NOT RESPOND TO ANY INQUIRY REGARDING THEIR PURCHASE OF GRO, INCLUDING BUT NOT LIMITED TO EMAIL REQUESTS PURPORTEDLY COMING FROM THE GRON DIGITAL WEBSITE OR A SIMILAR LOOKING DOMAIN. ANY THIRD PARTY THAT GAINS ACCESS TO PURCHASER'S PURCHASE EMAIL MAY BE ABLE TO GAIN ACCESS TO THE PURCHASER'S GRO. THE COMPANY EXPRESSLY EXCLUDES ANY LIABILITY EXPRESS OR IMPLIED LOSS OF TOKENS IN SUCH CASES.

### 4.3

There has been increased regulatory scrutiny by various regulatory bodies with respect to Cryptocurrencies and token sales. The Company's operations could be impacted by one or more regulatory enquiries or regulatory actions, which could impede or limit the ability of the Company to continue to develop its business.

### 4.4

You understand that while the Company's team will make reasonable efforts to complete the Gron Digital Platform, it is possible that a completed version of the Gron Digital Platform may not be released and an operational Gron Digital Platform will never be available.

### 4.5

Hackers or other groups or organizations may attempt to steal the cryptocurrency revenue from the token sales process, which attempt if successful may potentially impact the ability of the Company to promote the Platform. The Company has and will continue to implement comprehensive security precautions to safeguard the Ether proceeds, however no guarantee expressed or implied can be made in this respect.

### 4.6

Advances in code cracking, or technical advances such as the development of quantum computers, could present risks to cryptocurrencies and the Gron Digital Platform, which among others may result in the theft or loss of the Tokens. To the extent possible, the Company's team intends to update the software protocol underlying the Gron Digital Platform to ward off the misuse of such advances in cryptography and to incorporate additional security measures, but it cannot predict the future of cryptography or thus guaranty the success of any future security updates.

### 4.7

As other cryptocurrencies, the Tokens are susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks. Any successful attacks may present a significant risk to the Company, including without limitation to the expected proper payment operations.

### 4.8

The Gron Digital Platform is a new product, which may lead to price volatility and uncertainty that could adversely affect the value of the Tokens. The factors affecting the further development of the Gron Digital Platform, include: a) continued worldwide use of the Tokens; b) government and quasi-government regulation of the Tokens, or restrictions on or regulation of access to and operation of the Gron Digital Platform; c) compliance and regulatory requirements applicable to the Gron Digital Platform activity and operations conducted thereon; d) the maintenance, development and implementation of the software of the Gron Digital Platform; e) changes in consumer demographics and public tastes and preferences; f) the availability and popularity of other similar products; and g) general economic conditions and applicable regulatory environment.

#### **4.9**

IP rights claims may adversely affect the operation of the Gron Digital Platform. Regardless of the merit of any intellectual property or other legal action, any threatened action may reduce confidence in the Gron Digital Platform's long-term viability. Additionally, a meritorious intellectual property claim could prevent end-users from accessing the Gron Digital Platform or holding or transferring their Tokens.

#### **4.10**

Cryptocurrency exchanges on which the Tokens may trade are relatively new and largely unregulated and may therefore be exposed to fraud and failure in a greater extent than established, regulated exchanges for other products. To the extent that the cryptocurrency exchanges representing a substantial portion of the volume in Tokens trading are involved in fraud or experience security failures or other operational issues, such cryptocurrency exchange failures may result in a reduction in the price and can adversely affect the value of the GRO. A lack of stability in the cryptocurrency exchanges and the closure or temporary shutdown of cryptocurrency exchanges due to fraud, business failure, hackers or malware, or government-mandated regulation may result in greater price volatility.

#### **4.11**

The Company's services may be utilized by unwanted and illegal elements to further their illegal motives. In order to prevent this the Company intends to introduce Know-Your-Client, due diligence and anti-fraud polices and procedures.

#### **4.12**

Political or economic crises may trigger large-scale sales of the Tokens, which may lead to a reduction in the price and adversely affect the value of the Tokens. Digital assets such as the Tokens, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of transacting, and it is unclear how such supply and demand will be impacted by geopolitical events

#### **4.13**

The Tokens transactions are irrevocable and stolen or incorrectly transferred Tokens are generally irretrievable. As a result, any incorrectly executed Tokens transactions could adversely affect the value of the Tokens. Without the consent and active participation of the recipient of the transaction or, in theory, control or consent of a majority of the processing power on the host blockchain platform cryptocurrency transactions are not, from an administrative perspective, reversible. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of the Tokens or a theft of the Tokens generally will not be reversible and there may be no compensation for any such transfer or theft. Such loss could adversely affect the value of the Tokens. Any malfunction or unexpected functioning of the Ethereum blockchain may impact the purchaser's ability to transfer or securely hold the Tokens. Such impact could adversely affect the value of the Tokens.

#### **4.14**

Due to any number of reasons, including without limitation the failure of business relationships or marketing strategies, that the Company and all subsequent marketing from the money raised from the sale of the Tokens may fail to achieve success.

#### **4.15**

Purchasers shall be eligible to purchase the Tokens subject to applicable legislative and regulatory restrictions and prohibitions in their respective jurisdictions. The Company shall refuse selling Tokens to residents of the jurisdictions specified in clauses 2.11-2.12 of the Terms and may refuse selling them to other ineligible countries' residents subject to local restrictions and prohibitions. The Company shall not be held liable should an ineligible purchaser acquire the Tokens by any means.

#### **4.16**

Personal information received from the Token holders and the information about the number of tokens holders serviced by the Company, the wallet addresses used, and any other relevant information may be disclosed to law enforcement, government officials, and other third parties when the Company is required to disclose such information by law, subpoena, or court order. The Company shall at no time be held responsible for such information disclosure.

### **5. TAXATION OF TOKENS**

The Company makes no representations about the tax implications of the sale of the Tokens or the possession or use of the Tokens. The purchaser bears the sole responsibility to determine if the purchase of the Tokens or the potential appreciation or depreciation in the value of the Tokens over time has tax implications for the purchaser in the purchaser's home jurisdiction. By purchasing the Tokens, and to the extent permitted by law, the purchaser agrees not to hold the Company liable for any tax liability of the purchaser associated with or arising from the purchase of the Tokens.

### **6. LIMITATIONS OF LIABILITY. WAIVER**

THE PURCHASER ACKNOWLEDGES AND AGREES THAT, TO THE FULLEST EXTENT PERMITTED BY ANY APPLICABLE LAW, THE DISCLAIMERS OF LIABILITY CONTAINED HEREIN APPLY TO ANY AND ALL DAMAGES OR INJURY WHATSOEVER CAUSED BY OR RELATED TO USE OF, OR INABILITY TO USE, TOKENS OR THE PLATFORM UNDER ANY CAUSE OR ACTION WHATSOEVER OF ANY KIND IN ANY JURISDICTION, INCLUDING, WITHOUT LIMITATION, ACTIONS FOR BREACH OF WARRANTY, BREACH OF CONTRACT OR TORT (INCLUDING NEGLIGENCE) AND THAT IN NO EVENT SHALL THE COMPANY BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING FOR LOSS OF PROFITS, GOODWILL OR DATA, IN ANY WAY WHATSOEVER ARISING OUT OF THE USE OF, OR INABILITY TO USE, OR PURCHASE OF, OR INABILITY TO PURCHASE, GRO. THE PURCHASER FURTHER SPECIFICALLY ACKNOWLEDGES THAT THE COMPANY IS NOT LIABLE FOR THE CONDUCT OF THIRD PARTIES, INCLUDING OTHER PURCHASERS OF TOKENS, AND THAT THE RISK OF PURCHASING TOKENS RESTS ENTIRELY WITH THE PURCHASER. TO THE EXTENT PERMISSIBLE UNDER APPLICABLE LAWS, UNDER NO CIRCUMSTANCES WILL THE COMPANY BE LIABLE TO ANY PURCHASER FOR MORE THAN THE AMOUNT THE PURCHASER MAY HAVE PAID FOR THE PURCHASE OF GRO. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES OR THE LIMITATION OR EXCLUSION OF LIABILITY FOR CERTAIN TYPES OF DAMAGES. THEREFORE, SOME OF THE ABOVE LIMITATIONS IN THIS SECTION AND ELSEWHERE IN THE TERMS MAY NOT APPLY TO A PURCHASER. IN PARTICULAR, NOTHING IN THESE TERMS SHALL AFFECT THE STATUTORY RIGHTS OF ANY PURCHASER OR EXCLUDE DAMAGE ARISING FROM ANY WILFUL MISCONDUCT OR FRAUD OF THE COMPANY.

### **7. GOVERNING LAW AND DISPUTE RESOLUTION**

#### **7.1**

These Terms will be governed by and construed and enforced in accordance with the laws of the Republic of South Africa.

#### **7.2**

Each party agrees for the benefit of the other, but without prejudice to the right of any party to take any proceedings in relation hereto before any other court of competent jurisdiction that the courts of the



Republic of South Africa shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with these Terms and any Instructions given hereunder and, for such purposes, irrevocably submits to the jurisdiction of such courts.

### **7.3**

Each party further irrevocably waives any objection which it may have or be entitled to claim at any time to the commencement of any such suit, action or proceeding before such courts, or that any such suit, action or proceeding has been brought in an inconvenient forum, or to the enforcement of any judgment in respect thereof over any of its assets or property in any jurisdiction.

## **8. SEVERABILITY**

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 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.