



Level Capital Limited registration number 1958019, registration address Trinity Chambers, PO BOX 4301,

✉ [contact@levelnet.co](mailto:contact@levelnet.co)

### **NOTICE TO RESIDENTS OF THE UNITED STATES**

THE OFFER AND SALE OF THIS SECURITY INSTRUMENT HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THIS SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

### **NOTICE TO RESIDENTS OF CANADA**

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT THE ISSUER BECOMES A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY.

### **NOTICE TO RESIDENTS OF CHINA**

THE RIGHTS ARE NOT BEING OFFERED OR SOLD AND MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE PEOPLE’S REPUBLIC OF CHINA (FOR SUCH PURPOSES, NOT INCLUDING THE HONG KONG AND MACAU SPECIAL ADMINISTRATIVE REGIONS OR TAIWAN), EXCEPT AS PERMITTED BY THE SECURITIES AND OTHER LAWS AND REGULATIONS OF THE PEOPLE’S REPUBLIC OF CHINA

### **NOTICE TO RESIDENTS OF THE UNITED KINGDOM**

IN THE UNITED KINGDOM THIS DOCUMENT IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED ONLY AT (AND ANY INVESTMENT ACTIVITY TO WHICH IT RELATES WILL BE ENGAGED ONLY WITH): (i) INVESTMENT PROFESSIONALS (WITHIN THE MEANING OF ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 AS AMENDED (THE “**FPO**”)); (ii) PERSONS OR ENTITIES OF A KIND DESCRIBED IN ARTICLE 49 OF THE FPO; (iii) CERTIFIED SOPHISTICATED INVESTORS (WITHIN THE MEANING OF ARTICLE 50(1) OF THE FPO); AND (iv) OTHER PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”). THIS DOCUMENT HAS NOT BEEN APPROVED BY AN AUTHORISED PERSON. ANY INVESTMENT TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO (AND ANY INVESTMENT ACTIVITY TO WHICH IT RELATES WILL BE ENGAGED ONLY WITH) RELEVANT PERSONS. THIS DOCUMENT IS DIRECTED ONLY AT RELEVANT PERSONS AND PERSONS WHO ARE NOT RELEVANT PERSONS SHOULD NOT TAKE ANY ACTION BASED UPON THIS DOCUMENT AND SHOULD NOT RELY ON IT. IT IS A CONDITION OF YOU RECEIVING AND RETAINING THIS DOCUMENT THAT YOU

WARRANT TO THE COMPANY, ITS DIRECTORS, AND ITS OFFICERS THAT YOU ARE A RELEVANT PERSON.

### **Notice to the Residents of the Russian Federation**

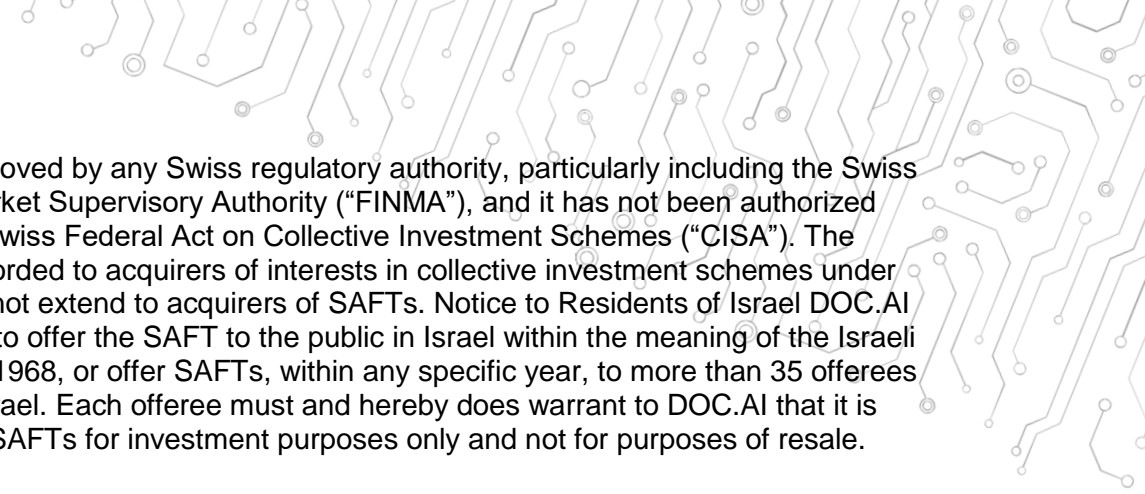
The SAFT and any related documents are not an offer, or an invitation to make offers, to sell, purchase, exchange or otherwise transfer securities or foreign financial instruments to or for the benefit of any person or entity resident, incorporated, established or having their usual residence in the in the Russian Federation, except “qualified investors” (as defined under Russian securities laws) to the extent permitted under Russian securities laws. The SAFT and any documents used in connection therewith are not an advertisement in connection with the “placement” or a “public circulation” (as both terms are defined under Russian securities law) of any securities, and the SAFT is not intended for “placement” or “public circulation” in the Russian Federation, in each case unless otherwise permitted under Russian securities laws. Neither the SAFT nor a prospectus relating hereto has been or will be registered with the central bank of the Russian Federation.

### **Notice to Residents of Singapore**

The SAFT and any documents used in connection therewith have not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, chapter 289 of Singapore (“SFA”). Accordingly, the SAFT and any other document in connection with the offer or sale, or invitation for subscription or purchase, thereof may not be circulated or distributed, nor may it be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor under section 274 of the SFA, (ii) to a relevant person pursuant to section 275(1), or any person pursuant to section 275(1a), and in accordance with the conditions specified in section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the SAFT is subscribed for or purchased under section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in section 4a of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that trust has acquired the shares under section 275 of the SFA except: (1) to an institutional investor under section 274 of the SFA or to a relevant person (as defined in section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than s\$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in section 276(7) of the SFA, or (6) as specified in regulation 32.

### **Notice to Residents of Switzerland**

SAFTs may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“SIX”) or on any other stock exchange or regulated trading facility in Switzerland. SAFTs and any related documents have been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither SAFTs nor any related marketing material may be publicly distributed or otherwise made publicly available in Switzerland. SAFTs and any related marketing materials have not been and will not be



filed with or approved by any Swiss regulatory authority, particularly including the Swiss Financial Market Supervisory Authority (“FINMA”), and it has not been authorized under the Swiss Federal Act on Collective Investment Schemes (“CISA”). The protections afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of SAFTs. Notice to Residents of Israel DOC.AI does not intend to offer the SAFT to the public in Israel within the meaning of the Israeli Securities Law, 1968, or offer SAFTs, within any specific year, to more than 35 offerees resident in Israel. Each offeree must and hereby does warrant to DOC.AI that it is purchasing SAFTs for investment purposes only and not for purposes of resale.

#### Notice to Residents of Ukraine

The SAFTs and any documents used in connection therewith do not constitute an offer of the SAFTs or LVL Tokens in the Ukraine. The SAFTs or LVL Tokens have not been offered or sold, and will not be offered or sold, directly or indirectly, in the Ukraine, except as may be permitted by law.

LVL Token, a product of Level Capital

**SAFT**  
**(Private offer Agreement for Future Tokens)**

Present SAFT issued as a part of series of Private SAFT, issued for certain Investors.

<b>Purchase Amount:</b>	
<b>Purchase Price:</b>	
<b>Discount Rate:</b>	
<b>Discount Price:</b>	
<b>Tokens:</b>	
<b>Series P-1.</b>	

THIS CERTIFIES THAT in exchange for the payment by the undersigned Investor (the "**Investor**") of \$[ ] (the "**Purchase Amount**") on or about [DATE], 2017, Level Capital, a British Virgin Island limited company (the "**Company**"), hereby issues to the Investor the right (the "**Right**") to certain units of **LVL** (the "**Token**" or "**LVL**"), subject to the terms and conditions attached hereto as Appendix A with discount rate [ ] subject to the terms set forth below.

**Recitals:**

WHEREAS, the Company owns 70 000 000 (seventy million)] LVL Tokens (as defined below), which not distributed yet. The Company has an aim to conduct public private offering on the date is to be set for on the website <https://levelnet.co/>.

WHEREAS, the Company desires to distribute LVL Tokens to the Investor and the agrees to acquire the **LVL Tokens**, from the Company subject to the terms and conditions herein; and

NOW, THEREFORE, in consideration of the mutual covenants and promises made by the Investor and the Company (individually, each a "Party" and collectively, the "Parties") covenant and agree as follows.

**PREAMBLE** Present SAFT is issued as part of a series of SAFTs designated by the SAFT Series S1 and issued in a series of multiple closings to certain persons and entities. 1.2 There may be S1, S2 and S3 series of SAFTS that regulate the Offering of the totality of LVL Tokens.

Tokens may be acquired during times of Offering known as Stage of Offering, particularly, each of the Rounds is regulated as follows: during the Round One of the Token Offering, Tokens may be acquired solely pursuant SAFT S1; during the Round Two of the Token Offering, Tokens may be acquired solely pursuant SAFT S2; and during the Round Three of the Tokens Offering, Tokens may be acquired solely pursuant SAFT S3.

All Issued LVL Tokens in accordance with present agreement are subject subject to Token Terms and Conditions available on the website: <https://levelnet.co> The entirety of Token Terms and Conditions is incorporated herein by reference and Investor warrants and represents to have read and accepted the Token Terms and Conditions.

## 1. Events

**(a)Token Generation Event.** On the Initial LVL Token Generation Date, before the expiration or termination of this Agreement, the Company will automatically issue to the Investor a number of units of the Token equal to the Investment divided by the Price; provided that, in connection with and prior to the issuance of Tokens by the Company to the Investor pursuant to this Section 1(a):

- i. The Investor will execute and deliver to the Company any and all other transaction documents related to this SAFT, including verification for person status under the applicable securities laws and KYC and AML rules; and
- ii. The Investor will provide to the Company a network address for which to allocate Investor's Tokens upon the Network Launch.

**(b) Network Launch.** On the date of Network Launch, upon Investor request the Company obliged to provide or shall make possible to LVL owner Investor to provide certain subscription rights License rights) against the issued LVL tokens equal to the Purchase Amount divided by the Discount on the date Network launch.

i. **LVL tokens conversion into Subscription rights, should be done in following way:**

Only LVL tokens can be converted into a subscription. LVL tokens exchanged for subscriptions are subsequently destroyed. In exchange for the tokens, a key file is supplied which allows users to activate LevelNet services. Also, it contains information about the subscription plan type.

Subscriptions should be regulated by a license agreement which shall be published on [www.levelnet.co](http://www.levelnet.co) :

**Number of tokens exchanged for subscription type Subscription duration**

4,000 Corporate Private API - 1 year

2,500 Corporate Private API - 1 year

3,000 Advanced statistics - 1 year

25,000 SDK and custom custom-built 1 year 10-1,000 Business version of Endpoint Security App 1 year.

**(b) Dissolution Event.** If there is a Dissolution Event before this instrument expires or terminates, the Company will pay an amount equal to the Purchase Amount multiplied by the Discount Rate (the “**Discounted Purchase Amount**”), due and payable to the Investor immediately prior to, or concurrent with, the consummation of the Dissolution Event, subject to the rights and preferences of the holders of the Company’s preferred stock, as set forth in the Company’s Certificate of Incorporation, as it may be amended from time to time. If immediately prior to the consummation of the Dissolution Event, the assets of the Company that remain legally available for distribution to the Investor and all holders of all other SAFTs (the “**Dissolving Investors**”), as determined in good faith by the Company’s board of directors, are insufficient to permit the payment to the Dissolving Investors of their respective Discounted Purchase Amounts, then the remaining assets of the Company legally available for distribution, following all distributions to the holders of the Company’s preferred stock, will be distributed with equal priority and pro rata among the Dissolving Investors in proportion to the Discounted Purchase Amounts they would otherwise be entitled to receive pursuant to this Section 1(b). Any distributed amounts shall be in U.S. Dollars.

**(c) Termination.** This instrument will expire and terminate upon the earlier of (i) the issuance pursuant to Section 1(a); (ii) the payment, or setting aside for payment, of amounts due the Investor pursuant to Section 1(b); (iii) January 15, 2017 (the “**Deadline Date**”), if the Network Launch has not occurred as of such date; provided that, the Company shall have the right to extend the Deadline Date by sixty (70) days, in its sole discretion; and (iv) the failure to obtain net proceeds of more than \$300 000 from the sale of all rights pursuant to the SAFTs; *provided*, that in the case of (iv), the Company shall have the obligation to repay to the Investors the aggregate amount of all Purchase Amounts.

**(d)** The Investor obligation under sections 1 (b) and (c), and after event of Token generation event will survive the termination of this agreement, or after resale of LVL tokens mentioned Investor rights to demand that obligations shall be assigned automatically to the new LVL owners.

## 2. Definitions

“**Discount Price**” means the maximum price per Token sold by the Company to the public during the Network Launch multiplied by the Discount Rate.

“**Discount Rate**” is [ \_\_%].

“**Dissolution Event**” means (i) a voluntary termination of operations of the Company, (ii) a general assignment for the benefit of the Company’s creditors

or (iii) any other liquidation, dissolution or winding up of the Company, whether voluntary or involuntary.

**“Network Launch”** means a launch of the network based on distributed ledger technology network of Users that integrates their antivirus and security programs into a single universal network of cybersecurity. Exchange data in real time about emerging threats on your devices. Combining all anti-virus capabilities into one network<sup>1</sup>

**“SAFT”** means an agreement containing a future right to units of Tokens rights purchased by Investors, similar in form and content to this agreement, which a significant portion of the amount raised under the SAFTs will be used to fund the Company’s development of a decentralized distributed and block chain based computer antivirus network (the “LevelNet **Network**”) that enables entities to earn LVL tokens and protect their computers and gadgets (more information provided in a whitepaper <https://levelnet.co/files/LevelNet%20White%20Paper.pdf> ).

**“Subsequent Agreement”** means a SAFT the Company may issue after the issuance of this Agreement but prior to the Network Launch with the principal purpose of raising capital. This definition excludes: (i) Tokens issued pursuant to any employee incentive or similar plan of the Company; provided that, an instrument substantially similar to or the same as this Agreement may be used in connection with such plan; (ii) Tokens issued or issuable to third party service providers or others in connection with the Network Launch or the provision of goods or services to the Company; (iii) Tokens issued or issuable in connection with sponsored research, collaboration, technology license, development, LevelNet Network , marketing or other similar agreements or strategic partnerships; and (iv) any convertible securities issued by the Company.

### 3. **No “MFN” Amendment Rights.**

The Company will offer and sale Agreements in multiple rounds and on different terms. If the company issues a Subsequent Agreement prior to the termination of this Agreement, the Company is under no obligation to provide the Investor with written notice thereof, copies of any documentation relating to such Subsequent Agreement, or any additional information related to such Subsequent Agreement, whether or not reasonably requested by the Investor. For the avoidance of doubt, in the event the Investor determines that the terms of the Subsequent Agreement are preferable to the terms of this Agreement, the Company is under no obligation to amend and restate this Agreement to be identical to the instrument(s) evidencing the Subsequent Agreement.

## 4. **Company Representations**

---

<sup>1</sup> See LevelNet White paper page 8-17.

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of British Virgin Islands and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by the Company of this instrument is within the power of the Company and, other than with respect to the actions to be taken when Tokens are to be issued to the Investor, has been duly authorized by all necessary actions on the part of the Company. This instrument constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. To the knowledge of the Company, it is not in violation of (i) its current articles of incorporation or bylaws, (ii) any material statute, rule or regulation applicable to the Company, or (iii) any material indenture or contract to which the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(c) To the knowledge of the Company, the performance and consummation of the transactions contemplated by this instrument do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material indenture or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(d) No consents or approvals are required in connection with the performance of this instrument, other than: (i) the Company's corporate approvals; and (ii) any qualifications or filings under applicable securities laws.

(e) To its knowledge, the Company owns or possesses (or can obtain on commercially reasonable terms) sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, processes and other intellectual property rights necessary for its business as now conducted and as currently proposed to be conducted, without an infringement of the rights of others. [Token name] is not a proprietary trade name of the Company.

#### **4. *Investor Representations***

(a) The Investor has full legal capacity, power and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes valid and binding obligation of the Investor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) The Investor has been advised that this instrument is a security and that the offers and sales of this instrument have not been registered under any country's securities laws and, therefore, cannot be resold except in compliance with the applicable country's laws. The Investor is purchasing this instrument for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection



with, the distribution thereof, and the Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. The Investor has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing the Investor's financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

(c) The Investor enters into this SAFT with the predominant expectation that he, she or it, as the case may be, will profit upon the successful development and Network Launch arising from the efforts of the Company and its employees to develop and market the Network and the [Network Launch] and related sale of the Tokens.

#### **5. Procedures for Purchase of Rights and Valuation of Purchase Amount.**

(a) The Company will accept payment for the Right purchased under this SAFT in U.S. Dollars/Bitcoin/Ether. Investor shall make the required payment to the Company in consideration for Investor's purchase of the Right pursuant to the SAFT through the procedures set forth on Exhibit A hereof.

(b) For purposes of this instrument, the value of the Purchase Amount shall be deemed in Ether whether the Investor pays in U.S. Dollars/Bitcoin/ or Ether, valued at the Applicable Exchange Rate for Ether. The term "**Applicable Exchange Rate**" shall mean the volume-weighted average daily price of Ether across/on exchange(s)/index(es) in the 48-hour period (Eastern Time) following the day and time that the Company notifies the Investor, in writing, that the Company has accepted Investor's offer to purchase the Right under this SAFT.

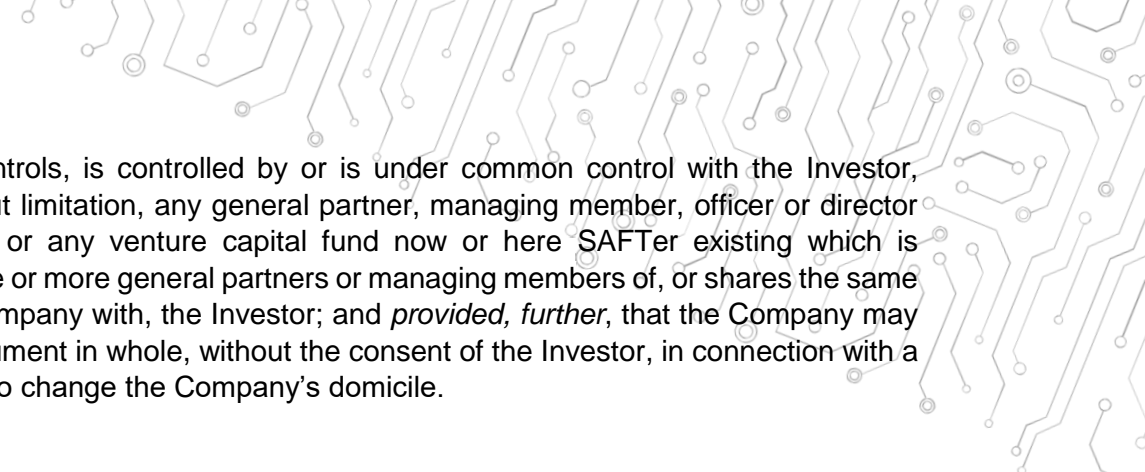
#### **6. Miscellaneous**

(a) This instrument sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous disclosures, discussions, understandings and agreements, whether oral or written, between them. This instrument is one of a series of similar instruments entered into by the Company from time to time. Any provision of this instrument may be amended, waived or modified only upon the written consent of the Company and the holders of a majority, in the aggregate, of the Purchase Amounts paid to the Company with respect to all SAFTs outstanding at the time of such amendment, waiver or modification.

(b) Any notice required or permitted by this instrument will be deemed sufficient when sent by email to the relevant address listed on the signature page, as subsequently modified by written notice received by the appropriate party.

(c) The Investor is not entitled, as a holder of this instrument, to vote or receive dividends or be deemed the holder of capital stock of the Company for any purpose, nor will anything contained herein be construed to confer on the Investor, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise.

(d) Neither this instrument nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the other; *provided, however*, that this instrument and/or the rights contained herein may be assigned without the Company's consent by the Investor to any other entity who directly



or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, officer or director of the Investor, or any venture capital fund now or here SAFTer existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Investor; and *provided, further*, that the Company may assign this instrument in whole, without the consent of the Investor, in connection with a reincorporation to change the Company's domicile.

(e) In the event any one or more of the provisions of this instrument is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this instrument operate or would prospectively operate to invalidate this instrument, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this instrument and the remaining provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(f) All rights and obligations hereunder will be governed by the laws of British Virgin Island, without regard to the conflicts of law provisions of such jurisdiction.

**E-SIGNATURE PAGE**

**IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed and delivered as of the date first above written.**

X \_\_\_\_\_

By checking this box and pressing the “I Agree” button, I agree to comply with and be bound by all terms of the Agreement, including the Investor Agreement attached hereto as Appendix A and all other components of the Agreement. I acknowledge and accept that all purchases of Interests in Tokens from the Company during the Offering are final, and there are no refunds or cancellations except as may be required by applicable law or regulation. I further acknowledge and accept that the Company reserves the right to refuse or cancel Agreements at any time in its sole discretion.

<b>Company</b> By: <b>Level Capital Limited.</b> Trinity Chambers, PO BOX 4301  <b>Director Pavel Shklyev</b> Email: pavel@levelnet.co	INVESTOR
---	----------

**LEVEL NET**

**The Terms and Conditions governs the offering of LVL**

**Structure of the Document:**

1. **Preface**
2. **Subject of token issue.**
3. **Security**
4. **Personal Information.**
5. **Representations and Warranties**
6. **Limitation of Liability**
7. **Warnings**
8. **Risk Disclaimer.**
9. **Governing Law and Venue**
10. **Severability**
11. **Miscellaneous**
12. **KYC**

**The Terms and Conditions governs the issuance of LVL**

1. **Preface:**
  - 1.1. **The following Terms and Conditions (“Terms”) govern the initial offering of cryptographic LVL Token –Level Net LVL Token (“LVL”) – that are required to transact on the Level Net open source software platform described in Level Net Whitepaper (“Level Ne Security Network”) to users (“Users” collectively, and “User” individually).**
  - 1.2. **The Present terms have a status of exchange instrument for LVL token exchange.**
2. **Token offering:**
  - In accordance with present Terms the Company (Level Capital LLC, a Limited Liability Company incorporated in British Virgin Islands with registration number \_\_\_\_\_, in exchange for the User’s Cryptocurrency of LVL Amount, hereby provides number of issued cryptographic LVL tokens equals to the User exchange divided by the Discount rate,

- The User understands and accepts that Level Capital, under present Terms, White Paper, and Memorandum of information assigned to task to make reasonable efforts in order to finalize and complete the Level Net Security Network , User also understand it is possible that such development may fail and User's LVL may become useless and/or valueless due to technical, commercial, regulatory or any other reasons.

**LVL Token:** LVL represent itself a prepaid Membership token that has the exact consumptive use – it allows to obtain Membership status and through this Membership use the antivirus software network described in WHITE PAPER - became member of Level Net security Network, full LVL token overview provided in **Information Memorandum (Link \_\_\_\_\_)** and **White paper (\_\_\_\_\_)**.

The Company will conduct a token offering, which will begin on January 15, 2018 and end on February 15, 2018 .

- 2.1. Ownership of LVL Tokens carries no rights, express or implied, other than the right to use Tokens as a means to enable usage of and interaction with the Network, if successfully completed and deployed.

In particular, you understand and accept that Tokens do not represent or confer any ownership right or stake, share or security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Network and/or Company and its corporate affiliates, other than rights relating to the provision and receipt of Services in the Network, subject to limitations and conditions in these Terms and applicable Network Terms and Policies (as defined below). The Tokens are not intended to be a digital currency, security, commodity or any other kind of financial instrument.

- 2.2. The User understands and accepts that Level Capital, under present terms Level Capital assigned to task to make reasonable efforts in order to finalize and complete the Level Net Platform and Level Net Project, User also understand it is possible that such development may fail and User's LVL may become useless and/or valueless due to technical, commercial, regulatory or any other reasons.
- 2.3. User understands that Level Net Network (Security Network) already exists in Alfa mode (as described in White Paper – Working Prototype – page \_\_\_\_\_).
- 2.4. **LVL Token User opportunities** – provide prepaid membership and account in Level Net Network (Security Network and Level Net Network) of LVL Token owners. LVL Token represent prepaid right to use of the Level Net Security System and Level Net Network as Described in White paper.
- 2.5. Level Net project and future Level Net Security Network are interested in large distribution of his technologies in order Reputational base formation (as described on page 10 of the White paper).

**2.6.** Level Net Network provides Buyback Fund and Money Back funds (Funds) functions, which represented as secured by a smart contract based on Ethereum.

Funds do not represented any Legal entity, have restrictive nature, and guarantee Users that accumulated funds from LVL Token issuance will used proportionally, additional information on legal status of this funds you could find in our Information Memorandum.

**2.7.** If you purchase LVL, you certify that you are doing so out of a desire to use or consume LVL on the LVL network, to participate in the LVL community, or to attempt to personally generate any consideration by using LVL on the network or in the community. You certify that you are not purchasing LVL for any speculative, investment or other financial reasons. LVL is a cryptocurrency of value.

**2.8.** At the time of this writing, LVL (i) cannot be exchanged for goods or services, (ii) has no known uses outside the LVL network, and (iii) cannot be traded on any known exchanges. There is no guarantee indeed there is no reason to believe – that the LVL you purchase will increase in value.

**2.9.** The Token Offering proceeds will primarily be used to development, promotion, marketing, ecosystem building and maintenance of the Level Net Network.

Relevant expenses that will be paid or reimbursed (as applicable) include but are not limited to the following:

- fees and expenses directly attributable to the formation of the Level Capital and to the Token Sale process;
- advisor fees (such as business, marketing, legal, finance and infrastructure consultancy);
- development and outsourcing fees;
- payments to service providers and contractors;
- employee compensation;
- auditing fees;
- computers, fixtures, fittings and consumables, tools and software; • other overheads; and
- marketing and promotional efforts, including community programs and outreach, together with related travel, communication, publication, distribution and other expenses.

### **3. Security**

**3.1.** You are responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanism you use to receive and hold Tokens you purchase from us, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). If your private key(s) or other access credentials are lost, you may lose access to your Tokens. We are not responsible for any such losses.

### **4. Personal Information**

4.1. We may determine, in our sole discretion, that it is necessary to obtain certain information about you in order to comply with applicable law or regulation in connection with selling Tokens to you. You agree to provide us such information promptly upon request, and you acknowledge that we may refuse to sell Tokens to you until you provide such requested information and we have determined that it is permissible to sell you Tokens under applicable law or regulation.

## 5. Limitation of Liability

(A) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (I) IN NO EVENT WILL COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE OFFERING OR USE OF THE TOKENS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHCRYPTOCURRENCY BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHCRYPTOCURRENCY ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHCRYPTOCURRENCY SUCH DAMAGES WERE FORESEEABLE); AND (II) IN NO EVENT WILL THE AGGREGATE LIABILITY OF COMPANY AND THE COMPANY PARTIES (JOINTLY), WHCRYPTOCURRENCY IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, WHCRYPTOCURRENCY ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS OR THE USE OF OR INABILITY TO USE THE TOKENS, EXCEED THE AMOUNT YOU PAY TO US FOR THE TOKENS.

(B) THE LIMITATIONS SET FORTH IN SECTION 6(A) WILL NOT LIMIT OR EXCLUDE LIABILITY FOR THE GROSS NEGLIGENCE, FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT OF COMPANY.

(C) Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this section may not apply to you.

## 6. Rules and transfer restriction for LVL tokens before LevelNet network launch:

- A. On or before January 10, 2017 following a successful closing of this offering of SAFT (this "offering"), Level Capital Limited, will issue LVL tokens in exchange for the SAFT net proceeds of this Offering.
- B. After, LVL token issuance, but before LevelNet network launch, LVL token might be considered as security, due to the fact that LevelNet network will be not launched yet. Thus due to uncertainty of the LVL token status LevelNet team decided to recognize pre launched token as security until LevelNet network launch.

- C. This SAFT and as a consequence pre-Network launch LVL Token offering is being made (1) inside the United States to accredited investors (as defined in Section 501 of the Securities Act) in reliance on Regulation D under the Securities Act who are U.S. persons (as defined in Section 902 of Regulation S under the Securities Act and (2) outside the United States to non-U.S. persons in reliance on Regulation S, and other exemptions of similar import in the laws of the states and other jurisdictions where the offering will be made
- D. Persons purchasing as U.S. accredited investors will be required to maintain lock up LVL Tokens until the first anniversary of the issuance of the LVL Tokens or after LevelNet Network launch and will be required to make undertakings to **LC and Order book Vault** if they sell their LVL Tokens thereafter, they will not sell such LVL Tokens to any U.S. person unless they sell all of their LVL Tokens to a single U.S. person.
- E. Persons purchasing as non-U.S. persons will only be entitled to resell their LVL Tokens to other non-U.S. persons in an offshore transaction (as defined in Rule 902 of the Securities Act), and US persons after the end of 40 (forty) compliance period.

## 7. Warnings

- 7.1. As set forth below, the User further represents and warrants that, to the extent permitted by law, he/she is authorized to exchange his cryptocurrency to LVL in his/her relevant jurisdiction, is of a legal age to be bound by these Terms, and will not hold Level Net, its parent and affiliates, and the officers, directors, agents, joint ventures, employees and suppliers of Level Net or our parent or affiliates, now or in the future and any other member of the Level Net Team (collectively the "Level Net") liable for any losses or any special, incidental, or consequential damages arising out of, or in any way connected to the initial offering of LVL.
- 7.2. The User is aware of the risk that even if all or parts of the Level Net Platform are successfully developed and released in full or in parts, due to a lack of public interest, the Level Net Project could be fully or partially abandoned, remain commercially unsuccessful or shut down for lack of interest, regulatory or other reasons. The User therefore understands and accepts that purchasing LVL carries significant financial, regulatory and/or reputational risks (including the complete loss of value of purchased LVL, if any, and attributed features of the Level Net Project).
- 7.3. Only individuals, entities, or companies that have significant experience with, and understanding of the usage and intricacies of cryptographic LVL Token, like bitcoin ("BTC"), and blockchain-based software systems should participate in the initial offering of LVL. Users should have functional understanding of storage and transmission mechanisms associated with cryptographic LVL Token. While the Level Net Team will be available to assist Users of LVL during and after the initial offering, Level Net will not be responsible for lost BTC, any other cryptocurrency or LVL resulting from actions taken by, or omitted by Users. Note, in particular, that Users should take great care to write down their wallet password and not lose it to be sure that they will be able to access their LVL when it becomes available after the initial offering.



## 8. Taxes.

The exchange price that you pay for Tokens is exclusive of all applicable taxes. You are responsible for determining what, if any, taxes apply to your purchase of Tokens, including, for example, offerings, use, value added, and similar taxes. It is also your responsibility to withhold, collect, report and remit the correct taxes to the appropriate tax authorities. We are not responsible for withholding, collecting, reporting, or remitting any offerings, use, value added, or similar tax arising from your purchase of Tokens.

## 9. RISK DISCLAIMER: **By purchasing, holding and using LVL Token, you expressly acknowledge and assume the following risks:**

### **a. Risk of Losing Access to LVL Token Due to Loss of Private Key(s)**

A private key, or a combination of private keys, is necessary to control and dispose of LVL Token stored in your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with your digital wallet or vault storing LVL Token will result in loss of such LVL Token. 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 LVL Token.

### **b. Risks Associated with the Cryptocurrency Protocol**

Because LVL Token and the Network are based on the Cryptocurrency protocol, any malfunction, breakdown or abandonment of the Cryptocurrency protocol may have a material adverse effect on the Network or LVL Token. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the LVL Token and the Network by rendering ineffective the cryptographic consensus mechanism that underpins the Cryptocurrency protocol.

### **c. Risk of Hacking and Security Weaknesses**

Hackers or other malicious groups or organizations may attempt to interfere with the Network or the LVL Token in a variety of ways, including, but not limited to, malware attacks, denial of service the Network is based on open-source software, there is a risk that a third party or a member of the Company team may intentionally or unintentionally introduce weaknesses into the core infrastructure of the Network, which could negatively affect the Network and the LVL Token.

### **d. Risk of Uninsured Losses**

Unlike bank accounts or accounts at some other financial institutions, LVL Token are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer, such as the Federal Deposit Insurance Corporation, or private insurance arranged by us, to offer recourse to you.

### **e. Risks Associated with Uncertain Regulations and Enforcement Actions**

The regulatory status of the LVL Token and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or cryptocurrency regulatory agencies may apply existing regulation with respect to such technology and its applications, including the Network and the LVL Token. It is

likewise difficult to predict how or cryptocurrency legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including the Network and the LVL Token. Regulatory actions could negatively affect the Network and the LVL Token in various ways, including, for purposes of illustration only, through a determination that LVL Token are a regulated financial instrument that require registration or licensing. Company 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.

**f. Risk of Alternative Networks**

It is possible that alternative networks could be established that utilize the same open source code and protocol underlying the Network and attempt to facilitate services that are materially similar to the Services. The Network may compete with these alternative networks, which could negatively affect the Network and LVL Token.

**g. Risk of Insufficient Interest in the Network or Distributed Applications**

It is possible that the Network will not be used by a large number of individuals, companies and other entities or that there will be limited public interest in the creation and development of distributed ecosystems (such as the Network) more generally. Such a lack of use or interest could negatively affect the development of the Network and therefore the potential utility of LVL Token.

**h. Risks Arising from Lack of Governance Rights**

Because LVL Token confer no governance rights of any kind with respect to the Network or Company or its corporate affiliates, all decisions involving the Network or Company will be made by Company at its sole discretion, including, but not limited to, decisions to discontinue the Network, to create and sell more LVL Tokens for use in the Network, or to sell or liquidate the Company. These decisions could adversely affect the Network and the Tokens you hold.


**10. Governing Law and Venue**

- a. These Terms will be governed by and construed and enforced in accordance with the laws of the British Virgin Islands, without regard to conflict of law rules or principles of the British Virgin Islands or any other jurisdiction that would cause the application of the laws of any other jurisdiction. Any Dispute between the Parties arising out or relating to these Terms or its subject matter or formation (including non-contractual Disputes of claims) that is not subject to arbitration will be resolved in the courts of the British Virgin Islands.

**11. 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.

**12. Miscellaneous**



These Terms constitute the entire agreement between you and us relating to your exchange of Tokens from us. We may make changes to these Terms from time to time as reasonably required to comply with applicable law or regulation.

If we make changes, we will post the amended Terms at [www.levelnet.co](http://www.levelnet.co) and update the “Last Updated” date above. The amended Terms will be effective immediately. We may assign our rights and obligations under these Terms. Our failure to exercise or enforce any right or provision of these Terms will not operate as a waiver of such right or provision. We will not be liable for any delay or failure to perform any obligation under these Terms where the delay or failure results from any cause beyond our reasonable control. Purchasing Tokens from us does not create any form of partnership, joint venture or any other similar relationship between you and us.

Except as otherwise provided in herein, these Terms are intended solely for the benefit of you and us and are not intended to confer third-party beneficiary rights upon any other person or entity. You agree and acknowledge that all agreements, notices, disclosures, and other communications that we provide to you, including these Terms, will be provided in electronic form.