



ORCH NETWORK TOKEN SALE TERMS AND CONDITIONS

Version: 0.4 | June 2018

The following Terms and Conditions, together with any other terms incorporated by reference (the “Terms”) govern your (“you” or the “Purchaser”) purchase of cryptographic tokens (“ORC”) from Orch Network, a decentralized organization (the “DAO”) soon to be embodied in a censor-proof decentralized platform. Purchaser and the organization may be referred as Party or Parties in below.

The Terms describe the initial sale of ORCs (the “ICO”) as well as the rights and obligations arising from ORCs. Please read the Terms carefully before using the services described by the DAO or making offers to purchase ORCs. By using the website of the DAO (URL: <https://orch.network>) used for the ICO or making offers to purchase ORCs, you acknowledge that you have read these Terms and you agree to be bound by them. **IF YOU DO NOT AGREE TO THESE TERMS, DO NOT PURCHASE OR MAKE OFFERS TO PURCHASE ORCs FROM THE DAO. IF YOU HAVE ANY QUESTIONS REGARDING THESE TERMS, PLEASE CONTACT THE DAO AT info@orch.network**

By purchasing ORC tokens, you are agreeing not to hold any of the DAO and its respective past, present and future governors, developers, employees, officers, contractors, consultants, advisors, equity holders, suppliers, vendors, service providers, associated companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the “Orch Team”) liable for any losses or any special, incidental, or consequential damages arising from, or in any way connected, to the sale of ORCs, including losses associated with the terms set forth below.

DO NOT PURCHASE CCOS IF YOU ARE NOT AN EXPERT IN DEALING WITH CRYPTOGRAPHIC TOKENS AND BLOCKCHAIN-BASED SOFTWARE SYSTEMS. PRIOR TO PURCHASING ORCs, YOU SHOULD CAREFULLY CONSIDER THE TERMS BELOW AND CONSULT AN APPROPRIATE TECHNICAL EXPERT, LAWYER, ACCOUNTANT, OR TAX PROFESSIONAL.

PURCHASES OF ORCs SHOULD BE UNDERTAKEN ONLY BY INDIVIDUALS, ENTITIES, OR COMPANIES THAT HAVE SIGNIFICANT EXPERIENCE WITH, AND UNDERSTANDING OF, THE USAGE AND INTRICACIES OF CRYPTOGRAPHIC TOKENS, INCLUDING ETHEREUM TOKENS, AND BLOCKCHAIN BASED SOFTWARE SYSTEMS.

PURCHASERS SHOULD HAVE AN EXPERTISE AND EXPERIENCE WITH STORAGE AND TRANSMISSION MECHANISMS OF CRYPTOGRAPHIC TOKENS. THE COMPANY WILL NOT BE RESPONSIBLE IN ANY WAY FOR LOSS OF CRYPTOCURRENCY, ETHEREUM, ORCs OR ANY OTHER FUNDS RESULTING FROM ACTIONS TAKEN OR OMITTED BY PURCHASERS. IF YOU DO NOT HAVE RELEVANT EXPERIENCE OR EXPERTISE, THEN YOU SHOULD NOT PURCHASE ORCs. YOUR PARTICIPATION IN ORC TOKEN SALE IS DEEMED AS YOUR ACKNOWLEDGMENT THAT YOU SATISFY THE REQUIREMENTS MENTIONED IN THIS PARAGRAPH.

THE DAO RESERVES THE RIGHT TO CHANGE, MODIFY, ADD OR REMOVE THE PORTIONS OF THESE TERMS AT ANY TIME FOR ANY REASON. ALTHOUGH WE AIM AT



INFORMING KNOWN USERS OF SUCH CHANGES, THIS MAY NOT BE POSSIBLE. THUS IT REMAINS AS YOUR OBLIGATION TO REVIEW THESE TERMS PERIODICALLY. ANY CHANGES SHALL BE EFFECTIVE IMMEDIATELY UPON POSTING AT OUR WEBSITE, TELEGRAM CHANNEL AND WILL BE TO RELEVANT BITMESSAGE ADDRESSES (submitted by token buyers) .

PURCHASER AGREES TO BUY, AND ORCH NETWORK DAO AGREES TO SELL, ORCs IN ACCORDANCE WITH THE FOLLOWING TERMS:

1. General

1.1. Orch token ORC is a cryptographic token to be issued by the Orch Network DAO (Decentralized Autonomous Organization). ORC is based on Ethereum ERC20 initially until mainnet of Orch Network goes live, and purchase and future handling of ORCs requires access to generally accepted storage and transmission systems of Ethereum. Once Mainnet of Orch Network goes live, all ERC20 ORC tokens will be swapped for Mainnet ORC tokens.

1.2. ORC is intended for testing and verifying the business model and its features as contemplated by the DAO (as defined in the whitepaper (the "Whitepaper") and Roadmap & Self-Governance document provided at <https://orch.network> (the "Website") as of the date the Purchaser acquires CCOS) and provide the Purchasers with access to Testnet and Mainnet of Orch Network decentralized infrastructure. To the extent they do not contradict these Terms, the rights connected to ORC are subject to the limitations set out in the Whitepaper and Roadmap and Self-governance document, but this should in no case create obligations for the DAO in addition to the ones contained in these Terms.

1.3. ORC tokens can be held and used at the sole discretion of the holder to the extent this does not contradict these Terms. The DAO aspires to achieve the milestones described in the Whitepaper and Roadmap & Self-governance document. The DAO makes no representations nor warrants that such milestones are achievable or will be achieved. If the DAO achieves all or part of the aspirations described in Whitepaper and Roadmap & Self-governance document ORC will become useable for multiple purposes.

1.4. ORC tokens can be used by purchasers and holders to participate in decision making during a major platform upgrade and voting for or against future evolutionary proposals of the platform.

1.5 The DAO is not an investment advisor, and does not give investment advice to you. ORC is not a security but its Mainnet version can be treated as a non-sovereign privacy-preserving high-velocity cryptocurrency.

2. CONDITIONS OF ORC SALE

2.2. When you purchase, or otherwise receive, an ORC token, you may only do so by accepting the following conditions and, by doing so, you warrant and represent that the following are a true and accurate reflection of the basis on which you are acquiring the ORC tokens:

2.2.1. neither the DAO nor any member of the Orch Team has provided you with any advice regarding whether ORC is a suitable investment for you;



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2.2.2. you have sufficient understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens, such as Bitcoin and Ether, as well as blockchain-based software systems generally;

2.2.3. you are legally permitted to receive and hold and make use of ORC tokens in your and any other relevant jurisdiction;

2.2.4. you have not supplied us with information relating to your acquisition of ORC tokens or otherwise which is inaccurate or misleading;

2.2.5. you will notify us promptly of any change to the information supplied by you to us;

2.2.6. you take sole responsibility for any restrictions and risks associated with receiving and holding ORC tokens, including but not limited to these set out in Annex A;

2.2.7. by acquiring ORC tokens, you are not making a regulated investment, as this term may be interpreted by the regulator in your jurisdiction;

2.2.8.. you are not obtaining or using ORC for any illegal purpose, and will not use OCR tokens for any illegal purpose;

2.2.9. you waive any right you may have / obtain to participate in a class action lawsuit or a class wide arbitration against any entity or individual involved with the sale of OCR tokens;

2.2.10. your acquisition of ORC does not involve purchase or receipt of shares, ownership or any equivalent in any existing or future public or private company, corporation or other entity in any jurisdiction;

2.2.16. you accept that ORC is created and you obtain ORC on an “as is” and “under development” basis.

3. STRUCTURE OF THE ICO

3.1. The maximum total amount or Hardcap of ORC’s to be issued by the DAO ever is 62,000,000,001 (Sixty Two Billion and One coins).

3.2. The Softcap(total coins allocated after deducting the Controlled Emission protion) including Bounty, Airdrop, reserved tokens for developers, Tokens already sold and tokens available for sale during ICO is 25000000000 (Twenty Five Billion tokens).

3.3. Purchaser must have an Ethereum wallet that supports the ERC-20 token standard in order to receive any ORC ERC20 tokens purchased from the DAO. ORC will be listed on crypto exchanges after the ICO ends not earlier than the end of the ICO, whereas the exact time of the listing and selection of crypto exchanges, if any, remains at the sole discretion of the DAO.

3.9. ORC purchased or distributed in the course of the ICO may not be sold or otherwise transferred for a period of 6 months from the end of the ICO.



4. PRICE OF ORC

4.1. During the ICO, ORCs will be allocated in exchange for Ethereum/Ether at the floor rate of \$0.18 per ORC. The dynamic pricing algorithm will update the price of ORC every hour based on demand and supply of ORC during the token sale subject to the minimum floor price of US\$0.18.

4.2. The Purchasers will be entitled to certain bonuses for the purchase of ORCs in excess of US1 Million. The terms of the bonus will be privately negotiated.

4.3. Global Coordination time (UTC/GMT) shall apply to any dates and deadlines stipulated in these Terms.

5. RIGHTS ARISING FROM THE ORC ICO

5.1. The DAO aims at keeping the holders of ORC informed of its developments and activities. The holders of CCOS will have the right to participate in major decision making, governance and vote on proposals related to future evolution of Orch Network platform as indicated in the whitepaper and Roadmap & Self-governance document.

5.2 In addition to other considerations and limitations, ORCs are only suitable for individuals and entities (i) who have significant experience with and understanding of the usage and intricacies of cryptographic tokens, (ii) who understand and are willing to assume the potential risk of loss and who understand that there may be limited liquidity and/or usage for ORCs; and (iii) who understand and are willing to assume the risks involved.

5.3. These Terms are subject to copyright with all rights reserved. They may not be published, distributed or transmitted by any other person by any means or media, directly or indirectly, in whole or in part.

6. DISCLAIMER OF WARRANTIES

THE PURCHASER EXPRESSLY AGREES THAT THE PURCHASER IS PURCHASING ORCs AT THE PURCHASER'S SOLE RISK AND THAT ORCs ARE PROVIDED ON AN "AS IS" AND "UNDER DEVELOPMENT" BASIS WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF TITLE OR IMPLIED WARRANTIES, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE (EXCEPT ONLY TO THE EXTENT PROHIBITED UNDER APPLICABLE LAW).

7. UPDATES AND CHANGES TO THE TERMS

The DAO reserves the right, at its sole discretion, to change, modify, add, or remove portions of the Terms at any time during the sale by posting the amended Terms on the Website. Any Purchaser will be deemed to have accepted such changes by purchasing ORCs. The relationship between the DAO and the Purchaser is regulated by the version of the Terms in effect at the time of deciding on relevant right or obligation.



8. INDEMNIFICATION

To the fullest extent permitted by applicable law, the Purchasers will indemnify, defend and hold harmless the DAO and Orch Network Team from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys' fees) that arise from or relate to: (i) your purchase or use of ORCs; (ii) your responsibilities or obligations under these Terms; (iii) your violation of these Terms; or (iv) your violation of any rights of any other person or entity.

9. SECURITY

You are responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanism you use to receive and hold ORCs purchased from the DAO, 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. The DAO is not responsible for any losses, costs or expenses relating to lost access credentials.

10. FORCE MAJEURE

The DAO or the Orch Network Team shall not be held responsible for non-compliance with these Terms, if the non-compliance is caused by a Force Majeure event which separately or in combination with other similar risks is beyond the reasonable control of the DAO.

11. APPLICABLE LAW AND DISPUTES

The ICO as well as any other rights and obligations arising from ORC token sale are NOT governed by the laws of any sovereign country, nation states or jurisdiction.

The DAO, any reader of this document and any person who intends to or has acquired ORC shall make good faith efforts to amicably resolve any dispute, controversy or claim between them relating to ORC and their respective rights and obligations hereunder.

In case a settlement is not reached between the parties, the dispute shall be resolved in accordance with arbitration rules of International Chamber of Commerce, ICC-Paris.

12. PRIVACY

The Privacy Policy available on the Website is part of these Terms, and any interaction by the DAO with its community and Purchasers and vice versa shall comply with that policy.

13. LANGUAGE

Currently, only English versions of any communications with the DAO is considered official. The English version shall prevail in case of differences in translation.

ANNEX A

ORC ICO Risks

1. Risks Associated with the Ethereum Protocol

Because ORC tokens is based on the Ethereum protocol initially till Mainnet of Orch Network goes live sometime in 2019, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on the platform or ORCs. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to ORCs and the platform, including the utility of ORCs for obtaining services, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.

2. Risks of Hacking and Security Weaknesses

Hackers or other malicious groups or organizations may attempt to interfere with the platform or ORCs in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing, and spoofing. Furthermore, because the platform is based on open-source software, there is a risk that a third party or a member of the ORC Team may intentionally or unintentionally introduce weaknesses into the core infrastructure of the platform, which could negatively affect the platform and ORC, including the utility of ORC for obtaining the services and features of Orch Network decentralized platform and its dapp and cyber contract applications.

3. Market Risks

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

4. Risks Associated with Uncertain Regulations and Enforcement Actions

The regulatory status of ORC and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications, including the Orch Network platform and ORC tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including the platform and ORCs. Regulatory actions could negatively impact the platform and ORCs in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of ORCs constitutes unlawful activity or that ORCs are a regulated instrument that require registration or licensing of those instruments or some or all of the parties involved in the purchase, sale and delivery thereof. The DAO 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.



5. Risks Arising from Taxation

The tax characterization of ORCs is uncertain. You must seek your own tax advice in connection with purchasing ORCs, which may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements.

6. Risks of Competing Platforms

It is possible that alternative platforms could be established that utilize the same open source code and protocol underlying the platform and attempt to facilitate services that are materially similar to the services, features and functions of Orch Network platform.

7. Unanticipated Risks

Cryptographic tokens such as ORCs are a new and untested technology. In addition to the risks included in this Annex A of these Terms, there are other risks associated with your purchase, possession and use of ORCs, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this Annex A of these Terms.

Further Information

For further information regarding the ORC token sale of Orch Network, please contact info@orch.network or send a bitmessage to: BM-NbqZhDGg7vGFCFebhRhT48jNTr8nDbBD