

## STAR Creation and Starbase Project Creation Conditions: Explanatory Note & Governance Terms

### 1. Principles

- 1 By transferring Bitcoin (hereinafter “BTC”) and/or Ether (hereinafter “ETH”) to the Smart Contract System and the Smart Contract System creating Starbase Tokens (hereinafter “STAR”), the User understands and accepts that the User makes a contribution into a Smart Contract System for the development of the Starbase Project and the Starbase Platform (for further information on Starbase Project and the Starbase Platform, visit: <https://starbase.co>).
- 2 The User understands and accepts that while the individuals and entities, including Starbase PTE Ltd., domiciled in Singapore, (hereinafter “STARBASE”), assigned to this task will make reasonable efforts to develop and complete the Starbase Project and the Starbase Platform, **it is possible that such development may fail and User’s STAR become useless and/or valueless due to technical, commercial, regulatory or any other reasons** (see also Chapter 7 regarding Risks). The User is also aware of the risk that even if all or parts of the Starbase Project and/or the Starbase Platform are successfully developed and released in full or in parts, due to a lack of public interest, the Starbase Project and/or the Starbase Platform could be fully or partially abandoned, remain commercially unsuccessful or shut down for lack of interest or other reasons. **The User therefore understands and accepts that the transfer of BTC to STARBASE and/or ETH to the Smart Contract System and the creation of STAR by the Smart Contract System carry significant financial, regulatory and/or reputational risks (including the complete loss of value of purchased STAR and attributed features of the Starbase Project).**
- 3 The User furthermore understands and accepts that - as the creation of the STAR, any implemented governing rights of the User as well as the assignment of the execution of the Starbase Project are smart contract based - the terms and conditions applicable thereon are set forth in the Smart Contract System Code, consisting of two interconnected software codes, existing on the Ethereum blockchain. **To the extent the terms contained herein or in any other document or communication contradict to the ones set forth in the Smart Contract System, the terms of the Smart Contract System prevail. Furthermore, neither this document nor any other document or communication may modify or add any additional obligations or covenants to STARBASE or publisher of these terms or developer of the Smart Contract System functions and/or any other person, entity and/or affiliates involved with the deployment of the Smart Contract System and the setting up of the Starbase Project beyond those set forth in the Smart Contract System.**
- 4 By transferring BTC and/or ETH to the Smart Contract System, the User expressly agrees to all of the terms and conditions set forth in Smart Contract System Code existing on the Ethereum blockchain (at the addresses set forth under para 3) and in this document (together the “Terms”), which is incorporated by reference herein. **The User further confirms to have carefully reviewed the Smart Contract System Code, its functions and these Terms and to fully understand the risks and costs of creating STAR and contributing into a Smart Contract System for the development of the Starbase Project and/or Starbase Platform.**

- 5 This document does not constitute a prospectus of any sort, is not a solicitation for investment and does not pertain in any way to an offering of securities in any jurisdiction. It is a description of the functionality of a Smart Contract System.
- 6 By transferring BTC and/or ETH to the Smart Contract System and/or receiving STAR, no form of partnership, joint venture or any similar relationship between the Users and/or other individuals or entities involved with the deployment of the Smart Contract System and the setting up of the Starbase Project and/or Starbase Platform is created.

## 2. STAR Creation Function

- 7 During the Creation Period, a total of maximum **1,000,000,000 STAR** (Launch Quantity) are planned to be created by the Smart Contract System, all of equal value and functionality, however, divided by the Smart Contract System into three different pools
  - **Pool A of 17.5% of the STAR** intended to be created by the Smart Contract System during the Creation Period. Pool A contains the STAR created for normal backers as well as for early purchasers, whereas early purchasers will receive a special bonus. A maximum of 5% of the STAR is assigned as early purchaser bonus (see below para 20);
  - **Pool B of 7.5% of the STAR**, already implemented in the Smart Contract System: Upon deployment of the Smart Contract System, the Smart Contract System allocates the Pool B to founders, early contributors, as well as participants of the marketing campaign pursuant the Smart Contract (see below para 20).
  - **Pool C of 75% of the STAR**, already implemented in the Smart Contract System: Upon deployment of the Smart Contract System, the Smart Contract System allocates the Pool C to STARBASE pursuant the Smart Contract (see below para 20).
- 8 **Creation Period:** The Creation Period starts with the deployment of the Smart Contract System and lasts until the maximum amount of STAR of Pool A have been created or for a maximal duration of 45 days (maximal duration of Creation Period), whichever is earlier.
- 9 **Extended Creation Period:** If by the end of the Creation Period contributions of less than CNY 17'220'000 have been made, the Creation Period shall be extended for a maximum of 75 days (in total 120 days) or until the contribution amount for the entire Creation Period (including the extension) has reached CNY 17'220'000, whichever is earlier. Decisive is the CNY value of the already contributed ETH and/or BTC at the time of the relevant contribution. The CNY equivalent for ETH or BTC shall be calculated using the time-averaged price provided by CoinMarketCap or equivalent service chosen by Starbase at approx. the time of the Contribution recorded.
- 10 **Marketing Campaign:** In order to promote the use of the Starbase platform, Starbase launches a marketing campaign before and within the Creation Period. Participants to this campaign will receive STAR as reward for their efforts. The rewards will be assessed and distributed by STARBASE, according to the separately published conditions of the marketing campaign. There is a maximum of rewards amounting to 1.25% of STAR. If this maximum amount of rewards has been reached, no further STAR can be distributed. Irrespective of further actions of the participants of the marketing campaign.

- 11 **Early Purchase:** The Early Purchase period lasts, until early purchasers made contributions of CNY 6'000'000 or when STARBASE decides to finish early purchase term, whichever is earlier. Early purchasers purchase will be recorded at the following address connected to the Smart Contract System [...] and represent advance payments and no deposits. The early purchaser has no right for refunding of these contributions. Decisive is the CNY value of the already contributed ETH and/or BTC at the time of the relevant contribution. The CNY equivalent for ETH or BTC shall be calculated using the time-averaged price provided by CoinMarketCap or equivalent service chosen by Starbase at approx. the time of the Contribution recorded.
- 12 **Contribution Software:** Contributions in ETH and/or BTC must be made by using the [Chrome STARBASE Contribution Extension Software] ("Contribution Software") provided by STARBASE. The Contribution Software will allocate the Contribution to the Smart Contract System. Any ETH and/or BTC Contribution without using the Contribution Software will not lead to an allocation of STAR as set forth below (see section 4).
- 13 **Starbase Wallet:** Within the Contribution procedure according to the Contribution Software, a Starbase wallet will be created ("Starbase Wallet"). The User receives the relevant keys for the control of his Starbase Wallet automatically by the Contribution Software.
- 14 **Contribution Smart Contract:** Contributions made by Users during the Creation Period are being recorded in an Ethereum smart contract called the Contribution Smart Contract ("CSC").

The CSC will record the equivalent "value" of Contributions in CNY. The CNY equivalent for ETH or BTC shall be calculated using the time-averaged price provided by CoinMarketCap or equivalent service chosen by STARBASE at approx. the time of the Contribution (the exchange rates used will be updated approx. once per hour).

- 15 **Creation of STAR:** The creation and allocation of STAR of Pool A by the Smart Contract System are initiated by the User sending an amount of ETH and/or BTC to the addresses as described within the Contribution Software and which will be forwarded to the CSC. After the crowdsale finished, it triggers a smart contract operation. The Smart Contract System creates and allocates the corresponding STAR to the User's wallet address on Starbase, the Starbase Wallet. Issuance of STAR (meaning that respective entries of the Public Key (PUK) of User) are made by the Smart Contract System on the blockchain according to the allocation information in the Smart Contract System.
- 16 **Maximum STAR quantity:** If during the Creation Period (including the extended Creation Period) less than 700,000,000 STAR of Pool A have been created. Additional creation periods may be initialized through the deployment of a new Smart Contract System. Once the maximum quantity of STAR in Pool A has been created and allocated, no additional STAR will be created (apart from the inflation mechanism). Each STAR will have the same functions implemented.
- 17 **No Refund:** The User understands and accepts that all purchases of STAR are final and may not be reversed. Purchases of STAR are non-refundable. By purchasing STAR, the user acknowledges that he has no right to request a refund for any reason, and that the User will not receive money or other compensation for any STAR that is not used or remains unused.

### 3. STAR Allocation

#### 18 Amount of STAR allocated to the Users:

- **Early Purchasers:** After the end of the Contribution Period, early purchaser will receive an amount of STAR according to the following calculation, whereas "Value" refers to the contribution of the User:  $\{\text{earlypurchaser\_token\_amount}\} = \{\text{earlypurchaser\_token\_amount}\} * \{\text{earlypurchase\_value}\} / \{\text{total\_earlypurchase\_value}\} + \{\text{crowdsale\_token\_amount}\} * \{\text{earlypurchase\_value}\} / \{\text{earlypurchase\_value}\} + \{\text{crowdsale\_value}\};$
- **Users contributing within the Creation Period:** After the end of the Contribution Period, Users, which are contributing within the Contribution Period, will receive an amount of STAR according to the following calculation, whereas "Value" refers to the contribution of the User:  $\{\text{crowdsale\_purchaser\_token\_amount}\} = \{\text{crowdsale\_token\_amount}\} * \{\text{crowdsalePurchase\_value}\} / \{\text{earlypurchase\_value}\} + \{\text{crowdsale\_value}\};$

The User understands and accepts that in course of the Creation Period, the exchange value of the STAR may be subject to additional changes as further specified in the Smart Contract System.

#### 19 Bonus STAR: Every User contributing ETH and/or BTC may receive a certain Bonus of STAR, additionally to the exchange value described above and depending on the date of the contribution within the Creation Period. The Bonus System will be defined as follows:

- 1st - 7th day: 20 % bonus;
- 8th - 21th day: 15% bonus;
- 22th - 35th day: 10% bonus;
- 36th - 42th day: 5% bonus;
- 43th - 45th day: 0 % bonus.

If an extension of the Creation Period has to be conducted:

- 46th - 48th day: 20 % bonus;
- 49th - 51th day: 15% bonus;
- 52th - 54th day: 10% bonus;
- 55th - 57th day: 5% bonus;
- 58th - 60th day: 0 % bonus;
- 61th - 120th day:  $\{\text{number\_of\_days}\} - 60 * 1\%$  bonus.

For example, if a User contributes on the 37th day of the Creation Period an amount of ETH and/or BTC, that leads to the creation of 100 STAR, he will actually receive 105 STAR transferred to his Starbase Wallet.

20 Pre-allocated STAR: The User understands and accepts that out of the Launch Quantity,

- **A maximum of 17.5% STAR from Pool A**, will be created within the Contribution Period, but are assigned to the early purchasers. These STAR will be needed to provide the additional STAR for early purchasers according to the calculation in para 18.
- **7.5% of STAR (Pool B)** will be directly released by the Smart Contract System to founders and early contributors who have made early financial contributions, worked to develop the ideas, implementations and supporting structures of the Starbase Project, as well as for participants of the marketing campaign. 5% of these STAR, intended for founders and early contributors, are locked through a smart contract function and may not be transferred until the Starbase Launch. Afterwards the STAR cannot be transferred for one year. After this year, these STAR become transferable in the amount of 1/52 per week.

The remaining 1.25% STAR will be administered by STARBASE and used to reward participants of the marketing campaign. If not all of these STAR will be necessary for this purpose, the rest may be used by STARBASE for the development and execution of the Starbase Project and/or Starbase Platform.

- **75% of STAR (Pool C)** will be directly released by the Smart Contract System to STARBASE. STARBASE may dispose over the STAR of Pool C at its own discretion in order to develop and maintain the Starbase Project and/or Platform.

21 STAR are only for use in connection with the Starbase Project and/or Starbase Platform under the terms of the Smart Contract System and only constitute a transferable representation of a part of a possible output of the functions of the Smart Contract System.

22 The STAR shall have an input functionality, which allows a digital input function to receive user fees, generated in the operation of the Starbase platform. User agrees that this function first has to be programmed and accepts that the amount and timing of User fees may not be guaranteed. Furthermore, there may be only User fees, if the Starbase Project and/or the Starbase Platform successfully generates such revenues. The User understands and hereby agrees that the sole and exclusive usage rights of these IPR are assigned to STARBASE. Beyond this, the User understands and accepts that STAR do not represent or constitute any ownership right or stake, share or security or equivalent right in or relating to the Starbase Project, STARBASE, Starbase Platform and/or any software, any public or private company, corporation, entity or property. In particular, User understands and accepts that he has no right to claim as holder of STAR any intellectual property rights, equity or equivalent rights or any other form of participation in or relating to the Starbase Project and/or STARBASE.

#### **4. Representations and Warranties**

23 By creating STAR, the User represents and warrants that:

- the User is not a citizen or resident of the United States of America;
- the User has a deep understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens, like BTC and ETH, and blockchain-based software systems;

- the User has carefully reviewed the code of the Smart Contract System located on the Ethereum blockchain at the addresses set forth under para 3 and fully understands and accepts the functions implemented therein;
- the User is legally permitted to create and obtain STAR in the User's jurisdiction;
- the User is legally permitted to receive software and contributing to the Smart Contract System for the development of the Starbase Project;
- the User is of a sufficient age to legally create and obtain STAR;
- User will transfer STAR and/or other Tokens from the Starbase Wallet only to a Wallet or Wallet service provider that technically supports the STAR and/or these other Tokens. User understands and accepts, that failure to assure this may have the result that User will not gain access to his STAR and/or other Tokens.
- the User will take sole responsibility for any restrictions and risks associated with the creation of STAR by the Smart Contract System as set forth below;
- the User is not submitting ETH and/or BTC to the Smart Contract System to obtain STAR for the purpose of speculative investment;
- the User is not obtaining or using STAR for any illegal purposes;
- the User is purchasing the functionality of the STAR issued by the Smart Contract System primarily to support the development, testing, deployment and operation of the Starbase Project and/or Starbase Platform, being aware of the commercial risks associated with the Starbase Project and/or Starbase Platform;
- the User waives the right to participate in a class action lawsuit or a classwide arbitration against any entity or individual involved with the creation of STAR;
- the User understands the creation of STAR does not involve the purchase of shares or any equivalent in any existing or future public or private company, corporation or other entity in any jurisdiction;
- the User understands that the transfer of ETH and/or BTC to the Smart Contract System, the creation of STAR and the development of the Starbase Project carries significant financial, regulatory and reputational risks as further set forth in the Terms;
- the User understands and expressly accepts that there is no warranty whatsoever on STAR, the Smart Contract System and/or the success of the Starbase Project and/or the success of the Starbase Platform, expressed or implied, to the extent permitted by law, and that the Smart Contract System is used and STAR are created and obtained at the sole risk of the User on an "as is" and "under development" basis and without, to the extent permitted by law, any warranties of any kind, including, but not limited to, warranties of title or implied warranties, merchantability or fitness for a particular purpose;
- the User understands that the User has, other than as implemented in the Smart Contract System, no right against any other party to request any refund of the ETH and/or

BTC submitted to the Smart Contract System for the creation of the STAR under any circumstance; and that

- the User understands with regard to STAR no market liquidity may be guaranteed and that the value of STAR over time may experience extreme volatility or depreciate in full;
  - the User understands that the User bears the sole responsibility to determine if the User's contribution to the Smart Contract System for the development of the Starbase Project and/or the Starbase Platform, the transfer of ETH and/or BTC to the Smart Contract System, the creation or ownership of STAR, the potential appreciation or depreciation in the value of STAR over time, the distribution of license fees through the STAR, the sale and purchase of STAR and/or any other action or transaction related to the Starbase Project have tax implications for him; by creating or holding STAR, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the creation or ownership of STAR or any other action or transaction related to the Starbase Project.
- 24 As part of the creation process, the Users will have to download their corresponding wallet file with their individual password. The password will be used to encrypt the User's private keys to the Starbase Wallet. Following the creation of STAR by the Smart Contract System, the STAR will be transferred to the Starbase Wallet by the Smart Contract System. The User understands that the User must keep his password and private keys safe and that the User may not share them with anybody. The User further understands that if this information is lost or stolen, the User will not be able to generate a new password or recover his private keys, and if the User also loses his private keys and password, the ETH and/or BTC or STAR associated with the Starbase Wallet will be unrecoverable and will be permanently lost. Furthermore, the User understands that there is no recovery mechanism for lost passwords and private keys, so no one will be able to help the User retrieve or reconstruct a lost password and private keys and provide the User with access to any lost STAR or ETH and/or BTC. Furthermore, the User understands that it is not possible to reconstruct a lost or stolen wallet.

## **5. Starbase Project Execution**

- 25 The User understands and accepts that the development and execution of the Starbase Project will be released by the Smart Contract System to the wallet of a third party contractor, STARBASE. STARBASE has the right to engage subcontractors to perform the entire or partial development and execution of the Starbase Projects. In order to allow STARBASE to develop and execute the Starbase Project, the sole and exclusive usage rights to any and all IPR have been and are being assigned and transferred to STARBASE.
- 26 All revenues, consisting of tokens paid as licensing fees and generated as part of Starbase Project and/or Starbase Platform, whether arising with STARBASE, its subcontractors or otherwise ("Revenues"), will be transferred in form of the respective tokens to the Smart Contract System and assigned to the individual STAR holder according to the respective function in the Smart Contract System. Corresponding to the distribution of STAR, 75% of Revenues will be assigned to STARBASE, which commits itself to reinvest the revenues generated by its STAR into the further development of the Starbase Project and/or Starbase Platform.

- 27 The distribution of Revenues is capped at the amount of all Contributions received during the Creation Period, multiplied by 100 ("Revenue Cap"). E.g. if during the (extended) Creation Period Contributions amounting to CNY 25'000'000 have been made, not more than CNY 2'500'000'000 will be transferred in total to Smart Contract System as Revenues. The calculation starts with the first revenue allocated to the public backers. User understands and accepts that no further Revenues will be distributed, as soon as the Revenue Cap has been reached.
- 28 The User understands and accepts that the User may not have any expectation of influence over governance on the Starbase Project and/or Starbase Platform.
- 29 The User understands and accepts that the Starbase Project and/or Starbase Platform will need to go through substantial development works as part of which they may become subject of significant conceptual, technical and commercial changes before release.
- 30 The User acknowledges and understands that, after the Launch of the Starbase Platform, the STAR will have an inflation mechanism leading to an inflation of 0.00685% every day. In addition, there will be a reward inflation mechanism, which leads to an increase of the dilution according to the actual rewards distributed to the Users. This mechanism functions as follows:  $0.5\% * \frac{\text{total\_reward\_paid\_out}}{\text{total\_tokensold\_amount}}$  in total. The hereby created STAR are transferrable and will be assigned to an address, controlled by STARBASE. These STAR may be used in order to incentivise maintenance, future development and governance of the Starbase Project and the Starbase platform. Such inflation mechanism may lead to a dilution of a value, if any, and functionality of STAR.

## **6. Audit of the Smart Contract System**

- 31 The Smart Contract System has been, on a reasonable effort basis, audited and approved by technical experts with regard to the conformity of the Smart Contract System's functionality to the content of these Terms. The technical experts have further confirmed that the Smart Contract System has, with regard to both accuracy and security, been programmed according to the current state of the art.
- 32 However, the User understands and accepts that smart contract technology is still in an early development stage and its application of experimental nature which carries significant operational, technological, financial, regulatory and reputational risks. Accordingly, while the audit conducted by the technical experts raises the level of security and accuracy, the User understands and accepts that the audit does not amount to any form of warranty, including direct or indirect warranties that the Smart Contract System and the STAR are fit for a particular purpose or do not contain any weaknesses, vulnerabilities or bugs which could cause, inter alia, the complete loss of ETH and/or BTC and/or STAR.

## **7. Risks**

- 33 The User understands and accepts the risks in connection with transferring ETH and/or BTC to the Smart Contract System and creating STAR as exemplary set forth above and herein-after. In particular, but not concluding, the User understands the inherent risks listed herein-after:

- **Risk of software weaknesses:** The User understands and accepts that the Smart Contract System concept, the underlying software application and software platform (i.e. the Ethereum blockchain) is still in an early development stage and unproven, why there is no warranty that the process for creating STAR will be uninterrupted or error-free and why there is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of ETH and/or BTC and/or STAR.
- **Regulatory risk:** The User understands and accepts that the blockchain technology allows new forms of interaction and that it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology based applications, which may be contrary to the current setup of the Smart Contract System and which may, inter alia, result in substantial modifications of the Smart Contract System and/or the Starbase Project and/or Starbase Platform, including its termination and the loss of STAR for the User.
- **Risk of abandonment / lack of success:** The User understands and accepts that the creation of the STAR and the development of the Starbase Project and/or Starbase Platform may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects). The User therefore understands that there is no assurance that, even if the Starbase Project and/or the Starbase Platform is partially or fully developed and launched, the User will receive any revenues through the STAR held by him.
- **Risk associated with other applications:** The User understands and accepts that the Starbase Project and/or Starbase Platform may give rise to other, alternative projects, promoted by unaffiliated third parties, under which STAR will have no intrinsic value.
- **Risk of Loss of private key:** STAR can only be accessed with a combination of private key and password. The private key is encrypted with a password. The User understands and accepts that if his wallet file or password respectively his private key got lost or stolen, the obtained STAR associated with the User's Starbase Wallet or password will be unrecoverable and will be permanently lost.
- **Risk of theft:** The User understands and accepts that the Smart Contract System concept, the underlying software application and software platform (i.e. the Ethereum blockchain) may be exposed to attacks by hackers or other individuals that could result in theft or loss of STAR or ETH and/or BTC, impacting the ability to develop the Starbase Project and/or Starbase Platform.
- **Risk of Ethereum mining attacks:** The User understands and accepts that, as with other cryptocurrencies, the blockchain used for the Smart Contract System is 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 present a risk to the Smart Contract System, expected proper execution and sequencing of STAR transactions, and expected proper execution and sequencing of contract computations.

## **8. Taxation**

- 34 The User bears the sole responsibility to determine if his contribution into the Smart Contract System for the development of the Starbase Project and/or Starbase Platform, the creation or ownership of STAR, the potential appreciation or depreciation in the value of STAR over time, the distribution of Licence Revenues through the STAR, the sale and purchase of STAR and/or any other action or transaction related to the Starbase Project and/or Starbase Platform have tax implications for him.
- 35 By creating or holding STAR, and to the extent permitted by law, the User agrees not to hold any third party (including developers, auditors, contractors or founders) liable for any tax liability associated with or arising from the creation or ownership of STAR or any other action or transaction related to the Starbase Project and/or Starbase Platform.

## **9. No Liability**

- 36 The User acknowledges and agrees that, to the fullest extent permitted by any applicable law, the User will not hold STARBASE, any developers, auditors, contractors or founders of the STAR, the Smart Contract System and/or the Contribution Software and/or the Starbase Project and/or Starbase Platform liable for any and all damages or injury whatsoever caused by or related to the use of, or the inability to use, STAR and/or the Smart Contract System and/or the Contribution Software 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 STARBASE, developers, auditors, contractors or founders of the Smart Contract System and/or the Contribution Software and/or the STAR and/or the Starbase Project and/or the Starbase Platform, shall not 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 the inability to use of the Smart Contract System and/or the Contribution Software and/or the Starbase Project and/or Starbase Platform and/or STAR.
- 37 The User further specifically acknowledges that STARBASE, developers, auditors, contractors or founders of the STAR, Smart Contract System and/or the Contribution Software and/or the Starbase Project and/or Starbase Platform are not liable, and the User agrees not to seek to hold them liable, for the conduct of third parties, including other creators of STAR, and that the risk of creating, holding and using STAR rests entirely with the User.
- 38 By creating or holding STAR, and to the extent permitted by law, the User agrees not to hold STARBASE and/or any third party (including developers, auditors, contractors or founders) liable for any regulatory implications or liability associated with or arising from the creation or ownership of STAR or any other action or transaction related to the Starbase Project and/or Starbase Platform.

## **10. Miscellaneous**

- 39 The User understands and accepts that the network of miners will be ultimately in control of the Smart Contract System. The User understands that a majority of these miners could agree at any point to make changes to the official Smart Contract System and to run the new version of the Smart Contract System. Under such a scenario, STAR will likely have no intrinsic value.

- 40 The Smart Contract System is located in Alderney. Consequently, the STAR creation and allocation and the assignment of the development and execution of the Starbase Project to STARBASE are considered to be executed in Alderney.
- 41 The User agrees that if any portion of these Terms is found illegal or unenforceable, in whole or in part, such provision shall, as to such jurisdiction, be ineffective solely to the extent of such determination of invalidity or unenforceability without affecting the validity or enforceability thereof in any other manner or jurisdiction and without affecting the remaining provisions of the Terms, which shall continue to be in full force and effect.
- 42 The Terms govern the creation, transfer and holding of STAR and supersede any public statements about the launch of STAR and/or the Smart Contract System made by anyone in the past, present and future.
- 43 The Terms may be modified at any time by posting a revised version on the website of STARBASE. These Terms will be applicable upon all transactions concerning STAR that are conducted after the publication of the revised Terms. It is the responsibility of the User to regularly check the STARBASE website for modifications of the agreement
- 44 The applicable law is Swiss law. Any dispute arising out of or in connection with the creation of the STAR and the development and execution of the Starbase Project shall be finally settled by the ordinary courts of Zug, Switzerland.

Last updates:

11. Early Purchase - Deleted "The maximum amount for early contribution is CNY 9'000'000."  
11. Early Purchase – Changed "The Early Purchase period lasts, until early purchasers made contributions of CNY 6'887'900" to "The Early Purchase period lasts, until early purchasers made contributions of CNY 6'000'000"

Last updated: April 27<sup>th</sup> , 2017