

PANDROYTY TOKEN Terms of Use regarding the Presale and Sale of Tokens

The terms of use regarding the presale and sale of tokens do not constitute as a proposal, recommendation or solicitation for the sale of stocks, and does not propose, recommend or solicit the sale of stock under any jurisdiction.

The terms stipulated here, are not registered nor submitted to any regulatory authority in any jurisdiction, and is not the subject of review or confirmation by a regulatory authority, nor are there any plans to do so.

The terms of use regarding the presale and token sale (hereinafter referred to as “the Terms”), shall be applicable to the purchase of “PDRY tokens” (hereinafter referred to as the “Token”) from the token seller MTFSLIMITED (hereinafter referred to as the “Seller” or the “Company”) during the presale and sale period of Tokens (hereinafter referred to as the “Sales Period”). Please read the Terms, and for any questions contact <https://ico.pandroyty.com/>

By purchasing a Token, all of the terms and conditions stipulated in the Terms will be applicable to the purchaser.

If the purchaser does not agree to the Terms, the purchaser may not purchase Tokens, or receive any support regarding the Token sale.

Participants and sellers will each be individually or collectively, referred to as the "Parties".

1. Purpose

This Token sale is a crowdfunded purchase that will be carried out throughout the world.

Users of our Company’s “LINP” Service (Loyalty, Influence, New Customer, Pandroyty, hereinafter referred to as the “Service”) will be allowed to enjoy a better and much more varied type of Service by possessing this Token, for more details regarding this Token, refer to our White Paper here; <https://ico.pandroyty.com>

The possession of this Token does not constitute as a portion of the ownership of shares or similar rights, equity, future sales, intellectual property rights, or any form of entitlement to participation of the Company or granting of these rights.

This Token is not designed as any kind of prepaid means of payment, electronic money, cryptocurrency, securities, commodities, or other financial instruments.

In addition, the Company, reserve the right to trade the Token over a virtual exchange in the future, but does not have such obligations.

2. Scope of Application of the Terms

Unless expressly stated in these terms, the Terms of Use apply only to the purchases of Tokens by the seller during the sale period.

The Company, upon the start of the Service in the future, may have instances where it needs to update the terms stipulated, including related guidelines, privacy policy, terms and conditions on the use of LINP (hereinafter referred to as "LINP Terms of Use").

Currently, personal information obtained by the Company of a purchaser of the Token, will be processed accordingly under the Company's Privacy Policy.

Regarding the Service and any issues associated to the use of the Token, LINP Terms of Use shall be applied with priority if there are any conflicts between Terms and the LINP Terms of Use.

3. Cancellation & Rejection of Application to Purchase

Purchases of Tokens during the sale period are final, except as required by applicable laws and regulations, and are not subject to refund or revocation by the purchaser. Regarding the selling of the Token, the Company may reject application to Purchase their Tokens at any time, and reserves the right to cancel.

4. Procedures and Specifications for the Selling of Tokens

Important matters concerning the selling of Tokens, and its procedures and specifications (not limited to the date and time of the sale, including details such as pricing, planned number of sales, planned revenue expenditures) shall be detailed in the following attachment.

By purchasing this Token, the purchaser acknowledges and accept with no objection the procedures and specifications set forth.

5. Recognition of Risks and Assumptions

The purchaser acknowledges and agrees that there are risks involved in the purchase of the Tokens, as detailed in the attached sheet. For any questions regarding these risks, please contact <https://ico.pandroyty.com>

6. Security

The purchaser is obliged to the use of myetherwallet for retaining Tokens purchased from the seller.

In case where the purchaser loses their private key or other credentials, the purchaser may be in position to forfeit access to their purchased Token. In such case, the Company shall bear no responsibility for such loss.

7. Personal Information

The seller, at its sole discretion, may find it necessary to obtain certain information about the purchaser in order to comply with the laws and regulations relevant to the selling of the Tokens.

In this case, the purchaser shall agree to promptly provide such information upon request to the seller and until deemed fit by the applicable laws and regulation regarding the transaction of Tokens, the purchaser recognizes the seller can refuse the delivery or sale of Tokens.

8. Taxes and Public Dues

All amounts contributed to the seller do not include taxes. Purchasers, in regard to all contributions and support to the seller, will be responsible for any taxes (including sales tax, utilization tax, value-added tax, and other taxes) imposed. In addition, the

purchaser will be responsible to collect the correct amount of taxes withheld, retain, and report the appropriate tax amount to the proper authorities. Neither the purchaser nor the Company is responsible for any tax, sales tax, utilization tax, value-added tax and all other taxes withheld that arise from the support and contributions by other purchasers to the seller. Neither does it hold responsibility for the collection, reporting, nor payment.

9. Representations and Warranties

The purchaser acknowledges the following upon the purchase of Tokens:

(a) read and understand the Terms (including all its attachments)

(b) understands the terms, understands the features of the Token, other important aspects of the mechanism of crypto-tokens, storage mechanisms (token wallet, etc.), blockchain technology, and the blockchain-based software system, to evaluate the risks associated with the purchase of the Tokens.

(c) obtained the sufficient information to support and properly evaluate the decision-making required for this token

(d) understand that the Token does not grant any rights to the Company or its affiliates in any form.

The purchaser acknowledges that the rights not given in this document include the right to vote, distribute, redeem, or liquidate, and property rights (including intellectual property rights in any form), in addition to all other property and legal rights.

(e) The purchaser purchases the Token as a means to support the Service which will be established in the future.

The purchaser acknowledges that the purpose of the purchase of token is not for investment, speculation, and other financial purposes, and is not for all other purposes not limited to these.

(f) the purchase of Tokens by the purchaser shall be,

- within the legal capacity of the conclusion of a contract of purchase between the

purchaser and seller of this Token inside the jurisdiction, or any other threshold requirements,

- subject to the limit of regulations and to all foreign exchanges applicable to such a purchase

- in compliance with any required governmental or other forms of approvals, including but not limited to, the applicable law and regulations in the jurisdiction of the purchaser.

(g) comply with the obligations set forth in any applicable tax laws in the jurisdiction, arising from the purchase of the Token.

(h) when the purchaser purchases the Token through an intermediary entity, the purchaser is liable to agree to the Terms on behalf of this entity. If the purchaser, another officer or representative relevant to the entity violates the Terms, the entity shall be held responsible (in this case, "the purchaser" stated in the Terms shall mean the inclusion of the purchaser and all its relevant entities).

(i) the purchaser must not be of a resident of New York or Washington states of the United States of America, nor a resident of Hong Kong of the People's Republic of China (including Macau and any other Special Administrative Region of Hong Kong), and shall not purchase the Tokens at any of these places.

(j) The purchaser shall not

- (i) be a resident or citizen of a region where access to purchase Tokens is prohibited under any treaty, applicable laws and regulations, or administrative measures

- (ii) be a citizen or resident of a region that are subject to sanctions and embargos by other sovereign nations, including the United States,

- (iii) be included in the list of individuals or groups whose trade is banned by United States' Department of Commerce, or the list of individuals and specially designated nationals blocked by the United States' Treasury Department, or individuals who are employed by individuals and entities identified in the list of the barred parties of interest of the state departments.

- (iv) be engaged in relation in any shape or form, in the past or present, to anti-social groups, including such relationships being of economic, business relationships, employment, or have delegations, commercial transactions, transactions for profit or transfer, or any other forms of transaction (either temporarily or continuously).

In case the seller and the Company finds that the purchaser has breached the terms stipulated in Article 9 regarding Representations and Warranties, the account of the purchaser shall be suspended and stripped, as well as all other rights carried out at the sole discretion of the seller and Company, will be explicitly retained here.

10. Compensation

(a) to the fullest extent permitted by applicable law, in the following cases,

(i) the purchase and use of the Tokens by the purchaser,

(ii) the obligation to the responsibilities set forth in the Terms,

(iii) violations of the Terms,

(iv) infringement of rights of any persons or entities the purchaser shall not compensate, provide protection, or cause any other damages regarding the billing, request, litigation, damages, losses, expenses, costs (including attorneys' fees), towards the developer, the Company, and employees, officers, directors, contractors, consultants, shareholders, suppliers, sales company, service providers, parent company, subsidiaries, affiliates, agents, personnel, predecessors, successors, assignees of the past, present or future (referred to as "The Company")

(b) the Company reserves the right to defend against any of the claims subject to compensation stipulated under Article 10 Item (a), at the expense of the purchaser.

The wording regarding the compensation stated here shall supplement the article concerning compensation that is stipulated in the agreement concluded between the purchaser and Company, and does not supersede all other written forms of agreement.

11. Disclaimer

PANDROYTY tokens are not considered as securities.

Users acknowledges, understands and agrees, that a PANDROYTY token is not a security, is not registered as a security to any governmental agency. By possessing the ownership the PANDROYTY tokens, the user acknowledges, understands and agrees that the following is not provided to the user.

Receiving of profits, income, deals or other payment is not guaranteed, even with the

acquisition, possession, abandonment, fulfillment, collection or termination of the right to the PANDROYTY token's total property or partial property, its interest rates, authorities, and profits.

The Absence of Guarantees for Revenue and Profit

We cannot guarantee that the value of the PANDROYTY token will increase. There is no guarantee that the PANDROYTY token prices will not fall drastically, due to unpredictable events, circumstances beyond the control of the developers, or force majeure (including significant declines).

Risks regarding Ethereum

PANDROYTY tokens are issued using the Ethereum blockchain. Therefore, there is possibility that the trading network of the PANDROYTY token may not function as expected due to the failure or malfunction of the Ethereum Protocol.

Uncertainty regarding Regulations

The blockchain technology is subject to the supervision and management by the regulatory agencies around the world. There may be possibility that the PANDROYTY token will be the subject of requirements or engagements by these institutions. This includes, but not limited to restrictions regarding the ownership and usage of digital tokens, etc. In this case, there may be possibility that the future features and repurchases of PANDROYTY token may become slow and limited.

PANDROYTY tokens are not considered as investment properties.

PANDROYTY token is not officially recognized as a type of investment property with legally binding force of any kind. In case of occurrence of any unpredictable situations, the information stated within this text may be subject to change. Although the Company intends to fully achieve the objectives stated in this text, the responsibility of risk will be in the hands of the persons or organizations who have purchased PANDROYTY tokens.

Quantum Computer

There may be possibility of endangerment to cryptocurrencies, including the PANDROYTY token, due to technological innovations in the field of quantum computers.

Risk of Loss of Funds

All funds raised through financing cannot be guaranteed in any shape or form. In case of such a loss of funds, or loss of value to the funds, there are no insurance agencies, private or public, to which the purchaser may claim assistance.

Return of Funds

In case where the campaign does not end in success, or was canceled by the developer or the moderator, the funds will be returned to the user from the campaign wallet to the user's wallet. If the payment was made in fiat money (yen), the refunds will be transferred to the user's myetherwallet through the PANDROYTY token system. Users can withdraw this ETH.

Risk of Using New Technology

The PANDROYTY token is a new technology, with relative lack of substantiation. Aside from the risks stated in this text, there are other risks unforeseen by the PANDROYTY TOKEN team. There is a possibility that these risks may have to be expressed and defined separately from what is stated in this text.

As certain jurisdictions do not allow a disclaimer of certain warranties, or implied exclusion of contracts with the consumer, the items for the exclusion of the warranties or disclaimers, set forth in this item, in whole or in part, may not apply to certain purchasers.

12. Limitation of Liability

(a) To the fullest extent permitted by the applicable law,

(I) Under any circumstances, the seller, the Company, the developer and any person related to the Company shall not bear any responsibility for the indirect, special,

consequential, incidental and inevitable damages (include but do not limit to sale revenues, incomes, profits and losses, the use and the loss of data, the damage from the suspension of business), regardless of the legal structure and the legal system, regardless of the contract, the offense (include but do not limit to active, passive, and attributable simple negligence), and any other legal and equivalent laws (regardless whether the concerned part has been informed of the damage or not, or whether the damages are foreseeable or not), from the sale and use of tokens.

(II) Under any circumstances, the total liability of the developer, the Company, and its affiliates, shall not exceed the amount paid by the purchaser of the Tokens, regardless of any contract or warranty relating to or arising from any offense (including active, passive, or attributive simple negligence) or other theory, due to the use or the inability to use the Tokens and the Terms

(B) The limits set forth in Article 12 (A) shall apply to the liability due to gross negligence, fraud or reckless acts by the developer or the Company, and as such the application of the said article and items shall not be excluded or restricted in this case.

(C) Certain jurisdictions do not accept the limitation of incidental or consequential damages or exclusion. Therefore, some of the limitations of this section may not apply for certain purchaser.

13. Waiver

To the maximum extent permitted by the applicable law, the purchaser shall be exempted from the dispute between users and liabilities of any kind related to or arising from the third party's acts or omissions or in nature, such as claims, demands, or damages (actual or consequential), regardless of the developer or the Company, the Company and its affiliates, known or unknown (the petition for negligence, including but not limited to it).

14. The Governing Law and the Court of Jurisdiction

Regardless of a conflict of laws due to the application of laws and regulations in other jurisdictions, the Terms (regardless of its jurisdictions) shall comply with the laws and regulations of Japan, and interpreted and executed as such. The Terms, the themes, or

the formation (including non-contractual claims dispute) or between all parties involved in these disputes will be resolved at the Tokyo District Court.

15. Severability

In case the conditions, articles and items of the Terms ever become illegal, invalid or impossible, the conditions, articles and items of the Terms shall be deemed severable, and will not affect the validity or enforceability of the remaining conditions, articles and items of the Terms.

16. Miscellaneous

The Terms constitute a complete agreement between the seller and purchaser regarding the purchase of Tokens.

From time to time, there may be a case where the seller may change the Terms to comply with the applicable laws and regulations.

In case of revision to the Terms, seller shall publish such revisions at the “<https://ico.pandroyty.com/>” and update under "last updated date".

The modified Terms will be effective immediately.

There may be instances where the seller will transfer the rights and obligations of the seller set forth in the Terms to the purchaser.

If the rights and provisions stipulated in the Terms are not enforced, it shall not be deemed to constitute a waiver of such right or provision.

The seller shall not be held responsible for the delay or nonfulfillment of the obligations set forth in the Terms, due to circumstances beyond reasonable control, delay or failure.

The act of purchasing a Token from a seller does not constitute a form of partnership, joint venture, or other similar relationship between the purchaser and seller.

Otherwise noted, the Terms is for the benefit of the purchaser and the seller, and are not intended to grant any person or a third-party entity any beneficiary rights.

The purchaser shall agree and acknowledge that all agreements, notices, disclosures, and other contacts will be provided electronically to the seller.

Last Updated: April 5th, 2018

Appendix B

Procedures and Specifications for the Selling of Tokens

1. Token Price

Regarding the sale of Tokens, during the sale period, the seller will sell 88.5% of the Token issued.

Regarding the purchase of Tokens, the seller will accept ETH as payment for Tokens.

Regarding the Price of Tokens

First Presale Period

March 11th, 2018, (start 10:00 am) ~ April 20th (closed 00:00 midnight):

Price: finished

Second Presale Period

April 23th, 2018, (start 10:00 am) ~ May 20th (closed 00:00 midnight):

Price: finished

First Token Sales Period

May 23th, 2018, (start 10:00 am) ~ June 19th (closed 00:00 midnight):

Price: finished

Second Token Sales Period

June 22th, 2018, (start 10:00 am) ~ July 17th (closed 00:00 midnight):

Price: finished

Third Token Sales Period

July 20th, 2018, (start 10:00 am) ~ September 30th (closed 00:00 midnight):

Price: finished

Fourth Token Sales Period

October 1st, 2018, (start 10:00 am) ~ November 30th (closed 00:00 midnight):

Price: finished

* Based on Japan time

Ordering Unit : 16ETH / order, or its multiplied quantity

The seller, at its sole discretion, reserves the right to change the token price and sales period during the sale period.

2. Start, Duration and Close of the Token Sale

The seller begins the sale on March 11th, 2018 (hereinafter referred to as the "launch date") at 10:00 am Japan time, and closes the sale on November 30th, 2018 (hereinafter referred to as the "closing date") 00:00 midnight Japan time.

The total number of the Tokens issued: 2 billion tokens shall be issued, with 1.77 billion tokens to be sold.

Immediately after the closing date, or during the sale period (including the presale period), or immediately after the issuance, the seller will stop issuing Tokens (the total combined tokens sold and retained by the seller will be hereinafter referred to as "the issued quantity").

3. Procedural for the Purchase and Receipt of Tokens

To purchase Tokens during the sale period, the purchaser must set up and operate a certain type of token wallet.

Specifically,

- (i) an Ethereum wallet if wishing to purchase tokens using ETH
- (ii) an Ethereum wallet supporting ERC20 Token Standards if wishing to receive an Ethereum-based Token from seller

The seller shall reserve the right to prescribe additional guidance about the specific requirements of certain wallets.

- If you wish to purchase tokens using ETH

At the launch date, the seller will make a web application available to promote the receipt and purchase of Tokens between the seller and the purchaser.

If wishing to purchase a Token, the purchaser must first register their information such as email address to a website or application, and provide to the web application an Ethereum address (if wishing to purchase Tokens via Ethereum) as the return address. The seller requires a return address in case the seller must cancel the sale of Tokens due to unexpected occurrences, and thereby necessitate the need to return the paid Ethereum to the purchaser.

Second, the purchaser, in order to receive the purchased Token, needs to prepare a ERC20 compatible wallet address (if wishing to receive an Ethereum-based Token). The seller may also require certain additional information through the web application.

Through the web application or e-mail, send a specific receiving address for the Ethereum (if the purchaser has provided an Ethereum address).

When the seller receives ETH from the purchaser through the specific receiving address, the seller will hand over tokens to the address in the wallet provided to the seller, so that the purchaser can receive tokens.

The seller should hand over tokens to the purchaser within 1 week after the closing of the sales period. However, the seller also reserves the right to extend the handover period of the token up to 4 weeks from the closing of the sales period.

Although the seller does not assume certain security issues related to the sale of Token, the 4 weeks stipulated in the above is intended as a precautionary buffer period and time needed by the seller to solve such security issues that may occur.

4. Volume of Tokens Sold

The total number of Tokens sold during the sale period by the seller will be in the volume of 1.77 billion tokens.

Immediately after the sale period, Token issuance will be suspended. All tokens are of equivalent functionality. The Tokens provided to the purchaser and the Tokens retained by the seller, are all Ethereum-based Tokens under the instructions by each purchaser or seller.

5. Tokens Retained by the Seller

Immediately after the sale period, or during the sale period (including the presale period), separate from the Tokens sold, the seller will retain in the amount of 130 million Tokens (hereinafter referred to as “retained tokens”).

The seller, will utilize the retained tokens for overall development of the LINP services in the future, such as rewards to the influencers in the LINP services used, or as referral rewards in the expansion of LINP services, or as promotional means for the affiliated store, or as compensation to employees.

Specifically, 16.5% of the retention tokens will be distributed as a referral bonus for introducing the Tokens to other potential purchasers. 27% of the retained tokens will be

distributed to the current project team, interested parties and advisors. 56.5% of the retained tokens will be retained by the seller for use in the further development of LINP services, sales, marketing, partnership, rewards, and business expansions.

6. Use of the Sales Revenue from the Token Sale

The ETH revenue from the Token Sale will be devoted to the labor costs of the technical and other related staff, marketing and operations, and for development costs of the technology infrastructure.

Currently, the seller plans to use the sales revenue for the following:

Development of the Blockchain Core Technology relevant to LINP Services

Development of LINP Services Applications

Development of LINP wallet Applications

Building a Multilingual User Interface (English, and other 30 languages)

Promotion and Marketing for the Relevant Services and LINP Services

Establishment of a Service Structure in 30 Countries outside of Japan

Appendix C

Regarding Risk

Risks relating to token purchases, sales and use, etc.

Important Note:

As mentioned elsewhere in the Terms, Tokens are not structured as a form of securities or any other forms of investment products, and should not be sold as such. Therefore, all information presented in Appendix C, is not intended to be used as a basis for making investment decisions, nor is it intended for any specific recommendations.

The Company will not be held responsible for any of the following

- (i) reliant to the information contained in Appendix C,
- (ii) errors, omissions or inaccuracies of the information provided, or
- (iii) any act engaged due to directly or indirectly referring to such information, that directly or indirectly damages or causes harms.

The purchaser, through the purchase, retention or use of Tokens, acknowledges and accepts the following:

1. Risks regarding the loss of access to Tokens due to the loss of a private key

This private key or a combination of the private key shall be necessary for the control and disposition of the Token stored in the Purchaser's digital wallet. Therefore, the loss of this necessary private key shall be acknowledged as being the equivalent to the loss of the Token stored in the digital wallet. In addition, the purchaser runs the risk of having the Token stolen by a third party having access to the private key via the login access information hosted by the wallet.

2. Risks relevant to Ethereum

Since this Token is Ethereum-based, all malfunctions, failures or waivers to the Ethereum will have significant and adverse effects on the Token.

Furthermore, the Token runs the risk of having the cryptographic consensus mechanism, which supports the protocols, be disabled, due to technological advances such as in the development of quantum computing.

3. Risk of a Mining Attack

Like other public blockchain protocol based on distributed cryptographic tokens, when validating the transaction of a token on the blockchain, there is risk of receiving an attack from a miner, include but do not limit to double payment attacks, majority attacks, and predatory mining attacks. Any attacks, if successful, run risk of transaction records and the scheduled execution of the Tokens.

4. Risks of Hacking and Security Weaknesses

There is possibility that hackers or other malicious groups or organizations may intercept the Tokens, such as malware attacks, denial of service, consensus-based attack, Sybil attack, "Smurfing" and spoofing.

5. Risks related to the Token Market

This token is only intended for the use of expanding the LINP service. The seller does not guarantee the support of external evaluation, secondary distribution of this token, and the promotion of such acts.

6. Risks of Losses not Insured

Unlike bank accounts and accounts of other financial institutions, unless the purchaser obtains private insurance, and is insured, the Token itself is not subject to any form of insurance.

Therefore, in case of a loss or a loss of value, there is no insurance mechanism for the purchaser to rely on such as public insurance like deposit insurance or private insurance arranged by the seller.

7. Risks related to Uncertain Regulatory and Enforcement Measures

In many jurisdictions, the regulations regarding tokens, the sale of tokens and the technology for a distribution-type register is far from clear and definite. It is difficult to predict how such regulatory body will respond or apply their regulations to Tokens and the technology, including the usage of such. Similarly, it is difficult to speculate how such a regulatory body will adjust or change their regulations towards Token, including distribution-type registers and the usage of such. Enforcement measures, held prior to handling virtual currency exchange tokens, may consider the register of tokens or financial instruments as being required for regulatory approvals, and thus may have a negative impact to the value of the Token. If the enforcement measures or changes in the laws and regulations of certain jurisdictions consider the business operation to be

unlawful, or if certain jurisdictions do not provide approval for the business to operate, the Company may suspend business in such jurisdictions.

8. Risks arising from Taxes

Taxation regarding this Token is not substantiated. Relevant to the purchase of a Token, the purchaser must individually confirm the nature and reasoning of the related taxations, and may run the risk of drawbacks to withholding tax, corporate income tax, and tax reporting requirements, including the handling.

9. Risk of Dissolution

There is a possibility of dissolution from a number of reasons, such as adverse fluctuations in the values of cryptocurrencies or a legal tender, the decreased validity of the Token, the failure as a commercial business, or an objection to the ownership of the intellectual property.

10. Unpredictable Risks

Crypto-tokens such as this Token are still a new and unsubstantiated form or technology. In addition to the risks contained in the attachment C, currently there is a great amount of risks relevant to the purchase and retention of Tokens, unforeseen by the seller. Such risks may occur in the form of a variant discussed in attachment C, or as a completely unanticipated form.

Updated August 30, 2018

Updated December 9, 2018