

MBC Token Sale Usage Agreement

This MBC token sale usage agreement (hereinafter referred to as the "Agreement") does not constitute any offering or recommendation for any investment, nor any solicitation to invest.

This Agreement applies to all sales of tokens made by the MedicalBit Group (hereinafter referred to as the "Vendor", which shall include, so long as it does not contradict the general policy, any party to whom the Vendor entrusts the sale of these tokens) during the token sale period (hereinafter referred to as the "Sale Period") and tokens purchased by the purchaser (hereinafter referred to as the "Purchaser"). By purchasing this token during the Sale Period, the Purchaser will be bound by this Agreement and all terms incorporated by reference. If the Purchaser does not agree to this agreement, the Purchaser may not support the Vendor through this token sale, nor may they purchase tokens. The Vendor does not make any suggestion, recommendation or solicitation for the purchase in any jurisdiction of the rights to marketable securities nor any assets that can be represented by marketable securities. This Agreement has not been submitted to, registered with, reviewed or verified by any regulatory authority in any jurisdiction.

ARTICLE 1 APPLICABILITY

(1) Unless otherwise stated herein, this Agreement applies only to the Purchaser's purchase of Tokens from the Vendor and to the purchased Tokens.

(2) The Vendor may in the future prepare regulations and policies (hereinafter referred to as the "MBC Token Regulations and Policies"), including regulations governing the use of MBC tokens, related guidelines and a privacy policy, and may update such Terms and Policies at any time. For the time being, Purchaser's personal information obtained through this token sale campaign will be handled in accordance with the Vendors' general Privacy Policy.

ARTICLE 2 PURPOSE

(1) Tokens are simply a blockchain record of a Purchaser's contribution, the receipt of which is a reward for supporting the MBC Token Project. As such, ownership of these Tokens grants no rights to the Purchaser, whether express or implied. In particular, the Purchaser shall understand that these Tokens do not represent or confer any ownership right or stake, share or security or equivalent rights to assets held by the Vendor, nor any right to receive future revenue shares, intellectual

property rights or any other form of participation in the Vendor or its corporate affiliates.

(2) Tokens are not intended to be a prepaid payment instrument, digital currency, virtual currency, any other means of financial settlement prescribed by the Payment Services Act. (Act No. 59 of 2009), security (including those considered as such under the Financial Instruments and Exchange Act), commodity prescribed by the Commodity Derivatives Act (Act No. 239 of 1950) or any other kind of financial instrument.

(3) The vendor does not bear any obligation to have MBC Tokens traded on a virtual currency exchange in the future.

(4) An ICO (Initial Coin Offering) is a method for procuring funds via the issuing and selling of original digital tokens. Rather than transferring equity as in a share issuance, an ICO is a simple sale of tokens, similar to purchase-based crowdfunding.

ARTICLE 3 CANCELLATION OF PURCHASE REQUESTS

(1) The purchase of Tokens from the Vendor during the Sale Period is definite and final, and the Purchaser may not claim any refund or cancellation except as may be required by applicable laws or regulations.

(2) In view of the circumstances surrounding the token sales, the Vendor shall reserve the right to decline or cancel Token purchase requests anytime at its discretion.

ARTICLE 4 TOKEN SALE PROCEDURES AND SPECIFICATIONS

(1) Important information about the procedures and specifications of the Token sale (including, but not limited to, details regarding the timing and pricing of the Token sale, the amount of Tokens planned to be sold, and the planned use of the proceeds) other than where specified in this Agreement, shall be determined separately by the Vendor.

(2) The important information set forth in the preceding paragraph (including that specified in this Agreement) is subject to change, and in such case, the updated information shall take precedence over this Agreement.

(3) By purchasing Tokens, the Purchaser acknowledges that they understand and have no objection to these procedures and material specifications. Tokens may not be resold or sold secondarily, nor exchanged for any position to obtain commodity, security, virtual currency or property value. Moreover, the publication of Tokens on websites for the purpose of sale and purchase by unspecified persons is prohibited.

ARTICLE 5 PERSONAL INFORMATION

The Vendor may determine, at its sole discretion, that it is necessary to obtain certain information about the Purchaser in order to comply with applicable laws or regulations relating to the sale of Tokens. In such case, the Purchaser agrees to provide the Vendor such information promptly upon request, and acknowledges that until such time that the Purchaser fully provides such information and it is confirmed that sale of the tokens to the Purchaser is permissible under applicable laws and regulations, the Vendor may deny sale or delivery of the MBC Tokens.

ARTICLE 6 ACKNOWLEDGMENT AND ASSUMPTION OF RISKS

The purchaser acknowledges and agrees that there are risks associated with purchasing and holding Tokens. By purchasing Tokens, the Purchaser expressly acknowledges and assumes these risks.

ARTICLE 7 TAXES AND DUES

(1) The Purchaser shall be responsible for paying any taxes (including consumption tax, sales tax, usage tax, value added tax, and similar taxes) levied on contributions made to the Vendor. In addition, the Purchaser is also responsible for the appropriate handling of tax withholding, corporate income tax, and other tax matters, for which the Vendor will assume no responsibility.

(2) The Purchaser shall bear no obligation provide information regarding taxes and dues (including but not limited to consumption tax, depending on the Purchaser's resident jurisdiction) levied on the Purchaser's purchase or holding of Tokens, nor responsibility for the accuracy or propriety of published information. In addition, the Purchaser agrees that it is the responsibility of the Purchaser to report and pay the correct tax amount to the appropriate tax authorities. The Vendor shall not be responsible for the reporting or payment of consumption tax or any other taxes and dues arising from the Purchaser's purchase and possession of Tokens.

ARTICLE 8 SECURITY

(1) The Purchaser is responsible for understanding the wallet or other token storage mechanism that they use to hold tokens purchased from the Vendor, and for implementing reasonable measures to secure the private key or other credentials necessary to access such storage mechanisms. In the event that the Purchaser's private key or other credentials are lost, the Purchaser may lose access to the Tokens. The Vendor shall not assume any responsibility whatsoever regarding such losses.

ARTICLE 9 REPRESENTATIONS AND WARRANTIES

(1) By purchasing Tokens, the Purchaser represents and warrants that:

- 1) The purchaser has thoroughly read and understood this Agreement (including all exhibits thereto, if any).
- 2) The purchaser has thoroughly and accurately understood the following
 - (a) Tokens are not legal tender such as Japanese Yen, US Dollars, Euros or Chinese Yuan, but is simply a representation of the Purchaser's rights on the blockchain.
 - (b) Rights represented by Tokens are not guaranteed by any specified entity, including the Vendor.
 - (c) The legal regulations governing Tokens differ in each country, and there are no established judicial precedents or legal interpretations. Accordingly, this Agreement and the regulations governing Tokens may change subject to future judicial decisions, orders by governing authorities, or official legal interpretations.
- 3) The Purchaser has a sufficient understanding of the Tokens' functionality, transmission mechanisms and other characteristics of cryptographic tokens, token storage mechanisms (such as token wallets), blockchain technology, and blockchain-based software systems to understand this Agreement and to appreciate the risks and implications of purchasing Tokens.
- 4) The purchaser has obtained sufficient information about the Tokens to make an informed decision to support the Vendor through the purchase of Tokens.
- 5) The Tokens confer no other rights of any form with respect to MBC Token, the Vendor, or its corporate affiliates. The rights that the Purchaser should understand are not conferred include any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or any other financial or legal rights.
- 6) The Purchaser is purchasing Tokens to support the MBC Project and any MBC Token system that may be created in the future. The Purchaser is not purchasing Tokens for any other purposes, including, but not limited to, any investment, speculative or other financial purposes;
- 7) The Purchaser's purchase and possession of Tokens complies with (a) legal capacity and any other threshold requirements in the Purchaser's jurisdiction for purchasing Tokens and entering into contracts with the Vendor (b) any foreign exchange or regulatory restrictions applicable to such purchase (c) applicable law and regulation in the Purchaser's jurisdiction. In addition, if permission, registration, or any other procedure (hereinafter referred to as the "Permissions") is required by any governmental or other authority, the relevant procedures have been completed and any imposed conditions complied with.
- 8) The Purchaser will comply with all applicable tax obligations in the Purchaser's jurisdiction arising from the purchase of Tokens.

9) If the Purchaser is purchasing Tokens on behalf of any entity, the Purchaser is authorized to accept this Agreement on such entity's behalf, and such entity will be responsible for any violation of this Agreement by the Purchaser or any other employee or agent of such entity (references to the "Purchaser" in this Agreement shall refer to the Purchaser and such entity jointly.).

10) The Purchaser not a resident or domiciliary of the United States of America, the People's Republic of China (including Macau SAR and Hong Kong SAR), or the Republic of Korea, or purchasing Tokens from any of these places.

11) The Purchaser is not:

(a) a citizen or resident of a region in which access to the Tokens is prohibited by applicable law, regulation, treaty, or administrative act.

(b) a citizen, resident or domiciliary of region that is subject to U.S. or other sovereign country sanctions or embargoes.

(c) an individual, or an individual employed by an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals or Blocked Persons Lists, or the U.S. Department of State's Debarred Parties List.

(d) having any relationship with organized crime, currently or in the past, whether a financial relationship, business relationship, employment relationship, or delegation relationship, or conducting any commercial transactions, provision or transfer of profits, or other transactions (whether temporary or ongoing) with such.

(e) conducting the exchange of Tokens in violation of the Act on Prevention of Transfer of Criminal Proceeds, or, in light of the purpose of Article 1 of the law, conducting virtual currency transactions to circumvent said law, or is suspected of doing so.

(2) The Purchaser accepts without reservation that if the Purchaser violates any of the representations or warranties in the preceding paragraph, the Vendor expressly reserves the right to suspend or close the Purchaser's account, or to take such other measures as the Vendor deems appropriate at its sole discretion.

ARTICLE 10 DISCLAIMERS

(1) The tokens are sold on an "as is" and "as available" basis, and The Vendor makes no warranty, express or implied, regarding merchantability, fitness for a particular purpose, title or non-infringement.

(2) The Vendor does not represent or warrant that the tokens are reliable, current or error-free, meet the Purchaser's expectations, requirements or vision, or that any defects in the tokens will be corrected.

(3) The Vendor cannot and does not represent or warrant that the Tokens, or the delivery mechanisms for Tokens, are free of computer viruses and other components harmful to the Tokens or to the blockchain technology that the Tokens use.

(4) The previous 3 items do not indicate that the Vendor will not be governed by laws, ordinances or other government regulations.

ARTICLE 11 INDEMNIFICATION AND LIMITATION OF LIABILITY

(1) In no event, regardless of fault, shall the Vendor and its affiliate companies, the developers of the Tokens and MBC Tokens, their officers and employees, the Vendor's agents, its consultants regarding sale of the Tokens, its attorneys, certified public accountants, accountants or other professionals (hereinafter referred to as the "Vendor Parties") assume any responsibility for damages incurred by the Purchaser regarding the Tokens or the purchase of the Tokens.

(2) In view of the circumstances surrounding the Token sales, the provisions of the preceding paragraph shall apply even in the event that the Purchaser incurs damages as a result of an error in the Vendor Parties' interpretation of notices, guidelines or guidance given by governmental or equivalent authorities (including foreign governments and equivalent authorities), or any discrepancy between the Vendor Parties' interpretation and that of official legal authorities.

(3) Even in the event that, due to the Vendor Parties' willful misconduct or gross negligence, the Vendor Parties are liable to pay compensation to the Purchaser, that amount shall not exceed the amount paid by the Purchaser for Tokens (in the event that payment was made using virtual currency, this amount shall be the actual amount of virtual currency paid or the relevant virtual currency's equivalent in Japanese Yen, chosen at the discretion of the Vendor Parties.).

ARTICLE 12 DISCLAIMERS CONCERNING DISPUTES BETWEEN THE PURCHASER AND A THIRD-PARTY

The Seller, etc. shall have absolutely no involvement in disputes between the Purchaser and a third-party, and even in the case that the Purchaser pays reparations or compensation for third-party damages or litigation costs, legal fees or other expenses relating to disputes with a third-party, there shall be no reparations or compensation for this.

ARTICLE 13 COMPENSATION

If the Seller, etc. receives a request for compensation or other reparation from a third-party attributed to a dispute between the Purchaser of this Token and a third-party or when the Purchaser breaches this Agreement or laws and orders or other

rules of the Purchaser, breaches any order or guidance from the government or equivalent public institution (including foreign governments and equivalent institution), is in receipt of a request to take action or subject to legal action due to an illegal act or criminal act, the Seller, etc. has the right to take independent measures as required according to the burden of the Purchaser's costs (including but not limited to reasonably calculated legal fees).

ARTICLE 14 ABILITY TO PARTITION

If any of the terms, clauses or provisions of this Agreement are breached, become invalid or become impossible, such terms, clauses or provision may be partitioned from this Agreement, and the remaining terms, clauses and provisions in the Agreement or other terms, clauses or provisions of the Agreement that are valid or for which enforceability is not affected shall be deemed effective.

ARTICLE 15 MISCELLANEOUS PROVISIONS

- ① This Agreement comprises the full agreement between the Purchaser and Seller concerning the purchase of this Token by the Purchaser from the Seller.
- ② The Seller may change this Agreement without notice due to laws and regulations, government regulations or other reasonable reasons.
- ③ When the Seller amends this Agreement without specific circumstances, the amended Agreement shall be effective from the date provided in such amended Agreement.
- ④ The Seller shall, if amending this Agreement, publish the amended Agreement on <https://www.medicalbit.ee/> and publish the "date of the latest update".
- ⑤ The Seller may transfer the Seller's rights and obligations prescribed in this Agreement to a third-party.
- ⑥ Even if the Seller does not execute the rights or apply the clauses prescribed in this Agreement, this shall not mean they are renounced.
- ⑦ The Seller shall, in the case that there is delay or default of the Seller's obligations under this Agreement as a result of being outside the scope that can be managed according to the Seller's reasonable discretion, not be liable for delay or default in executing the obligations in accordance with this Agreement.
- ⑧ The sale of this Token shall not create a tie-up, merger or any similar relationship in any form between the Purchaser and the Seller.
- ⑨ The sale of this Token is not intended to grant third-party beneficial rights to any person or entity.
- ⑩ The Purchaser agrees to and approves the provision of all contracts, notices, disclosures and other contact provided by the Seller to the Purchase in electronic form.
- ⑪ The Purchaser consents to notices from the Seller to the Purchaser being in electronic form.

ARTICLE 16 GOVERNING LAW AND JURISDICTION

This Agreement shall, regardless of conflict of law principles that apply to the application of the laws and regulations of other jurisdiction (regardless of such jurisdiction), be governed and interpreted by, and executed under the laws and regulations of Japan. Disputes between parties arising out of this Agreement or such subject or fulfillment (including disputes for non-contractual requests) shall be resolved through the exclusive jurisdiction of the Tokyo District Court as the court of first instance.

Supplementary Provision I

Outline of this Token

This Token conforms to the ERC20 standard Ethereum protocol. The utility of this Token could increase over time. The Seller and developer shall not support nor maintain the secondary circulation of this Token or the external valuation of this Token.

Supplementary Provision II

Procedures and specifications of this Token sale

① Number of Tokens to be sold

The Seller shall 30% of the total issuance of this Token during the period of sale.

② Sale price of this Token

The sale price of this Token shall be indicated by the Seller and paid by the Purchaser using Bitcoin (hereinafter, “BTC”) or Ethereum (hereinafter, “ETH”) (See Appendix II, paragraph 6). The Seller shall not set a lower limit or upper limit for the sale price of this Token in the period of sale, and reserves the right to reduce the sale price of the Token at its own discretion.

③ Period of sale and reservation for this Token

The period of sale for this Token shall commence on June 27, 2018 (Japan time; the same shall apply hereinafter).

④ Procedures for purchase and receipt of Tokens

To purchase this Token, during the period of sale the Purchaser

1) must establish an Ethereum wallet if wanting to purchase Tokens with ETH or a Bitcoin wallet if wanting to purchase Tokens with BTC.

2) must establish an Ethereum wallet that supports ERC20 Token standards to receive the Ethereum based Token purchased from the Seller. However, the Seller reserves the right to set additional guidance concerning the specific wallet requirements. The Purchaser shall undertake the following procedures in relation to the web application published by the Seller when purchasing this Token.

(a) designate an email address that can be used for contact with the Seller.

(b) designate the wallet address of the Ethereum wallet that supports Ethereum ERC20 Token standards in the Purchaser's name.

(c) provide information relating to KYC (Know Your Client) such as address and telephone number.

The Seller shall forward to persons who have completed all the above procedures the unique address for receiving BTC or ETH as payment for this Token sale and the Seller shall commence examination of the unique address received once BTC or ETH is received from the Purchaser and transfer this Token to the wallet address designated by the Purchaser to accept this Token when confirmation of the registered information is complete. The Seller may set a grace period for resolution, when there is a security issue or a concern of such when selling this Token.

⑤ The Token to be sold

This Token may be used to pay consideration to an unspecified person for the purchase or loan of goods or for the provision of services and has a value that can be used for purchase or sales when an unspecified person is the counterparty and cannot be transferred using an electronic information processing organization (Article 2, paragraph (5) item 1 of the Payment Services Act. Hereinafter, "item 1 cryptocurrency"), and the Seller has not undertaken a system design that anticipates item 1 cryptocurrency.

In addition, this Token may not be mutually converted with item 1 cryptocurrency where an unspecified person is the counterparty and does not meet the requirements of the Article 2, paragraph (5) item 2 of the Payment Services Act and is not a cryptocurrency as prescribed in said clause (Article 2, paragraph (5), item 2 of the Payment Services Act. Hereinafter, "item 2 cryptocurrency"), and the Seller has not undertaken a system design that anticipates item 2 cryptocurrency.

⑥ Applicable conversion rate

The conversion rate with BTC or ETH paid by the Purchaser as consideration for this Token shall be in accordance with the conversion rate that applies when the Seller receives the BTC or ETH from the Purchaser as consideration for this Token.

⑦ Use of the sales proceeds from this Token sale

The Seller shall use the BTC or ETH received as consideration for this Token from this Token sale for the development of the MBC Token, various expenses associated with this MBC Token sale, the development of the Sellers technical infrastructure and general operating expenses such as marketing and personnel costs. In addition, the Seller is also considering the proceeds for use in the research and development of solutions to be posted in future in an MBC White Paper.

Supplementary Provision III

Important points such as risk concerning the purchase, sale and use of Tokens:

This Token is not comprised of securities or any other financial instrument and is not sold as such. Therefore, all the information provided in Supplementary Provision III is not intended to be in a form that is the basis for an investment decision and is not intended to provide any specific forecasts. The Seller, etc. shall not be liable for any loss or damages directly or indirectly caused by 1) reliance on information including the Supplementary Provision III, 2) any mistake, omission or inaccuracies in such information, or 3) action taken based on such information.

By purchasing or retaining this Token, the Purchaser is aware and accepts the following risks:

① The risk of a loss of access to this Token due to the loss of the private key

The private key or private key combination (hereinafter, “private key, etc.”) must be treated as controlling this Token stored in the Purchaser’s digital wallet. Therefore, the loss of the private key, etc. required in relation to the digital wallet in which the Purchaser has stored this Token will have the same result as the loss of the Token. On top of this, third party access to the private key, etc. through access to login information for the hosted wallet used by the Purchaser could lead to the theft of this Token.

② Risk of mining attack

As with distributed password tokens based on other public blockchain protocols, this Token is susceptible to the impact of attacks from miners, which include but are not limited to double payment attack, majority mining power attack, selfish mining attack during the verification of the token transaction on such blockchain. Any of these attacks could, if successful, cause risk for the scheduled execution of this Token and for the registration of the transaction relating to this Token.

③ Risk of weakness in relation to hacking and security

Hackers and other groups and organization with malicious intent could try to intervene in this Token through various methods such as DoS attack, agreement-based attack, civil attack, smurfing and spoofing.

④ Risk of fluctuations that are not favorable for ETH and other currencies

The Seller shall recognize the BTC or ETH received from the Purchaser as consideration for the sale of this Token during the period of sale as a sale and plans to successively maintain and develop the Seller's system and supplement marketing and general operating expenses. Therefore, the BTC or ETH that is received may be immediately converted into another cryptocurrency or legal currency. If the value of ETH or other currency moves in a direction detrimental for the Seller following the period of sale, the Seller may not be able to allocate funds for development of MBC Token, nor adopt or maintain the appropriate development method for MBC Token at the current point in time.

⑤ Risk relating to uncertain regulations and measures

With many jurisdictions, there are many uncertainties concerning the Tokens, Token sale, and regulations for distributed ledger technology. It is difficult to predict how the regulatory authorities will apply the current regulations or the policies that will be adopted in relation to such technologies that include this Token and its use. Similarly, it is difficult to predict how the parliament or regulatory authorities will implement or try to implement laws and regulations or changes to regulations that affect the distributed ledger technology that includes this Token and its use. Regulatory measures could have a negative impact on the value of this Token in various ways, even before the Token is handled on a cryptocurrency trading exchange, such as a determination that the Token is a financial instrument that is subject to regulations that require registration or approvals. If regulatory measures or laws and regulations and change in regulations cause operations to be in breach or there are concerns of there being in breach in a particular jurisdiction, or it is not commercially feasible or there is concern that it may not be commercially feasible to acquire the approval of the regulatory authorities required to operate in a particular jurisdiction, the Seller may suspend operations in such jurisdiction.

⑥ Risk from taxation

The taxation features of this Token are not clear. The Purchaser should obtain his/her own advice concerning taxation related to the purchase of this Token, and there may be circumstances where the treatment is detrimental in terms of taxation including withholding tax, corporate income tax or requirements for taxation statements.

⑦ Risk relating to the development and maintenance of MBC Token

MBC Token is even now under development and there could be major design changes in future. Although the developer will proceed with development, the intent is for this to be at a commercially reasonable level. It is possible that various amendments to the specifications must be added due to various justifiable reasons. Therefore, there is a risk that these may not meet the expectations at the time of purchase by the Purchaser. In addition, notwithstanding the good faith initiatives of the development to develop and maintain the MBC Token, there could be inadequate functions or an inability for ample development and maintenance, which could have a negative impact on MBC Tokens.

⑧ Risk of loss that is not guaranteed

Unlike bank accounts and accounts at other financial institutions, this Token is not subject to any guarantee unless the Purchaser is guaranteed by taking out special private sector insurance. Therefore, if there is loss or loss of utility value, there is no public insurance company such as the Deposit Insurance Corporation that the Purchase can rely on and the Seller has also not arranged for private sector insurance.

⑨ Dissolution risk

The Seller could be dissolved for various reasons such as detrimental movement in the value of cryptocurrency or legal currency, reduction in the utility of this Token, commercial failure, or objection to the intellectual property rights.

⑩ Unforeseen risks

Code tokens including this Token are new unverified technologies. In addition to the inherent risks, there could be other risks related to the purchase, retention and use of this Token that the Seller can currently not predict. Unforeseen variations or combinations of anticipated risks could become a reality.

Representative Director of MEDICALBIT FOUNDATION OÜ:

Hiroyuki Yamaguchi

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