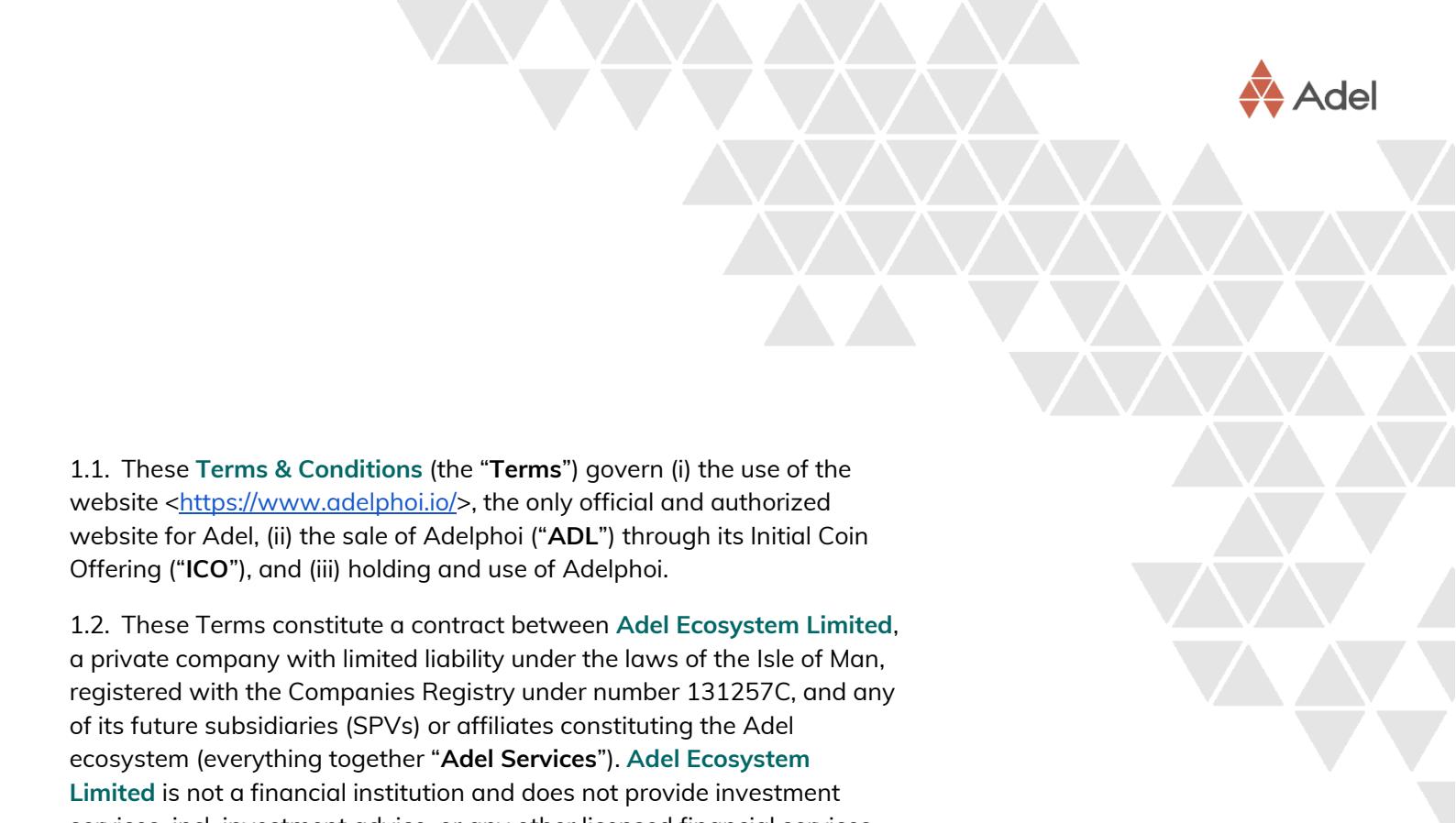


# Terms & Conditions

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## 1. Introduction

This document and any other Adel documents do not constitute a prospectus of any sort and are not a solicitation for investment. Adelphoi does not represent an ownership or share in ANY public or private corporation, or other entity in any jurisdiction. Acquisitions of Adelphoi through the ICO are non-refundable. Adelphoi coins are only to be used in connection with Adel under these Terms and the Community Code and do not entitle any stakeholder to any additional rights. Any acquisition and use of Adelphoi carries significant financial risk, including the use of experimental software.

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- 1.1. These **Terms & Conditions** (the “**Terms**”) govern (i) the use of the website <<https://www.adelphoi.io/>>, the only official and authorized website for Adel, (ii) the sale of Adelphoi (“**ADL**”) through its Initial Coin Offering (“**ICO**”), and (iii) holding and use of Adelphoi.
  - 1.2. These Terms constitute a contract between **Adel Ecosystem Limited**, a private company with limited liability under the laws of the Isle of Man, registered with the Companies Registry under number 131257C, and any of its future subsidiaries (SPVs) or affiliates constituting the Adel ecosystem (everything together “**Adel Services**”). **Adel Ecosystem Limited** is not a financial institution and does not provide investment services, incl. investment advice, or any other licensed financial services.
  - 1.3. Adel Services provides technical solutions to create and support **Adel**, a community-based ecosystem aimed at supporting innovation and collaboration from resources raised through the ICO, and from resources subsequently generated by the operation of supported projects. The technical and organizational structures of Adel are currently in their development stages and its realization is going to be financed through resources obtained from the ICO of Adelphoi.
  - 1.4. Participants cannot contribute to the ICO if there are applicable legal restrictions in their country of residence. It is the responsibility of each participant to know these laws regarding their participation in the ICO.
  - 1.5. Due to legal restrictions, the ICO and Adel itself is not accessible, or for use, for any person (including a legal entity) who is considered a United States person under applicable legislation.

## 2. Adel Ecosystem

- 2.1. Adel is built on an open source blockchain, the [Nxt platform](#), and will move to the [Ardor platform](#), the multi-chain platform, once Ardor is deemed suitable. The preliminary outline of the Adel functions is given in the white papers published on the Adel website. The contents of the white papers are not binding and are subject to change in line with ongoing research and development in order to best meet Adel’s vision to create a decentralized and self-sustaining macroeconomic ecosystem for blockchain innovation.
- 2.2. **Adelphoi** is the Adel “access token”. This means that Adelphoi will be the native cryptocurrency of the Adel ecosystem, to be used by its

community. Funds collected through the ICO will be used to develop a platform for the community and facilitate the use of the Adelphoi coin. Adelphoi capabilities and its value are fully dependent upon the developments of Adel and the market.

2.3. **Adel stakeholder** (or just “**stakeholder**”) means any entity holding any amount of ADL. For those who participated in the first ICO round, and who have contributed a minimum effective amount, (calculated after the bonuses of 1 bitcoin (“BTC”) in ADL), will be invited to register as a community member. **Community members** are able to use the Adel Community Portal and thereby utilize the full potential of Adel once the Community Portal is deployed. Community members will be able to purchase products and services that will fuel the creation of innovative projects using their ADL coins.

2.4. The community member needs to maintain that balance to maintain their community member status. Stakeholders who do not qualify for invitation during the first ICO round need to obtain double this amount (2 BTC in ADL coins) before they are invited to register as community members.

2.5. Adel Services grants you access to the website and the Community Portal as it may exist and be available on any given day and Adel has no other obligations, except as expressly stated in these Terms.

2.6. Adel Services has the right to modify, replace, refuse access to, suspend, or discontinue the website and the Community Portal partially or entirely.

2.7. Adel Services reserves the right to withhold, remove or discard any content available as part of your Community Portal account or website or withhold services, with or without notice.

2.8. A separate licensed legal entity will be established as the vehicle for investing into projects. This entity will issue equity shares called Adelshares (ADS). These will be tokenized on the blockchain as the Adelshare (ADS). Adelshares will be purchased only with the Adelphoi coin. Any dividend payment will be issued to shareholders in ADL.

2.9. Adel Services is developing its operational and legal structure in order to allow for interaction, collaboration, and innovation in a community-based model. Therefore, any statements made in the press, in presentations, or in any of its marketing materials, leading up to, and including the ICO, may not completely reflect the final structure established by Adel.

### 3. Initial Coin Offering

- 3.1. Participation in the ICO is possible through any cryptocurrency accepted by ShapeShift.io or Changelly.com with the minimum effective equivalent of 0.03 BTC.
- 3.2. There will be a total of 100,000,000 non-mineable Adelphoi. All ADL will be distributed through three rounds of ICO. In each ICO round, 33,333,333 ADL will be issued. The single remaining ADL from this total will be reserved for the founder of Adel. In each round, 5,000,000 ADL will be distributed to Adel Services.
- 3.3. The first ICO round launches at noon 12:00 Coordinated Universal Time (“UTC”) on May 1, 2017 and closes at 23:59 UTC May 31, 2017. During this time, a special Adel ICO module will be available at the Adel website, where ICO participants will be able to generate new Nxt accounts or assign existing Nxt accounts. The Adel ICO page will guide participants through the deposit process, including KYC (“Know Your Customer”) procedures. The second and third ICOs are planned to be launched based on the progress of fund usage from the first ICO round, taking into account Adel’s development and overall market situation.
- 3.4. Any participant that contributes up to 1 BTC (in equivalent cryptocurrency, based on its market value on the approximate timestamp of the contribution) throughout the ICO is required to provide their first name, last name, citizenship, and e-mail. The participant is required to confirm the authenticity of these details.
- 3.5. Any participant that contributes more than 1 BTC and up to 20 BTC (in equivalent cryptocurrency, based on its market value on the approximate timestamp of the contribution) throughout the ICO is additionally required to provide their date of birth, a scanned copy of a valid government-issued passport or ID number, and a phone number. The participant is required to confirm the authenticity of these details.
- 3.6. Any participant that contributes more than 20 BTC (in equivalent cryptocurrency, based on its market value on the approximate timestamp of the contribution) throughout the ICO is additionally required to provide their address, and a scanned copy of their utility bill (showing their name and address, and is not more than three months old), as well as a scanned copy of their passport or ID. The participant is required to confirm the authenticity of these details.

3.7. Should the participant not deliver and verify the required information by May 31st 23:59 UTC, then the contributions will be returned to the participant.

3.8. There will be five stages for participants to earn different bonus percentages for their cryptocurrencies. This bonus refers to the amount of ADL the participant will receive:

**20% bonus in ADL ▲ First 3 days ▲ 12:00 (noon) UTC on May 1<sup>st</sup> till 23:59 UTC on May 3<sup>rd</sup>**

**15% bonus in ADL ▲ Next seven days ▲ 00:00 UTC on May 4<sup>th</sup> till 23:59 UTC on May 10<sup>th</sup>**

**10% bonus in ADL ▲ Next seven days ▲ 00:00 UTC on May 11<sup>th</sup> till 23:59 UTC on May 17<sup>th</sup>**

**5% bonus in ADL ▲ Next seven days ▲ 00:00 UTC on May 18<sup>th</sup> till 23:59 UTC on May 24<sup>th</sup>**

**0% bonus ▲ Last seven days ▲ 00:00 UTC on May 25<sup>th</sup> till 23:59 UTC on May 31<sup>st</sup>**

3.9. Participants maintain the same bonus if they decide to increase their contribution in the following weeks of the ICO (carry-over bonus), provided the sum of their initial contributions in a given stage is over 1 BTC (with the exception of the first three days' bonus, which entitles a carry-over bonus of only 15%, not 20%).

3.10. Participants contributing over 20 BTC will receive a bonus of 15% no matter when they submitted their first contribution. This does not affect the 20% bonus for contributions made during the first 3 days.

**15% bonus in ADL ▲ A special bonus for contributions of over 20 BTC ▲ This applies throughout the entire ICO.**

3.11. Bonuses are not additive, therefore a 20 BTC contribution in the week of May 4th till May 10th will receive a 15% bonus, and if 6 BTC are contributed in the following weeks, then the participant will get a 15% Adelphoi bonus on their 6 BTC.

3.12. The rules regarding bonuses for the first ICO round will not be altered after the ICO starts. For all other thresholds, Adel reserves the right to change the thresholds stated above at any time to align with market conditions and fluctuation in the market value of BTC.

3.13. The market price of ADL will be determined at the end of the ICO. This value will be calculated based on the total BTC collected, divided by 28,333,333 ADL coins (to establish the value of BTC per ADL). This will

also determine the USD (United States dollar) value per ADL based on the BTC exchange rate at the end of the ICO.

3.14. Voting power from individuals will be calculated based on their total BTC contribution (plus their effective bonus calculations throughout the various stages of the ICO) divided by BTC contributions from all participants. The amount of ADL in their account is then calculated from this voting power ratio multiplied by 28,333,333 ADL tokens. The participant's ADL coins and transaction history will be displayed in the Account Module of Adel's community portal.

3.15. During the ICO round, the raised cryptocurrency is immediately placed into the 5 out of 6 multi-signature escrow account provided by BitGo. The key holders of the 5% escrow comprise of three Adel Board members and three external and independent parties, well-known in the crypto community. The key holders are named in Adel FAQ.

3.16. The funds will be released from escrow in a phased manner as follows: 30% of the BTC escrow funds will be released shortly after the ICO (1st of June 2017) to Adel Ecosystem Limited to continue paying developers, legal services, support costs. The remaining 70% of the BTC escrow funds will be released to Adel Ecosystem Limited after the investment structure of Adel's second phase is established.

3.17. After the escrow conditions have been filled, they are then transferred to a new BitGo account with a 3 out of 3 multi-signature approval of the Adel Board.

3.18. If Adel Ecosystem Limited does not raise over 900 BTC in the first ICO round (the minimum threshold), then community members will vote if Adel continues or if the remaining funds are returned to the ICO participants.

3.19. The funds will be used for building the community portal and its modules, and launching Adel's second phase, including the Adelshare (ADS) token.

3.20. Within 30 days after the conclusion of the first ICO round, unless Adel is discontinued by a community members' vote, Adel will issue 33,333,333 ADL, out of which 28,333,333 ADL will be distributed among the ICO participants and 5,000,000 ADL will be distributed by Adel Services to Adel staff members, partners, board members, and other supporting 3rd parties.

3.21. Vesting of ADL will be restricted for Adel staff as follows:

- **Adel staff holding over 120,000 ADL ▲** Vesting would be maximum 4% of their ADL wallet per month;
- **Adel staff holding over 60,000 ADL and up to 120,000 ADL ▲** Vesting would be maximum 8% of their ADL wallet per month;
- **Adel staff holding over 30,000 ADL and up to 60,000 ADL ▲** Vesting would be maximum 16% of their ADL wallet per month;
- **Adel staff holding an amount up to 30,000 ADL ▲** No restrictions

## 4. Limitation of Liability

4.1. In no event shall Adel Services or members of Adel staff be liable for:

- Any lost profits, lost savings or incidental, indirect, special or consequential damages, arising out of your use or inability to use the services or products offered by Adel or the breach of any of these Terms by any third party;
- Any security risk such as hacker attacks, loss of password, unauthorized access, etc.;
- Any losses resulting from the extreme volatility in pricing of Adelphoi in any countries and cryptocurrency exchanges.

4.2. If an event of force majeure occurs, the party injured by the other's inability to perform may elect to suspend the agreement, in whole or part, for the duration of the force majeure circumstances. The party experiencing the force majeure circumstances shall cooperate with and assist the injured party in all reasonable ways to minimize the impact of force majeure on the injured party.

4.3. By acquiring Adelphoi and to the extent permitted by applicable law, the buyer agrees not to hold Adel or any member of Adel Services liable for any losses or damages arising out of or in any way connected to the buyer's failure to properly secure the private key to the wallet containing their Adelphoi, hacker's attacks, loss of passwords, etc.

## 5. Risks

5.1. Participation in the Adel ICO and any acquisition of Adelphoi carries with it significant risk. Prior to participation, carefully consider the

exemplary and non-exhaustive list of risks set forth below and, to the extent necessary, consult a lawyer, accountant, and/or tax professionals.

5.2. It is possible that even if the ICO threshold is met, the insufficient funds will not feasibly develop Adel, possibly causing the effect that stakeholders may not be able to participate in any projects. By holding Adelphoi, the stakeholder acknowledges that he/she understands that while every effort will be made to execute Adel's vision, it is possible that it will never be realized due to the aforementioned reasons.

5.3. Cryptocurrencies and project financing through cryptocurrencies have been the subject of regulatory scrutiny by various regulatory bodies around the world. Adel may need to change its operations in order to comply with applicable regulation, and may become subject to licensing requirements. Adel could be impacted by one or more regulatory actions or regulatory enforcement, which could impede or limit the ability to continue to develop Adel and its activities. This uncertainty significantly adds up to risks connected with the acquisition and use of Adelphoi. Adel Services will make every effort to adopt its practices to accommodate regulatory needs and changes as they occur.

5.4. The Adel software itself utilizes a third-party platform: the Nxt blockchain. There is a risk that, as an open source project, any changes to the Nxt blockchain could introduce weaknesses or bugs into the Nxt software, thus causing the loss of Adelphoi coins and/or NXT tokens in one or more or even all of the stakeholder accounts. Adel reserves the right to be vendor agnostic in this regard, and use other blockchain providers where feasible, practical, or necessary.

5.5. The field of digital cryptography is very new and for this reason there is a risk of unforeseen attacks, both in terms of the underlying cryptographic protocol that underpins the functionality of Adel, as well as 'game theory' related vectors which have not all been documented to date. Both these vectors represent a risk that could lead to the loss of Adelphoi coins or NXT tokens in one or more or even all of the stakeholder accounts.

## 6. Representation & Warranties

6.1. By acquiring Adelphoi coins, whether from another stakeholder or through the ICO, you represent and warrant that you:

- Have a basic level of understanding of the usage and intricacies of cryptographic tokens, such as NXT, and other blockchain-based software systems;
- Are at least 18 years old or the age of contractual capacity;
- Are legally permitted to use NXT tokens in your jurisdiction;
- Waive your right to participate in a class action lawsuit or a class-wide arbitration against any member of Adel Services;
- Are not exchanging Adelphoi for any illegal purpose within your jurisdiction;
- Understand that there is no warranty whatsoever on Adelphoi, express or implied, to the extent permitted by law, and that Adelphoi are created on an “as is” basis;
- Further agree to accept sole risk for your participation in the Adel ecosystem;
- Are not a USA citizen.

**You must comply with all applicable tax laws, including the reporting and payment of income tax or similar arising in connection with your use of the Adel ecosystem, or appreciation and depreciation of Adelphoi, and you bear the sole responsibility to determine such implications and act in accordance with the law.**

## 7. Privacy Policy

7.1. Adel Services shall not use, process or transfer your personal data beyond the limits permitted by statute or defined by the stakeholder's consent. Unless you select otherwise, the information provided to Adel Services will not be visible to the public or other community members.

7.2. Before participating in the ICO you have to provide certain personal information about yourself (this may include, but is not limited to, your name, contact details, date of birth, personal identification number, field of activity, residency, bank account information, source of funds, scanned copy of passport or similar personal documents, and any other details that may be required to meet legal requirements) to enable us to verify your identity.

7.3. Before using the Community Portal, you have to register with Adel as a community member and provide further personal information.

7.4. Adel Services performs KYC (“Know Your Customer”) and AML (“Anti-Money Laundering”) procedures. If you supply Adel Services with

the personal information described above and any other personal data (including IP address), you agree that Adel Services will therefore process your information for AML purposes, and can provide your information to the state authorities in the countries Adel Services operates.

7.5. You hereby authorize Adel Services to, directly or through third parties, make any inquiries we consider necessary to verify your identity and/or protect against fraud, including to query identity information contained in public domains or reports, and to take any action we reasonably deem necessary based on the results of such inquiries or reports. You further authorize any and all third parties to whom such inquiries or requests may be directed to fully respond to such inquiries or requests.

## 8. Final Provisions

8.1. **Compliance** ▲ Adel Services shall cooperate with all law enforcement inquiries, subpoenas, or requests provided they are fully supported and documented by the law in the relevant jurisdictions.

8.2. **Amendments** ▲ Adel Services, after final approval of the Adel Board, reserves the right to change, modify, add, or remove portions of these Terms at any time during the ICO and afterwards by posting the amended Terms on Adel's website, as well as making a public announcement. The revised version will be effective at the time Adel Services posts it unless indicated otherwise. However, Adel Services will provide 10 working days notice of any substantial change. If you do not agree to be bound by the amended or modified Terms, you must cease accessing or using Adel.

8.3. **Jurisdiction** ▲ These Terms shall be governed by and construed in accordance with the laws of the Isle of Man. Any dispute arising under these Terms shall be subject to the exclusive jurisdiction of the Isle of Man courts.

8.4. **Acceptance of Terms** ▲ By the acquisition of Adelphoi, the stakeholder confirms that, to the extent permitted by law, he/she is authorized to acquire Adelphoi and to fully understand and to be bound by these Terms regarding his/her relevant jurisdiction. If you are not a registered user, but access or use Adel services, mobile applications, electronic platforms, the website located at [www.adelphoi.io](http://www.adelphoi.io) or any other associated website hosted by Adel Services, then you indicate that you

agree to these Terms. If you do not agree to any of the specific terms or conditions herein you may not access or use any of the Adel services.

8.5. If you have any questions, please contact Adel by e-mail at [ico@adelphoi.io](mailto:ico@adelphoi.io).