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**SUMMARY OF TERMS  
OF THE  
TOKENS ISSUED BY  
EXCOR LTD (“EXCOR”)**

**21<sup>st</sup> September 2018**

The following term sheet (the “Term Sheet”) is a summary of certain provisions of the Token Purchase Agreement to be entered into by the Seller (as defined below) and you (the “Purchaser”) (the “Agreement”), the Tokens (as defined below) and the Offering Materials. For the purposes of this Term Sheet, “Offering Materials” shall collectively mean this Term Sheet, the Agreement, any purchaser questionnaire agreed by the Purchaser a copy of which is included as Appendix A to the Agreement (the “Purchaser Questionnaire”), the Seller’s technical papers made available on the Seller’s website at <http://excor.org> as at the date of the Agreement, and any other offering materials provided to the Purchaser by the Seller with respect to the Tokens and the Agreement and expressly stated to constitute Offering Materials. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the Offering Materials, including the definitions of certain terms therein. The Offering Materials should be read in full and the Agreement and not this Term Sheet, define the terms of a purchase of Tokens and in the case of any inconsistency between this Term Sheet and the Agreement, the terms of the Agreement shall prevail.

**I. OVERVIEW**

Summary of the Token Offering	As discussed in more detail below, Excor (the “ <u>Seller</u> ”) intends to offer a new form of crypto asset (the “ <u>Tokens</u> ” and the offering, the “ <u>Token Offering</u> ”) issued by the Issuer.
The Seller	Excor, a private limited company incorporated in England and Wales with registration number 11483326 and its registered office at 149 Woodstock Road, Oxford, OX2 7NA, United Kingdom
The Issuer	Global Monetary Foundation (“ <u>GMF</u> ”), an Exempted Foundation Company incorporated in the Cayman Islands with registered number 335826 and its registered office at 94

Solaris Avenue, Camana Bay, PO Box 1348 Grand Cayman, KY1-1108, Cayman Islands.

#### The Tokens

The Token (“EXC”), is a protocol token. The Tokens are currently being deployed and are subject to continued development. It is anticipated that the Tokens will be used as a means of value transfer on the EXC platform (the “EXC Platform”) which is currently being developed by GMF, assisted by its service provider GVE Co. Ltd. (“GVE”). More information about GMF, GVE, the EXC Platform and the Tokens is provided below under “The EXC Platform and the Tokens,” and in the technical paper, which is available at <http://excor.org>.

#### The Token Offering

It is anticipated that one or more private pre-sales (“Private Pre-Sales”) could occur at any time up to and including the time of the main public Token Offering (the “Main Sale”). It is anticipated that the Main Sale will occur from a date to be specified by the Seller, acting in its sole discretion, until such time as the Tokens available for sale in the Main Sale are sold. The process for purchasing the Tokens is described in more detail below under “Purchase Process”.

#### Size of the Token Offering

The maximum aggregate number of Tokens issued by GMF is fixed at twenty one million Tokens. Twenty five thousand Tokens will be transferred to the Seller by GMF under a loan arrangement, of which eleven thousand Tokens will be made available for sale by the Seller to Purchasers pursuant to the Token Offering. The remaining Tokens will be allocated as follows:

- Twenty million, nine hundred and seventy five thousand Tokens to be kept in reserve by GMF.
- Fourteen thousand Tokens to be retained by the Seller.

After the Token Offering, and as described in the technical paper, reserve Tokens retained by GMF may be sold in accordance a formula based on the market price of the Tokens already in circulation. There are no restrictions on the use that the Seller may make of the Tokens retained by the Seller.

The Seller may, in its sole discretion, cap the purchase of Tokens by any Purchaser, depending on the number of Purchasers who wish to purchase Tokens.

#### Hard Cap Amount

\$121 million excluding gross commissions taken by exchanges or brokers. The aggregate amount raised by the Token Offering shall not exceed the Hard Cap Amount. If the

total gross commission is \$11 million, the aggregate amount including commissions would be \$132 million.

Minimum Purchase Amount

The minimum Token purchase is: one Token.

Purchaser Qualifications

Purchasers Resident in the United States or a “U.S. person” within the meaning of Rule 902(k) under the United States Securities Act of 1933 (the “Securities Act”) are not permitted to purchase Tokens. For the purposes of this Term Sheet, being “Resident” in a jurisdiction means: (i) residing in; (ii) being located in; (iii) having a place of business in; and/or (iv) conducting business in, that jurisdiction.

Purchasers are not permitted to purchase Tokens if they are Resident in a jurisdiction that: (i) requires entities engaged in business relating to cryptocurrencies, cryptographic tokens, and crypto-databases to be licensed; or (ii) in which the sale or purchase of the Tokens would be unlawful.

Use of Proceeds

The Seller and/or GMF may use the proceeds of the Token Offering, net of any taxes or other expenses, in order to fund the purchase of reserve currencies, the liquidity provider activities described in the technical paper and Liquidity Provider Governance Protocol, to develop, produce and market the EXC Platform, pay operational expenses in connection therewith and general corporate purposes, including as payment to any service providers that the Seller or GMF appoints to assist with the development of the EXC Platform (including, but not limited to, GVE).

Governance of Liquidity Provider Activities

Further information on the governance of GMF and its liquidity provider activities in relation to the Tokens and the EXC Platform is set out in the Seller’s technical paper and Liquidity Provider Governance Protocol which are available at <http://excor.org>.

## **II. THE EXC PLATFORM AND THE TOKEN**

The EXC Platform

The EXC Platform is a platform designed to facilitate the use of the Tokens as a means of value transfer and to provide a means by which GMF may issue Tokens, manage its currency reserves, provide a wallet for Tokens, carry on liquidity provider activities in relation to the Tokens and monitor the use of the Tokens by Purchasers. The EXC Platform is not a means by which Purchasers may transact in Tokens after the Token Offering.

More information about the EXC Platform and the Tokens is available at <http://excor.org>.

The Tokens	<p>The Tokens are currently being deployed and are subject to continued development, and there is no guarantee that the Tokens will be usable as planned by the Seller.</p> <p>More information about the Tokens is provided in the technical paper, available at <a href="http://excor.org">http://excor.org</a>.</p>
Total Number of Tokens	<p>A maximum of eleven thousand Tokens will be sold in the Token Offering out of twenty one million Tokens in issuance. The remaining unsold Tokens will be kept in reserve by the Seller or GMF, and those kept by GMF may be sold pursuant to the Seller’s liquidity provider activities as set out in the technical paper and Liquidity Provider Governance Protocol. See “Size of the Offering” above for details of the allocation of Tokens.</p>
Restrictions on Transfer	<p>The Tokens will not be registered under the Securities Act, and therefore may not be transferred within the United States or to a “U.S. person” within the meaning of Rule 902(a)(k) under the Securities Act unless such transfer is made pursuant to a valid exemption in compliance with the U.S. federal securities laws. Any transfer made in violation of such provisions will be void.</p>
Relationship to Third-Party Blockchains	<p>The EXC Platform is designed to capture, store, verify and communicate commercial metadata drawing on the smart contract platform of relevant networks.</p>
Future Valuation of Tokens	<p>It is anticipated that the value of the Tokens will fluctuate over time. After delivery, the value of the Tokens will be determined by the supply of, and demand for, Tokens which will be represented by the current pricing of the Token on third-party exchanges. GMF or Excor may attempt to provide liquidity in relation to the Tokens in accordance with the provisions of the technical paper and Liquidity Provider Governance Protocol (each of which are made publicly available at <a href="http://excor.org">http://excor.org</a>).</p> <p>The liquidity management techniques which may be deployed by GMF are as follows: GMF or Excor may use fiat currency reserves maintained by GMF to decrease the supply of Tokens and may sell reserve Tokens to increase the supply of Tokens. Neither GMF nor Excor will provide any Token valuations to Purchasers. There can be no assurance that GMF or Excor will undertake such liquidity management techniques or that the Tokens will not lose all, or part, of their value. A Purchaser of the Tokens may lose all of their contribution to the Purchase Price of the Tokens.</p>
No Rights to Profits or Voting	<p>The Tokens do not: (i) provide a Purchaser with rights of any kind with respect to the Seller or its revenues or assets,</p>

including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial, legal or governance rights; (ii) constitute a loan to the Seller; or (iii) provide a Purchaser with any ownership or other interest in the Seller.

#### Additional Terms

The Tokens are currently being deployed and are subject to continued development, and the EXC Platform is currently being developed. Accordingly, many of the terms associated with the Tokens may change, and additional terms may apply. There is no assurance that the Tokens or the EXC Platform will continue to develop as planned. Purchasers who are considering purchasing Tokens should not rely on the descriptions of the Tokens or the EXC Platform described in this Term Sheet as being a promise or guarantee.

### III. PURCHASE PROCESS

#### Subscription Instructions

The Seller shall publish instructions setting out the process by which Purchasers must subscribe for the Token Offering (“Subscriptions”), including without limitation details relating to: AML/KYC requirements; website access; consent to or signature of the Agreement; the payment process; and the allocations process (“Subscription Instructions”).

#### Purchase Price

The Purchaser shall pay the aggregate Purchase Price (exclusive of any value added tax which may be payable) for the amount of tokens set out in the Purchaser Questionnaire, unless the Seller notifies the Purchaser that it will be allocated a different amount of Tokens, in which case the Purchaser shall pay the Purchase Price per Token multiplied by the number of Tokens allocated to the Purchaser.

The Purchase Price per Token shall be: USD\$11,000.

#### Purchase Process

The Main Sale Token Offering will be completed in up to two phases, (i) book building of demand and (ii) the Main Sale, as described below. The Offering Materials are available on <http://excor.org>.

Any dates of Private Pre-Sale(s) had been communicated to potential Purchasers at the Seller’s discretion. The dates of the Main Sale shall be published by the Seller on its website at <http://excor.org>, prior to the commencement of the relevant sale. The Seller reserves the right to amend any of the dates published on its website at its sole discretion, with or without prior notice.

#### Main Sale

The Main Sale of Tokens shall commence on a date to be specified by the Seller, in its sole discretion, for potential Main Sale Purchasers. If the aggregate amount raised in the Private Pre-Sale(s) reaches the Hard Cap Amount prior to the commencement of the Main Sale, the Seller shall not be obliged to proceed with the Main Sale.

Each potential Main Sale Purchaser must submit a signed Purchaser Questionnaire setting out an indication of the requested amount of Tokens to be purchased (the “Requested Purchase Amount”). Any Requested Purchase Amount shall not represent a binding commitment on the Seller to sell such amount of Tokens to the Purchaser. The Seller shall notify potential Main Sale Purchasers by email of the amount of Tokens allocated to them in respect of any Subscription (the “Allocated Purchase Amount”). It is anticipated but not guaranteed that each Main Sale Purchaser will be provided Tokens in the total amount of their Requested Purchase Amount, but it may be necessary for the Seller to allocate fewer Tokens to each Main Sale Purchaser than the total amount of their Requested Purchase Amount, and accordingly the Allocated Purchase Amount may be lower than the Requested Purchase Amount. When the total demand for the Main Sale exceeds the planned sale size, the Seller generally takes into account of the following factors into consideration as to the scale back of the demand from the Purchaser.

- the timing of the commitment;
- the size of the commitment; and
- the identity of the potential Purchaser

All allocations of Tokens shall be decided at the sole discretion of the Seller.

#### General

The following conditions apply to the Main Sale:

- In order to purchase Tokens, potential Purchasers will be required to submit proof of identity to the Seller, provide the signed Purchaser questionnaire, a counterpart of the Agreement signed by the Purchaser and any other documents required by the Seller.
- Purchasers shall receive their Tokens on the Closing Date. Tokens will be delivered only once the Seller has, in its sole discretion, satisfied itself that the

relevant Purchaser has completed all necessary AML/KYC requirements.

- The Seller reserves the right to amend this purchase process at any time at its sole discretion, with or without notice (either in the Subscription Instructions or elsewhere).
- The Seller shall have the right to accept or reject, in its sole discretion, the Purchaser's entry into the Agreement for any or no reason at any time prior to the Seller executing a counterpart of the Agreement with the Purchaser.

Closing	The closing date (" <u>Closing Date</u> ") shall be the date on which the Seller notifies Purchasers that the Main Sale has closed or, in the event that the Seller does not proceed with the Main Sale, such other date that the Seller determines to be the Closing Date in its sole discretion and notifies to Private Pre-Sale Purchasers.
Record of Ownership	Ownership of the Tokens purchased shall be recorded on the EXC Platform protocol at the point when those Tokens are delivered.
Delivery <sup>1</sup>	The Tokens are planned to be delivered to each Purchaser's digital wallet when the system development is complete. Upon delivery, the Seller will update the EXC Platform to indicate that the address provided owns the Tokens.

#### **IV. LEGAL & MISCELLANEOUS**

Taxation	<p>The tax characterisation of the Token Offering and Tokens is uncertain. In making a decision to participate in this Token Offering, each prospective Purchaser must consult their own tax advisors regarding any tax considerations relating to the purchase, utilisation, ownership and sale or disposition of the Tokens, including, for example, sales, use, value added and similar taxes. The income of the Seller may be subject to significant amounts of income and/or withholding taxes. The uncertainty in the tax treatment of Tokens and transactions in Tokens may expose a Purchaser to unforeseen future tax consequences.</p> <p>Each Purchaser is responsible to withhold and collect any taxes that apply to the purchase of the Tokens and to report information about such purchase and remit such taxes to the appropriate taxing authorities. If any withholding tax is</p>
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<sup>1</sup> We are currently discussing various third parties the best way to deliver and store EXC tokens. We will post the decision at Excor website.

imposed on the purchase of the Tokens, the Purchaser will be obligated to pay additional amounts so that the Seller receives, after the deduction of any applicable withholding tax, a net amount equal to the full Purchase Price. The Seller is not providing any tax advice whatsoever, and each Purchaser is responsible for reviewing all current and future tax considerations that may be relevant to the Purchaser in connection with purchasing the Token with its own tax advisers.

#### Indemnification

Pursuant to the Agreement, each Purchaser agrees to indemnify and hold harmless the Seller, any subsidiary or holding company of the Seller, any subsidiary of any such holding company from time to time, GMF, GMF's service providers GVE and Quadrac, and each of their respective officers, directors, principals, members, employees, affiliates, advisors, or agents (each, an "Indemnified Party"), from and against any and all loss, claim, damage, liability or expense whatsoever (including any legal costs, fees and disbursements) due to or arising out of or based upon (i) any inaccurate representation or warranty made by the Purchaser in, or breach or failure by the Purchaser to comply with, the Agreement or any other document furnished by the Purchaser in connection with entering into the Agreement or effecting the transactions contemplated therein, (ii) any action for securities, commodities, or money transmission law violations instituted by the Purchaser that is finally resolved by judgment against the Purchaser, or (iii) any action instituted by or on behalf of the Purchaser against an Indemnified Party that is finally resolved by judgment against the Purchaser or in favour of an Indemnified Party. The liabilities associated with these indemnification provisions may be material to Purchasers, and Purchasers may incur significant costs as a result of their indemnification obligations.

#### Risk Factors

Instruments such as the Tokens entail a high degree of risk, and Purchasers may lose some or all of their contribution to the Purchase Price of the Tokens. A potential Purchaser should execute the Agreement and purchase Tokens only if able to withstand a total loss of such contribution. Potential Purchasers are urged to consult with their investment, legal and tax advisors before executing the Agreement and purchasing Tokens. Additional risks associated with the Agreement and the Tokens are described in the Risk Factors included in Appendix B of the Agreement.

#### Legal Counsel

No legal counsel has been engaged by the Seller or any of its respective affiliates to represent any current or prospective Purchaser with respect to any purchase of Tokens or preparation of the Offering Materials.



