



HFB Benchmark, Inc. (HFBB)

**BenchCoin Token
Terms and Conditions**

Pre-ICO Participation

AUGUST 2017

BENCHCOIN TOKEN TERMS AND CONDITIONS

Participant has full understanding of the BenchCoin Terms and Conditions and warrants full comprehension of the following:

- 1. Token Name and Symbol:** BenchCoin [BCT]
- 2. Type of Token:** Waves Custom Token*
- 3. Token ID:** [bBNfGkTYjWwmXEcXWx2yLYWsqMNHA65PjM6JHCiUW1S](https://blockchain.wavesplatform.com/asset/BBNfGkTYjWwmXEcXWx2yLYWsqMNHA65PjM6JHCiUW1S)
- 4. ICO Price and Token Supply:** 1 BenchCoin = 1.00 EUR, 100M Total Supply
- 5. Representations and Warranties of the Participant:** Any participation represents and warrants the Participant:
 - Has the knowledge and experience to evaluate the purchase adequately.
 - Has had an opportunity to review and documents requested.
 - Has had prior personal or business relationships with the company, its officers, or directors; or has the business sense and is qualified to protect their own interest in the transaction.
 - Understands that all investments carry a varying degree of risk and partial and full loss may occur.
 - Understands the risk and is qualified to bear such type of risk.
 - Maintains compliance of jurisdiction and is qualified to take full responsibility for the legality of the investment.

International Money Laundering and Anti-Terrorist Laws: Customer warrants that he or she is not involved and does not intend to enter into any activity that would be considered illegal or breach of international money laundering laws and is not involved or intend to enter into any terrorist activities. Any suspicion of such activity will be reported immediately by HFB Benchmark, Inc. or its employees to the proper authorities.

*BenchCoin will be an Ethereum blockchain project with an ERC20 compliant token developed for the ICO and used thereafter. All WAVES BenchCoin tokens will be exchanged on a 1:1 basis after the close of the ICO.

RECITALS

1. Whereas, Participant desires to purchase BenchCoin Token;
2. Whereas, the Company desires to issue and sell BenchCoin Token to Participant in accordance with the terms hereof and;
3. Whereas, these Terms and Conditions constitute the understanding among the parties hereto and is a final expression of their agreement, and no evidence or oral or other written promises shall be binding.

AGREEMENT AND CLOSING

4. Participant agrees to the Terms and Conditions set forth in this document and wishes to purchase an amount of BenchCoin Token.
5. The issuance of BenchCoin Token shall take place promptly after the Company has finalised and audited the BenchCoin ICO.
6. Promptly following the initial deposit for BenchCoin Token, the Company shall deliver to Participant a certificate representing the Tokens subscribed.

CERTAIN REPRESENTATIONS OF THE PARTICIPANT

The Participant hereby represents and warrants to the Company that each of the following statements is true and correct on the date hereof;

7. Participant has all necessary power and authority to execute the purchase of BenchCoin Token according to the Terms and Conditions set forth herein. Participant swears all action required for the lawful execution and delivery of this transaction has been taken.
8. The foregoing representations and warranties are true and accurate as of the date of purchase and will be true and correct as of the date that the purchase of the Tokens subscribed for herein is consummated and each such representation and warranty shall survive such purchase.

Purpose

- 9.** You are acquiring BenchCoin Token for personal use only and not with a view to or for the transfer, assignment, resale or distribution thereof, in whole or in part. You have no present plans to enter into any such contract, undertaking, agreement or arrangement. You understand the meaning and legal consequences of the foregoing representations and warranties.

Participation Intent

- 10.** The Participant represents and warrants that the Tokens are being purchased for the Participant's own account, that the Participant has made no agreement with others regarding any of the Tokens, and that the Participant's financial condition is such that it is not likely that it will be necessary for the Participant to dispose of the Tokens in the foreseeable future.
- 11.** The Participant further represents and agrees that if, contrary to the Participant's foregoing intentions, the Participant should later desire to dispose of or transfer the Tokens in any manner, such proposed disposition or transfer will be made lawfully pursuant to applicable Laws, it being expressly understood that the Company shall not have any obligation to register such Tokens.

Transfer of Tokens

- 12.** Subject to any limitations in the Memorandum and Articles of Association, Tokens may be transferred freely.
- 13.** The Company shall not be required to treat a transferee of a Token.

Transfer after Initial Coin Offering (Initial Token Offering)

- 14.** The Participant understands the Company plans to conduct an Initial Coin Offering. Upon the closing of the ICO, an audit will be performed and thereafter BenchCoin Token will be distributed to the Participants based on their contributions. There is no lock-up period associated with the Token.

Residence

- 15.** The Participant represents and warrants that the Participant is a bona fide resident in a country where such an investment is legal and that the Tokens are being purchased in the Participant's name solely for the Participant's own beneficial interest and not as nominee for, on behalf of, for the beneficial interest of, or with the intention to transfer to, any other person, trust, or organization.

- 16.** The Participant acknowledges they are NOT an individual who is a resident of the United States of America, its territories or possessions, any state of the United States of America or the District of Columbia (the "USA");
 - NOT a corporation, partnership or other legal entity formed under the laws of the USA;
 - NOT an agency, branch or office located in the USA of a corporation, partnership or other legal entity that was formed under laws other than those of the USA; NOT a trust of which any trustee is described in (a), (b) or (c) above;
 - NOT a legal entity (i) the shares of which are not publicly traded on a securities exchange, and (ii) more than 45% of the shares of which are owned by or for the benefit of an individual or entity described in (a), (b), (c) or (d) above;
 - NOT a member of any branch of the military of the USA; and
 - NOT an agent or a fiduciary acting on behalf or for the benefit of an individual or entity described in (a), (b), (c), (d), (e) or (f) above.
 - My decision to subscribe for BenchCoin Token was:
 - NOT based, at least in part, on information I received or communications I exchanged while I, or the person providing the information or with whom the communication was exchanged, was within the USA;
 - NOT made inside the USA; and
 - NOT communicated from a source within the USA.

- 17.** The Participant agrees to furnish any additional information, which the Company or its counsel deems necessary in order to verify the responses set forth including, but not limited to, proof of identification including Passport and/or National Identity Card and proof of residence, such as bank statement and/or utility bill. The Company shall not be required to accept participation until such proof is provided to and accepted by the Company.

- 18.** Participant hereby represents that Participant has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Tokens or any use, including (a) the legal requirements within its jurisdiction for the purchase of the Tokens, (b) any foreign exchange restrictions applicable to such purchase, (c) any government or other consents that may need to be obtained in connection with such purchase, and (d) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Tokens. The Company's offer and sale and Participant's subscription and payment for and continued beneficial ownership of the Tokens will not violate any applicable securities or other laws of Participant's jurisdiction.

Risk and Assignability

- 19.** In connection with, and in consideration of, the sale of the Tokens to the Participant, the Participant hereby represents and warrants to the Company and its officers, directors, employees, agents and shareholders that the Participant; (a) Has received information and is familiar with the Company's Business Plans and intentions. (b) Has been given access to full and complete information regarding the Company and has utilised such access to his/her satisfaction for the purpose of obtaining information; and has either attended or been given reasonable opportunity to meet with representatives of the Company for the purpose of asking questions of, and receiving answers from, such representatives concerning the terms and conditions of the offering of the Securities and to obtain any additional information necessary to verify the accuracy of information provided to the Participant and does not desire further information. (c) Realises that there is speculation related to the purchase of the Tokens and this investment carries a certain degree of risk. (d) Can bear the economic risk of an investment for an indefinite period of time, can afford to sustain a complete loss of such investment, has no need for liquidity in connection with an investment in the Company, and can afford to hold the Tokens indefinitely. (e) Realises that there may be limits on the transferability of the Tokens.
- 20.** Participant has reviewed the Terms and Conditions in its entirety, has had an opportunity to obtain the advice of counsel prior to any participation and fully understands all provisions herein.

SPECIFIC DIRECTOR AUTHORITY

In furtherance of the provisions hereof and of the other provisions of this Agreement, but subject to any limitations contained in this Agreement, the Director is specifically authorised and empowered, in Director's sole discretion, without regard to the approval thereof by the Members, to;

- 21.** Direct the employees of the Company to execute, acknowledge and deliver any and all documents, agreements, notes, contracts, bank resolutions, signature cards, releases, or other instruments on the Company's behalf;
- 22.** Make any and all decisions that the Company may be entitled and/or required to make under the terms of any and all documents, agreements (including employment agreements), or other instruments relative to the ownership, operation, management and supervision of the Company's business;
- 23.** Execute for and on behalf of the Company; deeds, mortgages (which term "mortgages" is hereby defined to include Deeds of Trust, financing statements, chattel mortgages, pledges, conditional sales contracts, and similar security instruments), leases, contracts, promissory notes, or other legal documents all of which instruments so duly executed as provided herein shall be valid and binding upon the Company;
- 24.** Cause the Company to incur indebtedness or obtain financing (including without limitation loans from Members or Affiliates of Members at competitive rates); to issue promissory notes or other evidences of indebtedness; to prepay in whole or in part, recast, increase, modify, or extend any liabilities affecting the business of the Company and assumed in connection therewith; to provide security or collateral in connection with any Company indebtedness or to encumber or pledge any Company assets; to execute any extensions or renewals of encumbrances with respect to any assets used in the Company's business; and to confess judgement on behalf of the Company in connection with any Company borrowings;
- 25.** Cause the Company to enter into leases of real or personal property in furtherance of any or all of the purposes of the Company;

- 26.** Cause the Company to purchase real property or personal property and to make reasonable and necessary capital expenditures and improvements with respect to such property for use in connection with the operation and management of the Company's business; to finance such purchases or expenditures, in whole or in part, by giving the seller or any other Person a security interest in the property purchased;
- 27.** Cause the Company to sell, exchange or otherwise dispose of any or all of the assets of the Company, or enter into any Capital Transaction involving the assets or business of the Company, including any or all of the components of the Company's business, whether such components are real property, personal property, or intellectual property, mixed or intangible, such as goodwill, if any;
- 28.** Cause the Company to redeem or acquire the Interest of any Interest Holder pursuant to the terms of this Agreement or pursuant to the Director's authority hereunder, and to exercise any options or other rights with respect to the Interest of any Interest Holder, on behalf of the Company or for the Director's own account;
- 29.** Open accounts and deposit and maintain funds in the name of the Company in banks, savings and loan associations, money market funds, or such other financial instruments as the Director deems necessary or appropriate;
- 30.** Pay all costs or expenses connected with the operation or management of the Company, including all debts and other obligations of the Company, from its bank accounts by check or other customary means (without commingling with the funds of any other Person);
- 31.** Establish reserves in such amounts as the Director shall deem appropriate;
- 32.** Enter into, perform and carry out contracts with any Person, including any of the Members or Affiliates of the Members, at reasonably competitive rates of compensation for the performance of any and all services that may at any time be necessary, proper, convenient or advisable to carry on the Company's business, including entering into exclusive and non-exclusive arrangements;

- 33.** Monitor the quality of services and products provided by vendors to the Company, and add, discharge, or replace such vendors as needed in accordance with applicable laws;
- 34.** Appoint and discharge executive employees of the Company and delegate specific duties and authority to Persons who may or may not be employees of the Company;
- 35.** Employ or engage Persons in the operation and management of the Company's business, on such terms and for such reasonable compensation as the Director shall determine (at arm's length prices and in keeping with comparable salaries for comparable work), in good faith, to be appropriate and in the best interests of the Company;
- 36.** Approve the hiring and firing of all employees and agents of the Company, subject to the terms and conditions of any employment policies and procedures of the Company, and subject to the terms of this Agreement, any other written agreements and applicable laws;
- 37.** Evaluate the performance of all employees and agents of the Company, including its executive employees, and monitor the quality of services provided by employees and agents of the Company;
- 38.** Establish and monitor the compensation requirements (reasonable compensation set at arm's length prices and in keeping with comparable salaries for comparable work) of all employees and agents of the Company, including its executive employees;
- 39.** Apply for, make proffers and commitments with regard to and obtain any and all governmental permits, approvals, licenses necessary and appropriate in connection with or in any way related to the Company's business;
- 40.** Place and carry public liability, workmen's compensation, fire, extended coverage, business interruptions, errors and omissions and such other insurance as may be necessary or appropriate for the protection of the interests and property of the Company;

- 41.** Authorise the lending of money by the Company at prevailing interest rates, including lending to borrowers who may be Members or Affiliates of Members of the Company;
- 42.** Initiate, settle and defend legal actions on behalf of the Company, including any litigation, arbitration, mediation, examination, investigation, enquiry, regulatory proceeding, or other similar matter contemplated by the Company, threatened by any Person or in or with which the Company may become involved;
- 43.** Submit a claim or liability involving the Company to arbitration;
- 44.** Prepare, maintain, file and disseminate returns, reports, statements, and other information for distribution and for submission to any governmental or regulatory authority or agency;
- 45.** Deal directly with relevant regulatory authorities on behalf of the Company and render decisions with respect to matters involving such authorities;
- 46.** Cause the Company to create one or more wholly or partially owned domestic or foreign subsidiaries, which may be corporations, limited liability companies or other forms of business entities;
- 47.** Contract on Behalf of the Company. The Director, on behalf of the Company, may employ a Member, or a Person related to or affiliated with a Member, to render or perform a service, or may contract to buy property from, or sell property to, any such Member or other Person. The Director may employ, engage, and contract with, on behalf of the Company, such Persons, firms or corporations as the Director, in the Director's discretion, shall deem advisable for the operation and management of the business of the Company, including such managing agents, attorneys, accountants, insurance brokers, appraisers, experts, consultants, and lenders, on such reasonable terms and for such reasonable compensation, as the Director, in the Director's discretion, shall determine. Any such Person, firm or corporation may include the Director, an Affiliate of the Director, or entities otherwise employed or retained by the Director or in which the Director has an interest;

48. Enter into agreements with Members as appropriate; and, generally, do all things consistent with any and all of the foregoing on behalf of the Company.

RISK ACKNOWLEDGEMENT AND ASSIGNABILITY

49. Participant hereby agrees to indemnify and hold harmless Company, its Board of Directors, officers, agents and affiliated persons of the foregoing from any and all damages, losses, costs and expenses (including reasonable attorney's fees) which may incur by reason of a failure by the Participant to fulfil any of the Terms and Conditions herein.
50. Participant represents they can bear the economic risks of this investment and fully understands the investment and all risks involved and confirms they meet the requirements under one of the following categories; Certified High Net Worth Investor, Sophisticated Investor, Self-Certified Sophisticated Investor, Accredited Investor or Special Exempt Status and/or have the necessary required experience to legally handle such investments.
51. Participant further represents and agrees: (a) They can bear the economic risks of this investment for an indefinite period of time and you have adequate means of providing for current needs and possible personal contingencies and have no present need for liquidity from an investment in the Company. (b) They have been represented by such legal and tax counsel and others, each of whom has been personally selected by them, as necessary to consult concerning this transaction, and such representation has included an examination of applicable documents and an analysis of all financial, corporate and securities law aspects of this transaction. (c) Company has made available the Company Memorandum and Articles of Association, Business Plans and all other information necessary to understand the full intentions of the business and ALL of the risks involved in the venture.
52. Because of legal, filing, and other administrative expenses, the Company receives less than the full market value of these Tokens, making this offering dilutive on a book value per basis. Participant acknowledges they have been informed, understand and ratify that the net proceeds received by the

Company, after deduction of all costs and fees, will not be less than sixty-five percent of the subscription price.

- 53.** It is understood that funds will be deposited into a non-interest bearing account and Participant will not be entitled to receive interest on such deposit even if the funds are returned. If the Participant has not received a Token certificate, by email, within 10 days of the transfer of funds, it is the responsibility of the Participant to notify the Company they have not received the certificate.
- 54.** Participant confirms they have not been solicited in any manner by the Company for the transaction of business mentioned herein above.
- 55.** The Company cannot accept third party payments in settlement for this contract in accordance with international money laundering law.
- 56.** Participant represents and warrants that, to the best of their knowledge, none of the following are prohibited from transmitting funds to, or transacting business with the Company: (a) Yourself; (b) any person controlling or controlled by you; (c) if you are a privately held entity, any person having a beneficial interest in your entity; or (d) any person for whom you are acting as agent or nominee in connection with this Token purchase.
- 57.** Participant also represents and warrants that, to the best of their knowledge, the funds committed and to be deposited, were not and are not directly or indirectly derived from activities that may contravene local or international laws and regulations, including anti-money laundering laws and regulations.
- 58.** Participant agrees to promptly notify the Company should they become aware of any change in the representations contained in any of the paragraphs of these Terms and Conditions.
- 59.** Participant understands and agrees that the Company may not accept any amounts from a prospective Participant if it cannot make the representations set forth herein.