

Lender's Coin Terms and Conditions

Article 1: Purpose of these terms and conditions

1. Lender's Coin Co., Ltd. (hereinafter referred to as "our Company") stipulates these terms and conditions (hereinafter referred to as "the Terms & Conditions") for users of Lender's Coins (hereinafter referred to as "the Coin" under Article 2-1). These Terms & Conditions apply to all users of this website.
2. In using this website, users agree to these Terms & Conditions. People who do not agree with these Terms & Condition are not allowed to use this website.

Article 2: Definitions

The meaning of the terms used in these Terms & Conditions shall be as defined below.

- ① "This coin" means the virtual currency (Article 2-5 of the Law on Financial Settlement) issued under the name "Lenders Coin."
- ② "This website" means the domain (<https://www.lenderscoin.co.jp>) on the Internet developed by the Company, including all websites owned by the Company.
- ③ "Each document" means the documents that the Company presents to the users described in each paragraph of Article 3 and all electronic information providing these details.

Article 3: Legal Issues

In order for the users of this website to own the Coin, they must agree to abide by the rules presented in each of the following documents (and electronic versions of them containing substantially the same information as the document) posted on this website by the Company. The legal relationship between users and us is defined by these documents.

- ① White paper
- ② Investment Contract
- ③ Documents issued before signing the contract

④ Instructions covering important issues

Article 4: Risks inherent in virtual currencies

The users must be fully aware of the risks generally raised in virtual currency transactions and shall only use ours at their own risk.

① **Price fluctuation risk**

The value of the virtual currencies, including this Coin, is affected and varied by various factors such as success or failure of our business or our business plan, price in the market, foreign exchange market, securities trading market, modifications or abolition of laws and ordinances, natural disasters, wars, events of terrorism, etc., as well as unexpected events, special events, and the like.

Virtual currencies have higher price volatility than general investments and are highly speculative. The above-mentioned risk of fluctuating value is higher than that of listed companies' stocks, investment trusts, real estate investment trusts, commodity futures markets, foreign exchange margin transactions, and the like.

② **Business risk**

With this Coin, the success or failure of the business in this Coin is one of the elements in representing the exchange value of this Coin. But the ultimate success or failure of this Coin at this time is unknown.

③ **Liquidity risk**

Depending on the presence or absence of listings, market trends and transaction issues, this Coin may become difficult or impossible to trade, or it may be forced to trade at an unfavorable price. Also, when there is a big difference between the supply and demand for exchange of this Coin with other coins, transactions may not be completed.

④ **Risks of virtual currencies and networks**

Virtual currencies, including this Coin, are not guaranteed by any specific entity, such as central banks, to have any value at all. In addition, this Coin is not backed by any assets.

A hold on a transaction will continue for a certain time until the certification

of a transaction by the block chain for an exchange with other coins has been secured. This coin or other coins may be lost due to network inadequacies or failures during the process of electronically recording and transferring ownership.

⑤ System risk

Transactions of this Coin use an electronic trading system. Due to mis-operation of the system or other factors, unintended transactions may occur and intended transactions may not be completed.

Due to cyber-attacks or other changes in the external environment, the users may not be able to conduct electronic transactions using this Coin, or they may become extremely difficult. In addition, information about this Coin, including personal information, may possible be leaked.

⑥ Failure risk

This Coin may lose its value in the event that our business cannot be continued due to changes in the external environment, or the like.

⑦ Risk of changes in laws or the tax system change risk

Virtual currencies, including this Coin, are a settlement method based on current fund settlement law at the time these Terms & Conditions (1st edition) were created. But they are not money and the Money Lending Business Act, the Interest Rate Restriction Law, the Investment Law and other laws do not apply. Our interpretation of tax laws is that transactions fall under miscellaneous income when the Coin is sold.

However, in the future the market environment will probably change, laws and regulations may be revised, and new regulations may be imposed on virtual currencies including this Coin. Accordingly, users may experience unexpected losses, and the exchange value of this Coin may decrease.

⑧ Other risks

With respect to this Coin, in addition to the risks raised in each of the paragraphs above, users may experience unexpected losses due to natural disasters, political changes, revision or abolishment of laws and regulations, additional external forces, and other changes in the external environment.

Article 5: Exchange with other coins

1. After reviewing the details specified in each of our documents, users are allowed to acquire our Coins by exchanging other coins that are designated by the Company.
2. Users will be able to exchange this Coin with other coins when our Coin is listed on a virtual currency exchange.

Article 6: Prohibitions

Users are prohibited from doing or attempting to do any of the following acts that that are described.

- ① Acts that may impede the normal operation of the electronic trading system, such as cyber-attacks on our electronic trading system.
- ② Acts to obtain our coins illegally using a cyber-attack on our electronic transaction system.
- ③ Acts that intermediate, arrange, or act as an agency regarding the acquisition of this Coin without receiving a formal consignment of them in writing from us.
- ④ Exchange our coins in any manner associated with illegal profits, or that are suspected to be illegal, by violating the laws relating to the prevention of transferring criminal profits.
- ⑤ Use of this Coin by people who are members of anti-social forces such as gangs, or who may be deemed to have a relationship with these peoples.
- ⑥ Acts that damage the credibility of our company or the value of this Coin.
- ⑦ Acts involving pretense or impersonation of us or of this Coin
- ⑧ Actions contrary to laws or public orders and morals, or acts to induce or promote them.
- ⑨ Acts that violate the contents stated in each of our documents.
- ⑩ In addition, any acts that are recognized by the Company to hinder normal operation of this Coin, our company, or this website are prohibited.

Article 7: Response to Prohibited Actions

1. If a user violates any the prohibitions stated in the preceding articles, we can

prohibit use of this website, forcibly delete ownership of this Coin, delete information registered with us, and take other measures as needed.

2. If we suffer damages due to a violation of a prohibition by a user, we can seek compensation for such damages (including reasonable attorney's fees) from said user.

Article 8: Changes to this agreement

1. The Company may change all or any part of these Terms & Conditions as necessary.
2. In the case of the preceding item, the Company will take measures to inform members about any changes to these Term & Conditions after the change, and the effective date of the changes.

Article 9: Change or termination of this brand and this product

1. The Company shall be able to change, cancel or terminate the distribution of this Coin or business related to this Coin without prior notice.
2. In the case of the preceding paragraph, the Company shall not bear any responsibility for losses caused to customers due such changes, suspension or termination.

Article 10: Separability

If any provision of these Terms & Conditions or any part thereof is deemed invalid by the Consumer Contract Act or other laws and regulations, all other provisions shall remain in effect.

Article 11: Sincere negotiations

Regarding any matters not described in these Terms & Conditions or questions about the interpretation of same, we and the user will negotiate in good faith based on the principle of intention to resolve issues fairly.

Article 12: Governing Law

1. This Agreement is governed by the laws of Japan.

2. Disputes arising from, or related to this Coin or this website shall use the Tokyo District Court as the court with exclusive jurisdiction of the first instance.

Supplementary provisions

This agreement was enacted on January 1, 2018 and came into force on the same day.