

THE MAJATO PROJECT

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GENERAL PROJECT OVERVIEW

The first and main goal of the Project defined and described herein is the creation of the business model and actual business of full-cycle production and sale (i.e. seed-to-sale) aimed at the legal cultivation (production) and sale of cannabis-based products in countries and jurisdictions where such activities are legal. The Project's pilot stage is set for launch and implementation in the United States of America, with the potential expansion of the Project's operations into other world countries where commercial operations with cannabis are lawfully permitted (i.e. legalized).

Achievement of this particular Project's goal – creation of own production of cannabis-based products – is not only intended to handle the task of creation of a completely material and high-quality cannabis product that will be available to the owners of the Project's token (the MJT Token as defined and described herein), but will also allow to introduce a uniform high standard of such products and, as it is intended, in no small measure promote the step-by-step introduction of the principles of responsible, “civilized” cannabis consumption.

Implementation of blockchain as the underlying technology for the Project is aimed at achieving the second Project's goal: creation on the basis of the Ethereum platform of a proprietary, global, decentralized platform (the Platform as defined and described herein) for bringing together the cannabis industry in general and its standalone participants, including but not limited to scientific and research labs, producers and suppliers of various cannabis products, equipment, seeds, and, last but not least, consumers. This unified legal, transparent and secure ecosystem will allow significant streamlining of product sales in the industry and simplifying transactions for products by their tokenization. Notably, the presently existing industry problem relating to officially, legally paying (specifically via e-payments, cash-free settlements such as bank cards and wire transfers) for cannabis-based products is planned to be finally resolved.

In addition to the above, the Platform and modules created for various industry participant types will create the basis of interaction between all market participants (including producers, sellers, scientific research laboratories etc.), thus not only providing and disclosing to consumers full information about both products manufactured within the Project's scope and third-party products, but also granting them the ability to make simple and informed choices from the variety of various represented legal products.

During the initial stages of sale (i.e. pre-sale and sale) of the MJT token a total number of 60,000,000 MJT Tokens (Project's hard cap) will be distributed, and the price will be 0,0011 ETH per token during pre-sale and 0,0033 ETH per token during the main sale stage.

The Project's economic model is generally structured in a way that allows establishing balance between the total number of MJT tokens in circulation and the quantity of real product ready for distribution (see Section III.2 below).

The increasing number of countries legalizing consumption of cannabis-based products allows to believe that both the demand for products produced in the scope of the Project and the MJT token will also increase, providing a stable interest, among others, of potential consumers of products produced and sold within the Project's scope. At that, in the long-term perspective, given the exponentially growing interest in the cannabis-based products the only objective limitation of the Project's growth would be the geography of legalization of cannabis-related commercial activities and operations.

INTRODUCTION

For the past several years, a certain distinct trend in the world cannabis market can be observed – the trend for global growth of legalization of production and consumption of recreational and medical cannabis and products containing THC. This trend creates more and more grounds for believing that it will stay and grow stronger, with legalization expanding to new countries. Concurrently, the scope and volume of the related market also increases exponentially – some researchers believe that in the U.S. alone the legal cannabis market growth may reach 26% per year, and reach USD 21 billion by the year 2021¹.

The countries that, to a certain degree, already legalized production and/or consumption of cannabis-based products already include European, Latin American and other world countries, including among others the Netherlands, Argentina, Australia, Israel, Denmark, Austria, Uruguay and many others. Considering the U.S., it is historically one of the most proactive countries with respect to legalization of cannabis-based products' production and consumption.

Notwithstanding the above, due to its somewhat specific social and ethical element this industry is still under intense scrutiny from regulators and society alike. The main reason for this, among others, is the existing inadequate level of transparency of the relationships forming the industry and developing within it. Not only this non-transparency increases the risks for consumers due to the inability to or inadequate increases in difficulty to effect plain and existing legal actions of product purchase and consumption, but it also hampers the creation of uniform product quality standards and shaping of responsible consumption – the “conscious consumption culture” – which are key elements of safety of the industry in general and its participants such as consumers separately. In a similar vein, even in countries where production and consumption of cannabis-based products is legal, due to the restrictions unilaterally and, as many believe, unreasonably imposed by the financial sector (including banks), performing actions that are in fact completely legal, such as paying for purchased cannabis products with bank cards, is not possible².

The Project described and detailed in this document is intended to not only bring complete transparency to the legal cannabis industry (thus increasing safety and security for every consumer) due to implementation of blockchain as its underlying technology, but to also directly create the business of legal production of high-quality cannabis-based products with the ability to extend the developed quality standard to the industry in general, and to also legally distribute those products, in the process forming the culture of responsible consumption.

DEFINITIONS

Project – a set of measures and actions aimed at creation of full-cycle production and distribution business by the Operator (and/or third parties designated by the Operator) of the Product in the selected Jurisdiction in accordance with the plans outlined herein, the key goal of which is the creation in the Jurisdiction selected by the Operator of the legal Product's production and distribution business with subsequent expansion into other Jurisdictions.

Product – Raw Product and/or (depending on the context) Final Product.

¹ According to the Cannabis Business Times' 2017 legal cannabis industry report:
<http://www.cannabisbusinesstimes.com/page/2017-state-of-industry-report/>

² See: <http://www.latimes.com/opinion/editorials/la-ed-legal-marijuana-20161108-story.html>

Raw Product – raw or partially dried flowers of female plants of cannabis breeds/strains selected by the Operator, cultivated within the scope of the Project and/or purchased for the purposes of the Project, the types and assortment of which are selected/determined by the Operator.

Final Product – cannabis product(s) produced by the Operator and/or third parties designated/authorized by the Operator that is (are) fully ready for consumption (i.e. picked from plants, processed, dried, tested, passed quality control and packed), the types and assortment of which are selected/determined by the Operator.

Base Product Quantity – the quantity (in grams or other applicable measurement units) of Final Product (or equivalent thereof in Raw Product in accordance with coefficients determined by the Operator) as designated and established by the Operator, which the MJT Owner may receive from the Operator and/or third party authorized by the Operator for 1 (One) MJT Token. At that, on the date of publication of this document said quantity equals 0.1 (One-tenth) gram of the Final Product produced within the scope of the Project.

MJ Token (MJT) – a digital asset in electronic form, which constitutes a form of expression of MJT Owner’s right to receive from the Operator or third parties designated and/or authorized by the Operator of a certain amount of the Final Product (or its equivalent in Raw Product in accordance with coefficients determined by the Operator) upon submission of the MJT Token for settlement to the Operator or a third party designated and/or authorized by the Operator.

MJT Owner – a person who has relevant MJT tokens on his/her/its personal account on the Platform.

Project Operator (Operator) – a legal entity created within the scope of the Project for the purposes of production and sale of the Product in each relevant Jurisdiction and management/administration of the Platform.

Platform – an interactive web platform on the Internet developed for the Project’s purposes, including its proprietary website and mobile app, which records, among others, the overall quantity of MJT Tokens in circulation, quantities of produced Raw Product and Final Product available for distribution, quantity of MJT Tokens owned by a particular MJT Owner and MJT Owner’s operations and transactions with them, the functionality allowing the MJT Owner to submit the MJT Token for settlement and other functionality determined by the Operator.

Point-Of-Sale (POS) – any location designated and selected by the Operator for storing and distribution (sale) by the Operator and/or third party designated/authorized by the Operator of the Raw Product and/or Final Product, including but not limited to, storage space, shops, coffeeshops and other points-of-sale. At that, POS may include, in particular, points-of-sale of the Product produced within the scope of the Project that are operated and managed by third parties, such as third-party dispensaries of medical and recreational cannabis products.

Jurisdictions – solely and exclusively those countries of the world and their administrative-territorial units (such as particular states of the U.S.) that legally allow production, distribution and other commercial activities relating to Project implementation.

MJT Token Sale – issuing, offering and sale of the MJT Tokens to third parties for the purposes of financing the implementation of the Project, the structure, terms and conditions of which are established and defined herein.

Independent Seller – a party independent from the Operator that is the actual owner of cannabis products that conform to the «Gold Quality Standard» established in the implementation of the Project, which conforms to the conditions of the Platform and the Operator (inter alia, conditions of legality of his/her/its commercial cannabis activities) that was successfully audited by the Auditor and plans to distribute (sell) his/her/its products to MJT Owners via the Platform.

Auditor – an organization or agency independent from the Independent Sellers functioning, inter alia, on and via the Platform that audits and rates the party applying to become an Independent Seller with respect to the terms and conditions of joining the Platform (inter alia, with respect to production volumes). Until any independent Auditors join the Platform their functions may be performed by the Operator.

Financial Intermediary – a banking institution, an exchange (including a licensed cryptocurrency exchange), an e-payments service provider, or any other similar third party selected by the Operator that performs exchanges of cryptocurrencies and/or tokens into fiat currencies.

I. PROJECT DESCRIPTION, GOALS AND AIMS

1.1 General Project description

The main elements of the Project implementation are listed below (taking into account other provisions hereof and terms and conditions that may be developed and introduced by the Operator for these purposes):

- creation of Product production in the «pilot» Jurisdiction;
- creation of a distribution network of the produced Product in select Jurisdictions;
- distribution of Product by the Operator to MJT Owners;
- creation, in the cannabis production and consumption industry, of a unique payment infrastructure alternative to the traditional payment instruments.

The State of California, U.S.A. was selected as the «pilot» Jurisdiction for implementation of the Project. On the condition of successful implementation and development of the Project in the pilot Jurisdiction, the geography of Project implementation and expansion will be expanded to other Jurisdictions, both within the U.S. and abroad, that would be deemed most effective and viable for Project's further evolution at the discretion of the Operator.

Notwithstanding the fact that the core of the Project implementation indeed lies with the commercial production and distribution of the Product, the other important aspect of the Project's global goal is the direct and active participation in the promotion of the culture of the conscious and “no excess” consumption culture controlled by the consumer him/herself. This contribution to the consumption culture, on the one hand, will act as support of civil rights and freedoms and liberalist ideas, and on the other hand – support rational consumption, within the legal boundaries, of the Product that is legally produced and distributed strictly within the scope of law.

One of the Project's key goals is the development and introduction of the «Gold Quality Standard» for the Product, which will serve as a confirmation of the fact that the Product was legally produced from best plant breeds and strains using only top available technologies. The cannabis industry and the Project's mission in it are here to stay, thus the Project is oriented at creating a business with a top consumer reputation. The Project founders want consumers to

instantly associate the MJ brand and/or other brands relating to the Product/Project with both the Product's quality and the Project's contribution to the responsible, conscious consumption culture.

The key principle of performing any actions or operations within the Project's scope is the absolute and strict adherence to the legal requirements established in each particular jurisdiction where the Project is implemented with respect to activities covered by the Project.

1.2 Project Mission

The Project Mission may be divided into the following main categories:

- providing and ensuring transparency of all stages of cannabis production and distribution;
- participation in the legal cannabis market;
- creation and support of the Product «Gold Quality Standard»;
- cultural and public awareness activities aimed at development and evolvement of the conscious consumption culture in the Jurisdictions.

1.2.1 Providing and ensuring transparency of all stages of Product production and distribution

Utilizing the blockchain technology built into the Platform and the MJT Token as the main settlement instrument when performing transactions and operations with the Product will allow each and every MJT Owner to have complete and unrestricted access to all information relating to the Product in the “seed-to-sale” format, including (if possible) integration with officially approved cannabis accounting software products used for Cannabis Activity Tracking (CAT), such as METRC (for the State of California, U.S.A.). Detailed information will include the Product's source (including actual producer), year, month and location of its production, conformance to quality standards, evaluation(s)/seals of certifying laboratories controlling Product quality, transport reports (i.e. tracking and shipping information) of the carrier companies and other information relating to the Product.

Introduction and making available of such unprecedented transparency and tracking information will allow MJT Owners to not only make fully informed and comprehensible choices among particular Products, but also be completely sure of the legality of their actions relating to Product purchasing and consumption.

1.2.2 Participation in the legal cannabis market

The Project must and will be completely legal at the moment of its launch and implementation. The Project's legality will be based on the following principles:

1. the Project will be implemented solely and exclusively in the Jurisdictions – that is, solely and exclusively in those countries of the world and their administrative-territorial units (such as particular states of the U.S.) that legally allow cannabis-related commercial activities, such as production (cultivation), processing and distribution at the moment of the Project's actual launch and implementation;
2. receipt by the Operator of all licenses, permits, approvals and permissions required under law in the relevant Jurisdiction(s) for legal production, processing and distribution of the Product;

3. use by the Operator of only those Product distribution channels (including POS) that are solely and exclusively legal. At the initial Product distribution stage it is planned to enter into agreements with the existing and completely legal (i.e. fully licensed) third-party dispensaries of medical and recreational cannabis. At later stages opening own licensed dispensaries and other POS is planned;
4. creation and launch of the Platform for the purposes of Product distribution using the MJT Token;
5. payment by the Operator of any and all taxes and charges applicable to the Project and Project-related activities as required under the laws of the relevant Jurisdictions.

1.2.3 Introduction and support of the Product “Gold Quality Standard”

It is public knowledge that until recently the quality control of the purchased cannabis products is, among other factors, still an issue of trust between the consumer and a particular supplier. Once the shift of the Product production, quality control and distribution is made to the blockchain-based Platform, full control of the purchased Product, most and foremost with respect to its quality, will be significantly simplified owing to making available to the consumers of full, approved and reliable information about the purchased Product.

Furthermore, for the purposes of ensuring the high quality of the Product the following actions are planned within the Project’s scope:

1. selection, cultivation and distribution of only those Product breeds/strains that are “tried-and-true”, “timeless classics” recommended both by experts and our community members;
2. engagement to participate in the cultivation process of experts on cultivation, professional growers, other qualified personnel;
3. using at all production/processing stages, from growing Raw Product to Final Product production, of advanced cultivation and processing technologies – equipment, know-how, fertilizers, seeds, purchasing relevant consumables only from trusted, legal and recommended suppliers;

Initially for the quality control purposes it is planned to engage a third-party licensed research laboratory (state or privately owned) for the purposes of testing the Product quality and provide to that laboratory the relevant samples. Upon successful evolution of the Project it is planned to create own certified and licensed laboratory for the Product quality control purposes, both for performing in-house Product quality tests and also providing assistance to government agencies and private organizations with respect to quality testing of third-party cannabis;

In addition, participation in professional Product events and contests (Cannabis Cup etc.) is planned for the purposes of comparing the quality of the Product produced by the Operator with similar cannabis products (i.e. same cannabis breeds/strains).

1.2.4 Cultural and public awareness activities aimed at evolvement of cannabis consumption culture

The existing worldwide trend towards legalization of cannabis production and consumption inevitably has to become the catalyst for the formation of a new, conscious culture of cannabis products consumption. We believe in the industry’s perspectives based not only on economic forecasts, but also on facts that already became mankind’s history: the popularity of cannabis use in certain time periods by various cultures and peoples; the booming popularity during periods of

prohibition which only increased the interest in the consumption culture; and the literal efflorescence of the industry and the renewed consumption culture in the last two decades. The consumption culture also had its effect on the actual human culture of entire generations - in particular, the «flower children age» gave off a strong cultural impulse that the society still feels and remembers. The Project founders have yet to meet at least a single man or woman that never heard Jim Morrison's legendary «Purple Haze», or one who is not familiar with the fact that John Lennon and Yoko Ono were propagating, apart from world peace, legalization of cannabis. We hope that the existing progress towards decriminalization and legalization of production and consumption of cannabis will also lead to another “flowering” of the cannabis-related culture – of course, on the condition of conscious consumption.

Simultaneously with our commercial activities within the Project's scope it is planned to promote and expand exactly the *civilized* consumption of the Product. We believe that even in the case of legalization of cannabis production, distribution and consumption not only for medical, but primarily recreational purposes the conditions for specifically civilized consumption must be created, and the self-aware and conscious way of consumption must be propagated to the consumers.

For reaching this goal the following actions are planned:

1. supporting initiatives aimed at legalization of consumption in specialized public locations, and once the relevant Jurisdiction legally allows legal recreational consumption in public places and/or legal distribution (sale) for consumption in public places – opening thematic venues for recreational consumption purposes. These venues are planned to offer visitors/consumers a standardized assortment of high-quality Product and consumption-related services, food and drinks, related goods (i.e. smoking devices, rolling paper etc.), together with introduction in each venue type of a uniform high standard of each type of goods sold and services rendered. These venues will include at least venues of the following types:

- “coffee shop” -type venues open and available to all persons of legal age under laws of the relevant Jurisdiction;
- closed, “members’ club”-type venues, potentially with issuing member cards to MJT Owners;

2. propagation and promotion among “end users” (i.e. consumers) – above all, MJT Owners – of the idea of exclusively legal and conscious consumption of the legally produced and high-quality Product, informing consumers of the advantages of consumption of the legal Product (quality, side effects minimized due to Product quality etc.);

3. collaboration with medical institutions in the Jurisdictions with respect to providing Product samples for scientific research, research of the effect of recreational consumption on consumers of the Product produced within the Project's scope, organizing interaction between such medical institutions and MJT Owners;

4. regular communication with Product consumers, first and foremost MJT Owners, expert community with respect to Product quality, with providing Product samples, improvement of production process and implementation of possible improvements to Operator's own POS venues described above;

5. support and propagation of the conscious consumption culture of the Product using all available means, including but not limited to online via the Platform, placement and making

available of informational materials with data on potential side effects, among others, on the Platform and in POS etc.;

6. lobbying of the interests of the legal production and consumption cannabis industry, including support of alleviation of excess legal barriers, facilitation of the dialogue with the parties publicly opposing cannabis legalization, outreach to cannabis prohibitionists, inclusive of same activities with participation of medical experts with respect to positive qualities of medical cannabis;

7. holding informational and cultural events aimed at increasing awareness of the consumers regarding the Product, first and foremost MJT Owners, regarding various positive and negative aspects of consumption, including lectures with medical experts as speakers;

8. interaction with and engagement of various public persons – musicians, actors etc. – who support both cannabis consumption and the Product itself for the purposes of increasing awareness, organizing various mass cultural events featuring such individuals (live concerts, performances etc.), including for the purposes of promoting conscious consumption.

1.3 Market perspectives for Project implementation

Publicly available data on the commercial perspectives of the industry of high-grade cannabis production and distribution, cannabis-based products and their consumption make it crystal clear that the perspective of booming growth of the legal business and related revenues in the following years will indeed be very real for all market players. According to data published by Arcview Market Research/BDS Analytics, a company specializing in legal cannabis market research, in one year alone the cannabis sales in the U.S. grew by a whopping 34 percent – from USD 5 billion in 2015 to USD 6.73 billion in 2016. According to Arcview’s forecast the U.S. legal cannabis market will grow by 26% per year and may potentially reach USD 21.6 billion by the year 2021³.

At that, according to the statistical data the legal cannabis market in California alone may very well exceed USD 7 billion by 2021, and judging by the combined data of U.S. States that already legalized cannabis the combined market volume may reach USD 25 billion by the year 2021.

According to the latest Marijuana Business Daily’s 2017 Marijuana Business Factbook:

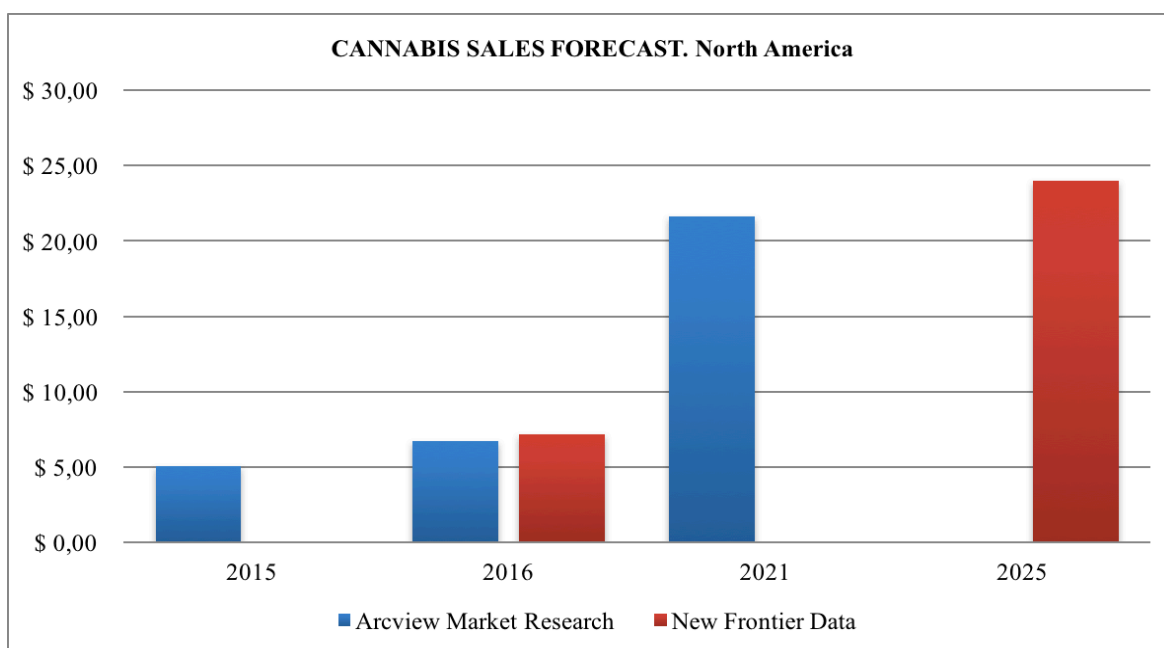
*“The estimated total demand for marijuana in the United States, including the black market, is around \$45 billion to \$50 billion, according to our estimates. If the federal government legalized marijuana nationwide, sales might start out at around that level but would likely quickly rise as cannabis gained mainstream acceptance and the market evolved. **Eventually, marijuana could top cigarettes and possibly rival even beer in terms of overall sales.**”⁴*

Cannabis sales volume, USD
bln

	2015	2016	2021	2025
Arcview Market Research	\$5.04	\$6.73	\$21.60	

³ According to Cannabis Business Times’ 2017 legal cannabis industry report: <http://www.cannabisbusinesstimes.com/page/2017-state-of-industry-report/>

⁴ See page 14: <https://mjbizdaily.com/wp-content/uploads/2017/05/Factbook2017ExecutiveSummary.pdf>



II. BLOCKCHAIN AS CORE TECHNOLOGY IN PROJECT IMPLEMENTATION. PROJECT ARCHITECTURE

1. Main advantages

It may very well be said that the Project is unique, since it combines in itself the two most currently important commercial and IT trends: using the blockchain technology in business and the legal production of cannabis with subsequent distribution to consumers.

Apart from the fact that most of the Project mission goals are reached because of the blockchain technology, below we list the key advantages for using it as the underlying technology for the Project:

- the ability to form and track the full «Product history»: from the seeds used (including their origin) and Product production (including quality control) to Product packing and delivery to POS in the “seed-to-sale” format, in the process creating an unchangeable Product history without the possibility of forging it or otherwise tampering with it;
- the consumers’ ability to track and review the Product history gives consumers the actual control over the Project implementation process and all operations with the Product carried out within the Project scope;
- the MJT Owners’ ability to control the quality of the produced Product due to the feedback mechanism that allows discontinuing a particular Product that does not suit the consumers’ tastes;
- ensuring safe, secure and legal purchasing and consumption of the Product by putting them on a digital, autonomous, smart-contract governed basis;
- tokenization of the payment/transaction mechanism, providing a cash-free, secure and anonymous way of Product purchasing transactions.

Project's functioning based on a uniform digital asset (MJT Token) provides for creation of a unique informational and technological ecosystem that unifies all stages of Product production and distribution in all Jurisdictions of the Project's implementation. This, in return, enables independent market participants (Independent Sellers, Auditors, scientific and research laboratories, medical experts) to join this ecosystem. Formation of such digital ecosystem not only increases the consumer awareness and guarantees further relationship transparency in the industry, but also adds options of Product choice, the quantity of the Product and third-party cannabis products distributed via the Platform, and thus increases the value of the MJT Token used as the uniform transaction instrument for and within the relevant transactions.

At that (and this is the main difference between the Project and many others launched in this industry), the MJT Token will grant its owners the rights in a very particular and material product (i.e. Product), all stages of production and distribution of which will be directly tied to the MJT Token and operations with it, and not in an abstract and virtual "entity" the nature and substance of which are known only to its "creators".

2. Removal of transactional and financial barriers related to Product production and acquiring

One of the critical problems the cannabis products consumers face these days is the excessively limited ability to purchase cannabis via cashless transactions (bank cards etc.). According to The Los Angeles Times, even after legalization of production and consumption of the cannabis products by certain U.S. States the «*Federal banking laws and regulations effectively prevent pot shops from having bank accounts, accepting credit card transactions or paying their taxes by electronic transfer, so billions of dollars will flow through the industry in cash (with all the risk that this entails)*».⁵

Introduction of the MJT Token serves as the ultimate solution to the mentioned problem due to simplification of the transaction mechanism applied to the purchased Product, as it utilizes a digital asset that does not have any such limitations on its purchasing and circulation.

Moreover, purchasing the MJT Tokens may be viewed as safer and more secure from the reputational standpoint. In a "traditional" cashless/card transaction for cannabis products the information about that operation is inevitably recorded by the financial organization(s) that issued the card, and may further be used by them for own purposes (including for purposes of credit status rating or researching the character of the cardholder etc.). When one purchases and uses the MJT Token this ability is substantially limited, serving as an additional layer of protection of the Product buyer/consumer.

3. Creation of the unified ecosystem for transactions for cannabis products conforming to the «Gold Quality Standard» developed within the scope of the Project

Due to the blockchain-based nature of the Platform and the Project every third-party producer of cannabis products the quality of which conforms to the «Gold Quality Standard» requirements developed in the course of Project implementation and approved/confirmed by the laboratories working on the Platform will be able to enter into transactions regarding its products via the Platform.

Universal rules for working on and via the Platform applicable to all producers, use of the uniform settlement instrument (the MJT Token), transparency and reliability, as well as other

⁵ See: <http://www.latimes.com/opinion/editorials/la-ed-legal-marijuana-20161108-story.html>

advantages of the Platform determined by use of the blockchain technology will even further promote the creation of the unified ecosystem that will unite all industry participants and unify their relationships.

This allows to not only ease consumers' legal access to high-quality products of various producers, but will also allow producers and other market participants to form a single and mutually profitable pool for interacting with consumers. Using the blockchain technology in the scope of the Project allows us to engage to its implementation and creation a unified ecosystem of independent parties: Independent Sellers, Auditors, scientific and research laboratories. Formation of such a digital ecosystem not only increases the consumer awareness and guarantees further relationship transparency in the industry, but also adds options of Product choice, the quantity of the Product distributed via the Platform and thus increases the value of the MJT Token used as the uniform transaction instrument within the relevant transactions.

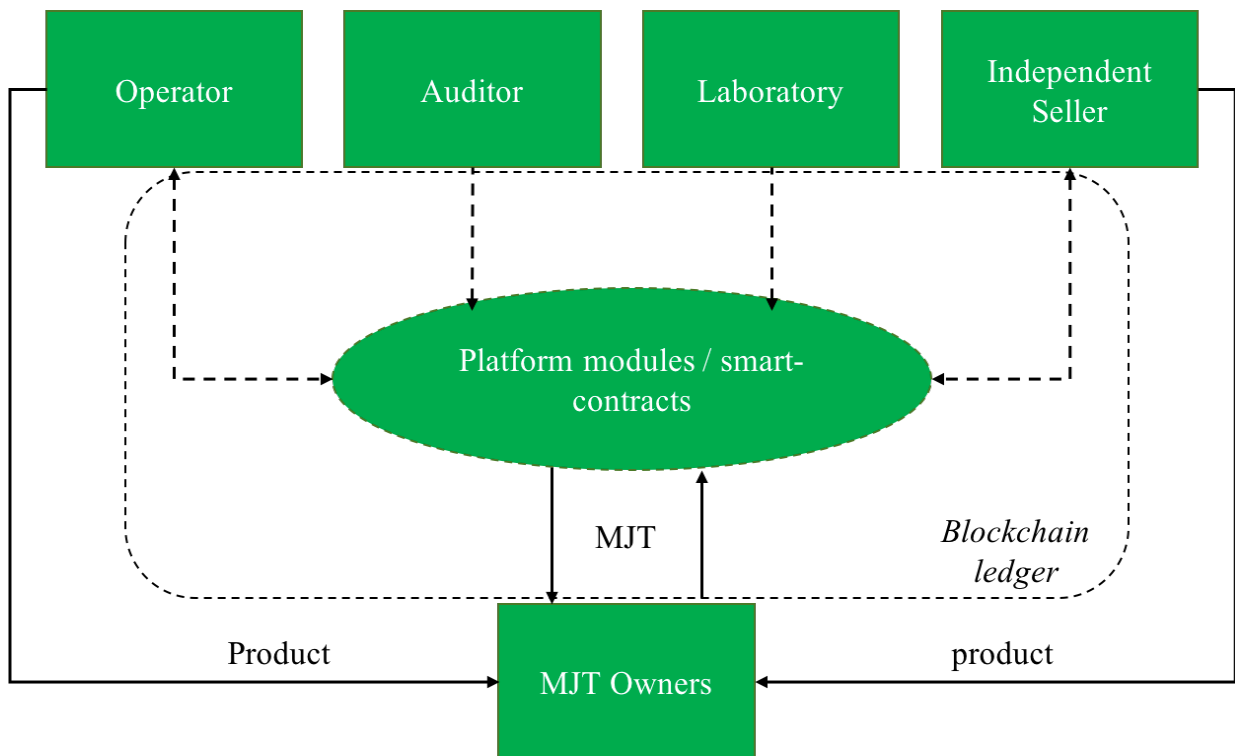


Chart. Project's architectonics

III. THE MJT TOKEN AND ITS DESIGNATED PURPOSE

1. The MJT Token functions

The main instrument of the Project “tokenization” is the MJT Token, which is, in its nature, a digital transactional instrument and asset that forms the core of all stages of all Product production, processing, distribution and cycles.

From the practical standpoint, introduction and use of the MJT Token is planned for at least the following purposes:

- 1) issue and sale of the MJT Token for raising funds for Project implementation;
- 2) use of the MJT Token by MJT Owners for performing operations with the token, inclusive of:

- direct receipt by the MJT Owners of the Product in the form of Final Product or Raw Product in the relevant POS against settlement of the relevant number of the MJT Tokens;
- ordering the Product for delivery via the Platform in those Jurisdictions where it is/would be allowed under law;
- on the condition of successful cooperation between the Project and third parties, such as active licensed dispensaries of medical and recreational cannabis – the ability to receive in these dispensaries discounts using the MJT Tokens for purchased cannabis produced by third parties that is at least on par in quality to the Product;
- upon introduction of legal permissions for cannabis consumption in public places and distribution of cannabis in public places – receive and consume the Final Product in the specialized venues for consumption (POS) of various types, created and operated by the Operator («coffee shops», thematic clubs etc.);
- use the MJT Token for internal Project purposes and separate matters relating to its implementation (for example, when submitting feedback regarding the quality of the distributed Product).

2. Parity of MJT Tokens and Product quantities⁶

The Project's economic model (including the production volumes of Raw Product) is calculated in such a way that at any given moment of time the Operator will have available (in storage) such amounts of the Raw Product and/or Final Product (in the relevant equivalent per the coefficient determined by the Operator) available for distribution to the MJT Owners on demand that will be not less than the overall quantity of the Base Product Quantity as applied to the total amount of the MJT Tokens in circulation at that moment.⁷

At that, depending on the actual demand for the Product this indicator may autocorrect itself based on the quantity data of the global ecosystem that forms the Project, in order to provide for continuing and uninterrupted provision (distribution) of the Product to its real consumers, thus ensuring the functioning of the Project in general.

On the date of publication of this document (and taking into account other provisions contained herein) it is assumed that 0,1 grams of Final Product produced within the scope of the Project will be provided per 1 MJT Token.⁸

⁶ Reaching the discussed indicator is planned on the 5th anniversary of Project implementation. This term may be changed by the Operator at the Operator's sole discretion depending on the actual circumstances and factors of the Project's implementation.

⁷ At that, the calculations are based on the overall quantity of the available Raw Product and Final Product stored by the Operator (including Product stored at the POS). The actual quantity of the Raw Product and/or Final Product available for distribution (in the relevant equivalent per the coefficient determined by the Operator) in each particular POS is determined by the Operator and depends on the actual demand for the Product at that POS and other relevant factors.

⁸ MJT Token itself does not represent the Product and shall not be interpreted as any type of the Product or its existence, derivative or any other representation whatsoever, but is rather the Platform's digital exchange instrument that gives an MJT Owner the right to obtain the Product in a certain amount (subject to the terms herein).

To ensure stability of the Project's economics and in order to protect the interests of the MJT Owners, MJT Tokens submitted and accepted for settlement will be burned.

3. Token Sale and subsequent issues and sales of MJT Tokens

3.1 MJT Token issue and Token Sale

For the purposes of financing the Project implementation the MJT Token Sale will be held. The main terms of the MJT Token Sale are defined herein.

The MJT Token Sale will consist of two stages:

- MJT Pre-sale; and
- MJT Main Sale.

1) MJT Pre-sale

The key milestones of this stage are as follows:

- The overall number of MJT Tokens issued and sold at this stage (hard cap) will be 10,000,000 MJT Tokens:

- 1,000,000 MJT Tokens will be distributed for free between the Project founders (with a ban on sale or other transfer for 1 (One) year;
- 700,000 MJT Tokens will be used as "bounty";
- 8,300,000 MJT Tokens (the remaining amount of MJT Tokens) will be offered for sale (in the form of crowd sale and private placement) to third parties (i.e. potential MJT Owners).

- The price of 1 (One) MJT Token offered for sale to the mentioned third parties at this stage will be the equivalent of 0,0011 ETH. At that, depending on the actual time of MJT Token purchase additional incentives (discounts, bonuses etc.) announced on the Project's official website may apply.

- Stage end date: the day of purchase of all tokens by third parties or the 45th day as of beginning of stage, whichever comes earlier. At that, if on the date of the MJT Pre-sale stage end the overall amount of tokens sold will be less than 800,000 MJT Tokens (soft cap), the funds received will be returned to the buyers.

Funds received from the MJT Tokens sale at this stage will be used at the Operator's sole discretion as follows:

- up to 15% - Project marketing purposes;
- up to 15% - payment for legal services and corporate structuring for Project implementation;
- no less than 70% - lease or purchase of a land plot for Project implementation and its preparation for meeting licensing requirements and receiving permits.

2) MJT Main Sale

The key milestones of this stage are as follows:

- The overall number of MJT Tokens issued and sold at this stage (hard cap) will be 50,000,000 MJT Tokens:

- 7,500,000 MJT Tokens will be distributed for free between the Project founders;
- 500,000 MJT Tokens will be used as “bounty”;
- 42,000,000 MJT Tokens (the remaining amount of MJT Tokens) will be offered for sale (in the form of crowd sale and private placement) to third parties (i.e. potential MJT Owners).

- The price of 1 (One) MJT Token offered for sale to the mentioned third parties at this stage will be the equivalent of 0,0033 ETH. At that, depending on the actual time of MJT Token purchase additional incentives (discounts, bonuses etc.) announced on the Project’s official website may apply.

- Stage end date: the day of purchase of all tokens by third parties or the 90th day as of beginning of stage, whichever comes earlier..

Funds received from the MJT Tokens sale at this stage will be used at the Operator’s sole discretion as follows:

- up to 15% - Project marketing purposes;
- up to 15% - Project R&D, including development of the business plan required under local law, consulting and expert engagement expenses;
- no less than 70% - development of the Platform, receiving licenses and permits, capital investments into production, distribution and other activities within the scope of the Project.

3.2 Additional issues and sale of the MJT Tokens

3.2.1 Upon change of Product quantity by the Operator

In order to form the most attractive Project economy for the MJT Owners, as well as create the ability of its optimal evolution, the amount of the MJT Tokens in circulation is intended to ensure that no less than the Base Product Quantity actually in store of the Operator may be provided per each issued and circulating MJT Token.

Since as the result of Project implementation the amount of the produced Product will likely increase, and the amount of MJT Tokens in circulation decrease, the Operator will be entitled to regularly initiate analysis of the parity between the amount of MJT Tokens in circulation and the amount of Product provided for them and make decisions with respect to additional issues of MJT Tokens in order to adjust that correlation between MJT Tokens in circulation and Product available at that moment. At that, distribution of such additionally issued MJT Tokens will be performed as follows:

- 5% of issued MJT Tokens will be distributed free of charge between Project founders;

- 95% of issued MJT Tokens will be put on open sale at the price determined by the Operator, which will be not lower than the market price of the relevant quantity of the Product determined by the Operator at the moment of such additional issue.

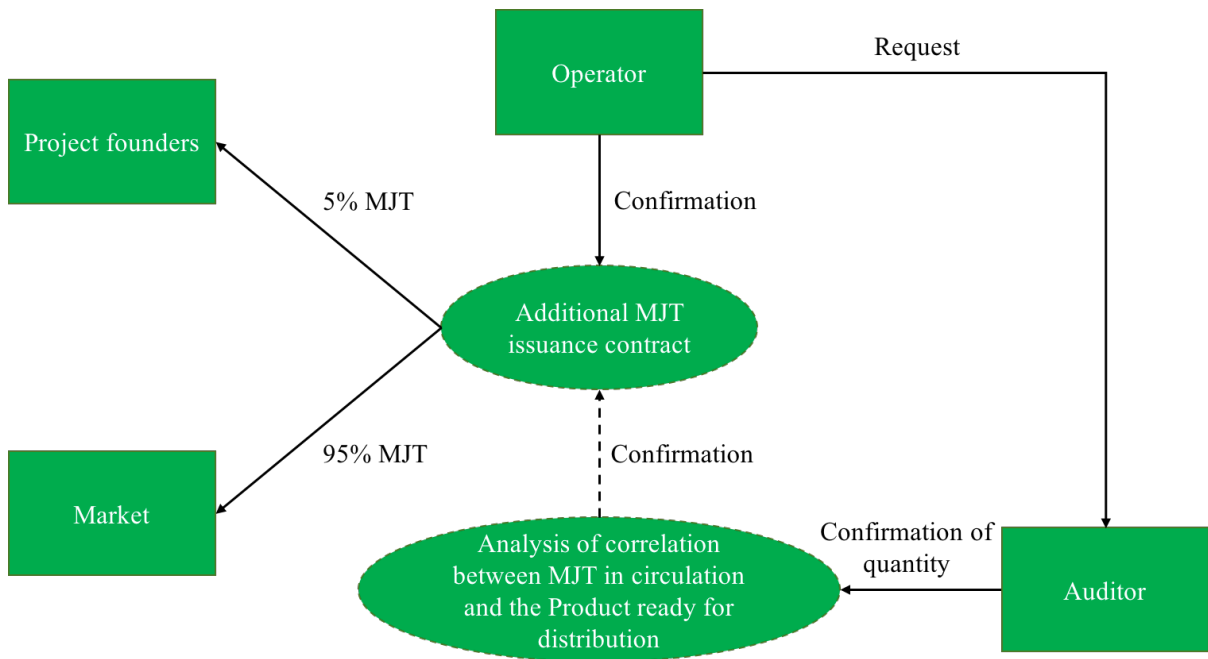


Chart. Issuance of additional MJT in case of production of additional Product by the Operator

3.2.2 Upon Independent Sellers joining the Platform

Once each Independent Seller joins the Platform for the purposes of distribution of its products to Platform users (on the condition these products conform to the «Gold Quality Standard» developed by the Operator during Project implementation which must be confirmed by the authorized research laboratory working via the Platform), a certain amount of additional MJT Tokens will be issued. At that, the quantity of those MJT Tokens issued will be defined in such a way to ensure that each MJT Token issued and in circulation would be provided for with the Base Product Quantity actually in store of the Operator and such Independent Seller, as well as other Independent Sellers that already joined the Platform.

At that, distribution of such additionally issued MJT Tokens will be performed as follows:

- 20% of issued MJT Tokens will be distributed to the Operator as the management commission (management fee) for management, operation, administration and support of the Platform;
- 80% of issued MJT Tokens will be transferred to the relevant Independent Seller.

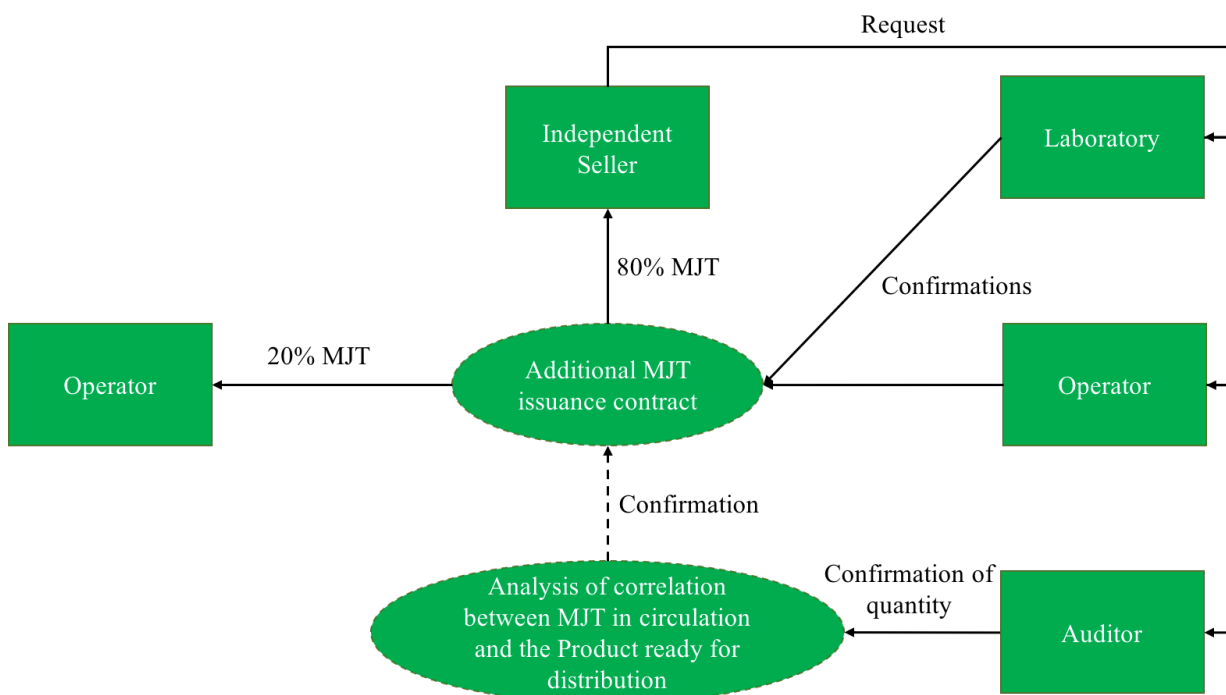


Chart. Issuance of additional MJT in case of an Independent Seller joining the Platform

Since MJT Tokens will be based on the same amount of the Product in stock and ready to be provided to MJT Owners in accordance with the underlying parity principle of the Project's economy (see Section III.2 hereof), it is projected that the MJT Owners will not face the risk of inflation of value of the MJT Tokens they own.

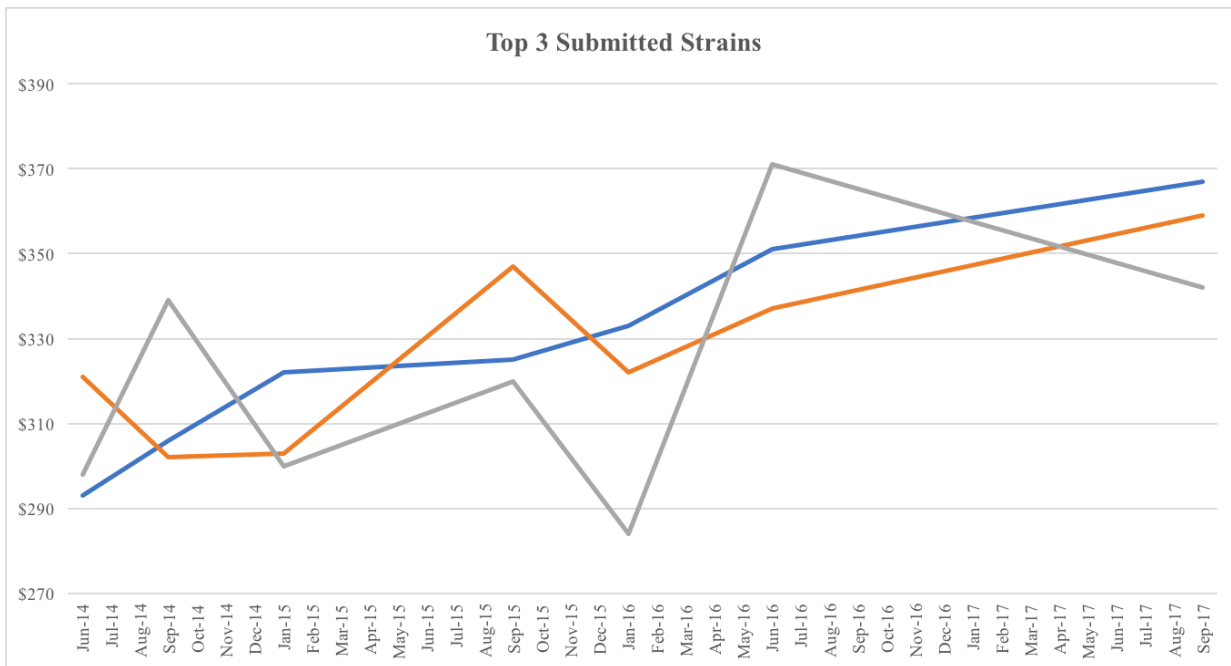
4. Estimation of MJT Token market price variations

In the context of Project implementation, the calculated parity between the MJT Tokens in circulation and the Product provided for them, as well as objective market factors, it is projected that the following circumstances (if they arise) may substantially influence the MJT Token price:

- 1) Further cannabis legalization and sufficiently stable growth of demand for cannabis, as well as the considerable growth of commodities turnover in that market;
- 2) Burning of MJT Tokens submitted and accepted for settlement;
- 3) The planned further expansion of cultivation space, improvement of the Product quality by means of production optimization, development of more advanced cultivation methods, expansion of cultivated breeds/strains range and/or types of produced cannabis products, expansion of the services offered, all within the scope of the Project;
- 4) Creation of high-quality Product conforming to the quality standards (the "Gold Quality Standard") developed during Project implementation, distribution of the major part of which will be available for MJT Tokens only;
- 5) Expansion of the distribution market and the increasing Product demand may naturally result in the Product's market price change, accordingly changing the actual price of the MJT Token itself.⁹

⁹ Please note the possibility of decrease of the Product price due to relevant and current market situation cannot be excluded, which decrease may influence the actual MJT Token value.

Last but not least, the potential continuance of the tendency of growth of the median market prices for the most popular cannabis strains that exists for the past 3 years may also serve as an important factor that may potentially influence the MJT Token price:



	Jun-14	Sep-14	Jan-15	Sep-15	Jan-16	Jun-16	Sep-17
Kush	293	306	322	325	333	351	367
Diesel	321	302	303	347	322	337	359
Blue Dream	298	339	300	320	284	371	342

IV. GEOGRAPHY AND STAGES OF PROJECT IMPLEMENTATION

1. Project implementation geography

Geographically, Project implementation is planned to progress in several stages:

1) Stage 1: United States, State of California

At this «pilot» stage of Project implementation the Operator will select and lease or purchase a land plot in the State of California, the U.S., for deployment of production processes. Distribution of Product will be carried out through POS created by the Operator in the territory of the State.¹⁰

Selection of this particular State was made due to a number of important market aspects, including the following:

- California is historically the first U.S. state ever to legalize medical cannabis more than 20 years ago – in 1996;

¹⁰ Note that for the optimal Project implementation the Operator reserves the right to select another U.S. State for the Project’s “pilot” stage if the conditions in the State of California for launching that stage would become too demanding (i.e., if the terms of receiving the relevant licenses and permits in California would become unreasonably complex, unreasonably high land prices at the launch of the stage, etc.).

- Beginning 2018, the State will officially allow (legalize) the majority of commercial operations and business types relating to recreational cannabis – production, processing, sales;
- The State’s legislation with respect to cannabis and its circulation is constantly evolving. It is considered that in time California will become one of the first – if not *the* first – state allowing recreational consumption of cannabis in specialized public places;
- California historically was and continues to be the State with very high levels of cannabis consumption and high market volumes. The legal cannabis market turnover in California for the past year 2016 reached USD 845 million¹¹ and continues to grow rapidly;
- Last but not least, it is California that is known for its “high society” formed around cannabis products consumption that includes “blue” and “white” collars and world renowned media persons who proactively and openly approve and/or support cannabis consumption.

2) Stage 2: the U.S., State of California and other States

If the Project is successful and its expansion within the State of California and the laws of the U.S. and the State would allow its further expansion, it is planned to implement the Project in other U.S. States that legalized commercial cannabis production and/or distribution activities and have consumer demand for the Product.

At this moment, the State of Nevada, the U.S. may be deemed as most perspective from the standpoint of Project expansion.

3) Stage 3: EU countries and other Jurisdictions

If the Project is successfully implemented in the above two stages and the Operator has the relevant funds and capabilities, even further expansion of the Project is planned outside the U.S. One of the most important factors in selecting further expansion territories would be the laws of the relevant Jurisdiction, i.e. if such countries already legalized commercial cannabis production and/or distribution activities and have consumer demand for the Product.

At this moment, Canada and Northern European countries may be deemed as most perspective from the standpoint of Project expansion.

2. Project implementation stages¹²

From the standpoint of immediate actions to be undertaken for Project implementation purposes, the key stages of Project implementation are:

- Stage 1: Setting up production and distribution; and
- Stage 2: Setting up and launching the Platform (IT stage).

Stage 1: Production and distribution

¹¹ According to data published by Marijuana Business Daily: <https://mjbizdaily.com/chart-latest-california-marijuana-market-data-845m-annual-sales-2756-dispensaries/>

¹² The technical and production parameters of Project implementation detailed in this Section apply exclusively to Stage 1, if not stated otherwise.

At this stage of Project implementation it is planned to set up and launch production of the Product in the selected Jurisdiction, as well as set up and launch its distribution.

Production

For the purposes of setting up production of the Product the funds received from the MJT Token Sale are planned to be invested in the following assets:

1) Land plot(s)

We plan to lease or purchase (at the Operator's discretion based on the current market situation and other circumstances relating to Project implementation) a land plot in the State of California, the U.S. Due to the high variations in the cost of obtaining licenses and permits in each administrative-territorial unit of the State (cities, towns, counties etc.), the location will be selected by the Operator based on a number of factors, such as:

- cost of land lease / land ownership;
- cost of licenses and permits required for commercial cannabis activities;
- cost of utilities, i.e. electricity, water etc;
- cost of logistics adjusted for actual location and distance to/from POS;
- capability to expand the cultivation territory long term.

2) Licenses and permits

Due to the complete legality of the Project as its founding and permanent principle, it is planned to obtain all licenses and permits required by the State of California and the relevant county/city/town. It is planned to obtain at least the following licenses:

- Licenses issued by the State of California for commercial activities for production (cultivation) of medical and recreational cannabis; processing of produced cannabis; its distribution through licensed POS;
- Licenses and permits required under laws of the selected location (county/city/town), such as deployment of production facilities in a particular zone (zoning permits) and other permits.

3) The actual production (cultivation) of the Product

For the purposes of cultivating the Product it is planned to build a housed hydroponics farm, with the potential expansion of production to open ground cultivation. For these purposes it is planned to invest the funds in the following assets and personnel:

- procurement of housing for the farm of a "closed housing", hangar type;
- procurement of equipment for plant cultivation and watering;
- procurement of light regime support equipment (including daylight lamps, if required – shutters and relays for "day/night" mode switching);
- procurement of fertilizers;
- procurement of seeds;

- engagement of growers with the relevant know-how of growing particular breeds/strains, with payment of fees under employment or similar contracts;
- potentially - obtaining by way of transfer (assignment) for a fee of intellectual property rights in particular know-how from growers and experts, with subsequent registration of that know-how in the name of the Operator or a third party determined by the Operator.

4) Product processing

For the purposes of Product processing it is planned to initially procure specialized equipment for dehumidification (curing) of Raw Product.

In future, if the decision is made regarding assortment expansion from the basic Product in the form of Raw Product/Final Product to “derivatives” (such as oil or “shatter”), additional equipment and consumables required for cannabin concentrate extraction and its processing into the discussed products will be procured, and the relevant additional licenses and permits obtained.

5) Product quality testing

At the initial stage it is planned to engage third-party laboratories (state or privately operated, but no less than 2 laboratories independent from each other) for the purposes of Product quality control before its distribution.

Upon successful entry of the Product into the market and Project evolution it is planned to create own laboratory for the purposes of Product quality control and engage the relevant professional and highly qualified personnel for Product quality control testing purposes.

Distribution

At the initial stage of Project implementation it is planned to distribute the Product through existing third-party licensed dispensaries that specialize in distribution of medical and recreational cannabis.

In case of successful Project evolution it is planned to open own POS (with funds invested into obtaining relevant licenses and permits, premises leases, safety and security etc.) of the following formats:

- dispensaries of medical and recreational cannabis;
- venues publicly accessible for persons of legal age under the laws of the Jurisdiction, designed and designated for recreational consumption of cannabis, with either distribution of Product and/or functioning on the “bring-your-own” basis (solely subject to the condition of introduction of the relevant legal permissions), with settlements in MJT Tokens, and, if possible, fiat currencies;
- closed, membership club-type venues for recreational consumption where membership cards may either be granted to MJT Owners and/or sold for MJT Tokens or fiat currencies, with either distribution of Product and/or functioning on the “bring-your-own” basis (solely subject to the condition of introduction of the relevant legal permissions), with settlements in MJT Tokens, and, if possible, fiat currencies.
- upon introduction of the relevant legislation – a global network of venues for recreational consumption where settlements may be effected in MJT Tokens.

Stage 2: Platform launch (IT stage)

During this stage of Project implementation it is planned to create and launch the Platform, which will include at least the following modules with at least the following functionality:

1) Statistics module

The module will be designed and designated for collection, processing and making available to Platform users of at least the following information:

- the Product, including its availability at a particular moment, production stage, location, quality testing results and confirmations etc.).
- MJT Tokens, including the quantity of tokens in circulation, information about MJT Tokens on the MJT Owner's account, transaction history etc.

2) MJT module

The module will be designed and designated for performing and processing operations with the MJT Tokens owned by the relevant MJT Owner, inclusive of operations of transfer to other MJT Owners, settlements with Operator or Independent Sellers regarding purchases of Product or that Independent Seller's products, respectively, etc.

3) Independent Seller module

The module will be designed and designated for interaction of the Independent Seller with MJT Owners and include that Independent Seller's profile (including detailed information about the Independent Seller, information about Seller's products, including information on product audit performed by an Auditor and independent laboratory report regarding products' quality, mechanism for initiating additional MJT Token issues etc.).

4) Auditor module

The module will be designed and designated for interaction of the Auditor with the Independent Sellers, inclusive of the mechanism for rating of Independent Seller's products and confirmation of that rating by the Auditor, as well as the mechanism for granting the Independent Seller the permission to distribute Seller's products and otherwise enter into transactions via the Platform etc.).

5) Independent laboratory module

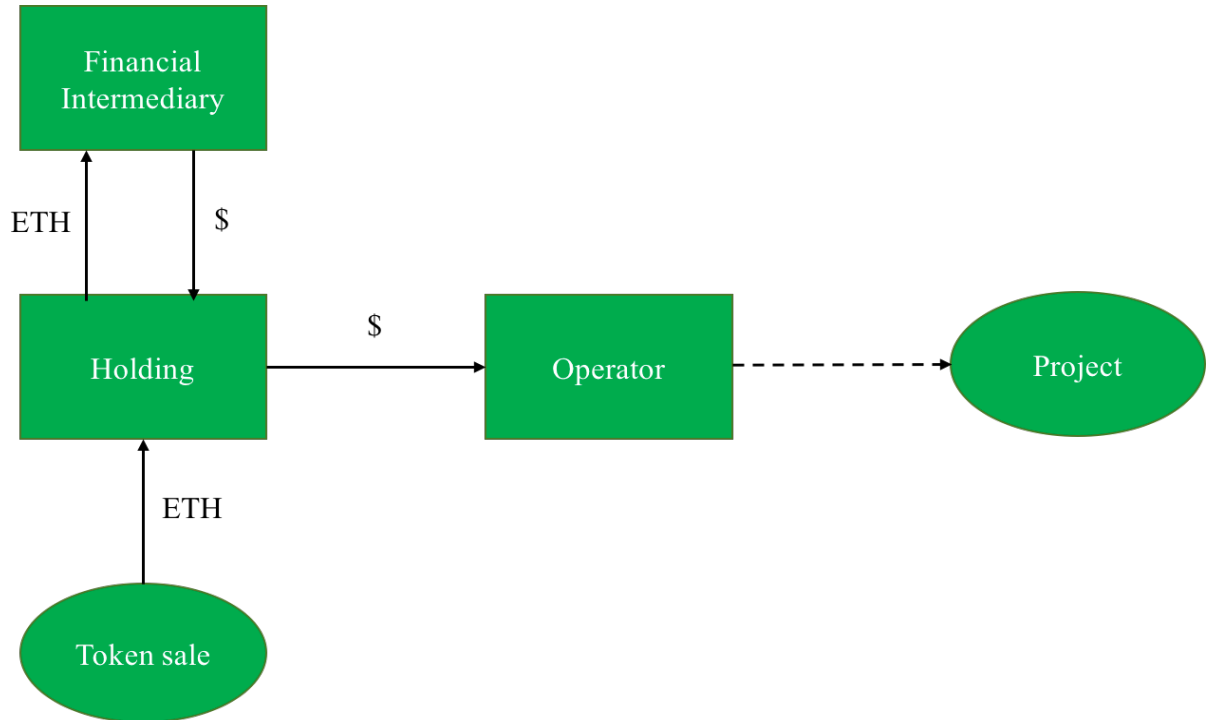
The module will be designed and designated for interaction of the independent laboratory with the Independent Sellers with respect to laboratory testing of Independent Sellers' products regarding their conformance to the quality standards (including the mechanism for Independent Sellers to receive positive opinions/feedback regarding their products and permission to distribute it via the Platform etc.).

V. PROJECT IMPLEMENTATION STRUCTURE. INVESTMENT PLAN

1. Corporate structure and relations

For the purposes of Project implementation and attraction of funds in the scope of the MJT Token Sale a holding company (the "Holding Co.") will be created in the jurisdiction that will, at the moment of Holding Co. registration, have clear and transparent rules and regulations with respect to holding the «Token Generation Events», token sales, and reasonable cryptocurrency laws and/or regulations in general.

On the condition of attracting sufficient funds in the scope of the MJT Token Sale the Holding Co. shall subsequently convert the attracted cryptocurrency funds into selected fiat currencies and shall act as a founding shareholder of the Operator in the selected Jurisdiction, granting (transferring) to the Operator the funds received after conversion (as a capital contribution and/or loan and/or in other form as will be defined by the Holding Co.) for their subsequent use for Project implementation purposes discussed herein.



2. Investment plan for Project implementation

2.1. Production block

In the development of the investment model for implementation of the production arm of the Project, in order to simplify calculations the block production structure principle was used. Below is a brief presentation of the calculations.

1 (One) block implies cultivation of cannabis under cover (indoor) with the sowing space of 50 m².

The sowing density using this method is 15 plants per 1 m², with the ripening stage of 3 months. That way, it is planned to harvest up to 4 crops per year.

1 block

Calculation basis:

Sowing space, sq. m.	50
Avg. seed price, per pc.	\$8.8
Cover (housing) size, sq. m.	75
Seeds per 1 sq. m.	15
Yield from 1 sq. m. in grams	394

PRODUCTION COSTS	\$25,000
Consumables	\$12,000
Labor expenses	\$4,500
Seeds	\$6,600
Other expenses	\$1,900
Raw product yield, gr	19,700.00
Production costs per 1 gr	\$1.27
Market price, 1 gr	\$12.00
Sales revenue, gross	\$236,400.00
Direct production costs	\$25,000.00
Gross margin over direct production costs	\$211,400.00
Distribution, storage (15%)	\$31,710.00
Administrative fees (15%)	\$31,710.00
Taxes and charges (50%)	\$105,700.00
TOTAL	\$169,120.00
Net profit	\$42,280.00
Investments	\$25,000.00

Thus the calculated profitability of 1 Project block may be estimated at around 170%.

Key to calculations table

Per 1 block

Production	
Equipment procurement	\$12 000
Seed procurement*	\$6 600
Personnel salaries	\$4 500
Other expenses	\$1 900
	\$25 000

Calculations for expenses on seeds

Plot space, m ²	Sowing density, pcs/m ²	Seed price, \$/pc	Seed cost, overall, \$	Raw product yield*, gr/m ²	Raw product yield from plot, gr	Avg. Market price per 1 gr of raw product, \$	Sale price of raw product from plot, \$
50,0	15,0	8,8	6 600,0	394,0	19 700,0	12,0	236 400,0

Commentary:

1. The average sowing density (i.e. number of plants per sq.m.) – according to data of Dutch experts on indoor cultivation.

2. Avg. seed price – according to data from publicly available sources

Calculations

Sowing plot	50 m ²
-------------	-------------------

Sowing density for indoor cultivation per 1 m ²	15 plants
Seed quantity for sowing	750 items
Raw product yield per 1 m ²	394 g
Total raw product yield	19700 g
Total seed cost	\$6,600
Direct production costs (<i>incl. seed and labor costs, not including land costs and licenses</i>)	\$25,000
Avg. market price of raw product from plot	\$236,400
Direct production costs per 10 r raw product	\$12,7
Avg. market price per 10 gr raw product	\$120

Average market price of seeds

Below we provide average market prices for high-quality seeds recommended by experts for growing both on open ground and indoor, based on data collected from open sources:

Breed/Strain	Type	Yield, gram/m ² *	Avg-price per seed, \$	Ground	Ripening, weeks	THC, %
<u>OG Kush</u>	Indica (95%)	450	8,5	OG/UC	8	17-19
<u>Strawberry Kush</u>	Indica (75%)	450-650	8,7	OG/UC	8	17-20

*raw product

Average cannabis market price

Below we provide average market prices for cannabis, based on data collected from open sources:

Flower (Sativa)	12,66
Flower (Indica)	12,36
Flower (Hybrid)	11,82

2.2. Project economics explained¹³

At the Project's initial stage it is planned to lease or purchase within the State of California an agricultural land plot sized at 10-15 acres.

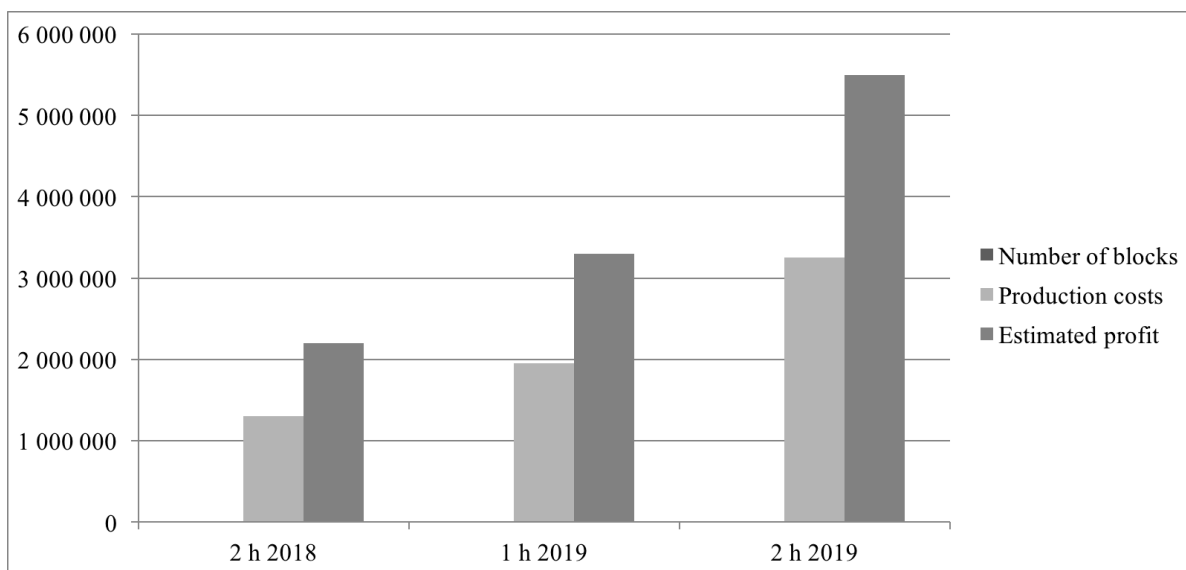
Within the first 1,5 years it is planned to utilize around half of that plot (i.e. around 5 to 7 acres, respectively), where around 260 production blocks can be built.

The land will be utilized in 3 stages. Based on the production costs discussed above, the financial indicators of such utilization may be projected as follows:

	2 h 2018	1 h 2019	2 h 2019
Number of blocks	52	78	130

¹³ For calculation of production costs of indoor growing we used data from the '[Estimated Cost of Production for Legalized Cannabis](#)' report, which were received during practical tests specifically performed for that report, as well as information from independent Dutch consultants that professionally grow cannabis using the same method.

Production costs	1 300 000	1 950 000	3 250 000
Estimated profit	2 198 560	3 297 840	5 496 400



The quantity of production blocks launched at each stage will depend on the quantity of attracted funds.

Funds attracted from the MJT Token Sale will be invested in, among others, resolution of legal formalities required for Project implementation. However the major part of these funds as discussed above will be spent on the Project's production set up and launch: land plot lease/purchase, obtaining required licenses and permits, constructing housing for setting up first production blocks, payment to team members, and such production needs as procurement of equipment, materials and seeds.

Further Project financing is planned to be performed from own funds.

VI. PROJECT IMPLEMENTATION ROADMAP

At the moment of publication of this document the key steps in the Project implementation and the timeframe for their implementation are projected as follows:

PERIOD	ACTIONS
December 2017 - January 2018	MJT Token Sale, Stage 1: Pre-sale
February - April 2018	Land plot lease or purchase, preparing the land for obtaining licenses and permits, formation of corporate structure for Project implementation
April – June 2018	MJT Token Sale, Stage 2: Main Sale
July 2018 – May 2019	Production of first batch of Product, establishing distribution channels, Platform R&D and development

December 2018 - 2019	Commencement of offering of Product to MJT Owners (beginning with 1st crop)
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VII. LEGAL RESERVATIONS, RESTRICTIONS, WAIVERS, LIMITATIONS OF LIABILITY

1. AGE RESTRICTION

THIS DOCUMENT, ITS CONTENTS, AND INFORMATION CONTAINED HEREIN ARE DESIGNATED ONLY FOR LEGAL ADULTS, THAT IS, (I) INDIVIDUALS THAT HAVE REACHED THE AGE OF 21 (TWENTY-ONE) YEARS AS ESTABLISHED UNDER THE FEDERAL AND STATE LAWS OF THE UNITED STATES OF AMERICA, AND/OR (II) INDIVIDUALS THAT HAVE REACHED THE RELEVANT LEGAL AGE UNDER THE LAWS OF THEIR RELEVANT JURISDICTION OF WHICH THEY ARE CITIZEN OR WHERE THEY PERMANENTLY RESIDE. IF YOU HAVE NOT REACHED THE AGE OF 21 YEARS OR LEGAL AGE IN THE JURISDICTION FROM WHICH YOU ARE ACCESSING AND VIEWING THIS DOCUMENT YOU MAY NOT CONSIDER THIS DOCUMENT AS APPLICABLE TO YOU OR DESIGNATED FOR YOU OR ATTEMPT TO PARTICIPATE IN ANY ACTIVITIES DISCUSSED HEREIN. THE OPERATOR RESERVES THE RIGHT TO DEMAND IDENTITY OF ANY POTENTIAL MJT OWNER IN ORDER TO ENSURE COMPLIANCE WITH THIS RESTRICTION.

2. JURISDICTION RESTRICTION

THIS DOCUMENT, ITS CONTENTS, AND INFORMATION CONTAINED HEREIN ARE DESIGNATED FOR POTENTIAL MJT OWNERS THAT ARE CITIZENS, PERMANENT RESIDENTS, OR ARE OPERATORS OF BUSINESSES DOMICILED IN THE JURISDICTIONS AS THEY ARE DEFINED IN THIS DOCUMENT. IF THE LAWS OF YOUR COUNTRY OF CITIZENSHIP, DOMICILE OR RESIDENCE PROHIBIT ANY OR ALL CANNABIS-RELATED ACTIONS OR ACTIVITIES SUCH AS CONSUMPTION YOU MAY NOT CONSIDER THIS DOCUMENT AS APPLICABLE TO YOU OR DESIGNATED FOR YOU OR ATTEMPT TO PARTICIPATE IN ANY ACTIVITIES DISCUSSED HEREIN. THE OPERATOR RESERVES THE RIGHT TO DEMAND IDENTITY OF ANY POTENTIAL MJT OWNER IN ORDER TO ENSURE COMPLIANCE WITH THIS RESTRICTION.

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4. RISKS AND RESERVATIONS RELATING TO PRODUCTION, DISTRIBUTION AND CONSUMPTION OF CANNABIS

4.1 INFORMATION FOR MJT OWNERS WITH RESPECT TO RISKS RELATING TO ACTIONS OF INDIVIDUALS WITH RESPECT TO CANNABIS AND ITS DERIVATIVES UNDER FEDERAL AND STATE LAWS OF THE U.S., U.S. STATES AND OTHER JURISDICTIONS

NOTWITHSTANDING THE FACT THAT LEGAL DECRIMINALIZATION AND LEGALIZATION OF OPERATIONS AND/OR TRANSACTIONS WITH CANNABIS ARE ALREADY IN PLACE, BEING PRESENTLY INTRODUCED AND/OR CONTINUE TO BE INTRODUCED IN SEPARATE STATES OF THE UNITED STATES, SUCH OPERATIONS AND/OR TRANSACTIONS MAY BE DEEMED OR REMAIN UNLAWFUL (ILLEGAL) UNDER THE UNITED STATES FEDERAL LAWS. SOME OR ALL ACTIONS OF INDIVIDUALS CONSUMING CANNABIS OR ITS DERIVATIVES, OR COMMITTING ACTIONS OR OPERATIONS WITH CANNABIS AND/OR ITS DERIVATIVES AT THE MOMENT OF PUBLICATION OF THIS DOCUMENT REMAIN AND/OR MAY BECOME ILLEGAL UNDER FEDERAL LAWS OF THE UNITED STATES AND/OR LAWS OF STATES THAT ARE ADMINISTRATIVE-TERRITORIAL UNITS OF THE UNITED STATES AND/OR OTHER JURISDICTIONS TO WHICH THIS DOCUMENT APPLIES. THESE ACTIONS MAY INCLUDE BUT ARE NOT LIMITED TO: (I) DISTRIBUTION OF CANNABIS AND/OR ITS DERIVATIVES BY MEANS OF SALE OR OTHER INTRODUCTION INTO CIRCULATION BY INDIVIDUALS NOT HAVING LICENSES AND/OR PERMITS TO COMMIT SUCH ACTIONS, AS WELL AS COMMISSION OF SUCH ACTIONS BY INDIVIDUALS IF THERE IS AN EXPRESS PROHIBITION UNDER LAW TO COMMIT SUCH ACTIONS (II) CROSS-BORDER TRANSPORTATION OF CANNABIS AND/OR ITS DERIVATIVES OR PRECURSORS TO U.S. STATES OR TO JURISDICTIONS OUTSIDE THE U.S. OR OTHER JURISDICTIONS TO WHICH THIS DOCUMENT APPLIES WHICH HAVE LEGAL LIMITATIONS AND/OR BANS ON COMMISSION OF ANY OR ALL ACTIONS WITH RESPECT TO CANNABIS AND ITS DERIVATIVES, INCLUDING BUT NOT LIMITED TO COMMISSION OF SUCH ACTIONS AS (I) DRIVING UNDER THE DRUG INFLUENCE (DRUG INTOXICATION) AND OTHER SIMILAR ACTIONS THAT ENDANGER THE PUBLIC OR OTHERWISE POSE A RISK TO THE PUBLIC, (III) CULTIVATION OF CANNABIS ON FEDERAL AND/OR PUBLIC TERRITORIES OR CULTIVATION OF CANNABIS ON OWN PREMISES IN THE JURISDICTION WHERE SUCH CULTIVATION IS EXPRESSLY PROHIBITED UNDER EFFECTIVE LAW, (IV) STORAGE AND/OR CONSUMPTION OF CANNABIS OR ITS DERIVATIVES ON THE FEDERAL PROPERTY OR IN PUBLIC PLACES EVEN IF STORAGE OR CONSUMPTION ARE LEGALLY ALLOWED FOR PERSONAL USE ON PRIVATE PROPERTY, AND (IV) ANY OTHER ACTIONS WITH CANNABIS AND/OR ITS DERIVATIVES THAT MAY QUALIFY AS PUNISHABLE AS AN ADMINISTRATIVE OR CRIMINAL OFFENSE AND THE COMMISSION OF WHICH UNDER THE LAWS OF ANY JURISDICTION MAY ENTAIL ADMINISTRATIVE OR CRIMINAL PENALTIES, RESPECTIVELY. IN LIGHT OF THE FOREGOING, EACH MJT OWNER EXPRESSLY AND UNAMBIGUOUSLY AGREES THAT:

4.1.1 HE/SHE MUST AT ALL TIMES OBSERVE ANY AND ALL LEGAL RESTRICTIONS AND BANS ESTABLISHED UNDER LAWS OF EACH JURISDICTION TO WHICH THE EFFECT OF THIS DOCUMENT EXTENDS, INCLUDING BUT NOT LIMITED TO THE FEDERAL LAWS OF THE UNITED STATES AND THE LAWS OF THE RELEVANT U.S. STATE WITH RESPECT TO COMMISSION BY INDIVIDUALS OF ACTIONS WITH CANNABIS AND ITS DERIVATIVES, AND THAT THE OPERATOR

DOES NOT, MAY NOT AND WILL NOT BE LIABLE IN ANY WAY OR MANNER WHATSOEVER FOR ANY VIOLATION BY THE MJT OWNER OF ANY SUCH RESTRICTIONS AND BANS;

4.1.2 IN CASE THAT A MJT TOKEN OWNER COMMITS ANY ACTION THAT IS UNLAWFUL (ILLEGAL) UNDER THE LAWS OF ANY JURISDICTION TO WHICH THE EFFECT OF THIS DOCUMENT APPLIES, WITH THE MJT TOKEN AND/OR PRODUCT RECEIVED FROM THE OPERATOR OR ITS AFFILIATED PARTIES USING THE MJT TOKEN, THE OPERATOR MAY SUFFER IRREPARABLE AND MAJOR REPUTATIONAL AND/OR FINANCIAL DAMAGES. IN PARTICULAR, COMMISSION OF SUCH ACTIONS BY THE MJT OWNER MAY ENTAIL AND RESULT IN ADMINISTRATIVE, CIVIL OR CRIMINAL LIABILITY OF THE OPERATOR, INTER ALIA, IN THE FORM OF A BAN ON USE AND/OR CIRCULATION OF MJT TOKENS, WHICH IN RETURN MAY NEGATIVELY AFFECT THE MJT TOKENS PRICE. IN LIGHT OF THE FOREGOING, EACH MJT OWNER EXPRESSLY AND UNAMBIGUOUSLY AGREES THAT (I) THE OPERATOR, TO THE MAXIMUM EXTENT ALLOWED UNDER ANY APPLICABLE LAW, WAIVES ANY AND ALL LIABILITY FOR ANY AND ALL ACTIONS DESCRIBED IN THIS SECTION OR ACTIONS SIMILAR IN NATURE OF THE MJT OWNER WITH THE MJT TOKEN AND/OR THE PRODUCT, (II) THE OPERATOR IS ENTITLED TO COOPERATE WITH LAW ENFORCEMENT AGENCIES OF ANY JURISDICTION FOR THE PURPOSES OF PREVENTION AND/OR STOPPING AND/OR REPAIRING DAMAGES OF SUCH ACTIONS, AND (III) THE OPERATOR MAY DEMAND FROM THE RELEVANT MJT OWNER OR GROUP OF MJT OWNERS IN COURT ANY AND ALL DAMAGES, INCLUDING DIRECT, INDIRECT, CONSEQUENTIAL AND ANY OTHER DAMAGES THE OPERATOR SUFFERED OR MAY SUFFER DUE TO COMMISSION BY THE MJT OWNER OR GROUP OF MJT OWNERS OF THE DISCUSSED PROHIBITED ACTIONS.

4.2 REFUSAL TO PROVIDE PRODUCT IN CERTAIN INSTANCES

THE OPERATOR (AS WELL AS ANY PARTIES AUTHORIZED BY THE OPERATOR) RESERVE THE RIGHT TO (WITHOUT ANY NEGATIVE CONSEQUENCES OF SUCH ACTIONS TO THEMSELVES WHATSOEVER) DENY DISTRIBUTION, DELIVERY, TRANSFER OR ANY OTHER ACTIONS WITH RESPECT TO THE PRODUCT WITH RESPECT TO ANY INDIVIDUAL IF THE OPERATOR WILL HAVE SUFFICIENT GROUNDS TO BELIEVE THAT THAT INDIVIDUAL, BY VIRTUE OF THE LAWS AND/OR REGULATIONS AND OR ANY OTHER REASONS WHATSOEVER APPLICABLE TO THAT INDIVIDUAL DOES NOT HAVE THE RIGHT TO COMMIT ANY OR ALL ACTIONS WITH RESPECT TO THE PRODUCT (INCLUDING BUT NOT LIMITED TO IF THERE ARE SUFFICIENT GROUNDS TO BELIEVE THAT THE INDIVIDUAL IN QUESTION DID NOT REACH LEGAL AGE IN THE JURISDICTION OF THAT INDIVIDUAL'S CITIZENSHIP OR RESIDENCE WHERE SUCH ACTIONS ARE OR MAY BE DEEMED ILLEGAL ETC.). IN THIS CASE THE BURDEN OF PROOF OF ABSENCE OF SUCH RESTRICTIONS OR LIMITATIONS EXPRESSLY LIES WITH THAT INDIVIDUAL.

4.3 INFORMATION FOR LAW ENFORCEMENT AUTHORITIES OF JURISDICTIONS TO WHICH THIS DOCUMENT APPLIES

WITH THE EXCEPTION OF TRACKING AND RECORDING INFORMATION ABOUT OPERATIONS WITH MJT TOKENS IN CIRCULATION THE OPERATOR DOES NOT

AND CANNOT CONTROL THE ACTUAL PURPOSES OF MJT TOKENS' USE BY THEIR OWNERS, AS WELL AS ACTIONS OF MJT OWNERS WITH RESPECT TO CONSUMPTION BY MJT OWNERS OF THE PRODUCT OBTAINED USING THE MJT TOKEN AND/OR COMMISSION BY THE MJT OWNERS OF ANY ACTIONS WITH THE PRODUCT AND/OR MJT TOKENS THAT ARE ILLEGAL UNDER THE LAWS OF THE JURISDICTION IN WHICH SUCH ACTIONS WERE COMMITTED. FOR THIS REASON THE OPERATOR AND ITS AFFILIATES EXPRESSLY DISCLAIM, WAIVE AND EXCLUDE ANY AND ALL LIABILITY AND RESPONSIBILITY FOR COMMISSION BY MJT OWNERS OF ANY ILLEGAL ACTIONS BOTH WITH THE MJT TOKENS AND THE PRODUCT OBTAINED USING THE MJT TOKEN, INCLUDING BUT NOT LIMITED TO IN CASES WHERE SUCH ACTIONS WERE COMMITTED OR ARE COMMITTED BY MJT OWNERS AFTER CONSUMPTION OF THE PRODUCT.

5. EXCLUSION OF WARRANTIES. LIMITATION OF LIABILITY

NOTHING CONTAINED IN THIS DOCUMENT OR ITS CONTENTS OR INFORMATION CONTAINED IN THIS DOCUMENT, OR ANY OTHER DOCUMENTS REFERENCED HEREIN OR OTHERWISE RELATING TO THE PROJECT CONSTITUTES A PUBLIC OFFER OF ANY TYPE OR KIND, AND DOES NOT CONTAIN OR CONSTITUTE ANY KIND OF PLEDGE, COVENANT, ASSURANCE OR ASSERTION THAT MJT OWNERS OR ANY OTHER PARTY WHATSOEVER WILL RECEIVE ANY MONETARY OR ANY OTHER PROFIT WHATSOEVER AS A RESULT OF THE PROJECT'S IMPLEMENTATION.

NOTHING CONTAINED IN THIS DOCUMENT OR ITS CONTENTS OR INFORMATION CONTAINED IN THIS DOCUMENT, OR ANY OTHER DOCUMENTS REFERENCED HEREIN OR OTHERWISE RELATING TO THE PROJECT CONTAINS OR CONSTITUTES ANY KIND OF PLEDGE, COVENANT, ASSURANCE OR ASSERTION THAT THE PROJECT WILL BE IMPLEMENTED IN ACCORDANCE WITH THE INDIMJTRS (INCLUDING BUT NOT LIMITED TO FINANCIAL INDIMJTRS) REFERENCES TO WHICH ARE OR MAY BE CONTAINED IN THIS OR ANY OTHER DOCUMENT RELATING TO THE PROJECT. ALL SUCH INDIMJTRS ARE STRICTLY ESTIMATED AND MAY CHANGE DUE TO PARTICULAR CIRCUMSTANCES THAT ARISE OR MAY ARISE IN THE PROCESS OF PROJECT IMPLEMENTATION.

THE PROJECT IS A HIGH-RISK VENTURE AND ITS SUCCESSFUL IMPLEMENTATION DEPENDS ON MANY FACTORS WHICH ARE OUT OF CONTROL OF THE PARTIES IMPLEMENTING IT. ACCORDINGLY, NOTHING CONTAINED IN THIS DOCUMENT OR ITS CONTENTS OR INFORMATION CONTAINED IN THIS DOCUMENT, OR ANY OTHER DOCUMENTS REFERENCED HEREIN OR OTHERWISE RELATING TO THE PROJECT CONTAINS OR CONSTITUTES ANY KIND OF PLEDGE, COVENANT, ASSURANCE OR ASSERTION THAT THE PROJECT WILL BE SUCCESSFULLY IMPLEMENTED.

THE "SUCCESS" OF ANY CIRCUMSTANCE OR EVENT, INTER ALIA, ANY CIRCUMSTANCE OR EVENT RELATING TO PROJECT IMPLEMENTATION AS MAY BE INDICATED HEREIN OR ANY OTHER DOCUMENTS REFERENCED HEREIN OR OTHERWISE RELATING TO THE PROJECT SHALL BE DETERMINED SOLELY AND EXCLUSIVELY BY THE OPERATOR AT THE OPERATOR'S SOLE DISCRETION BASED ON DATA AVAILABLE TO THE OPERATOR.

IN THE INSTANCE OF A RETURN TO A PARTY OF FUNDS RECEIVED FROM THAT PARTY WITH RESPECT TO THE PROJECT (INCLUDING, IN PARTICULAR, ANY CRYPTOCURRENCY) ALL EXPENSES FOR PERFORMING THAT RETURN AND OTHERWISE RELATING TO IT (INCLUDING BUT NOT LIMITED TO COMMISSIONS AND OTHER PAYMENTS AND CHARGES ETC.) LIE WITH THAT PARTY. THE MEANS OF RETURNING THE FUNDS SHALL BE DETERMINED BY THE OPERATOR (OR THE PROJECT'S FOUNDERS, IF APPLICABLE) AT ITS (THEIR) SOLE DISCRETION.

MJT TOKEN OWNERS DO NOT HAVE OR OBTAIN ANY RIGHTS WHATSOEVER WITH THE EXPRESS EXCEPTION OF THOSE RIGHTS THAT ARE EXPRESSLY ESTABLISHED OR GRANTED HEREUNDER OR MAY BE ESTABLISHED BY THE OPERATOR AT A LATER TIME. FOR THE AVOIDANCE OF ANY DOUBT THE MJT TOKEN IS NOT, AND ITS LEGAL NATURE MAY NOT AND SHOULD NOT BE CONSTRUED UNDER ANY CIRCUMSTANCES AS, A SECURITY, AND DOES NOT GRANT OR TRANSFER TO ITS OWNER ANY RIGHTS THAT ARE USUALLY GRANTED TO SECURITIES OWNERS, SUCH AS RIGHTS TO PARTICIPATE IN DECISION-MAKING PROCESS, RECEIVE ANY PROFITS OR DIVIDENDS OF ANY KIND ETC.

6. GLOBAL RISKS RELATING TO OPERATOR'S ACTIVITIES

THE OPERATOR'S BUSINESS ACTIVITIES MAY BE INFLUENCED BY GLOBAL AND LOCAL ECONOMIES AND MARKETS. CHANGES IN ECONOMIC CONDITIONS MAY POTENTIALLY NEGATIVELY INFLUENCE THE ECONOMIC MODEL OF PROJECT IMPLEMENTATION OR DEVELOPMENT SELECTED BY THE OPERATOR. THESE CHANGES MAY NEGATIVELY INFLUENCE OR AFFECT THE OPERATOR'S BUSINESS OR OPERATIONS, ITS BUSINESS ACTIVITIES, COMMERCIAL OPERATIONS AND FINANCIAL STANDING. IN CASE OF NEGATIVE CHANGES OR SHIFTS IN ECONOMY THE OPERATOR MAY EXPERIENCE DIFFICULTIES WITH LAUNCHING PARTICULAR STAGES OF PROJECT IMPLEMENTATION. SUPPLIERS SERVICING THE OPERATOR AND PROVIDE SERVERS, TRAFFIC, PREMISES AND OTHER SERVICES MAY ALSO BE NEGATIVELY INFLUENCED BY THE ECONOMIC SITUATION, WHICH IN RETURN MAY NEGATIVELY AFFECT THE OPERATOR AND ITS COMMERCIAL OPERATIONS. THE OPERATOR MAY NOT AND DOES NOT GUARANTEE IN ANY WAY THAT THE CURRENT ECONOMIC SITUATION OR ITS DETERIORATION WOULD NOT NEGATIVELY AFFECT THE OPERATOR, ITS OPERATIONS, FINANCIAL STANDING OR PLATFORM OPERATION. EACH MJT OWNER EXPRESSLY AGREES THAT DETERIORATION OF THE ECONOMIC CONDITIONS BOTH LOCALLY AND GLOBALLY MAY NEGATIVELY AFFECT THE USE (INCLUDING THE ABILITY TO USE), LIQUIDITY (SALEABILITY) AND THE PRICE (INCLUDING MARKET VALUE) OF THE MJT TOKEN.

7. OPERATOR'S BUSINESS RISKS

THE PLATFORM IS DEVELOPED, ADMINISTERED AND SUPPORTED BY THE OPERATOR OR ITS DESIGNATED/AUTHORIZED THIRD PARTIES. ANY EVENTS OR CIRCUMSTANCES THAT MAY SIGNIFICANTLY AFFECT THE OPERATOR OR ANY OF ITS OPERATIONAL STRUCTURES OR SUCH THIRD PARTIES MAY NEGATIVELY AFFECT THE PLATFORM AND ANY OPERATOR'S AREA OF BUSINESS ACTIVITY WITHIN THE SCOPE OF THE PROJECT, INCLUDING BUT NOT LIMITED TO PREPARATION AND LAUNCH OF OPERATOR'S AREAS OF BUSINESS ACTIVITY

WITHIN THE SCOPE OF THE PROJECT. SUCH NEGATIVE INFLUENCES MAY AFFECT THE USE (INCLUDING THE ABILITY TO USE), LIQUIDITY (SALEABILITY) AND THE PRICE (INCLUDING MARKET VALUE) OF THE MJT TOKEN.

THE OPERATOR MAY ALSO SUFFER SIGNIFICANT DAMAGES DUE TO REASONS EFFECTIVELY NOT UNDER OPERATOR'S CONTROL, WHICH IN RETURN MAY RESULT IN THE OPERATOR'S INABILITY TO SERVICE THE PLATFORM AND/OR LAUNCH AND/OR DEVELOP BUSINESS AREAS WITHIN THE SCOPE OF THE PROJECT.

DURING BUSINESS DEVELOPMENT THE OPERATOR MUST ALSO EXPAND AND ADAPT ITS OPERATIONAL INFRASTRUCTURE. THE OPERATOR'S BUSINESS ALSO DEPENDS ON BLOCKCHAIN-BASED SOFTWARE, CRYPTOCURRENCY WALLETS AND OTHER UNDERLYING TOKEN MECHANISMS, SMART-CONTRACT TECHNOLOGY AND EFFECTIVE MANAGEMENT OF ESTATE, LOGISTICS, AND BUSINESS PROCESSES. THESE SYSTEMS, TOOLS AND SKILLS REPRESENT A COMPLEX, VALUABLE AND CONSTANTLY CHANGING TECHNICAL INFRASTRUCTURE. IN ORDER TO DEMONSTRATE THE PROLONGED ABILITY TO EFFECTIVELY MANAGE AND TECHNICALLY SUPPORT THE PLATFORM THE OPERATOR MUST CONSTANTLY IMPROVE AND UPDATE OWN DATA SYSTEMS AND OPERATING SYSTEMS, AND CONTROL PROCEDURES AND SCHEMES. SUCH UPDATES AND IMPROVEMENTS REQUIRE SUBSTANTIAL RESOURCES AND ARE LIKELY TO BE COMPLEX, AND SIGNIFICANTLY DEPEND ON THIRD-PARTY COMPUTER SYSTEMS WHICH ARE OUT OF OPERATOR'S CONTROL. IF THE OPERATOR FAILS TO ADAPT ITS SYSTEMS AND ORGANIZATION IN A SHORT SPAN OF TIME, EFFECTIVELY AND EFFICIENTLY, THE OPERATOR'S BUSINESS AND FINANCIAL STANDING, AS WELL AS RESULTS OF OPERATIONS, MAY BE SIGNIFICANTLY AFFECTED. IF THE THIRD PARTIES SERVICING THE OPERATOR OR THE PLATFORM WILL SUFFER HACKER ATTACKS OR THEIR INFRASTRUCTURE IS DAMAGED OR DESTROYED, THEN IT MAY NEGATIVELY AFFECT THE SERVICES USED BY THE OPERATOR, THE INTEGRITY AND AVAILABILITY OF INTERNAL INFORMATION MAY BE COMPROMISED WHICH IN RETURN MAY RESULT IN LOSS OF CONFIDENTIAL OR VITAL INFORMATION, AS WELL AS ECONOMIC LOSS. LOSS OF FINANCE, EMPLOYEES OR OTHER RESOURCES, OR OTHER NEGATIVE INFLUENCES ON THE OPERATOR'S BUSINESS, ITS FINANCIAL STANDING OR OPERATIONS MAY DIRECTLY NEGATIVELY INFLUENCE THE OPERATOR, ITS ABILITY TO SERVICE THE PLATFORM AND/OR DEVELOP OR LICENSE THE PROJECTED BUSINESS AREAS. ANY NEGATIVE EVENTS THAT AFFECT THE OPERATOR'S BUSINESS OR OPERATOR'S TECHNOLOGIES ARE LIKELY TO ALSO NEGATIVELY AFFECT THE USE (INCLUDING THE ABILITY TO USE), LIQUIDITY (SALEABILITY) AND THE PRICE (INCLUDING MARKET VALUE) OF THE MJT TOKEN.

8. RISKS RELATING TO BLOCKCHAIN TECHNOLOGY, TOKENS AND CRYPTOCURRENCIES. WAIVER OF LIABILITY

CRYPTOCURRENCIES, TOKENS, THE DISTRIBUTED LEDGER TECHNOLOGY AND THE BLOCKCHAIN TECHNOLOGY BASED ON IT ARE NEW AND DYNAMICALLY EVOLVING TECHNOLOGIES. APART FROM THE RISKS INDICATED IN THIS DOCUMENT AND RISKS ARISING OUT OF THE USE OF THESE TECHNOLOGIES

THERE MAY EXIST OR APPEAR FROM TIME TO TIME WITHOUT FAULT AND KNOWLEDGE OF THE OPERATOR CERTAIN OTHER RISKS, RELATING, INTER ALIA, TO PURCHASING, STORING, AND USING THE MJT TOKENS, INCLUDING THE RISKS THAT THE OPERATOR MAY NOT FORESEE OR PREVENT AT THE MOMENT OF PROJECT IMPLEMENTATION, RISKS NOT LISTED IN THIS SECTION AND THOSE RISKS THAT MAY ARISE AFTER THE LAUNCH OR ACTUAL PROJECT IMPLEMENTATION. SUCH RISKS MAY APPEAR AS UNFORESEEN CIRCUMSTANCES OR COMBINATIONS OF RISKS DISCUSSED ABOVE. BY PURCHASING MJT TOKENS EACH MJT OWNER CONFIRMS AND AGREES THAT HE/SHE/IT KNOWS ABOUT THE POSSIBILITY OF RISE OF SUCH RISKS AND CONFIRMS THAT IF SUCH RISKS ARISE THE OPERATOR MAY NOT AND WILL NOT BE LIABLE IN ANY WAY OR MANNER WHATSOEVER FOR RISE OF SUCH RISKS.

AT THE MOMENT OF THIS DOCUMENT'S PUBLICATION OPERATIONS WITH DIGITAL ASSETS – SUCH AS THE MJT TOKEN – ARE NOT SUBJECT TO LEGAL REGULATION. NOTWITHSTANDING THIS, REGULATORY AUTHORITIES IN CERTAIN JURISDICTIONS (INCLUDING THE U.S.) PLAN TO INTRODUCE LEGAL REGULATION OF OPERATIONS WITH DIGITAL ASSETS. THERE IS NO POSSIBILITY TO PREDICT THE ACTIONS OF STATE AUTHORITIES REGARDING POTENTIAL INTRODUCTION OF LEGAL REGULATION WITH RESPECT TO THE DISTRIBUTED LEDGER AND BLOCKCHAIN TECHNOLOGIES, CRYPTOCURRENCIES AND PROGRAMS AND ONLINE PLATFORMS UTILIZING THEM, INCLUDING THE PLATFORM AND THE MJT TOKEN. EACH MJT OWNER AGREES THAT THE REGULATORY AUTHORITIES IN CERTAIN JURISDICTIONS MAY INTRODUCE LEGAL REGULATION OF DIGITAL ASSETS AND RELATED TECHNOLOGIES SUCH AS THE BLOCKCHAIN TECHNOLOGY, WHICH MAY NEGATIVELY AFFECT THE USE (INCLUDING THE ABILITY TO USE), LIQUIDITY (SALEABILITY) AND THE PRICE (INCLUDING MARKET VALUE) OF THE MJT TOKEN.

THE OPERATOR, THE PROJECT FOUNDERS AND OTHER RELATED OR AFFILIATED PARTIES MAY NOT AND ARE NOT LIABLE FOR COMMISSION BY ANY THIRD PARTY (FOR EXAMPLE, FINANCIAL INTERMEDIARIES) OF ACTIONS OF ANY CRYPTOCURRENCY EXCHANGE OR ANY OTHER FINANCIAL INTERMEDIARY RECEIVED AS A RESULT OF PROJECT IMPLEMENTATION OR ANY OTHER ACTIONS WITH IT INTO FIAT CURRENCIES.

9. RISKS RELATING TO LEGAL REGULATION OF PARTICULAR BUSINESS ACTIVITIES

THE OPERATOR AND THE MJT TOKEN MAY BE INFLUENCED OR AFFECTED BY NEW REGULATIONS AND LAWS WITH RESPECT TO CRYPTOCURRENCIES AND CRYPTOCURRENCY MARKETS, AND/OR LEGAL CANNABIS MARKETS, INCLUDING THE NECESSITY TO BRING ITS BUSINESS, THE PROJECT AND/OR THE PLATFORM IN COMPLIANCE WITH SUCH REGULATIONS AND/OR LAWS, WHICH MAY ENTAIL SUBSTANTIAL OPERATOR'S EXPENSES FOR PERFORMING SUCH ACTIONS, AS WELL AS REQUIRE MAJOR MODIFICATIONS OF OR TO THE PLATFORM AND/OR MAJOR CHANGES TO THE OPERATOR'S BUSINESS MODEL. THESE FACTORS MAY INFLUENCE THE PLATFORM'S OPERABILITY, THE PROJECT IN WHOLE AND/OR CERTAIN VECTORS OF PROJECT DEVELOPMENT OR IMPLEMENTATION, WHICH IN RETURN MAY RESULT IN LOSS OF POPULARITY BY THE PLATFORM AND/OR MJT

TOKEN. FURTHERMORE, IF THE COST OF BRINGING OPERATOR'S BUSINESS IN COMPLIANCE WITH NEW LEGAL REGULATIONS PROVES TO BE TOO HIGH, PLATFORM SERVICING OR DEVELOPMENT AND PROJECT IMPLEMENTATION MAY BECOME INFEASIBLE, AND THE OPERATOR MAY MAKE THE DECISION TO SUSPEND THE PLATFORM OPERATION, SUSPEND IMPLEMENTATION OF ONE, SEVERAL OR ALL VECTORS OF PROJECT DEVELOPMENT AND IMPLEMENTATION, AND/OR SUSPEND CIRCULATION OF THE MJT TOKEN.

FURTHERMORE, THE OPERATOR RESERVES THE RIGHT TO SUSPEND IMPLEMENTATION OR COMPLETELY CANCEL IMPLEMENTATION OF THE PROJECT IN FULL OR IN PART IN JURISDICTIONS THAT MAY IN TIME ADOPT LEGISLATION NEGATIVELY AFFECTING THE PROJECT'S LEGALITY IN WHOLE OR IN PART AND/OR MAKE OBTAINING LICENSES, PERMITS AND PERMISSIONS REQUIRED FOR THE PROJECT'S LEGALITY COMMERCIALY NON-VIABLE AND INFEASIBLE, WHICH MAY ALSO NEGATIVELY IMPACT THE USE (INCLUDING BUT NOT LIMITED TO THE ABILITY TO USE), LIQUIDITY (SALEABILITY) AND THE PRICE (INCLUDING MARKET VALUE) OF THE MJT TOKEN.

10. USE OF THE PLATFORM

USE OF THE PLATFORM SHALL BE PERFORMED EXCLUSIVELY ON THE TERMS OF ACCESS AND USE OF THE PLATFORM (TERMS OF USE) ESTABLISHED BY THE OPERATOR OR A THIRD PARTY AUTHORIZED BY THE OPERATOR.

PLATFORM, THE PLATFORM FUNCTIONALITY AND ITS INFORMATIONAL CONTENTS (THE CONTENT) AS WELL AS THE PROJECT ITSELF ARE INTENDED TO COMPLY WITH THE APPLICABLE LAWS AND REGULATIONS OF JURISDICTIONS AS THEY ARE DEFINED HEREIN. OTHER COUNTRIES MAY HAVE LAWS, REGULATORY REQUIREMENTS AND BUSINESS PRACTICES THAT DIFFER FROM THOSE ESTABLISHED IN THE JURISDICTIONS. THE PLATFORM MAY LINK TO OTHER WEBSITES PRODUCED AND/OR OPERATED BY THE OPERATOR'S OPERATING DIVISIONS AND SUBSIDIARIES, SOME OF WHICH ARE LOCATED OR HOSTED OR INTENDED TO BE ACCESSED AND USED OUTSIDE OF JURISDICTIONS. SUCH WEBSITES MAY HAVE INFORMATION THAT IS APPROPRIATE ONLY TO THAT PARTICULAR JURISDICTION. THE OPERATOR RESERVES THE RIGHT TO LIMIT ACCESS TO AND THE ABILITY TO USE THE PLATFORM TO ANY INDIVIDUAL OR ENTITY, GEOGRAPHIC REGION OR JURISDICTION, ESPECIALLY ANY JURISDICTION IN WHICH ANY ACTIONS WITH RESPECT TO CANNABIS, ITS DERIVATIVES OR PRECURSORS ARE PROHIBITED. ANY OFFER FOR ANY PRODUCT OR SERVICE MADE VIA THE PLATFORM IS VOID WHERE PROHIBITED.

11. CHANGE OF OWNERSHIP

THE OPERATOR AND/OR PROJECT FOUNDERS HAVE THE RIGHT AT ANY MOMENT IN THEIR SOLE DISCRETION SELL OR OTHERWISE TRANSFER ANY PART OF THE PROJECT OR THE PROJECT AND ITS RESULTS (INCLUDING BUT NOT LIMITED TO THE PLATFORM) IN WHOLE TO ANY THIRD PARTY. IN THAT CASE IT WILL BE DEEMED THAT EACH MJT OWNER HAS CONSENTED TO THE DISCLOSURE TO, AND USE BY, A SUBSEQUENT OWNER OR OPERATOR OF THE PROJECT AND/OR PLATFORM, OF ANY AND ALL INFORMATION ABOUT THAT PARTICULAR MJT OWNER, INCLUDING HIS/HER REGISTRATION DETAILS, HISTORY OF THAT CATO

OWNER'S USE OF THE PLATFORM AND PERSONAL DATA (IF APPLICABLE), CONTAINED IN THE APPLICABLE DATABASE USED BY THE PLATFORM, TO THE EXTENT THE OPERATOR ASSIGNS ITS RIGHTS AND OBLIGATIONS REGARDING SUCH INFORMATION IN CONNECTION WITH A MERGER, ACQUISITION, OR SALE OF ALL OR SOME OF THE OPERATOR'S ASSETS, OR IN CONNECTION WITH A MERGER, ACQUISITION OR SALE OF ALL OR SOME ASSETS RELATED TO THE PROJECT AND/OR PLATFORM, TO A SUBSEQUENT OWNER OR OPERATOR. THIS PROVISION SHALL REMAIN IN FULL FORCE AND EFFECT NOTWITHSTANDING ANY TERMINATION OF ANY CATO OWNER'S USE OF THE PLATFORM FOR ANY REASON WHATSOEVER.

12. CHANGES TO THIS DOCUMENT

TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, THE OPERATOR AND/OR PROJECT FOUNDERS RESERVE THE RIGHT TO MODIFY, UPDATE, SUPPLEMENT, REVISE OR OTHERWISE CHANGE THIS DOCUMENT IN ORDER TO COMPLY WITH APPLICABLE NEW LEGISLATION AND/OR REGULATIONS AND TO IMPOSE NEW OR ADDITIONAL RULES, POLICIES, TERMS OR CONDITIONS IN RELATION TO THE PROJECT AND/OR PLATFORM.

13. LANGUAGE VERSIONS

ATTENTION: ONLY THE ENGLISH VERSION OF THIS DOCUMENT IS THE OFFICIAL PROJECT DOCUMENT THAT HAS LEGAL PRIORITY OVER ANY AND ALL OTHER LANGUAGE VERSIONS HEREOF.

CONTACTS

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