

Mycelium Token Sale Agreement

This Agreement is made on _____ (DD.MM.YYYY), by and between Mycelium Holding Ltd., a Cyprus limited liability company, having its registered office at Emmanouil Roidi, Kirzis Center, 2nd floor, Office D25, Agia Zoni, 3031, Limassol, Cyprus, (“Mycelium”), and _____ (the “Participant”).

Whereas, in order to finance further development of the Mycelium Wallet Project managed by Mycelium SIA (“SIA”), a Latvian limited liability company, having its registered office at Rigas gatve 8, Adazi, Adazu novads, LV-2164, Riga, Latvia, Mycelium Holding Ltd. conducts the sale of Mycelium Tokens (“Tokens”), which grant its holder a right to participate in the increase of the Mycelium Wallet Value and become a stakeholder of Mycelium Wallet.

Whereas, on the Sale Event site term “Mycelium” refers to the Mycelium Wallet Project alone. All money raised through Sale Event will be exclusively used for development and marketing purposes of Mycelium Wallet Project and related products and activities.

Whereas, the Sale Event starts on May 1st, 2016, 23.59 PST and ends on May 18th 2016, 23.59 PST.

Whereas, the Participant is a valuable Participant of Mycelium, identifiable by his/her email address and able to prove his ownership of Mycelium Tokens by sending Mycelium Tokens over the blockchain, and Mycelium considers it desirable and in its best interest that the Participant be given an added incentive to advance the interests of Mycelium.

Definitions.

Sale Event – a public sale of Tokens conducted by Mycelium Holding Ltd., starting on May 1st, 2016, 23.59 PST , ending May 18th 2016, 23.59 PST. The Sale Event is governed by the terms and conditions described on the website wallet.mycelium.com and in this Agreement.

Participant – anyone, who purchased Mycelium Tokens, provided Mycelium a name or nickname, an email address and Colored Coin Wallet public key (colored coin address) or bitcoin address to receive the Tokens. Participant must be the only person who has access to provided email address and have total control over the private key of provided addresses; if Participant passes his/her Mycelium Tokens account’s private key(s), he /she does that at his/her own risk. In case the private key is lost, or wallet is not backed up by Participant, Mycelium has no control over the Mycelium Tokens and will not be liable for the loss.

Tokens – Mycelium Wallet Tokens are a software product created, stored, and distributed to the Participant by means of the bitcoin blockchain as colored coins, granting the SARs related to

Mycelium SIA. Token is not a security, is not listed, authorized, issued or traded on any regulated market. All rights derived from Tokens are subject to the terms of this Agreement. The Nominal Value of one Token equals one BTC during the Sale Event. Token is divisible just as bitcoin is.

SARs – Stock Appreciation Rights to SIA stock, granted to Token owners. SARs is exercised to profit from Stock Value increases due to Triggering Events.

Stock Value – the value of SIA's stock.

Triggering Event – an event described in paragraph 5 of this Agreement. Such event increases the Stock Value and triggers SARs payment.

Now, therefore, in consideration of the mutual promises herein contained, the parties agree as follows:

1. Grant of Stock appreciation rights (SARs). Mycelium offers SARs to SIA stock through Sale Event by way of sale of Tokens. A total number of Tokens sold will be equal to SARs for 5% of total stock of SIA. After the closing of Sale Event for the SARs conducted by Mycelium, Participant will be assigned SARs based on the number of Tokens purchased.

2. Term of SARs. After the Sale Event's closing Participant will have perpetual SARs with no expiration date. SARs would not be diluted by any subsequent grants of SARs or options and Tokens will represent the same number of SARs as determined after Sale Event's closing.

3. Token repurchase. In the event of SIA's IPO Mycelium shall have a right to repurchase Participant's Tokens and corresponding SARs at Tokens' Nominal Value equal to the Tokens' purchase price during Sale Event in the USD based on BTC to USD Bitcoin Average exchange rate at the time of the Sale Event closing. When SIA decides to start paying dividends, Participant will have a right to sell Tokens to Mycelium for the Nominal Value or convert the Tokens into class B non-voting preference shares of Mycelium SIA.

4. SARs Triggering Events. Participants SARs shall be triggered in the event of:

- a) sale of shares of SIA by Mycelium Holding Ltd. ;
- b) IPO and issuance of new SIA's shares;
- c) SIA's capital increase;
- d) sale, merger, or acquisition of the entire SIA company.

5. Exercise. After any Triggering Event, described in paragraph 4 of this Agreement, occurs, SARs shall be exercised automatically and Participant will receive an amount corresponding to the SARs, assigned based on Participant's Tokens, directly to Participant's bitcoin account. Any payment due to Participant shall be in bitcoins. No FIAT currency payments shall be made under this Agreement. It is Participant's duty to keep the information related to Tokens ownership as well as preferred bitcoin account, and email address, that Mycelium has on file, valid and updated. Participant must report any changes in Tokens ownership or bitcoin account to Mycelium immediately.

6. Stock Value. The term "value" is defined as the value of SIA's stock. Initial value is calculated as: $\text{Stock Value} = \text{total price of Tokens, purchased during initial Sale Event} \times 20$. The initial value is determined in bitcoins, however, for the purpose of determination of the value increase, it will be converted to and carried in United States Dollars. The exchange rate used to determine the value in FIAT currency shall be the BitcoinAverage exchange rate as of May 18th, 23.59 PST, 2016.

At a Triggering Event the value of SIA stock will be determined through adding the amount that is obtained in such particular Event to the previously determined value.

7. SARs payment. When SARs are exercised, the amount of payment to Participant is determined based on SIA's stock appreciation and Participant's SARs, assigned to Participant's Tokens. SIA's stock appreciation is a difference between the previously determined value and the value obtained due to the latest Triggering Event.

8. Project updates. Participants are informed through the Project website's announcements and by emails about the development of the Project, upcoming Triggering Events, and other important events.

9. Resale and Assignability. Tokens purchased pursuant to this Agreement may be sold and transferred by Participants freely subject to terms of this Agreement and applicable laws. Any party purchasing Tokens becomes a party of this Agreement and has to comply with its terms. Any assignment of SARs without the transfer of Tokens is void; any sale of Tokens means the sale of SARs.

10. Benefit. This Agreement and the covenants and conditions herein contained shall inure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns.

11. Relationship of the parties. The nature of relationship between Mycelium and Participant is that of independent contractors. No joint venture, franchise, partnership, employment agreement, or agency is created hereunder or as a result of any course of dealing between the Parties. Neither Party has the authority to bind the other, to incur any liability or otherwise act on

behalf of the other. Participant shall be solely responsible for payment of the taxes applying to the purchase, holding of Tokens and payments received under this Agreement. Participant shall verify through appropriate means and counsel in Participant's jurisdiction if the purchase, holding and receiving the benefits of the Token is legally permitted as well as to check the regulations regarding the use of bitcoins in Participant's jurisdiction.

12. Limitation of liability. The Rights acquired under this agreement are highly illiquid rights with no refund possibility other than explicitly mentioned herein. Mycelium, its affiliates or licensors do not guaranty in any way that the value of Tokens and/or SIA's stock will increase, nor that Tokens can be sold to any third party at any time. Tokens are subject to the fluctuation of the BTC currency against the USD for which Mycelium accepts no responsibility.

Mycelium and its affiliates or licensors will not be liable to Participant for any direct, indirect, incidental, special, consequential or exemplary damages (including damages for loss of profits, goodwill, use, or data), even if a party has been advised of the possibility of such damages. In any event, Mycelium and Mycelium's affiliates' and licensors' aggregate liability under this Agreement will be limited to the amount Participant actually paid to Mycelium under this Agreement.

13. Applicable Law. This Stock Appreciation Rights Agreement shall be governed by and construed in accordance with the Cyprus laws.

14. Dispute Resolution. The parties will attempt to resolve any dispute arising out of or relating to this Agreement through friendly negotiations amongst the parties. If the matter is not resolved by negotiation, the parties will resolve the dispute using arbitration. Arbitration of any disputes arising from this Agreement is mandatory and in lieu of any and all civil causes of action and lawsuits either party may have against the other. The arbitrator's award will be final, and judgment may be entered upon it by any court having proper jurisdiction. The prevailing party in any arbitration shall be entitled to reimbursement of reasonable attorney's fees and expenses (including, without limitation, arbitration expenses) relating to such arbitration.

15. Severability. In the event any provision of this Agreement is found to be invalid, illegal, or unenforceable the remaining provisions of this Agreement shall nevertheless be binding upon the parties with the same effect as though the void or unenforceable part had been severed and deleted.

16. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to this Agreement, and all prior agreements relating to the Sale Event hereunder, express or implied, written or oral, are nullified and superseded hereby.

17. Headings. The paragraph headings of this Agreement are included for the convenience of the parties only and shall not affect the construction or interpretation of this Agreement.

18. Amendments. This Agreement may not be modified, amended, assigned, supplemented, or rescinded, or any provision hereof waived, except by an instrument in writing executed by the parties.

19. Counterparts. This Agreement, and any amendment or supplement hereto, may be executed in several counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have signed this Stock Appreciation Rights Agreement as of the day first above written.

Mycelium Holding Ltd:

By Alexander Kuzmin, Director

Participant:

PARTICIPANT's NAME and EMAIL:
