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LEGAL OPINION **Lawyer Spitsyn & Partners**

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Lawyer's certificate № 2445 issued by the Department of the Ministry of Justice of the Samara region 26.03.2013

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Date: 17/04/2019

Legal opinion on the sale of BHT (Bountyhub Token) tokens

This document is the conclusion of the lawyer of Chamber of lawyers of the Samara region of the Russian Federation Spitsyn Leonid register № 2445 in the register of the Ministry of Justice of the Russian Federation, having a legal experience as the lawyer from 11 years, and length of service as the lawyer on civil, criminal, arbitration, international cases since 2013.

Content

Introduction

This legal conclusion (further — "Legal opinion") is devoted to an examination of a token of BHT (Bountyhub Token) and its compliance with the requirements of the Listing Rules for the Trading Venue operated by Exchanges. In particular, the Legal opinion examines whether FINMA's guidelines for inquiries regarding the regulatory framework for initial coin offerings (the "Guidelines") published by FINMA on February 16, 2018, has an impact on the legal qualification of the analysis of the legislation of the relevant foreign jurisdictions on application of a token of BHT (Bountyhub Token).

This conclusion reached by Mr. Schneider Sebastian Hermann (CEO) who acts under the Charter on behalf of dotcom Ventures GmbH which is an issue of a token of BHT (Bountyhub Token), dotcom Ventures GmbH — Limited Liability Company in Sarnen, CHE-238.943.879, Gesellschaft mit beschränkter Haftung (SHAB Nr. 197 vom 11.10.2016, Publ. 3101065). Domizil neu: with / o IMAGO Treuhand AG, Bitzighoferstrasse 9, 6060 Sarnen., in the SOGC published publications regarding the registry of commerce since 03. February 2016.

SHAB: Pub. Nr. 1004570687 from 20.02.2019 (change of address) Daily register: Nr. 272 from 15.02.2019

The company is in the IT/computer industry is the provision of Consulting and Advisory services for companies of all kinds, the development of Web, Mobile and General Software as well as the distribution of Software, the purchasing, trading, and sale of goods in the IT/computer industry at home and abroad. It may establish branches, participate in other domestic and foreign undertakings and acquire or merge with similar or related projects, enter into

any business or enter into any contract which is capable of promoting or directly or indirectly associated with the purpose of the company.

The legal opinion prepared by information and documents submitted by mister Schneider, Sebastian Hermann (his verbal comments, the official site of the Platform, official documents of the company, open basic data, White paper, Automated Bounty & Marketing Campaigns with a real crowd, Bountyhub official blog, www.bountyhub.io). Considering that dotcom Ventures GmbH is the Swiss firm it is under the jurisdiction of Switzerland, I introduce subjective and independent opinion on a token of BHT (Bountyhub Token) and observance of requirements of listing rules for trade in a token at the exchange.

This legal conclusion has made thanks to a full analysis of the "legal issues" of the BHT token (Bountyhub Token), the company's business model, the function of the BHT token (Bountyhub Token), the terms of the emission of the BHT token. This legal conclusion is a professional, combined and informed opinion of experts in the field of rights and blockchain technologies.

1. Verification of the token of the conformity of securities and investment legislation.

1.1. Analysis of Swiss legislation regarding the issue of tokens and the scope of ICO blockchain technology.

Currently, there is no law in Switzerland regulating the sale of digital tokens and the ICO law of blockchain technology. At the same time, ICO activities were not prohibited.

FINMA (Swiss Financial Market Supervisory Authority) is an authority in Switzerland that protects investors, lenders, and policyholders, and ensures that financial markets in Switzerland function correctly. Thus, part of the functions of the regulator is to publish publicly available information on the activities of financial sector companies, to consider complaints from the public to license holders in the banking sector and financial services.

FINMA stands for “Swiss Financial Markets Supervision Service” — one of the most influential regulatory organizations in Europe. The department was founded in 2007 after the federal law “About the Swiss Financial Market Supervision Act” (FINMASA). This law combined the Federal Office of Private Insurance (FOPI), the Anti-Money Laundering Control Authority (MLCA) and the Swiss Federal Banking Commission, (SBFC) into one sizable independent oversight service — FINMA. The most influential authority of the troika listed is the Federal Banking Commission, which has kept the regulation of the entire banking system in Switzerland since the distant 1934.

FINMA recognizes the innovative potential of the ICO / blockchain technology and therefore supports the federal government blockchain working group and ICO, in which it continually participates for the sustainable and

successful implementation of this technology in Switzerland.

16.02.2018 FINMA published recommendations on ICO and blockchain technologies.

According to the recommendations of the Supervisory Authority of Switzerland FINMA, the legislation and regulation of the financial market don't apply to all ICOs. Depending on how ICOs are developed, they may not always comply with regulatory requirements. Circumstances must be considered in each case. As indicated, there are several areas in which ICOs are potentially influenced by financial market regulation. Currently, there are no special rules (legislation) of the ICO, and there is no relevant case law or legal doctrine.

In assessing ICOs, FINMA will focus on the economic function and purpose of the tokens (i.e. the blockchain-based units) issued by the ICO organizer. The key factors are the underlying purpose of the tokens and whether they are already tradeable or transferable. At present, there is no generally recognized terminology for the classification of tokens either in Switzerland or internationally. FINMA categorizes tokens into three types, but hybrid forms are possible:

- Payment tokens are synonymous with cryptocurrencies and have no further functions or links to other development projects. Tokens may in some cases only develop the necessary functionality and become accepted as a means of payment over a period of time.

- Utility tokens are tokens which are intended to provide digital access to an application or service.

- Asset tokens represent assets such as participation in real physical underlying, companies, or earnings streams, or an entitlement to dividends or interest payments. In terms of their economic function, the tokens are analogous to equities, bonds or derivatives.

Based on the criteria (function and availability), FINMA will process ICO requests as follows (see also the outline in the Guide, p. 8) Regarding the regulatory framework for initial coin offerings (ICOs)

Published: February 16, 2018 :

- Payment ICO: for ICO, where the token is intended to be used as a means of payment and can already be transferred, FINMA will require compliance with anti-money laundering rules. However, FINMA does not consider such tokens as securities.

- ICO utilities: these tokens also cannot be considered as securities only if their sole purpose is to grant digital access rights to the application or service and if the utility token can already be used in this way at the time of issue. If the token functions fully or partially as an investment in economic terms, FINMA views such tokens as securities (that is, just like asset tokens).

- ICO for assets: FINMA treats asset markers as securities, which means that there are securities legislation requirements for trading such tokens, as well as civil law requirements by the Swiss Civil Code (official full name Swiss Civil Code of December 10, 1907; Schweizerisches Zivilgesetzbuch, ZGB).

Appearance as a Security In Switzerland, there is no single body of law setting out the law of securities. The substantive law regulating securities is codified in the Swiss Code of Obligations (CO) Federal Act on the Amendment

of the Swiss Civil Code (Part Five: The Code of Obligations, SR 220). The following three sections of the CO are of particular relevance when dealing with securities:

- The provisions on companies limited by shares in Article 620 et seq. CO, dealing with equity securities;
- The provisions regarding negotiable securities (which may include both equity securities and debt securities) in Article 965 et seq. CO; and
- The provisions regarding debt securities issued as bonds in Article 1156 et seq. CO.

While the CO does not contain a legal definition of the term security, the issue of shares, bonds, participation certificates, convertible bonds, convertible option bonds, mortgages, or other securities is always linked to the raising of capital in one of the following two forms:

- The creation or increase of equity capital by issue of shares or participation certificates, either during the incorporation or during a capital increase of the issuer;

or

- The raising of borrowed capital by the issue of bonds of the issuer.

By distinguishing between equity securities (representing a claim on the issuer's assets and profits) and debt securities (entitling the investor to be repaid on a specific date at a specified rate of interest), the CO implies conclusively that any instrument such as a token or piece of paper that does not give the holder either a claim to the equity of the issuer or the debt of the issuer does not qualify as a security.

The information available to us does not suggest that BHT marketed the sale of BHT as an investment opportunity. The Purchasers had no reason to expect to buy the equity of BHT, to receive any dividends or periodic payments, or that the intrinsic value of the BHT would increase, as BHT has no obligation, but the right, to buy back BHT from the open market. Furthermore, we are not aware of any circumstances that would indicate a repayment obligation on the part of BHT.

According to Art. 2 Financial Market Infrastructure Ordinance, derivatives are deemed to comprise financial contracts whose price is explicitly derived from assets such as shares, bonds, commodities, and precious metals, or reference values such as currencies, interest rates, and indices as there are no indications that were structured as a financial contract whose price is derived from shares, bonds, commodities, and precious metals or reference values such as currencies, interest rates, and indices does not qualify as a derivative under Swiss securities law. (Ordinance on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Ordinance, FMIO), SR 958.11).

For example, according to US law, at the federal and state levels of the United States, every cryptocurrency business must have MSB status (companies providing financial services), organizations interacting with virtual currency will have to comply with the requirements of securities laws (is, tokens become securities), organizations using blockchain and carrying out ICO / ITO, as well as stock exchanges are obliged to register securities (offers and sales) of persons involved in trafficking registered securities should be subject to legal liability. More details about this will be written below in a special section of the legal opinion.

However, these requirements don't apply to dotcom Ventures GmbH and its BHT token since the issuing company is not under the jurisdiction of the USA and isn't going to issue and sell tokens in the United States.

Per Swiss "securities law," it can be concluded that BHT is not a security, even regardless of whether FINMA ever decides to treat it as a security.

In terms of legislation, the issue of BHT tokens by dotcom Ventures GmbH is not a public offer to purchase securities. The basis is that BHT tokens are not intended as an investment; they are not designed to provide buyers with any perceived profit at the expense of their purchase or to have any investment functions. Consequently, the edition of BHT tokens is not an issue of securities, and it is not a fraudulent scheme that can be prosecuted. The acquirer of BHT tokens has no rights to the ownership or profit of dotcom Ventures GmbH.

Further, in terms of legislation, the activity on the issue of BHT tokens is not a financial pyramid by the company, that is, there is no system for providing income to members of the structure due to the constant raising of funds from new members of the Bountyhub.io platform.

1.2. Analysis under United States Federal Securities Law.

Today, there is no special legal regulation of tokens anywhere in the world. However, world practice first appeals to the laws of the United States to determine the legal substance of the token. There are several main reasons. The U.S.A is a substantial market for selling blockchain tokens, and concurrently holds a complicated set of laws which govern this area. In the US, there are court decisions that are directly related to the token and ICO. All main exchanges follow the requirements of the US regulatory body.

This section sets forth legal opinion whether the sale of BHT tokens would likely constitute a securities offering for purposes of Section 2(a)(1) of the Securities Act of 1933 («Securities Act») and Section 3 (a) (10) of the Securities Exchange Act of 1934 («Exchange Act»).

In order to analyze the BHT tokens under federal securities laws, we begin with the definition of «security» contained in Section 2(a) (1) of the Securities Act: «any note, stock, treasury stock, security future, security-based swap, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, investment contract or in general, any interest or instrument is commonly known as a «security», or any certificate of interest or participation in, temporary or interim certificate for, receipt for, seven guarantees of, or warrant or right to subscribe to or purchase, any of the foregoing». IN this document, we will be focusing on analyzing the BHT token per the U.S.A Securities laws.

As a result of the analysis, it is possible to identify the main facts necessary for the preparation of conclusions:

1) The BHT token does not grant any voting rights in the Company.

2) The Company does not grant any pecuniary profits to the token holders, nor any rights to claim against the Company to redeem the token for pecuniary value.

3) The BHT token provides actual media service to token holders, and, therefore, its nature fits the definition as a utility token.

4) At the time of the token purchase, the buyer had no opportunity to determine the terms and cost of the token sale in the future. Thus, there are no promise expectations of «investment income “.

5) Tokens will not be sold to U.S. citizens

Under U.S. law, any investment assets are acquired only to invest, making a profit, preserving and with “investment” purposes. This is impossible to regulate the user's activities under the securities and investment legislation.

Any Investment instrument such as share, bond, investment contract grants equal rights to its potential owners. Any holders of a particular type of securities have equal rights. Thus, certain types of securities determine the rights and actions of the holder of these securities.

This is securities when the investor does not receive property in nature (company assets), but he is entitled to a share of the property or profits that are created through the “efforts of others.” The option of profit-making by the token-holders is excluded at the part of blockchain technology implementation.

BHT is a tool for use in the social networks on the market using the decentralized principle of encouraging users' activity; an ecosystem, which is transferred to the buyer and the buyer, uses BHT in accordance with the known conditions because BHT is a «stand-alone» utility for the holders.

If we classify such actions of the platform as the issue of securities, it

will create a precedent that destroys the legitimate and positive activity of online market publishers organized on a network principle. If modern blockchain technologies and smart contracts are often used to issue securities and sell the assets of the organization, this does not mean a ban on the use of such techniques in other areas, such as BHT.

Therefore, customers buy BHT to operate on online BHT Platform, but it is not an "investment in company assets." Thus, to be a security, the investment of money must be "in a common enterprise." Different courts use different tests to analyze whether a common enterprise exists. The two dominant approaches are horizontal and vertical.

Under the horizontal approach, a common enterprise is deemed to exist where multiple buyer's pool funds into an investment and the profits of each investor correlate with those of the other buyers such that the fortunes of all investors rise and fall together. Whether funds are pooled appears to be the key inquiry, thus, in cases where there is no sharing of profits or pooling of funds, a common enterprise may not be deemed to exist.

Vertical commonality test requires that the investors' fortunes be "interwoven with and dependent upon the efforts and success of those seeking the investment ... of third parties" (SEC v. SG Ltd., 265 F.3d 42, sec. 31-35 (1st Cir. 2001)).

Vertical commonality exists where the financial success of the seller's enterprise itself rises and falls with the value of the tokens. This is the case where the seller is attempting to make a profit from an ongoing business that uses the token. However, where a seller is not seeking to make a profit but

instead plans to spend the money raised from the token sale on development (and then liquidate the entity), courts will be less likely to find vertical commonality. Under such a model, the seller intentionally becomes insolvent over a period, but the value of the utility token simultaneously increases.

Thus, the horizontal commonality test's requirements are not met. By

applying the narrow vertical commonality test, we can clearly see that the investors' funds are not connected or dependent upon the success of the token issuer. The right of the token holders to receive services from the company is definitely not subject, dependent or in any way based upon the success of Company. I see these vertical commonality tests' requirements unmet.

It's normally when a Net- or Gross profit of any company will be turned to business development or capitalization. However, in our case, the customer's money was not spent on the company's creation and token production. These were two different moments when tokens were produced and sold. Thus, the token buyers received not an "Expectations of Profits," but they got the real product — utility token will be applied on online BHT (Bountyhub Token) media platform according to the explicit instruction based on the blockchain.

The next crucial legal matter is the market price of the token does not influence a company profit, and the company profit does not influence on the token market price. The token buyers don't have any rights to the company profit. The main thing is that the buyer of the token can apply it only as a platform user. The profit of the platform user always depends on his actions.

In the USA, the so-called Howey test is applicable to the definition of the legal nature of tokens — the criteria set forth in SEC v. W. J. Howey Co. (Howey) (Securities and Exchange Commission v. W. J. Howey Co. " judicial precedent in 1946, in which judicial practice tried to answer the question whether or not an investment contract is a security; the Supreme Court proposed criteria (tests) allowing recognizing investment contracts falling under the concept of "security" for the purposes of the law "On securities", 1933)

In The DAO's Case Report (Report of the US Securities and Exchange Commission on The DAO, July 25, 2017), the US Securities and Exchange Commission (SEC) concluded that these criteria remain the standard for determining the legal nature of the token and apply to specific facts and characteristics of the token. By a combination of factors, one can understand with a high degree of probability whether a token is security.

Although the Howey test uses the concept of "money," in its later variations, it includes investing non-monetary assets. The term "joint venture" in this case is not clearly defined. Therefore, the courts use different interpretations. Most US federal courts under joint ventures understand the so-called horizontal enterprises, that is, enterprises in which a certain pool of investors invests their money.

The final factor determining the result of the Howey test is the extraction of profit, independent of the investor's actions. If such an advantage is extracted, this may be the basis for recognizing the investment as security. If the final result largely depends on the activities of the investor himself, such an investment is probably not security.

The Howey Test is not the only test that US courts used to determine the status of an investment. For example, in 1990, the US Supreme Court created a "family resemblance test." The test allows the issuer of a paper to show that its paper is not valuable, demonstrating a "family resemblance" to other securities not recognized as valuable.

Some states have their own rules for registering securities, often called "blue sky laws." In some states, for example, in California, a venture capital test

is used that first checks for reasons that encourage investors to invest their money and the associated risks.

After analyzing the legal nature of compliance with the Howey test criteria, it should be noted that BHTs issued by dotcom Ventures GmbH are not stock tokens, since:

- First, there is no fact of investment when acquiring BHT (Bountyhub Token);
- Secondly, persons obtaining tokens do not invest in the capital of dotcom Ventures GmbH;
- Thirdly, tokens holders are not entitled to receive profits.

Consequently, the norms of the Law "about Securities," ed. 1933 and the Law " about Securities and Stock Exchanges," ed. 1934, which regulate the status and issue of securities in the USA.

1.3. Analysis under the laws of relevant foreign Jurisdictions.

In addition to United States federal securities laws, it is important for any token sale to consider and comply with the regulatory regimes of foreign jurisdictions that may be implicated in the sale. Below, our firm has flagged and assessed the likely securities treatment and implications for relevant foreign jurisdictions that have taken a position on token sales.

1.3.1. The Republic of Singapore.

This section sets forth our firm's legal opinion whether the BHT (Bountyhub Token) tokens would likely constitute an ownership interest in

BHTs assets or property for purposes of the Securities and Futures Act.

Following the SEC's DAO Report, Singapore's financial regulatory body and central bank, the Monetary Authority of Singapore ("MAS"), clarified its own position and treatment of token offerings. The statement indicated that the offer or issue of digital tokens in Singapore will be regulated by MAS if the digital tokens constitute products regulated under the Securities and Futures Act (Cap. 289) ("SFA"). Specifically, where digital tokens fall within the definition of securities in the SFA, issuers of such tokens are required to issue and register a prospectus with MAS before the offering of such tokens, unless otherwise exempted.

Digital tokens may be securities subject to the SFA where they represent ownership or a security interest over an issuer's assets or property and may, therefore, be considered an offer of shares or units in a collective investment scheme.

However, the MAS guidance leaves open the possibility that not all token sales are subject to the SFA and that some token sales may be distinguishable from equity or debt interests in the issuer or its assets. To date, MAS has not explicitly declared that SFA applies to utility tokens.

Thus, similarly to the SEC regime, there appears to be an implied carve-out for utility tokens. Here, applying the Howey analysis above, the sale of BHT tokens does not appear to trigger the SFA securities laws since the BHT tokens function as utility coins rather than representations of equity or debt interests.

Below is given a more detailed exam.

Overview of applicable legislation. In November 2017 MAS has issued a Guide to Digital Token Offerings 2, clarifying the MAS position on implementing the national legislation to the token offerings. According to the Guide, offers or issues of digital tokens may be regulated by MAS if the digital tokens are capital markets products, which may mean any securities, futures contracts, contracts or arrangements for the purposes of foreign exchange trading, contracts or arrangements for the purposes of leveraged foreign exchange trading, and such other products as MAS may prescribe as capital markets products. For instance, digital tokens may constitute a share, a debenture, or a unit in a collective investment scheme, and as such become subject to the applicable regulations imposed by the SFA (Securities and Futures Act (Chapter 289 of the laws of Singapore)).

Another possible regulation that can be considered as applicable to the

BHT are the regulations on the Stored value facility (SVF) as prescribed by the PSOA (Payment Systems (Oversight)) Act (Chapter 222A of the laws of Singapore).

It is necessary therefore to assess whether BHT can be considered a capital market product or a stored value facility under the Singapore law.

Capital market products. According to the Section 2., —(1) of the SFA, capital markets products means any securities, futures contracts, contracts or arrangements for the purposes of foreign exchange trading, contracts or arrangements for the purposes of leveraged foreign exchange trading, and such other products as the Authority may prescribe as capital markets products.

Securities. The definition of security is provided by the SFA and include:

(a) debentures or stocks issued or proposed to be issued by a government;

(b) debentures, stocks or shares issued or proposed to be issued by a corporation or body unincorporated;

(c) any right, option or derivative in respect of any such debentures, stocks or shares;

(d) any right under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations in (I) the value or price of any such debentures, stocks or shares; (II) the value or price of any group of any such debentures, stocks or shares; or (III) an index of any such debentures, stocks or shares;

(e) any unit in a collective investment scheme;

(f) any unit in a business trust;

(g) any derivative of a unit in a business trust;

or

(h) such other product or class of products as the Authority may prescribe. It is, therefore, necessary to assess in detail whether BHT can be considered each of these instruments.

Debentures or stocks issued by a government. This clearly does not apply to BHT tokens since the Company dotcom Ventures GmbH is not a government of any country.

Debentures, stocks or shares issued by a corporation or any right, option or derivative for them.

The definition of the debenture as provided by the same article and

includes any debenture stock, bond, note and any other debt securities issued by a corporation or any other entity, whether constituting a charge or not, on the assets of the issuer.

BHT is not a debt instrument and does not entitle its holder to any assets of the Company, nor the right to acquire such a right, so it cannot be considered as a debenture; The definition of share and stock is provided by section 4(1) of the Companies Act: share means a share in the share capital of a corporation and includes stock except where a distinction between stocks and shares is expressed or implied.

BHT does not grant its holder any rights associated with a share in the share capital of any corporation, nor does it grant any rights similar to the rights provided by shares, so it cannot be considered a share or a stock; neither

is it a derivative in respect to any such rights.

CFDs or other contracts with reference to fluctuations in securities. BHT is not related to any debentures, stocks or shares, and holder of BHT does not have any rights related to the fluctuations of such assets.

1.3.2. Unit in a CIS.

According to the Section 2.—(1) of the SFA, collective investment scheme means an arrangement in respect of any property under which the participants do not have day-to-day control over the management of the property, whether they have the right to be consulted or to give directions in respect of such management; and the property is managed as a whole by or on

behalf of a manager; under which the contributions of the participants and the profits or income from which payments are to be made to them are pooled; and the purpose or effect, or purported purpose or effect, of which is to enable the participants (whether by acquiring any right, interest, title or benefit in the property or any part of the property or otherwise) to participate in or receive profits, income, or other payments or returns arising from the acquisition, holding, management or disposal of, the exercise of, the redemption of, or the expiry of, any right, interest, title or benefit in the property or any part of the property; or to receive sums paid out of such profits, income, or other payments or returns.

In relation to a collective scheme, a unit means a right or interest in a collective investment scheme, or an option to acquire any such right or interest.

The business operations of the Company does not constitute a collective investment scheme, since the BHT holders are not entitled to participate in any profits generated by the Company, and the act of purchasing BHT does not grant its holder any rights toward any property or proceeds of any property. BHT, therefore, cannot be considered a unit in a collective investment scheme.

Unit in a business trust or derivatives of such unit. Business trust is

defined in section 2 of the Business Trusts Act as a trust that is established in respect of any property and that has the following characteristics: the purpose or effect of the trust is to enable the unit holders to participate in or receive profits, income or other payments or returns arising from the management of the property or management or operation of a business; the unit holders of the trust do not have day-to-day control over the management of the property, whether or not they have the right to be consulted or to give directions in respect of such

management; the property subject to the trust is managed as a whole by a trustee or by another person on behalf of the trustee; the contributions of the unitholders and the profits or income from which payments are to be made to them are pooled; and the units in the trust that are issued are exclusively or primarily non-redeemable; or the trust invests only in real estate and real estate related assets specified in accordance with the MAS prescriptions.

Unit in a business trust means a share in the beneficial ownership in the trust property of the business trust. Since the Company is not a trust and BHT holders are not entitled to any profit, BHT cannot be considered a unit in a business trust or a derivative thereof.

Other products prescribed by the MAS. MAS has not taken any action in regard to BHT tokens and has not prescribed BHT tokens or similar products as securities.

Futures contracts. According to the Section 2.—(1) of the SFA, futures contract means a contract the effect of which is that one party agrees to deliver a specified commodity, or a specified quantity of a specified commodity, to another party at a specified future time and at a specified price payable at that time; or the parties will discharge their obligations under the contract by settling the difference between the value of a specified quantity of a specified commodity agreed at the time of the making of the contract and at a specified future time, and includes a futures option transaction. BHT does not constitute a futures contract since it does not grant its holder any rights towards the delivery of any commodity in the future.

Forex contracts or arrangements. According to the Section 2.—(1) of the SFA, foreign exchange trading has the meaning given to it in the Second

Schedule, which is the act of entering into or offering to enter into, or inducing or attempting to induce a person to enter into or offer to enter into, a contract or an arrangement the effect of which is that:

(a) a party agrees to exchange currency at an agreed rate of exchange with another party whether the currency exchange is effected at the same time or at a specified future time and whether by way of delivery of an amount of currency for another currency, by way of crediting the account of the other party with an amount of another currency, by way of settlement or set-off between 2 or more persons or otherwise; or

(b) a party agrees to settle in any manner with another party the difference between the value of any currency index agreed at the time of the

making of the contract or arrangement and at a specified future time.

This is clearly not the case with BHT; neither is the leveraged foreign exchange trading, specified by the same Schedule as a special case of foreign exchange trading.

Other products prescribed by the MAS as capital markets products. MAS has not taken any action regarding BHT tokens and has not prescribed BHT tokens or similar products as capital market products.

Stored value facilities. PSOA (Payment Systems (Oversight) Act (Chapter 222A of the laws of Singapore)) imposes certain regulations on the stored value facilities. It is necessary to assess whether BHT tokens can be considered SVF under Singapore law.

According to Section 2.—(1) of PSOA, SVF is defined as a facility (other than cash), whether in physical or electronic form, which is purchased or

otherwise acquired by the user to be used as a means of making payment for goods or services up to the amount of the stored value that is available for use under the terms and conditions applying to the facility, and payment for the goods or services is made by the holder of the stored value in respect of the facility (rather than by the user). The holder is defined as a person who holds the stored value and makes payment for such goods or services; and the stored value is defined as a sum of money that has been paid in advance for such goods or services, is available for use from time to time for making payment under the terms and conditions applying to the stored value facility and is held by the holder of the stored value facility.

It is a question, therefore, whether BHT tokens shall be considered SVF and the Company shall be considered a holder of SVF for the purposes of the PSOA.

It seems unlikely for the reasons similar to those mentioned in the section on the European regulation of the electronic money. While it is possible to purchase BHT tokens by paying a sum of money to the Company, such a sum of money will not be available for making any payments by the user, and thus cannot be considered a stored value. Furthermore, by transferring BHT to another user — a service provider — as consideration under the contract between such users, no obligation to pay to such service provider arises for the Company since the transfer of the BHT is a consideration in itself.

It is unlikely that regulations of the stored value facilities are applied to BHT.

1.3.3. Singapore overview.

As it has been demonstrated in this Section, BHT token is unlikely to be

considered a capital market instrument according to the Singapore legislation. Furthermore, it is unlikely that regulations on stored value facilities can be applied to the Company in regard to the issuance or listing of the tokens.

Canada. This section sets forth a legal opinion whether the BHT token sale would likely constitute a securities offering for purposes of Canadian securities law.

The leading Supreme Court case for determining whether an instrument meets the definition of security is Pacific Coast Coin Exchange v. Ontario Securities Commission. The Court articulated a test similar to the Howey test in the United States. The test is as follows:

(I) an investment of money;
(II) in a common enterprise;
(III) with the expectation of profit;
(IV) To come significantly from the efforts of others.

Most recently, the Canadian Securities Administrators ("CSA") released guidance on the treatment of cryptocurrency offerings and revealed that tokens that function like securities under the Pacific Coast test would be treated as such. The securities laws of Canada will apply if (1) the person or company selling the securities is conducting business from within Canada, or (2) if there are Canadian investors.

Here, if the BHT token sale were found to be a securities offering, it would need to comply with the securities laws of Canada since it allows for Canadian investors. However, applying the Howey analysis above, BHT tokens do not appear to be securities under the Pacific Coast test, and, thus, Canadian securities laws are not triggered.

Among the buyers of tokens, there is no Canadian investor.

1.3.4. China.

This section sets forth a legal opinion whether the BHT token sale will be lawful in China. Most recently, the People's Bank of China ("PBOC") has

announced that virtual currency transactions are "unapproved" illegal activities. The announcement is functionally an indefinite freeze on all ICOs and token sales. The ban applies regardless of the characterization of the tokens. As such, marketing or selling BHT tokens to Chinese citizens would be unlawful.

1.3.5. Japan.

There is no official consolidation of the legal status of the token in the regulatory, legal acts of Japan. Japan's Financial Regulator (FSA) in 2017 published recommendations on the risks associated with conducting an ICO and the agency determined that different categories of tokens are governed by different legal norms depending on their legal nature. There is no unified regulatory act regulating the status of tokens and ICOs at the moment in Japan.

So, tokens can be controlled either by the Law "On Payment Systems" (Payment Services Act) or the Law "On Financial Instruments and Exchange Acts" (Financial Instruments and Exchange Act) depending on their legal nature. If tokens contain signs of investment, they will eventually be recognized by the Financial Regulator as token shares, which would entail the risk of applying the provisions of the Law on Financial Instruments and Exchanges to

their regulation. BHT, on the contrary, does not involve investment. Therefore, they do not contain signs of shares by the FSA's explanations.

1.3.6. Cyprus.

Unlike many other EU members, Cyprus has decided to stay aside and so far in any way not responding to the ICO. In Cyprus, it is allowed to own bitcoins, buy them, extract and change. Cyprus charges income tax on all types of profit for both individuals and legal entities, but individuals may exclude income derived from the sale of securities. Therefore, classification (in this case) is key. As for the increased capital from transactions (exchanges), Cyprus pays only the tax on income from the sale of real estate. (Also) Schools and universities of this state favorable to payments in bitcoins...". In this aspect, of course, Cyprus is set a positive, but regulatory enforcement is still virtually absent.

In October 2017, the Commission on securities and stock market of the Republic of Cyprus (CySEC) clarified the requirements for investment companies operating in the country (Cypriot Investment Firm, hereinafter — CIF) in the provision of services related to virtual currencies and derivatives in which it acts as an underlying asset, in particular, with contracts for difference prices (Contract for Difference, hereinafter — CFD).

In the EU, there is no direct regulation of the turnover of virtual currencies or derivatives in which they are the underlying asset. There is no common understanding of how the provisions of Directive 2004/39/EC on financial instrument markets apply to them.

CySEC has actually localized the procedure for providing investment

services related to virtual services, pointing to the need to conduct legal checks for compliance of such investment products with the established requirements in each jurisdiction.

The legal analysis of the token under the EU legislation is below.

Malta. At the moment, in Malta, the cryptocurrency market is mostly unregulated. These confirmations have so far, just reiterated the fact that the bitcoin business and related industries are unregulated at the moment.

Presently, Bitcoin and other cryptocurrencies are not considered, as regulated instruments under MiFID (Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349–496)) and any company that handles cryptocurrencies are not required to undergo any form of licensing process with the MFSA (Mata Financial Services Agency).

The only exception to this rule is if the coin can be considered as an investment instrument under the Investment Services Act, and if they did, they would trigger the obligations of the act.

However, a detailed analysis has been given above and Malta's legislation does not make exceptions for cryptocurrencies if the token is not an investment tool in its legal essence.

According to the statement issued by ESMA (The European Securities and Markets Authority) on November 13, 2017 (https://www.esma.europa.eu/press-news/esma-news/esma-highlights-ico-risks-i

nvestors-and-firms), the firms conducting ICOs shall meet the requirements imposed by the relevant Directives, including MIFID II, UCITS Directive (Directive 2009/65/EC of the European Parliament and of the Council of 13

July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32–96)) and AIFMD (Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (OJ L 174, 1.7.2011, p. 1–73)).

1.3.7. European Union.

Financial Instruments. Financial instruments are defined by Article 4 (1) (15) of MIFID II as those instruments specified in Section C of Annex I of MIFID II; those are:

(1) Transferable securities;

(2) Money-market instruments;

(3) Units in collective investment undertakings;

(4) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;

(5) Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than because of default or another termination event;

(6) Options, futures, swaps, and any other derivative contract relating to

commodities that can be physically settled provided that they are traded on a regulated market, an MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;

(7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments;

(8) Derivative instruments for the transfer of credit risk;

(9) Financial contracts for differences;

(10) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF;

(11) Emission allowances consisting of any units recognized for compliance with the requirements of Emission Directive. It is necessary to individually assess each of these instruments and determine whether BHT tokens can be considered one of these. For the purpose of this analysis, instruments listed in Annex I Section (C) (4) – (12) can be grouped together as the derivative financial instrument.

Transferable securities. Transferable securities are defined in Article 4(1)(44) as those classes of securities which are negotiable on the capital market, except for instruments of payment, such as:

(a) shares in companies and other securities equivalent to shares in companies, partnerships or other entities, and depository receipts in respect of shares;

(b) bonds or other forms of securitized debt, including depository receipts in respect of such securities;

(c) Any other securities are giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures. Although the European regulator has devised no formal test for defining an instrument as transferable security, the key characteristics of transferable security can be derived. Such characteristics would consist of three formal criteria and a substantive one.

The formal criteria would be transfer ability (meaning that the units shall to be able to be assigned to another person), negotiability (meaning that the units can be transferable with ease), and standardization (meaning that the units are sufficiently standardized for the comfort of search and purchase).

In case of BHT token (as with practically any other kind of token) all these criteria are fulfilled: tokens can be transferred between addresses and it can be done sufficiently easy, and all BHT tokens are the same — which is a considerable argument for their standardization.

The fourth criterion is a substantive one. MIFID II provides a non-exhaustive list of instruments that are typically considered securities; it is likely that this list shall be used as a reference in determining whether a new product can be considered transferable security. Therefore, to be considered a security, BHT token must be at least comparable to the examples provided in

MIFID II.

The examples provided are the shares and their equivalent, bonds or other forms of securitized debt, and the derivative instruments that give the right to acquire such securities or giving rise to the cash settlement.

BHT tokens are in themselves neither shares nor bonds; their holders are entitled, neither to the fixed income like the bonds do, nor do the BHT tokens grant their holders the equity stake in any corporation or any other rights, typically associated with shares or their equivalent, such as the right to receive a share in the revenue of the respective business or the right to vote or otherwise define the course of business of the issuer.

BHT holders do not have the right to acquire any such securities, and neither does cash settlement arises from holding BHT tokens since no obligation of payment exists in regard to the BHT holders. It is unlikely for BHT tokens to be considered transferable securities under MIFID II.

Money-market instruments. Money-market instruments are defined in Article 4(1) (17) as classes of instruments which are normally dealt in on the money market, such as treasury bills, certificates of deposit and commercial papers and excluding instruments of payment. Since BHT token bears no similarities to these instruments and is not intended to be dealt on the money market, it is unlikely a money-market instrument.

1.4. Units in UCITS.

Units in collective investment undertakings are defined by the UCITS Directive, Article 1 of which defines UCITS as an undertaking with the sole object of collective investment in transferable securities or in other liquid

financial assets referred to in Article 50(1) of the same Directive of capital raised from the public and which operate on the principle of risk-spreading; and with units which are, at the request of holders, 26 repurchased or redeemed, directly or indirectly, out of those undertakings' assets. Action taken by a UCITS to ensure that the stock exchange value of its units does not significantly vary from their net asset value shall be regarded as equivalent to such repurchase or redemption.

The Company is not planning to invest the proceeds from the sale of BHT tokens in transferable securities or other financial instruments mentioned in the Article 50(1) of the UCITS Directive, such as financial derivative instruments, units in UCITS or money-market instruments. The BHT tokens themselves are not redeemable, and the Company has no intention of repurchasing them; and while it is unlikely that Trading Venue would constitute a stock exchange for the purpose of the Article 1 of the UCITS Directive, the Company does not intend to take action to influence the market price of BHT tokens sold to the token holders.

It is therefore unlikely that the Company may be considered a UCITS under the UCITS Directive, and BHT tokens are most likely not the units in UCITS.

1.5. Derivative instruments.

A derivative is a type of financial instrument whose value is based on the change in the value of an underlying asset or a basket of assets. Instruments provided for by the Section C (4)-(10) are all types of derivatives, of which the exact mechanics (option, future, swap, etc.) and the underlying

assets (securities, currencies, commodities, credit risk, etc.) vary.

Article 4(1) of CIR mandates the EMIR report to specify a derivative on the basis of the contract type and the asset class; according to Article 4(2) of CIR the derivative shall be specified in Field 1 of Table 2 of the Annex as one of the contract types:

(a) the financial contract for difference;
(b) forward rate agreement;
(c) forward;
(d) future;
(e) option;
(f) spread bet;
(g) swap;
(h) swaption;
(i) other.

These types of derivative contracts are defined in Article 1(8) - (12) of Annex III to RTS 2:

Future means a contract to buy or sell a commodity or financial instrument in a designated future date at a price agreed upon at the initiation of the contract by the buyer and seller. All futures contract has standard terms that

dictate the minimum quantity and quality that can be bought or sold, the smallest amount by which the price may change, delivery procedures, maturity date and other characteristics related to the contract.

Option means a contract that gives the owner the right, but not the obligation, to buy (call) or sell (put) a specific financial instrument or

commodity at a predetermined price, strike or exercise price, at or up to a certain future date or exercise date Swap means a contract in which two parties agree to exchange cash flows in one financial those of another financial instrument at a certain future date.

Forward or forward agreement means a private agreement between two parties to buy or sell a commodity or financial instrument at a designated future date at a price agreed upon at the initiation of the contract by the buyer and seller.

Another type of derivative instrument is a financial contract for difference, which is specified in ACP as a derivative product that gives the holder an economic BHT sure, which can be long or short, to the difference between the price of an underlying asset at the start of the contract and the price when the contract is closed.

Neither BHT holder nor the Company or any third party is subject to obligations similar to specified for the typical derivative contracts, and BHT holders are not entitled to demand any commodity or financial instrument to be sold to them; neither are they entitled to demand an exchange of cash flows in any financial instruments or a cash settlement from any third party.

The value of BHT token is not based on or relate to securities, commodities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures, or any other assets, rights, obligations, indices and measures and is only determined based on the current market demand for it, and BHT token is not used to transfer credit risk.

Therefore, BHT tokens are unlikely to be considered a derivative financial instrument as specified in Annex I Section (C) (4) — (10) of MIFID II.

1.6. Alternative Investment Funds.

The AIFMD lays down the rules for the authorization, ongoing operation and transparency of the managers of alternative investment funds (AIFMs) which manage and/or market alternative investment funds (AIFs) in the Union. Therefore, it is necessary to assess whether the Company may be considered an AIFM.

The Article 2(1) (c) defines the scope of AIMFD regulations as applicable to non-EU AIFMs which market one or more AIFs in the Union irrespective of whether such AIFs are EU AIFs or non-EU AIFs. According to Article 4(1) of the AIMFD, AIF means a collective investment undertaking, including investment compartments thereof, which raises capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors, and does not require authorization pursuant to Article 5 of UCITS Directive. AIFM means legal persons whose regular business is managing one or more AIF. Since the Company is not raising capital by selling BHT tokens with a view to invest it for the benefit of BHT holders, it can be considered neither AIF nor AIFM. Therefore, the

regulations of the AIFMD do not apply to the issuance and listing of BHT tokens.

1.7. Electronic money.

Another question that must be answered is whether the special regime for electronic money as covered by the EMD can be applied to BHT tokens. According to the Article 2(2) of the EMD, 'electronic money' means electronically, including magnetically, stored monetary value as represented by a claim on the issuer which is issued on receipt of funds for the purpose of making payment transactions as defined in point 5 of Article 4 of Directive 2007/64/EC, and which is accepted by a natural or legal person other than the electronic money issuer.

It seems that BHT tokens do not fit the definition of electronic money. While EMD states that e-money shall be issued on receipt of funds, the amount of BHT tokens to be generated is constant and does not rely upon the number of possible purchasers; while it is entirely possible to acquire BHT tokens via the transfer of the funds to the Company, BHT tokens can be obtained in other ways, and can be used by the Company itself. Furthermore, BHT tokens are not represented by a claim on the Company, since they are non-redeemable, and the Company is not obliged to make any payments in respect to the holders of BHT tokens.

Furthermore, as provided by the Article 1(4) of the EMD, even if the instrument can be considered electronic money, the EMD provisions do not apply if the instrument is exempt under Article 3(k) of the PSD I. While the PSD I is repealed with the entrance of PSD II in force, according to the Article 114 of PSD II any reference to PSD I shall be construed as a reference to PSD II

read in accordance with the correlation table in Annex II to PSD II.

According to the Annex II, Article 3 of the PSD I correlate to the Article (3) of the PSD II. As demonstrated in the next section, if the activities of the Company could be considered payment services under PSD II, it is likely that they will be exempted under provisions of the Article 3(k) of the PSD II; such exemption would correlate with the exemption under Article 3(k) of PSD I and as such qualify to exempt the Company from the provisions of the EMD.

1.7.1. Payment Services.

Another potentially applicable regulations are those imposed by the PSD II in regard to the payment services. Since the transfer of BHT can be used as consideration under the agreements entered into via the Platform, it is necessary to assess whether such transfer could be considered a payment transaction and whether the Company is rendering payment services as defined by the PSD II.

As stated in Article 4(3) of the PSD II, the payment service means any business activity set out in Annex I of the Directive. Those are:

1) Services enabling cash to be placed on a payment account as well as all the operations required for operating a payment account.

2) Services enabling cash withdrawals from a payment account as well as all the operations required for operating a payment account.

3) Execution of payment transactions, including transfers of funds on a payment account with the user's payment service provider or with another payment service provider:

(a) execution of direct debits, including one-off direct debits;

(b) execution of payment transactions through a payment card or a similar

device;

(c) execution of credit transfers, including standing orders.

4) Execution of payment transactions where the funds are covered by a credit line for a payment service user:

(a) execution of direct debits, including one-off direct debits;

(b) execution of payment transactions through a payment card or a similar device;

(c) execution of credit transfers, including standing orders.

5) Issuing of payment instruments and/or acquiring of payment transactions.

6) Money remittance.

7) Payment initiation services.

8) Account information services.

It is, therefore, necessary to assess whether the activities of the Company can be considered as each of the following. It is possible to group together the services mentioned in Annex I (1) and Annex I (2) as operations with the payment accounts, as well as to group services mentioned in Annex I (3) and Annex I (4) as operations regarding payment transactions.

Operations with payment accounts. Payment account is defined in Article 4(12) of PSD II as an account held in the name of one or more payment service users which is used for the execution of payment transactions. Payment transaction in accordance to Article 4(5) means an act, initiated by the payer or on his behalf or by the payee, of placing, transferring or withdrawing funds, irrespective of any underlying obligations between the payer and the payee. Funds are defined in Article 4(25) and mean banknotes and coins, scriptural money or electronic money as defined in Article 2(2) of EMD.

As demonstrated in the previous section, BHT tokens do not qualify as electronic money under the regulations of EMD; nor can they be considered banknotes, coins or scriptural money. This means BHT tokens are not funds under the PSD II, and therefore transactions of BHT tokens with them would not constitute a payment transaction under PSD II. Since operations with the private wallets of the clients do not constitute operations with payment accounts, and Annex I (1-2) services are not applicable.

1.7.2. Payment Transactions.

Since operations with BHT do not constitute payment transactions, Annex I (3-4) are not applicable to the services rendered by the Company.

Issuing and/or acquiring of payment instruments. According to the definitions in Article 4(13-14), payment instrument means a personalized device(s) and/or set of procedures agreed between the payment service user and the payment service provider, used in order to initiate a payment order, which is an instruction by a payer or payee to its payment service provider requesting the execution of a payment transaction.

While operations with BHT tokens do not constitute payment transactions, the Company cannot be considered issuing payment instruments; neither it can be considered acquiring payment transactions.

Money remittance. Money remittance is specified in Article 4(22) as a payment service where funds are received from a payer, without any payment accounts being created in the name of the payer or the payee, for the sole

purpose of transferring a corresponding amount to a payee or to another payment service provider acting on behalf of the payee, and/or where such funds are received on behalf of and made available to the payee.

The Company does not render such services; it is only possible to purchase BHT tokens in one's own name, and the proceeds received are not transferred to another person.

Payment initiation services. According to Article 4(15), payment initiation service means service to initiate a payment order at the request of the payment service user with respect to a payment account held at another payment service provider.

The Company does not render such services and does not have access to user's payment accounts at payment service providers.

Account information services. Account information service is specified in Article 4(16) as an online service to provide consolidated information on one or more payment accounts held by the payment service user with either another payment 30 service providers or with more than one payment service provider. The Company does not provide such services.

Exemptions for a limited-use instrument. It is argued that the activities of the Company in regard to the issuance and listing of BHT tokens do not constitute payment services at all, and BHT tokens cannot be considered payment instruments as defined by the PSD II. But even if BHT could be considered a payment instrument under the PSD II, the regulations will still be inapplicable due to the exemption provided by Article 3(k) of the Directive.

According to this exemption, PSD II does not apply to services based on specific payment instruments that can be used only in a limited way, that meet one of the following conditions: (I) instruments allowing the holder to acquire goods or services only in the premises of the issuer or within a limited network of service providers under direct commercial agreement with a professional issuer; (II) instruments which can be used only to acquire a very limited range of goods or services; It seems that the exemption may be applied to the BHT tokens, since they are intended to be used under a limited set of agreements, only between the users of the Platform and for a limited purpose. Thus, it can be argued that if BHT tokens could be considered payment instruments, they would likely be also considered only suitable for acquiring a very limited range of services within a limited network of service providers under a direct commercial agreement with the Company.

2. Definition of the BHT Business Model.

2.1. Description of the activity.

The activity is the platform Bountyhub www.bountyhub.io with a decentralized reward system based on blockchain technology. Users involved in the creation and promotion of content (advertising) are rewarded in the form of a token. The Bountyhub platform monetizes user activity.

Bountyhub solves security problems on its own, has round-the-clock technical user support. Bountyhub implements the business model of a decentralized social network, provides participants with the opportunity to earn tokens and guarantees the execution of transactions. The owners and users of the Bountyhub platform are independent of each other. Any user chooses his

task, which then performs for a fee.

High-level of trust and maximum efficiency. The Swiss company dotcom Ventures GmbH implements the project.

2.2 Project Introduction

Bountyhub.io is a digital marketing platform, that helps your project or campaign (crypto & non-crypto) to increase the popularity, traffic, visibility and boost your social media appearance. It is a fully measurable, CPA based, escrowed with ads tracking and automated verification mechanics system based on A.I. for attracting & interacting with your customers.

2.2.1. Mission

Bountyhub‘s mission is to bring marketing to the next level allowing everyone to become an advertiser or performer (influencer), regardless of the campaign budget or the number of subscribers.

The project’s mission is to make the distribution of rewards on the internet affiliate market more equitable and to set new standards of transparency and efficiency to benefit all conscientious market participants.

2.3. BHT

2.3.1. Bountyhub (BHT)

Bountyhub Token (BHT) - the reward token that brings blockchain mass adoption in marketing and social field. A TRC-10 utility token based on the

TRON blockchain to foster faster speed on the world's most significant decentralized application.

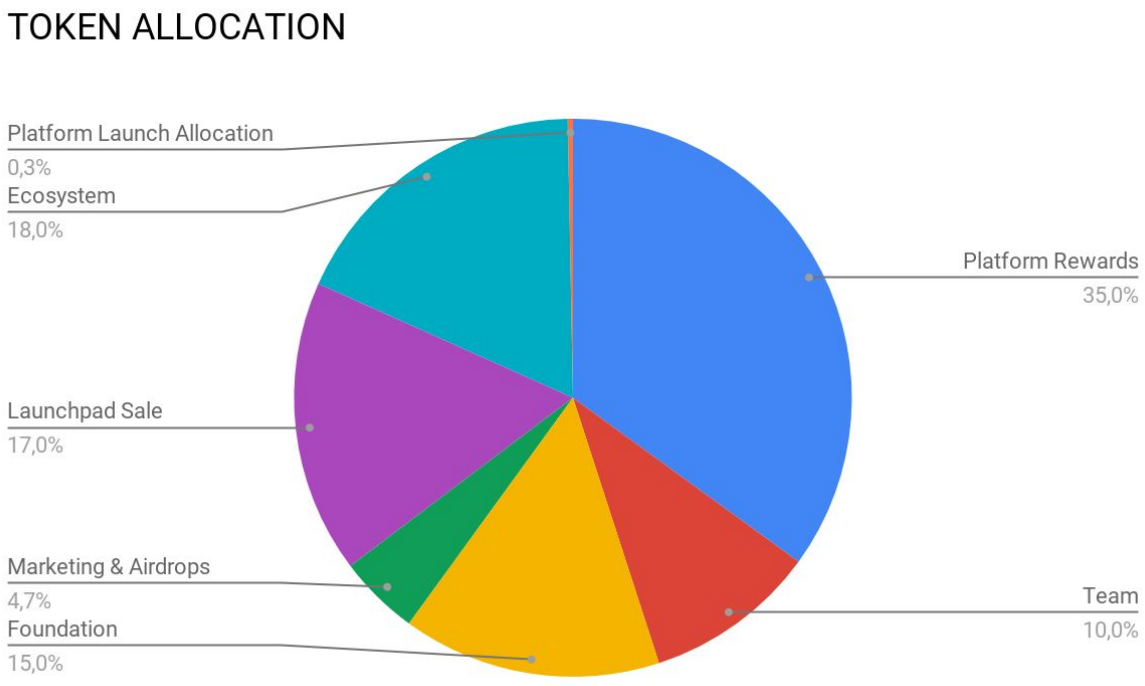
In the Bountyhub ecosystem, all expenses such as advertising fees, withdrawals, pro accounts, microtask placement and task boosting will be priced by BHT. BHT tokens will receive turnover via:

- Micro-campaign creation
- Platform fees
- Mining transaction reward
- Access to private campaigns
- Points for promotion / Boost for the tasks
- External Reward Token will be integrated into other projects
- API Access
- The reward for the non-crypto projects
- The reward for STO marketing campaigns.
- Business (PRO) accounts
- IMO/IBO Launching

2.3.2. BHT Token Sale and economics

Hard Cap	850,000 USD
Total Token Supply	1 000 000 000,00
Initial Circulating Supply	17,00%
Launchpad Token Price	1 BHT = 0.005 USD
Launchpad Allocation	170 000 000,00
Launchpad Vesting Period	No vesting period / No lockup
Individual Cap	500 USD

Individual Minimum Purchase Amount	20 USD
Private Sale Allocation	0% of Total Token Supply
Private Sale Vesting Period	0 months
Vesting Period Team	3 years / in equal portions every 6 months
Vesting Period Foundation	after 1 year every 6 month
Token Type	TRC10
Token Distribution	Within 15 days after the token sale ends
Platform Launch Allocation	0,3% (vesting period 1 month)



2.3.3. Token Governance & Use of Funds

As of 01 May 2019, Bounthub has used approximately 5% of TGE funds according to the allocations below:

- 70% Technology Development
- 15% Marketing
- 10% Legal
- 5% Business Development and Misc

3. Appendix to the legal opinion and sources of information.

Legislation

3.1. The USA. The Laws That Govern the Securities Industry

1. Securities Act of 1933,
2. The Securities Exchange Act of 1934,
3. Investment Company Act of 1940,

Cases.

1. "Report of Investigation Pursuant to Section 21(a) of the Securities Exchange Act of 1934: The DAO" (Release No. 81207 / July 25, 2017);
2. United Housing Found., Inc. v. Forman, 421 U.S. 837, 849 (1975) (the "Forman" Case));
3. (SEC v. C.M. Joiner Leasing Corp., 320 U.S. 344, 352-53 (1943)),
4. SEC v. Edwards, 540 U.S. 389, 393 (2004);
5. SEC v. W.J. Howey Co., 328 U.S. 293, 301 (1946); see also the Forman case, at 852-853;
6. SEC v. Shavers, No. 4:13-CV-416, 2013 WL 4028182, (E.D. Tex. 2013), reconsideration aff'd, No. 4:13-CV-416, 2014 WL 12622292 (E.D. Tex.

2014);

7. The Forman Case; SEC v. Glenn W. Turner Enters., 474 F.2d 476, sec. 28 (Feb. 1, 1973);
8. Sinva v. Merrill Lynch, 253 F. Supp. 359, 367 (S.D.N.Y. 1966);
9. State v. Consumer Business Systems, Inc., 5 Or. App. 19, 482 P.2d 549 (1971);
10. Silver Hills Country Club v. Sobieski, 55 Cal. 2d 811 (1961) (hereinafter,

"Silver Hills");

11. Amfac Mortgage Corp. v. Arizona Mall of Tempe, Inc., 583 F.2d 426 (9th Cir. 1978);
12. Jet Set Travels Club v. Corporation Com'r, 21 Or. App. 362 (1975);
13. The Blue-sky laws and regulations.;
14. Alaska (Act of July 2, 1975, ch. 217, 1975 Alaska Sess. Laws (codified at ALASKA;
15. STAT. §45.55.130(12) (Supp. 1979)));
16. California (the Silver Hills case);
17. Idaho (State ex rel. Park v. Glenn W. Turner Ents., [1971-1978 Transfer Binder];
18. BLUE SKY L. REP. (CCH) 71,023 (Idaho Dist. Ct. 1972));
19. Oregon (the Jet Set case);
20. Arkansas (Smith v. State, 266 Ark. 861, 587 S.W.2d 50 (ct. App. 1979));
21. Michigan (MICH. STAT. ANN. § 19.776(401) (I) (Supp. 1980));
22. Oklahoma (OKLA. STAT. tit. 71, § 2(20)(P) (Supp. 1980);
23. Ohio (State v. George, 362 N.E.2d 1223 (Ohio Ct. App. 1973));
24. Hawaii (State v. Hawaii Market Center, Inc., 52 Hawaii 642, 485 P.2d 105 (1971));
25. Guam (Securities Admin. v. College Assistance Plan, Inc., 533 F. Si[[.

118 (D. Guam);
26. (1981), aff'd, 700 F.2d 548 (9th Circ. 1983);
27. Washington (WASH. REV. CODE § 21.20.005(17)(a) (1979));
28. North Dakota (N.D.C.C. 10-04-02 (1951);
29. Wisconsin (Wisconsin Uniform Securities Law 551.102 (28)(d)2.);

The DAO (Report of the US Securities and Exchange Commission on the case of The DAO of July 25, 2017)

3.2. EU.

1. Civil Code of Netherlands, 1992;
2. Dutch Act of 28 September 2006, on rules regarding the financial markets and their Supervision;
3. Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC (OJ L 319, 5.12.2007, p. 1–36).;
4. Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC (OJ L 267, 10.10.2009, p. 7–17);
5. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L173, 12.6.2014, p. 349–496);
6. Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative

provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32–96),
7. Securities and Futures Act (Chapter 289 of the laws of Singapore);
8. Payment Systems (Oversight) Act (Chapter 222A of the laws of Singapore);
9. The Investment Services Act, 1994. Malta;

3.3. Switzerland.

1. Financial Market Supervision Act, FINMASA;
2. FINMA Guidance 04/2017 published on September 29.2017;
3. Guidelines for inquiries regarding the regulatory framework for initial coin offerings (ICOs) Published 16 February 2018 FINMA;
4. Swiss civil code of 10 December 1907 (Schweizerisches Zivilgesetzbuch, ZGB);
5. Ordinance on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Ordinance, FMIO), SR 958.11;
6. Federal Act on the Amendment of the Swiss Civil Code (Part Five: The Code of Obligations), SR 220;
7. Anti-Money Laundering Act, AMLA)1. of 10 October 1997 (Status as of 1 January 2019);
8. Federal law on financial market infrastructure and market behaviour in trade and derivatives of 19 June 2015 (Status as of 1 January 2019);
9. Federal Act on Stock Exchanges and Securities Trading of March 24, 1995 Version: May 1, 2013;

In a Swiss Law Paper (AJP 2018 S 568 ff.; Essebier et al.), it was argued that securities must be suitable for mass trading. However, if the rights created

under the ICO until the transfer of the tokens are not transferable under the terms of the agreement, they are unsuitable for mass trading and the token can therefore not be qualified as security,

4. Additional Product Detail - Demo & Screenshots.

1. YouTube Library featuring use cases, explains, deep dives, interviews, and conference/meetup presentations
2. Bountyhub Meetup Videos
3. Bountyhub Official Blog

5. Conclusion.

Based on an analysis of current Swiss law, I believe that BHT (Bountyhub Token) qualifies as a payment token in the meaning of the Guide, does not additionally qualify as an asset token and, therefore, will not consider FINMA as security.

While FINMA's ICO Guidelines provide a useful basis for investors and project owners, they must be interpreted in light of and incorporated into the existing Swiss legal framework. Most importantly, since FINMA does not have the competence to create new categories of securities, the key question is whether a token qualifies as a security within the meaning of Art. 2 (b) FMIA. If this is not the case, the divergent assessment of FINMA has no legal implications. In other words, the legal consequences of issuing a token depend not on whether FINMA considers an asset as a security or not, but on whether the token complies with the statutory definition of the Security, as set forth in Art. 2 (b) FMIA.

Since BHT does not qualify either as a certificate, uncertified or intermediary security, or as a derivative of Swiss securities law, I think BHT is not a Swiss Law security.

As described above, it does not appear that BHT complies with the statutory definition of a Security. In this case, BHT should be considered as standardized and suitable for mass trade within the meaning of Art. 2 (b) FMIA, (in a published article in Swiss law (AJP 2018 S 568 et seq; Essebier et al.), it was argued that securities should be eligible for mass trading. However, if the rights created under the ICO before tokens are transferred are not transferable in

accordance with the terms of the agreement, they are not suitable for mass trading, and therefore the token cannot be qualified as security).

5.1. Further permission Jurisdictions.

I have studied the laws and court cases in most countries, including the USA, Switzerland, EU, Japan, Singapore etc. Many jurisdictions share a very similar view of how to define security. Security is generally being defined as a collection of rights relating to a company. There is a range of types of securities, but they mainly divide into equity securities (shares) or debt securities (bonds, ETNs, ETFs). In the case of the token, we can see that it holds no “share” right in the Company such as voting, profits, liquidation rights. Furthermore, we see that there is no “debt creditor” right against the company to claim a redemption of a token’s worth. Therefore, as far as we are aware of, offering the BHT token to the rest of the jurisdictions will not deem as the local infringement of securities laws.

What you need to pay attention to:

- carrying out fundraising through ICO is not a violation of the laws of these countries;
- token sales actions do not violate the laws of the country;
- the courts and regulators will respond only in case of a claim of violation of the rights of token holders or tort;

5.2. European Union findings.

It has been demonstrated that BHT token is unlikely to be considered a financial instrument under the European regulations, and so it is exempt from

the regulations of MIFID II, PD, AIFMD, and UCITS Directive. Furthermore, it is unlikely that regulations on electronic money or payment services imposed by EMD and PSD II could be applied to the business activities of the Company in regard to the issuance or listing of the BHT tokens.

5.3. Crucial.

In countries of "Civil law" (or "Continental law system"), there are not possible to estimate the token as a security guard or similar if there are no special instructions to the national law on this.

5.4. Legal Qualifications

This Legal opinion is subject to the following qualifications:

- The analysis and conclusions in this Legal opinion are based on our current understanding of the facts regarding the Project. If there are changes in the project and/or how BHT is structured, offered, or marketed

in the future, or in how the regulatory provisions are applied on crypt tokens, this could affect our analysis and conclusion.

Lawyer Leonid Spitsyn